5
Organization

Organization refers to a collection of people, who are involved in pursuing defined objectives. It can be understood as a social system which comprises all formal human relationships. The organization encompasses division of work among employees and alignment of tasks towards the ultimate goal of the company.

Why do we need an Organizational Structure ?

All Organizations have a management structure
that determines the relationships b/w
functions and positions and subdivides and
delegates roles, responsibilities and authority
to carry out defined tasks.

Importance of Organizational Structure

- Impacts effectiveness and efficiency.
- Reduces redundant actions.
- Promotes teamwork.
- Improves communication.
- Contributes to success or failure.

Purpose of Organizing

Divides work to be done in specific jobs & dept.

Assigns tasks and responsibilities associated with individual jobs.
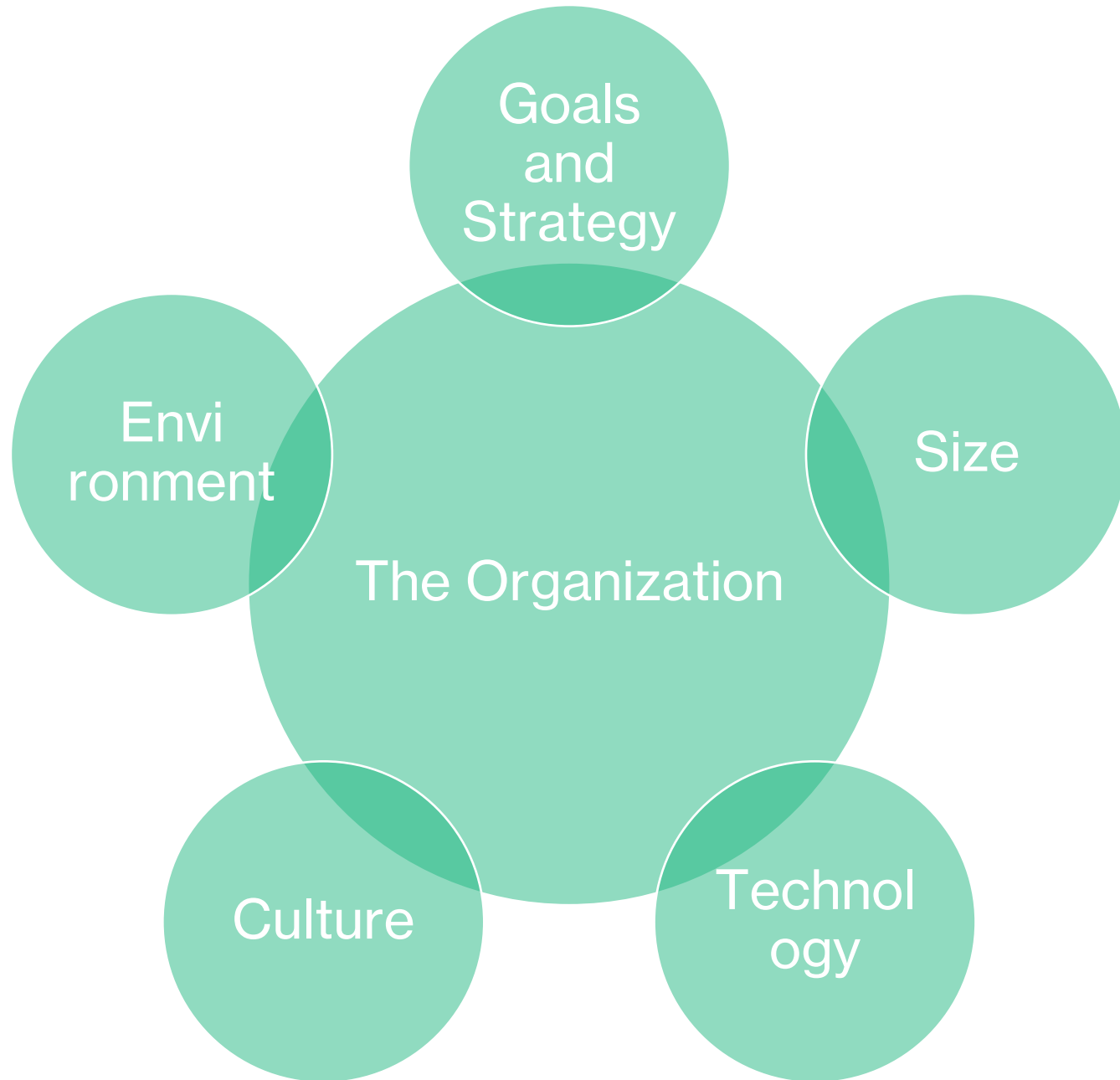
Coordinates diverse organizational tasks.

Establishes relationship b/w individuals, groups and departments.

Establishes formal lines of authority.

Allocates organizational resources.

Clusters jobs into units.

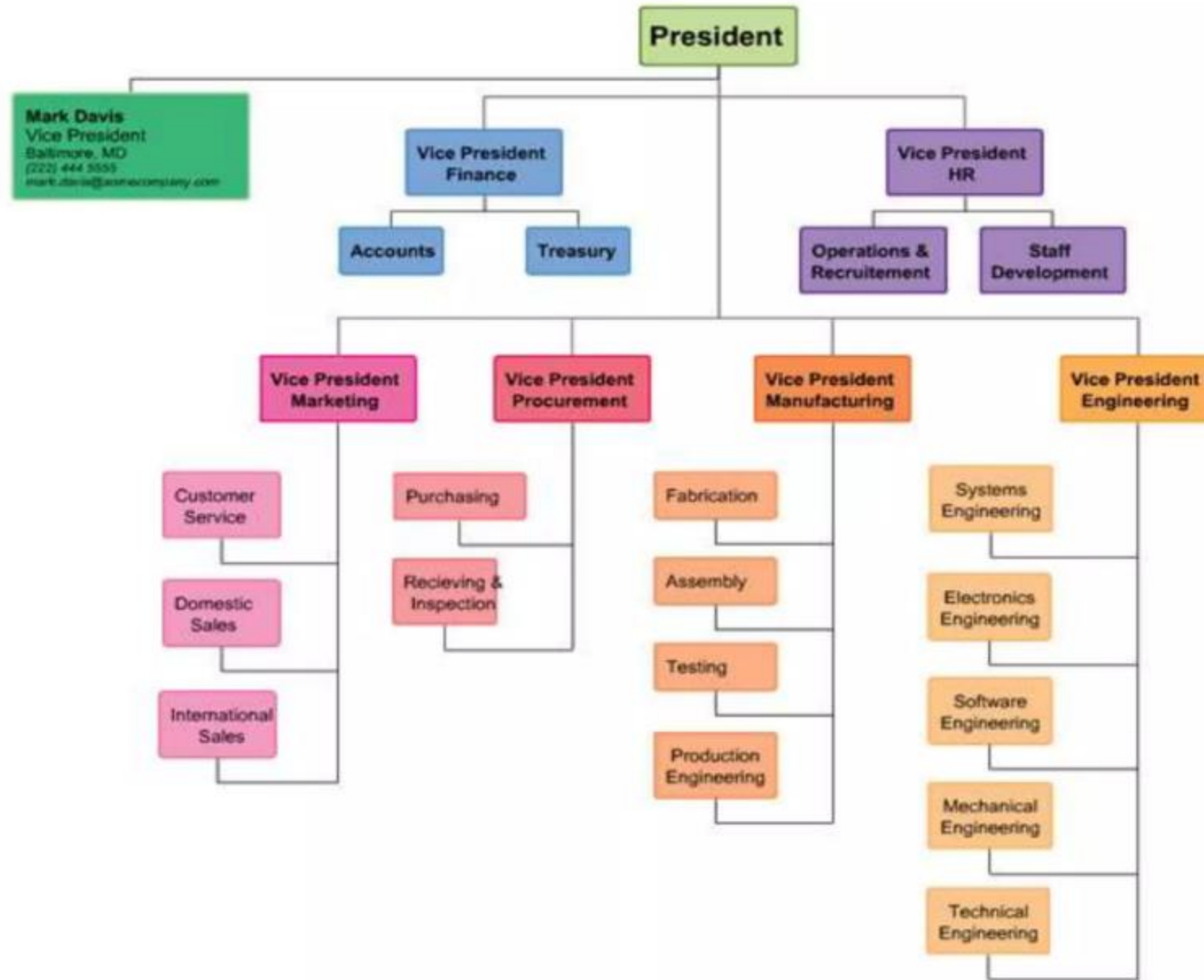# Types of Organizational Structure

Tall Organizational Structure

Flat Organizational Structure

Virtual Organizational Structure

Boundary less Organizational Structure

Tall Organizational Structure

 • Large, complex organizations often require a taller hierarchy.

 • In its simplest form, a tall structure results in one long chain of command similar to the military.

 • As an organization grows, the number of management levels increases and the structure grows taller. In a tall structure, managers form many ranks and each has a small area of control.

Flat Organizational Structure

Flat structures have fewer management levels, with each level controlling a broad area or group.

Flat organizations focus on empowering employees rather than adhering to the chain of command.

By encouraging autonomy and self-direction, flat structures attempt to tap into employees' creative talents and to solve problems by cottaboration.

Virtual Organizational Structure

Virtual organization can be thought of as a way in which an organization uses information and communication technologies to replace or augment some aspect of the organization.

People who are virtually organized primarily interact by electronic means.

Boundary less Organizational Structure

A boundary less Organizational structure is a contemporary approach in Organizational design.

It is an organization that is not defined by, or limited to the horizontal, vertical or external boundaries imposed by a pre-defined structure.

It behaves more like an organism encouraging better integration among employees and closer partnership with stakeholders.

It's highly flexible and responsive and draws on talent wherever it's found.

Features of Organizational Structure

Determines the manner and extent to which roles, power and responsibilities are delegated.

Depends on objectives and strategies.

• Acts as a perspective through which individuals can see their organization and it's environment.