Design and organizational structure

An organizational structure is a mostly hierarchical concept of subordination of entities that collaborate and contribute to serve one common aim. Organizations are a number of clustered entities. The structure of an organization is usually set up in one of a variety of styles, dependant on their objectives and ambience. The structure of an organization will determine the modes in which it shall operate and will perform.

As per given question no 3, the most suitable structure is Matrix Structure. A matrix structure is a depiction of an overlay of two organizational forms in order to leverage the benefits of both. But in fact, the dominating organizational structure mostly is just a hierarchical structure, accepting with certain entities some competing demand from other organizational entities.

Some global corporations adopt a matrix structure that combines geographical with product divisions. The product-based structure allows the company to exploit global economies of scale, whereas the geographic structure keeps knowledge close to the needs of individual countries. Many organizations also have degrees of matrix structure, meaning that each divisional group has specific responsibilities, but some issues must be decided jointly across all of these groups. Instead of combining two divisional structures, some matrix structures overlap a functional structure with project teams. Employees are assigned to a cross-functional project team, yet they also belong to a permanent functional unit (e. g., engineering, marketing) to which they return when a project is completed.

Matrix structures create the unusual situation where employees have two bosses. A project team member would report to the project leader on a daily basis, but also reports to the functional leader (engineering, marketing, etc.).

Some companies give these managers equal power; more often, each has authority over different elements of the employee's or work unit's tasks.[1]

Organizational structure allows the expressed allocation of responsibilities for different functions and processes to different entities. Ordinary description of such entities is as branch, site, department, work groups and single people. Contracting of individuals in an organizational structure normally is under timely limited work contracts or work orders or under timely unlimited employment contracts or program orders.

Organizations will have different structures. For example most organizations will have a marketing department responsible for market research and marketing planning. A customer services department will look after customer requirements. A human resources department will be responsible for recruitment and selection of new employees, employee motivation and a range of other people focused activities. In addition there will be a number of cross-functional areas such as administration and Information Technology departments that service the functional areas of the company. These departments will provide back up support and training.

Organizations are structured in different ways:

1. by function as described above

2. by regional area - a geographical structure e. g. with a marketing manager North, marketing manager South etc

3. by product e. g. marketing manager crisps, marketing manager drinks, etc

4. into work teams, etc.

Reporting in organizations often takes place down the line. An employee might be accountable to a supervisor, who is accountable to a junior manager, who is then accountable to a senior manager - communication and instructions can then be passed down the line[2].