

Evaluation of organization structure

[Business](#), [Organization](#)



Introduction

Structures designs are important for smooth operation in any organizations. In the history of organizational design, there are three traditional and three contemporary designs most well-known to the world. This essay will discuss all these six designs and its evolution pattern with extra attention to the use of team in each design. Theories

Three traditional organizational designs include function structure, divisional structural and matrix structure. Functional structure puts groups related to similar functions together. Divisional structure divides different product lines into different business unit. In matrix structure, employees from different function department are forming a contemporary team to handle a project. Three contemporary organizational designs include team structure, project structure, and boundary less structure. In team structure, organization is made up of teams without particular dividing. Project structure need assigning employees to contemporary teams on different projects. Teams are dismissed as soon as the project is done. Boundary less structure is a structure without clear line between up and down, inside and outside.

Example

Pizza Hut is using a functional design. It is divided into seven major department including operation, finance, people, marketing and etc. It is used to achieve high efficiency in relatively simple and routine businessenvironment. British petroleum used virtual team design to share lessons and experience from its development of Andrew oil field. Employees in the team could fully learn from othersfailureand success without concerning time, distance, and geography different. Argue

In the first two traditional organizational designs, discipline is emphasized. Employees are classified into different fields of works to best enjoy the efficiency of labor division. These structure suits best for routine works with little changes. However, as business environment becomes increasingly dynamic, inter-function cooperation become common in many industries. Besides, works become unique and various as customized services prevail. It needs more communication and deeper coordination of different specialist. The old mechanic structure is no longer fit for the environment. Small teams are needed to follow and handle such changing works. In the matrix structure, teams have already been enforced. Nevertheless, team members still belong to their own departments. Therefore, they would suffer pressures from their department head as well as from project leader. This pose greater requirements of relation management skills to them. This may result in lack of attention to the project and the failure of it. In three new contemporary structures, employees don't belong to any particular department anymore. They are able to focus on their projects alone. Teams are empowered more than ever. They won't receive many extra counter forces from the organization. Conclusion

In a word, the old structures focused on efficiency of tackling routine works. And the evolution of structure is responding to changing business dynamic. The new team based structure fits better for situations that requires for deeper mutual learning, coordination, more intimate communication, and faster decision making.