

Organization is social  
arrangement for  
controlled  
performance of  
collective goals...



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**Organizational structure:**

Consists of activities such as task coordination, allocation and supervision, which are directed towards the employees, get the organizational aims. It can be considered as the glass or outlook through which individuals see their organization and its environment. Some organizations have hierarchal structures.

**Work Specialization:**

A manager gives the task to his employees and makes the subgroups or division of labor, employees will perform better task according to their work experience and skill.

**For example**

Honda Car Company makes the subgroups; they will divide their employees into many categories. 1st worker to design the car 2nd worker to paint the car 3rd worker to put the front and back wheel of the car another person to install the engine of the car and so on.

**Advantage**

In work specialization workers get expert to his work and there will be rare chances of mistake.

**Disadvantage**

By doing the repeated work again and again employees feel bored what they do.

## **Departmentalization**

In departmentalization jobs are divided into many levels. There are many types of departmentalization which are given below:

### **1. Functional departmentalization**

In this type of departmentalization group of people combine together. They perform common task that use common technology, and material.

#### **For example**

HR, Finance, etc.

#### **Advantages**

In functional departmentalization one function is adopted by one department.

#### **Disadvantages**

There is poor management in functional departmentalization.

Communication problem will arise in functional departmentalization.

### **2. Product departmentalization**

This is a type of departmentalization in which products are divided according to the type of product.

#### **For example**

Nestle company.

**Advantages:**

Work experience will be more improved; many salesmen sell the product again and their work skill is improved in product departmentalization.

In this product department management of other functional activities is passing to manager.

**Disadvantages:**

In product departmentalization administration cost will arise.

Another disadvantage of this departmentalization is that it cuts off the department from the other parts of the process. This department may become very extremely distributed with its individual task in its place performing arts in habits that will profit in generally production process and firms.

**3. GEOGRAPHICAL DEPARTMENTALIZATION**

In this departmentalization grouping actions are performed on the basis of field.

E. g. Coca Cola Company has focused the company's procedure in twice large

Geographic areas-the northern American sector and the international sector, which can be embraced the Pacific Rim, the European community, northeast Europe, Africa and Latin American groups.

**Advantages:**

It has an advantage to get quick response of different markets.

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According to geographic costs are kept low.

If there is geographical departmentalization then employees know the culture and languages of existing place through which they can deal their customers easily.

## **Disadvantages**

It has a disadvantage duplication problems will be create in firm cases.

Another disadvantage it has complex to manage across department.

## **4. Process departmentalization:**

In this type of departmentalization only one specific work is given to each unit.

## **5. Customer departmentalization:**

Departmentalization in which task and jobs are performed according to the needs and wants of customers. E. g. A cross functional team consisting of managers from accounting, finance, and marketing is created to prepare a technology plan.

## **Chain of command:**

Order in which power and authority in an organization is wielded and pass on top management to every employee at every level of the organization information flow downward along the chain of command and accountability flows upward. E. g. military is an example of straight chain of command which extend in unbroken line from the top self confidence to in ranks. This is also called line of command.

**Span of control:**

The span of control is a word to make in organization theory, but now used more normally in business management, particularly human resource management span of control to refer the number of subordinates supervisor has.

There are two way of span of control

Tall and narrow

Flat and wide

**Tall and narrow:**

This type of organization size of structure is tall and narrow. In tall organization there is large number of hierarchy level. This implies a narrow span of control.

**Advantages:**

In tall organization employees can easily solve the problems because there is less burden of work.

**Disadvantages:**

In tall organization communication problems will be arising, as decisions take time to 'filter down'.

In tall organization same task passes through too many levels.

There may arise conflict with each others due to large level of hierarchy.

**Flat and wide:**

This type of organization size of structure is flat and wide. In flat organization there is Small number of hierarchy levels. This implies a wide span of control.

**Advantages:**

More chances for delegation in flat organization.

In flat organization Small number of steps on promotional ladders.

**Disadvantages:**

In flat organization Manager may have more than one of the numbers of employees.

Growth of organization may be limit or hinder in flat organization.

**Centralization:**

Centralization the degree to which authority for making most decision at the top level of the organization. Top level manager take the decision there will no interference of lower level of the organization in centralization.

Procedures, policies and records can be standardized transition-wide in centralization.

**Decentralization:**

The degree to which authority for making decision of all hierarchy levels of the organization.

**Matrix structure:**

The type of structure in which an organization hold team of people make the various section of business. When team makes the specific project for any

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purposes they are guided by a project manager. Often the team will only exist for the time of project and structures are usually deployed to create a new products and services.

### **Advantages:**

Authorities and responsibilities can be shared among each others.

There is less conflicts among each others.

### **Disadvantages:**

If the project manager creates a project teams a lot of costs can be increased.

Matrix structure is not suitable for small organization.

### **Organizational culture:**

It is an idea in the field of management and organizational studies which can be describes the experience, attitudes, beliefs, psychology and value (cultural values and personal) of an organization. The values and norms that are shared by groups and peoples in an organization they control the path of which they can relate with each others and with stakeholders exterior of organization.

There are four types of cultures which can be below.

Power culture

Role culture

Person culture



Task culture

### **Power culture:**

Power culture is a culture in which one organization has more authority over another organization. . e. g. state bank has more authority over all the banks of Pakistan. If state bank of Pakistan takes changes in their laws or regulations then the banks all over Pakistan will follow the state bank of Pakistan.

### **Role culture:**

Role culture is a culture in which each company divide themselves into many functions and after that they give every employee a specific role. Every employee got specialized in that role which increases organization productivity.

### **Person culture:**

Person culture is a culture which emphasize on aim of organization. The target of the organization is to complete their aim. These cultures are found in those organizations which are not profit oriented.

### **Task culture:**

Task culture is a culture which is submitted to a team to perform a specific task. The task is performed according to a due date. Task culture has some benefits because an employee feels inspired because he/she is selected in team to perform a task.

## **Affect of organizational culture**

The affect of organizational culture depends upon the organization. If an organizational culture will be strong then it will make every employee to work hard or to become more efficient. It includes workers, staff, CEO Etc. some people get bored while doing their job which can affect the organization. By having strong culture it creates the enjoyment in job which leads to do more effort. Organization culture helps the employee to keep them on top; if the workers are satisfied according to the culture of organization then they won't leave the job, which leads to stay in their own organization. A strong organizational culture attracts more talented people towards itself. So if the organization culture will be strong then it will create positive affect and if it is weak then it will be negative.

## **Affect of organizational structure**

the structure of an organization is important to the performance of the organization.

Two basic features of an organization structure are its width i. e. spans of control & its height i. e. the levels of decentralization.

From different observations done by different researchers it is stated that the change in the organizational structure, through its shape in terms of width and height, would affect the whole organizational performance.

According to researchers and theorists there are two possible models of structures.

1-Flat: It consists of cross-functional team, with low formalization, possessing broad information and relying on fast decision making.

2-Tall: Its structure would be the opposite i. e. widespread departmentalization, high formalization, limited information and centralization.

Therefore, the Flat model of structure would have the maximum width (span of control) but the minimum height (level), while the Tall model of structure would have the reverse, minimum span of control and maximum level. These are illustrated in Figure 1.