

# The strengths and weaknesses of the structural form

[Business](#), [Management](#)



## The Strengths and Weaknesses of the Structural Form

### Chapter 7

What is a tourism cluster? Provide examples of firms in the three sectors of a cluster for a specific?

Answer:

Tourism cluster is defined as the entire geographical location where tourism activities are conducted. It involves the coming together of organizations that deal with a common set of activities. The clustering of companies considers the availability of resources which can be combined to improve the quality of service which they offer to the visitors. Clustering is evidently important as an instrument for improving level of competitiveness. The criteria for forming tourism cluster are by grouping companies that deals with tourism and hospitality (Enz, 2009).

What are the major advantages of interorganizational relationships?

Answer:

Inter-organization relationship enables the stake holder firms to enjoy the element of synergy and ensures stability and sustainability of the service industry. The competence of the resultant cluster goes up due to competitiveness and shared resources. This also adjusts the level of diversification in management through combination of management skills from the partnering organization (Enz, 2009).

What primary factors make some stakeholders more important than others?

How should high-priority stakeholders be managed?

Answer

In partnership, the importance of stakeholders depends on their

contributions towards the growth and management of the organization. This refers particularly to the share proportionality of ownership, where some partners hold more shares in the organization than others.

The high priority stake holders are managed by awarding them proportionally according to their contributions. It means they receive the largest share of the return of the business. At the same time, they receive special privileges in the organization, such as powers to make critical decisions.

## Chapter 8

One of the most important activities associated with strategy implementation is designing a strategy- supportive organization. Contact a hospitality organization and request a copy of its organization chart. Keep in mind that not all organizations are comfortable providing this document, and you may have to contact several firms before one provides you with document. Examine and identify the strictest of this organization. What are the strengths and weaknesses of this structural form? If you were to change the structure, what would you modify and why? If this firm grew to twice its current size, what changes in its current organizational form would you recommend? Why?

Answer:

We managed to get the organization structure for Australia Fast Foods, of course after several attempts at different hospitality companies. Here we got to learn that the organization is headed by the managing director, assistant managing director, Heads of Department, senior managers and eventually the clerks at the lowest ranks. The strengths that we identified were the

departmental specialization. Each department has special activities to control, thus improving quality of services. The other strength is about the number of reporting lines. It means the managing director is not overwhelmed by low level activities.

The weakness with this structure is that the number of reporting lines is not proportionate to the size of the restaurant, since it is a medium size hospitality firm. It can lead to redundancy among some departments. This would be the area to change in the structure, to combine important departments and significantly decrease the number of departmental heads and senior managers, to enable the organization minimize its operational overheads and maximize productivity. In the present position of Australian Fast Foods, if the organization expanded its size twice, the most logical idea would be to review the work load in the departments and increase the number of workers in the low ranks. It would not be wise to increase the number of senior managers and the heads of departments considering that their payment scales are of significant effect to the firm (Enz, 2009).

#### Reference

Enz, C. A. (2009). *Hospitality Strategic Management: Concepts and Cases*. New York: John Wiley & Sons.