

The formal structure of organisation



Job definition specifies the boundaries of a job by describing what tasks the job does and does not involve, the responsibilities and expectations of the job holder and the authority of the job holder to make decisions. Below is an example of job definition within Finning (UK) Ltd.: Construction Equipment Sales Rep

Accountabilities

- Market Analysis - Gather and analyse relevant market data to identify potential commercial opportunities and identify trends
- Sales Planning - Develop appropriate sales plans to ensure that industry/sector sales targets are achieved
- Marketing - Liase with customers and suppliers to ensure that all Finning products and services are presented in a manner benefiting the corporate image
- Channel/Dealer Development - Work with associated dealers and franchise operations to maximise product distribution and ensure that Finning products and services are presented appropriately.

Customer Service - Liase with other internal functions and departments to ensure that the highest levels of customer service are provided to purchasers of Finning products and services

Internal Communication-

- Influence and communicate with territory and account management representatives to ensure that a consolidated sector/industry plan is implemented nation-wide
- Information Gathering - Maintain a personal understanding of key developments within the sector/industry so that commercial opportunities can be identified and capitalised upon.

Personal Information Seeking - Position self as an expert in the relevant sector/industry so that clients will look to the incumbent as a reliable source of technical and industry information.

Workers with highly specialised jobs often have high levels of absenteeism and job dissatisfaction and may quit more readily or develop antagonistic relationships with their superiors. Examples of job specialisation within Finning (UK) Ltd. would be the Service Engineers, Parts Sales Interpreters, Construction Equipment Sales Reps, Customer Service Sales Reps. Once jobs have been designed, organisations must then group the jobs into logical units. At upper levels of an organisation, the groups may be called divisions, product groups or units. At middle and lower levels, they are usually called departments. Departmentalisation is the basis on which jobs are grouped together within an organisation.

MAIN TYPES OF ORGANISATIONAL STRUCTURE FUNCTIONAL ORGANISATION -

groups jobs on the basis of common functions, such as, marketing, production, finance and human resource. The main advantages of functional organisation are that by grouping people together on the basis of their technical and specialist expertise, the organisation can facilitate both their utilisation and their co-ordination in the service of the whole enterprise. Functional grouping also provides better opportunities for promotion and career development.

The disadvantages are primarily the growth of sectional interests which may conflict with the needs of the organisation as a whole, and the difficulties of adapting this form of organisation to meet issues such as product diversification or geographical dispersment. Functional structures are probably best suited to relatively stable environments. The organisational chart below is an example of one such type of structure used within Finning (UK) Ltd.

PRODUCT OR SERVICE

Another form of grouping is by product. This is a popular structural form in large organisations having a wide range of products or services. In the National Health Service, for example, the key groups of employees - medical, nursing, para-medical and hotel services - are dispersed according to the service they provide, e. g. maternity, orthopaedic, surgical, psychiatric and other services. By comparison, a large pharmaceutical company could be organised as below.