

# Types of organization of deloitte management essay



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Deloitte is a UK private company limited by guarantee, networks of members firm and refer to one or more of Deloitte Touche Tohmatsu Limited. Besides that, Deloitte provides audit, tax, consulting and financial advisory services to public and private customers. Furthermore, it globally connects with network of member firms with more than 150 countries. In additional, it has 200 000 professionals in different region.

## **2. 1 Types of Organization of Deloitte**

Deloitte is a profit organization which generate profit from provide audit, tax consulting and financial advisory services to public or private customers in different industries. According to Ebrahimi, 2012, Deloitte grew with profit from 34million pound to 569 million pound. Deloitte's audit business grew 663 million pound from 586 million pound in 2011, consultancy arm grew 524 million pound from 460 million pound in 2011, Tax up to 529 million pound and corporate finance grew to 402 million pound and others. So, it is a profit organization.

Besides that, Deloitte is also a not for profit organization. It is providing the various integrated services such as audit, tax, consulting and finance advisory with run in complimentary events, seminars and publishes regular newsletters, article and others. Those are specific for charities and non for profit sector. According to Deloitte, 2012, Deloitte have assembled expert and specialists to advise their customers in non-profit sector. The expert and specialists team included charity tax group, ACEVO, NCVO and CFG.

### **2. 1. 1 Organization Structure of Deloitte**

mt\_graphic\_organisational\_structure\_2011\_700x450\_210211. jpg Figure 1. 0

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Organization structure mean arrangement of job within an organization and design it into 6 elements which work specialization, departmentalization, chain of command, span of control, centralisation or decentralisation and formalization. Deloitte have use network video conference to coordination and integration in 150 countries. According to Hamblen, 2008, Sullivan national director for business services at Deloitte said that you will forget you are being in a video conference meeting because it is much closed and experience like you are being there. It shows that the straightforward manner of video conferencing. Therefore, video conferencing is a very direct communicates method.

The organization structure of Deloitte has work specialization. Deloitte assign specific job for specific person to performance in the activities. The figure 1. 0 shows that marketing department's employee work for sales of Deloitte. Therefore, sales person in marketing department must have the sale knowledges. According to Kokemuller, 2012, work specialization means the workplace practise of assigning specific task to individual. By using video conferencing, manager of marketing department at UK can direct take each task and assigns to their people with specific jobs. Therefore, manager can direct assign job to their employees.

Besides that, Deloitte has designed departmentalization in their organization structure. The figure 1. 0 shows that Deloitte has divided into few departments such as financial, information technology, affair, human resources, office administration, marketing and talent and others. It is grouping into an area in an organization. According to Business Dictionary, 2012, departmentalization refers to allocation to work group combine in <https://assignbuster.com/types-of-organization-of-deloitte-management-essay/>

functional area in an organization. By using video conferencing, different departments can direct communicate in different countries. Therefore, it helps Deloitte to effective communicate.

Furthermore, Deloitte has designed chain of command in their organization structure. According to Deloitte Greece Ethics and compliance program guidelines, 2012, manager should provide counsel or referrals as appropriate to subordinates and employees should seek guidance from supervisors. It shows that the order from the top is authority so that employees should seek. By using video conferencing, broad of director in UK direct order office of CEO in different countries to assign tasks to manager of different departments in Malaysia. Therefore, it can direct order to employees.

In Deloitte, it has designed the structure into wide span of control with network. There must a manager who responsibility to manage a large number of employees with efficiency and effectiveness. The number of employees can be hundred or more than hundreds. According to Business dictionary, 2012, the number of employees that manager can directly control. By using video conferencing, broad of director in UK can direct control the office of CEO of 150 countries. According to Hamblen, 2008, Nemertes Research states that telepresence service can be in multiple locations. Therefore, employers may not misunderstand.

Next, Deloitte is a decentralization organization structure. According to Deloitte, 2012, the culture and behaviours of Deloitte has 7 signals which is CHAPTER. Every capital have own meaning. For example, E equal EMPOWERMENT. It shows that Deloitte is encouraging ownership to

empowering their teams. Besides that, Deloitte provide support, guidance, entrust responsibility and authority to their people. Deloitte's empowerment is similar with decentralization. By using video conferencing, broad of director can direct guide and provide support to office of CEO of different countries with video conferencing. Therefore, it save the decision making time.

In additional, Deloitte is formalization structure organization. According to Business Dictionary, 2012, formal structure is organization of a business that is typically hierarchical in nature. It shows that how the information flow and the decision flow including who report to whom. By using video conferencing, office of CEO of Deloitte in different countries can report to broad of director directly with video conferencing. Besides that, the decision of broad of director can send to office of CEO of different countries. Therefore, it save the information flow time.

## **2. 1. 2 Deloitte's Culture**

There are very general characteristics that every organizational must have to look into, if not the organizational culture wouldn't incomplete. All this characteristics is important because it make the business into own way.

There are 7 characteristics belong to an organizational culture:

1. Innovation and risk taking
2. Attention to detail
3. Outcome orientation

4. People orientation

5. Team orientation

6. Aggressiveness

7. Stability

Deloitte is an organization with high innovation and high risk taking culture. It is because Deloitte have contract with Nortel which around multimillion dollars for provide and manage the services. So that Deloitte may able to use the Nortel's global infrastructure of multimedia network operations centers to operate video conferencing. Deloitte believes that video conferencing can save on travel costs. According to Hamble, 2008, Sullivan national director for business services at Deloitte said that video conferencing can be expensive but it counts the productivity and cost of wear and tear on people.

Hence, Deloitte is an organization which high attention to detail in culture. It is because Deloitte is an accountancy largest international company which provide financial advisory, audit and other. Therefore, it may attention to detail in calculation, analysis, research and others, to ensure that do not give a wrong advice to customers. According to Morgan Mckinley, 2012, typically number cruncher or accountant would like to work through problems and have great attention to detail. By using video conferencing, employees can direct communicate with others countries for attention to detail in order to complete a task. Therefore, employees will more understand.

Besides that, Deloitte is an organization pays more attention to result rather than process. It is because Deloitte turns to video conferencing to cut costs and carbon footprint. Based on the calculation of Nortel, a company spend 23 million dollars on travel cost annually can use telepresence to recover as 385000 hour of lost productivity, reduce footprint by up to 4200 tons and save 7 million dollars. Therefore, Deloitte practise outcome orientation. According to Fiscal Report of Deloitte, 2009, Green meeting results in recommendations covering general planning, use of remote participation, reduction of materials consumed, catering, and post-meeting recycling. Besides that, Green Travel results in less travel. It shows that video conferencing effective alternative travel.

Furthermore, Deloitte has the characteristics of people orientation in culture. Deloitte is providing a good environment for his people to workplace which is video conferencing. It because to reduce the wear and tear of the people who travel often. Besides that, video conferencing can direct communicate with different area people. From the direct communication between people will more understand and productivity. Therefore, it will improve employee satisfaction and productivity. According to People Link, 2011, video conferencing is improving the productivity of people and satisfaction of people.

Next, Deloitte's culture has the characteristics of team orientation. Team orientation refer to the company believe team helps to get better results compare with individual. Deloitte has the leadership team of our strategy and operation practise focuses on understanding the complex needs of customers. According to Deloitte, 2012, building out a team selling seems <https://assignbuster.com/types-of-organization-of-deloitte-management-essay/>

more effective to accomplish by breaking down the plan one step at a time. It shows that Deloitte believe than working in team is really work and effective. By using video conferencing, leader at UK can direct guide and control his or her team efficiency and effectiveness.

Moreover, Deloitte is a company which aggressiveness. Deloitte will reward his employees when they are getting the job done. According to Glassdoor, 2012, Deloitte pay reasonably compensation and beat most of the competition and industry standards. Besides that, Deloitte provide wellness program for his employee's health. According to Deloitte, 2010, Organizations succeeding in every way generally require a robust wellness program which comprise 7 characteristics such as vision, optimism, strong employee engagement, and an investment mentality the least are the most likely to press their advantage and pursue one aggressively. From the statement above, it can be effectiveness aggressive in an organization.

In additional, Deloitte is a stability company. Deloitte is part of the Big Four international professional services network in accountancy which included PWC, KPMG and Ernst & Young. It shows that Deloitte is at the cash cows state which high market share and low market growth. According to Business Dictionary, 2012, cash cow means a brand, business unit, product or services that generate large and positive cash flow. Therefore, Deloitte will maintain its stability to avoid go to dog (Declines).

## **2. 1. 3 Relationship between Cultures with Structure of Deloitte**

Span of control aggressiveness



Formalization stability

Chain of command people orientation

Departmentalization outcome orientation

Work specialization team orientation

Decentralization innovation and risk taking

Attention to detail

Figure 1. 1

The characteristics of organization cultures have aggressiveness, stability, people orientation, outcome orientation, team orientation, innovation and risk taking and attention to detail. Besides that, the 6 elements of organization structure have formalization, chain of command, departmentalization, work specialization and centralization or decentralization. There has a relationship between the above culture and element or structure.

The relationship between span of control and team orientation can be seen through the Deloitte's manager of marketing department can control the marketing team. Therefore, that shows a clear relationship between span of control and team orientation. Next, span of control also make a connection with people orientation. Deloitte should hire managers to control his employees in Deloitte because a manager cannot control 100 above employees.

Besides that, departmentalization is in relationship with team orientation. In Deloitte, there has different team follow a leader or manager to work together in a particular department. So, it has direct show the relationship between departmentalization and team orientation.

Furthermore, decentralization is in relationship with people orientation. It is because Deloitte empower its employees to do certain decision. It shows that Deloitte is focus on people in order to satisfaction to improve productivity.

Based on the statement, it shows the clear relationship. Next,

decentralization is in relationship with outcome orientation. When Deloitte empower its employees it will save the time for waiting the top management to do decision. Some more, increase the productivity of employees work.

Therefore, employees wouldn't feel someone is controlling him or her. Thus, it will related to innovation and low risk taking because after Deloitte empowered employees, it will not sure whether the decision making is right or wrong. Other, empowerment may bring organization innovation by employees do something new such as from unproductivity to productivity.

Hence, Work specialization is relationship with people orientation. It is because Deloitte believe people can help company to be success. So, Deloitte hire specialists and assign work to them to complete it. Therefore, Deloitte is focusing in person who is specialist.

Moreover, chain of command is connection with outcome orientation. It is because chain of command is toward the authority from top management. Typically, top management will more likely to see the result or outcome only. Therefore, chain of command has a relationship with outcome orientation.

In addition, formalization related to aggressiveness by rule and procedure. Normally, large company such as Deloitte should wellness program for employees. By this, employees will feel satisfaction and safe for the working environment. So, employees will feel aggressiveness and loyal to work for Deloitte.

Last, formalization is relationship with attention to detail. Deloitte is formal structure so that it will easier to attention to detail for solve the problem. It is because with a formal structure will easier to investigate in details about the cause and the root of the problem should a problem arise. Besides that, it also related to departmentalization. When facing a certain problem, different department will attention in detail to get the root of problem and solve it.

In Conclusion, based on the organization chart, Deloitte is a hybrid structure. Besides that, the 7 characteristics belong into Deloitte's culture.

Furthermore, the organization design of Deloitte is virtual design. According to Rouse, 2005, virtual organization is one whose members are geographically apart, usually working by email or groupware while to appearing to other to be a single. Therefore, Deloitte use video conferencing.

## **2. 2 Definition of management and leadership**

Management refer to coordinating and overseeing the work of other people so that the activities can be accomplished efficiency and effectiveness.

Typically, a management should have the function manager's perform approach. This approach included planning, organizing, leading and controlling. According to Business Dictionary, 2012, the coordination of the activities of a business in order to achieve the objective. It shows that an

organization needs management to coordinate so that can achieve the objective with efficiency and effectiveness.

Leadership mean what a leader do or the process of influence other to achieve goal. There have two types of leadership which is transformational and transaction leadership. According to Maxwell, 1998, leadership is influence, nothing much and nothing less. It shows that leadership is process to influence people.

## **2. 2. 1 Function of Management of Deloitte**

Deloitte want to sustain growth in the market. It designed 5 steps of strategy to achieve the goal. To develop the plan, Deloitte assign the strategies to key employees to implement. For example, increase advertising, sale staff and others. Besides that, use vision and mission to articulate the goals. According to Rothbauer-Wanish, 2009, the first component of managing is planning so that manager must determine the organization goal and how to achieve it by follow the vision and mission statement of the company.

Deloitte arrange and structuring the work to different departments to accomplish the organization goal. It provides resources to particular department. For example, marketing department needs 50 thousands to make an advertisement. According to Cliffnotes, after the planning, manager need to organize the team and material based on the plan.

Besides that, Deloitte has taken leading in its management. Deloitte using video conferencing to direct communicate with its employees. Moreover, it is using 5 rewards priorities to attract, motivate and retain the talent of

employees. Deloitte also empowered its employees by guiding and  
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encouraging them to do decision. According to Cliffnotes, leading involve motivating, communicating, guide and encouraging.

Furthermore, Deloitte has taken the last action which is controlling in its management. It is using video conferencing to direct control his employees. By this, manager can check the result and correction the work immediately if necessary. In additional, using video conferencing will reduce the travel costs so that is part to controlling function. According to Rothbauer-Wanish, 2009, controlling involved the monitoring of the organization to make sure the goal is achieving and manager should attention to the cost and performances.

## **2. 2. 2 Transformational and Transactional Leadership**

Deloitte has practised the transactional leadership to its followers. Deloitte's motivation system is once the employees get a certain value in fulfilling goal then rewards only can be paid. According to Management Study Guide, 2012, transactional leader trust that motivating can be through a rewards and punishment system. Besides that, Deloitte use video conferencing to guide and motivate his employees. According to Improved Employees, 2012, use every type of communicating technology to better communicate with staff in order to improving employee motivation.

Next, Deloitte has also practised the transformational leadership to its followers. Deloitte is inspiring his followers to perform by empowerment. For example, after Deloitte have empowered his employees, they will feel interest toward their job and build high performance in organization. Therefore, transformational leader influence and inspire employees.

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According to Management Study Guide, 2012, transformational leadership motivate and empower employee to achieve goal and encourage them to transcend their own interests.

## **2. 3 Definition of Motivation and Performance**

Motivation is the combination of a person's desire, energy directed and keep toward to achieve a goal. Energy refers to measure of intensity or drive. For example, dream, desire, reward and other. Then, direction means toward organizational goal. For example, what should do in order to get the dream or some work. Last, persistence is exerting effort to achieve the goal. For example, do not give up and action to do something with effort to get the dream. According to Nelson and Quick, 2011, motivation is the process of arousing and sustaining goal directed behaviour. It shows that motivation must have the 3 elements in order to be motivated.

According to Oxford dictionary, 2012, performance defines as the action or the process of performing a task or a function. It can be a task or operation seen in how successful of the performed. Therefore, an organization needs performance to success.

### **2. 3. 1 The Relationship between Motivation and Performance**

In Deloitte, training will improve an employee to motivate and perform in an organization. Deloitte provide different training program for employees to maximizing the enterprise performance. For example, customized training, learning, human capital, management solution and others. According to Wilks, 2010, improving employee motivation to do well training is a must. It

shows that training is an essential part of organization. After provided training, employees learned new things then the department will be high performance in organization.

Besides that, Deloitte is empowering his employees to perform in an organization. Based on Deloitte's seven signals, one of the cultures is empowerment. Deloitte believes that empower his people will get motivation and performance of employees. For example, when a team was empowered by manager, they can create their own team structure and feel comfortable so it a way it works will increase productivity. According to Management Study Guide, 2012, empowerment should be given to employees because this helps perform the task in the best possible manner. Therefore, empowerment will bring the high performance in an organization.

Furthermore, Deloitte is practise the reward system to motivate employees to perform in organization. At Deloitte, they reward employees for their good work but not only reward in their salary and through other mechanisms that allow Deloitte to credit employee's effort over and above expectation. According to Richards, 2012, individuals are motivated by internal and externals factors. Externals factors included rewards, goal achievement, bonus and others. It shows that during the attracting by external factors, employees will perform well in organization.

In additional, Deloitte also use video conferencing to motivate employees to get performance. It is because video conferencing can direct communicate with employees. By using video conferencing, the information exchange will be more understand. Therefore, it tent to motivate or influence employee

behaviour. According to Anderson, 2012, clear and honest communication help to build closed relationship between manager and employee so that it assists employees in reaching maximum productivity.

## **2. 4 Efficiency and Effectiveness Team**

Based on the definition of efficiency, effectiveness and team. Team refer to a group of people work together to achieve a common goal. Efficiency team refer to the team is doing the things right. For example, a team getting job done with use the less resources possible. Besides that, effectiveness team mean the team is doing right things. For example, the team attained the goal at the end. Therefore, efficiency and effectiveness team refer to the team which is doing right things and things right.

### **2. 4. 1 Technology of Deloitte**

Nowadays, technology is very popular in an organization. Small organization still following but almost all the large organization must have technology. According to Hayday, 2002, one in four UK offices believes that IT is the most useful thing in workplace. It shows technology is essential in organization.

Besides that, technology divides into few types:

Administrative Technology- telephones, vacuum cleaners, fax machines, printer and photocopies

Instructional Technology- videotapes, internet, video recording, computer software, computer

Information Technology- Deloitte Facebook, Deloitte Youtube, Deloitte Talent search, Thomas international, Deloitte Web site.

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It shows that Deloitte has uses this 3 types of technologies in the organization.

## **2. 4. 2 Advantages of Technology Given to Deloitte**

The advantages of administrative technology help Deloitte's team to be convenience. The multifunction printer has the features of print, scan, photocopies and fax. Deloitte's team can use the multiple function of the printer during their work. Therefore, Deloitte can buy a multifunction printer to instead a fax machines, a scan machines and a photocopies machines. According to Orth, 2012, a multifunction printer offers the convenience of additional features. It shows that printer help Deloitte's team to be convenience. Therefore, during the process of printing Deloitte's team save time and at the end Deloitte's get the job done in time.

Besides that, instructional technology helps Deloitte's team to increase productivity. The Video conferencing helps Deloitte's team direct communicate with each other. It is because direct communicate will increase team understanding. Therefore, it is increasing productivity of team. According to People Link, 2011, video conferencing help increase the productivity of managers because typically manager travelled for a short time meetings. It shows that video conferencing instead of wasting travelling time. Therefore, the process show understanding to the team and make right decision at the end.

Furthermore, information technology helps Deloitte to store information into few wed site with a lower cost. By this, Deloitte employees can search and share their information on the specific web site. For example, Deloitte

Facebook, Deloitte Youtube, Deloitte Talent search, Thomas international, Deloitte Web site. Therefore, Deloitte's employees can log in to the web site by username and password. According to Buzzle, 2012, information provides a low cost business option to store and maintain information. It shows that company can save cost to store information.

### **2. 4. 3 Disadvantages of Technology Given to Deloitte**

The disadvantage of administrative technology of Deloitte is when a multifunction printing problem occurs will totally affect other function to perform. In this situation, it will affect Deloitte's employees delay their work. Therefore, when multifunction printer problem will make employee's unproductivity in organization. According to Orth, 2012, multifunction printer had problem will unable to use any of the device's function. It shows that the printer stop perform and need repair.

Besides that, disadvantage of instructional technology of Deloitte is high cost and unstable connection. Deloitte use multimillion dollar to contract with Nortel in order to use Nortel system to operate the video conference. In additional, the maintenance video conference would be high also.

Sometimes, heavy rainy or storming will affect the stability of connection. So, it will disconnection during half meeting. According to Video Conferencing Guide, 2010, the disadvantages of using video conferencing are high cost and stability of the connection.

Last, the disadvantages of information technology of Deloitte is private of the

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