

Organizational structure



MH Company is a three years old, located at the north eastern part of United States. The company deals in the mobility products like wheelchairs, walkers etc that enable the people to become more mobile. The organizational structure of the company seems to be limited in its human resource strategy with very few staff distributed through the various departments. While being successful locally, the company has promoted its Sales Manager to the post of Vice President of International Sales when the company was inundated with sales queries from foreign destinations.

The present optimal organizational structure of the MH Company is not designed to complement the company's plans for expanding their business internationally. With the present organizational structure, the Vice President of International Sales is ill equipped to meet the challenges of the global business environment primarily because macro environment elements significantly influence the market strategy for global business entities.

Marketing comprises micro and macro economic factors. The micro economic factors like price, products etc. are directly under the control of the organizations and can be manipulated to suit the market conditions. The macro environment factors, on the other hand are elements that are external but have major impact on the industry performance: economic; demographic trend; changing socio-cultural paradigm; developing new environmental compulsions; advancing technology; and political environment of the region (Kotler et al, 2007).

Sjostrand and Tyrstrup, in one of their article, have argued that managerial leadership needs to be approached as a relational, ongoing social construction process rather than as a single clear cut phenomenon (2001). Indeed, for any organization to expand and succeed, it is crucial that its

people are recognized as vital part of its strategy and organizational goals and objectives be interpreted in the context of the changing paradigms of the times.

Beardwell and Claydon have also asserted that the theoretical concept of human resource management needs to be looked from a wider perspective of providing the invaluable human capital that can meet the challenges of the rapid globalization and advancing technology. (Beardwell, Claydon, 2007). With the global competition becoming increasingly stiff, the jobs specifications are becoming less rigid and changing the overall perspective of job criteria and employment. The HR strategy needs to develop its unique organizational culture with well defined vision and mission statements which are effectively communicated to their employees for improved performance outcome.

The company therefore, needs to develop hierarchical organizational structure based on shared knowledge and collective decision making that promotes dissemination of information with common goals. It must introduce effective strategic goals and managerial controls that are able to address the emerging challenges of the society at large. The HR department, through judicious approach of employing people and upgrading their skills to suit the changing business environment, becomes critical to creating congenial work atmosphere that motivates and inspires others to improve their performance and achieve organization's goals with vision and innovation.

Developing effective organizational culture is an ongoing process and demands a better informed leader who is capable of taking initiative and at the same time, he is also able to inculcate confidence in his people to move forward. Hence, as a proactive leader, one must create awareness of the

various macro environmental elements of the global business environment and help the company create an effective HR and marketing strategy in order to expand successfully across the global.

Reference

Julie, Beardwell and Claydon, Tim (2007). Human Resource Management: A contemporary Approach. 5th Edition. Prentice Hall.

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Sjostrand, S and Tyrstrup, M. (2001). Recognized and unrecognized managerial leadership, in invisible management – The social construction of leadership. S Sjostrand, J Sandberg and M Tyrstrup (eds.). Thomson. pp 1-27.