Traditional and modern organization 10316

The differences between the traditional and modern organization and why

clearly defining organization helps managers.

The traditional organizat010nal structure was established and became

popular in the first part of the 20th century, a time, where multilayered

beauracracies were seen as the most effective and efficient approach to

manage large, complex corporations. Constarints on transportation, modest

education levels among the workforce, and the limited technical ability to

collect, display, and transmit information were but some of the factors

that led to the creation of a strong, centralized management system where

managers did the thinking and workers were expected to do the assigned
work

without a question. The traditional organization was therefore causal and

goal orientated. This means that the incentives and objectives could be

clearly defined and the controlling was easy, since everything in the

business process was predictable. The traditional model of an organization

serves to establish managerial control, provide workers with job

instructions and enables managers to gather information for planning.

Managers run the organization by hierarchy, authortity, control and rules.

We could cpompare the traditional model to an effective, well-built

machines, with clearly differentiated functional components working

reliably and timely accurate to accomplish predetermined goals, for example

efficency and productivity.

The modern organization on the other hand emphasis on strategic
management

and takes the growth of the decentralized organization into perspective.

Motivation and creativity as well as the influence of politics and power

force organizations to undergo a drastical structural change. The

informational flow in the modern organization is not directed in just one

way. This means that a communication between the management and the

workforce can take place.

In contrast to the traditional organization, the modern organization has

variables instead of defined objectives, that lead to more complex and

diverse structures. The modern organization also has fewer layers than the

traditional structure. This means that the hierarchy is not so complex and

therefore not so specifically defined. This makes it more difficult for

the management and for department managers to control and regulate thier

departments, since the chain of command is not as clear as in the

traditional organization. In modern organization the goals are not so

causal as in traditionl organization, that means that they are more diverse

and are influenced by a lot of factors, such as strategic planning,

teamwork, crativity and individual responsibility towards the incentive of

the organization itself.

By clearly defining the organizational structure of an organization

managers have the ability to plan strategic monoevers. Companies who

clearly define their organizational structure and post their Organizational

flow chart, along with the job descriptions and responsible authorities in

each department of the corporation, can be sure that the employees and

therefore also the management can establish a better communication and

working relationship. This enables a clearly defined structure, where the

duties an, guidelines, responsibilities and hierarchical structure, and

therefore the own position in the company, are easy to see. This helps the

management and also the workforce to understand the company and to

know

what place they hold in the corporation. Problems will alwys occur when

managers don't know their competences or aren't sure what the strctural

proceedings expect from them regarding their function and authority. This

has great impact on the productivity of an organization and should

therefore be clear.

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