Organisational Structures and Group Work Activities

When two or more people come together have a common goal to achieve.
Learning objectives

- Outline the variables of organisational structure
- Differentiate between various types of organisational structures
- Differentiate ways of grouping work activities
Introduction

- Organisational structures are formed when two or more people come together.
- Structures are put in place.
- Objective of putting up structures is to organise the group or organisation.
- They consist of flat or hierarchical.
Variables of organisation structure

- **Configuration/span of control:** nature and form of role structure e.g. levels in the hierarchy, span of control
- **Formalisation:** Extend of using procedures policy manuals, job descriptions
- **Standardisation:** Degree to which activities have to be executed in a uniform manner (Discretion)
- **Specialisation:** Employing specialists, specially trained
- **Centralisation:** Extend to which power and authority to make decisions are based
- **Communication:** The process by which people transmit and exchange information
Other organisation steps

- Determines specific objectives
- Allocate different tasks to individuals according to their interests and abilities
- Develop the patterns of relations among them (Group Dynamics)
- The size of the org determine complexity and planning
What is Organisation?

- A system, having an established structure and conscious planning in which people work and deal with one another in a coordinated and co-operative manner for the accomplishment of recognised organisation goals.
Types of organisational structures

- **Bureaucratic organisation Structure**
  - Emphasise the importance of achieving high levels of production and efficiency though extensive use of rules and procedures, centralised authority and high specialisation of Labour
  - Tall with many different levels
  - Also called top down or command and control or military-like organisational structure
  - Emphasis on departmentalisation, rigid structured work
  - Functional unit with defined boundaries between
Flat organisation Structure

- Emphasis on adaptiveness, responsiveness, and development through limiting the use of rules, regulations and procedures
- Decentralisation of authority and lower degrees of specialization
Five basic ways of organisation grouping work activities

- By Function
- By Geography
- By Product
- By Customer/Client
- By Matrix
Organisation by function

- Activities with similar work, skills, knowledge and orientation may be used as the basis for departmentalisation
Organisation by product/market

- Include all activities performed in the area/region where the unit conducts its business
- To get closer to the source of raw materials to reduce transport cost
- To get closer to its major markets.
Organisation by product

- When product type calls for different **manufacturing** technology and marketing methods to those used in the org.

- Each department has its own specialised units eg. Sales, HR
Organisation by customer/client

When a division sells most of its products to a particular class of customer.

Cater for special needs of a particular class of customers eg cars.
Five basic ways of grouping work activities (continued)

- **Matrix organisation**
  - To overcome the shortcomings of the functional and product/market organisation
  - Employees have two bosses consist of one chain of command functional vertical and horizontal in the form of project team
  - One functional chain of command and project team
  - People remain in their functional departments e.g. IT, but are called to work on different projects when need arise.

- **Network organisation**
  - Rely heavily on contracting out and outsourcing and establish alliances with independent suppliers and distributors

- **Boundary-less organisation**
  - Pool and share resources such as employees, information and distribution channels with customers, suppliers and competitors.

Reflection exercise

Think of any organisation that you know or have worked for

• What is the organisational structure like?
• How is the grouping of work activities?
• Share with the class
The end

Reflective discussion and questions