

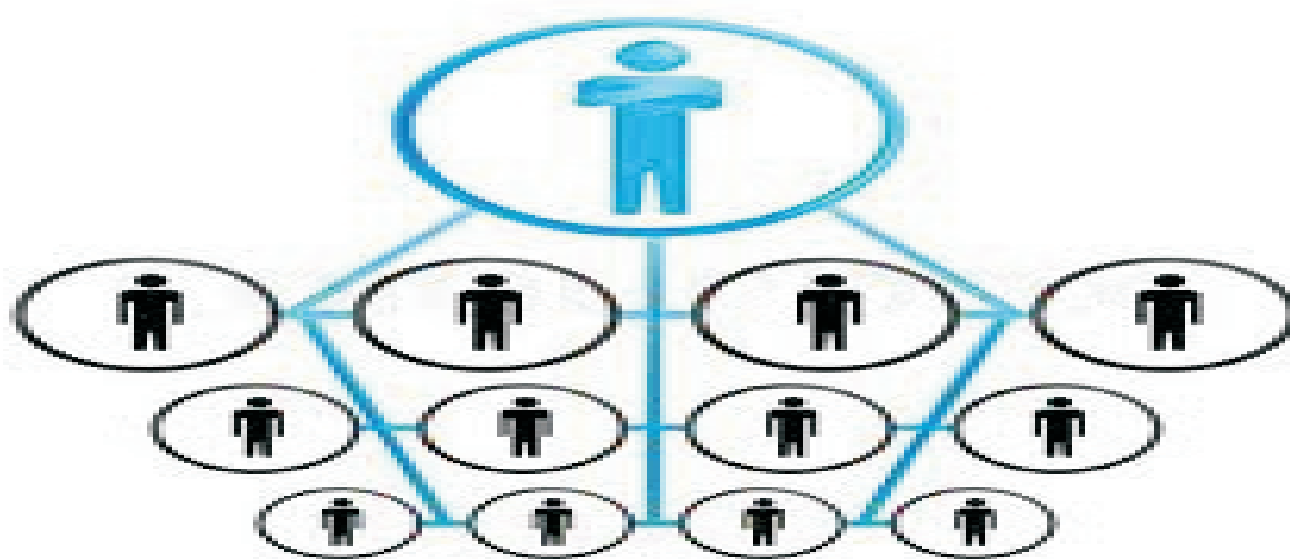
ORGANIZATION STRUCTURE- AN OVERVIEW

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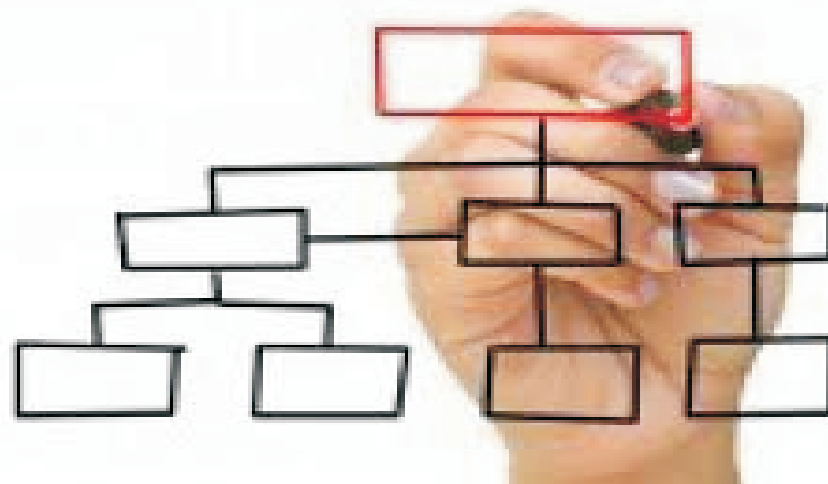
Abstract:-

The typically hierarchical arrangement of lines of authority, communications, rights and duties of an organization. Organizational structure determines how the roles, power and responsibilities are assigned, controlled, and coordinated, and how information flows between the different levels of management.



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INTRODUCTION

An organizational structure defines how activities such as task allocation, coordination and supervision are directed towards the achievement of organizational aims. It can also be considered as the viewing glass or perspective through which individuals see their organization and its environment. An organization can be structured in many different ways, depending on their objectives. The structure of an organization will determine the modes in which it operates and performs. Organizational structure allows the expressed allocation of responsibilities for different functions and processes to different entities such as the branch, department, workgroup and individual.

Organizational structure affects organizational action in two big ways. First, it provides the foundation on which standard operating procedures and routines rest. Second, it determines which individuals get to participate in which decision-making processes, and thus to what extent their views shape the organization's actions.

TYPES OF ORGANIZATION STRUCTURE:

Functional Structure

Functional structure is set up so that each portion of the organization is grouped according to its purpose. In this type of organization, for example, there may be a marketing department, a sales department and a production department. The functional structure works very well for small businesses in which each department can rely on the talent and knowledge of its workers and support itself. However, one of the drawbacks to a functional structure is that the coordination and communication between departments can be restricted by the organizational boundaries of having the various departments working separately.

Divisional Structure

Divisional structure typically is used in larger companies that operate in a wide geographic area or that have separate smaller organizations within the umbrella group to cover different types of products or market areas. For example, the now-defunct Tecumseh Products Company was organized divisionally--with a small engine division, a compressor division, a parts division and divisions for each geographic area to handle specific needs.

The benefit of this structure is that needs can be met more rapidly and more specifically; however, communication is inhibited because employees in different divisions are not working together. Divisional structure is costly because of its size and scope. Small businesses can use a divisional structure on a smaller scale, having different offices in different parts of the city, for example, or assigning different sales teams to handle different geographic areas.

Matrix

The third main type of organizational structure, called the matrix structure, is a hybrid of divisional and functional structure. Typically used in large multinational companies, the matrix structure allows for the benefits of functional and divisional structures to exist in one organization. This can create power struggles because most areas of the company will have a dual management--a functional manager and a product or divisional manager working at the same level and covering some of the same managerial territory.

Organizational circle: moving back to flat

The flat structure is common in small companies (entrepreneurial start-ups, university spin offs). As companies grow they tend to become more complex and hierarchical, which leads to an expanded structure, with more levels and departments.

Team

One of the newest organizational structures developed in the 20th century is team and the related concept of team development or team building. In small businesses, the team structure can define the entire organization. Teams can be both horizontal and vertical. While an organization is constituted as a set of people who synergize individual competencies to achieve newer dimensions, the quality of organizational structure revolves around the competencies of teams in totality.

Network

Another modern structure is network. While business giants risk becoming *too clumsy to proact (such as), act and react efficiently*, the new network organizations contract out any business function that can be done better or more cheaply. In essence, managers in network structures spend most of their time coordinating and controlling external relations, usually by electronic means.

Virtual

Virtual organization is defined as being closely coupled upstream with its suppliers and downstream with its customers such that where one begins and the other ends means little to those who manage the business processes within the entire organization. A special form of boundary less organization is *virtual*.

Hierarchy-Community Phenotype Model of Organizational Structure

In the 21st century, even though most, if not all, organizations are not of a pure hierarchical structure, many managers are still blind to the existence of the flat community structure within their organizations.

The business is no longer just a place where people come to work. For most of the employees, the firm confers on them that sense of belonging and identity — the firm has become their “village”, their community. The firm of the 21st century is not just a hierarchy which ensures maximum efficiency and profit; it is also the community where people belong to and grow together, where their affective and innovative needs are met.

Lim, Griffiths, and Sambrook (2010) developed the Hierarchy-Community Phenotype Model of Organizational Structure borrowing from the concept of Phenotype from genetics. "A phenotype refers to the observable characteristics of an organism. It results from the expression of an organism's genes and the influence of the environment. The expression of an organism's genes is usually determined by pairs of alleles. Alleles are different forms of a gene. In our model, each employee's formal, hierarchical participation and informal, community participation within the organization, as influenced by his or her environment, contributes to the overall observable characteristics (phenotype) of the organization. In other words, just as all the pair of alleles within the genetic material of an organism determines the physical characteristics of the organism, the combined expressions of all the employees' formal hierarchical and informal community participation within an organization give rise to the organizational structure. Due to the vast potentially different combination of the employees' formal hierarchical and informal community participation, each organization is therefore a unique phenotype along a spectrum between a pure hierarchy and a pure community (flat) organizational structure."

CONCLUSION:

Thus this paper has given the types of organization structure and how various types of Organization structure exist in this 21st century according to the advancements in the Technology.

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