

Unit 226 (B&A 38): Understand employer organisations

ORGANISATION STRUCTURES



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The way an organisation is structured depends on its

- purpose
- size
- objectives and strategy
- sector.

The organisation's structure means how it is organised, eg into branches, departments, team and has a direct effect on the way it operates.



TYPES OF ORGANISATION STRUCTURE

Organisations can be organised by

- function, eg operations, marketing, finance, HR
- region, eg South, London
- product, eg in an electrical manufacturer: electronics, white goods, health and beauty
- work teams, eg client groups, project X.

Broadly speaking, structures are either

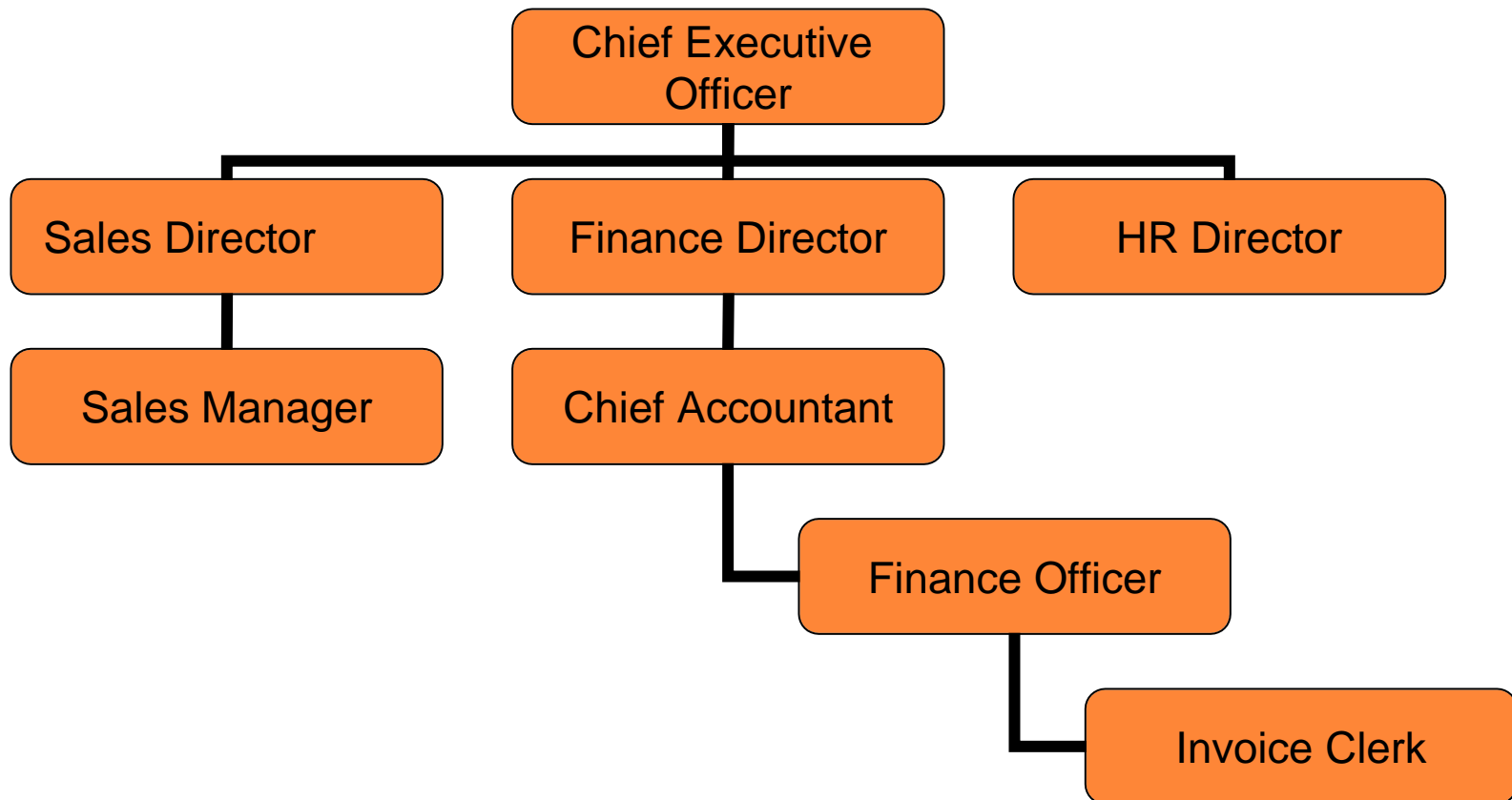
- hierarchical
- flat.

And either

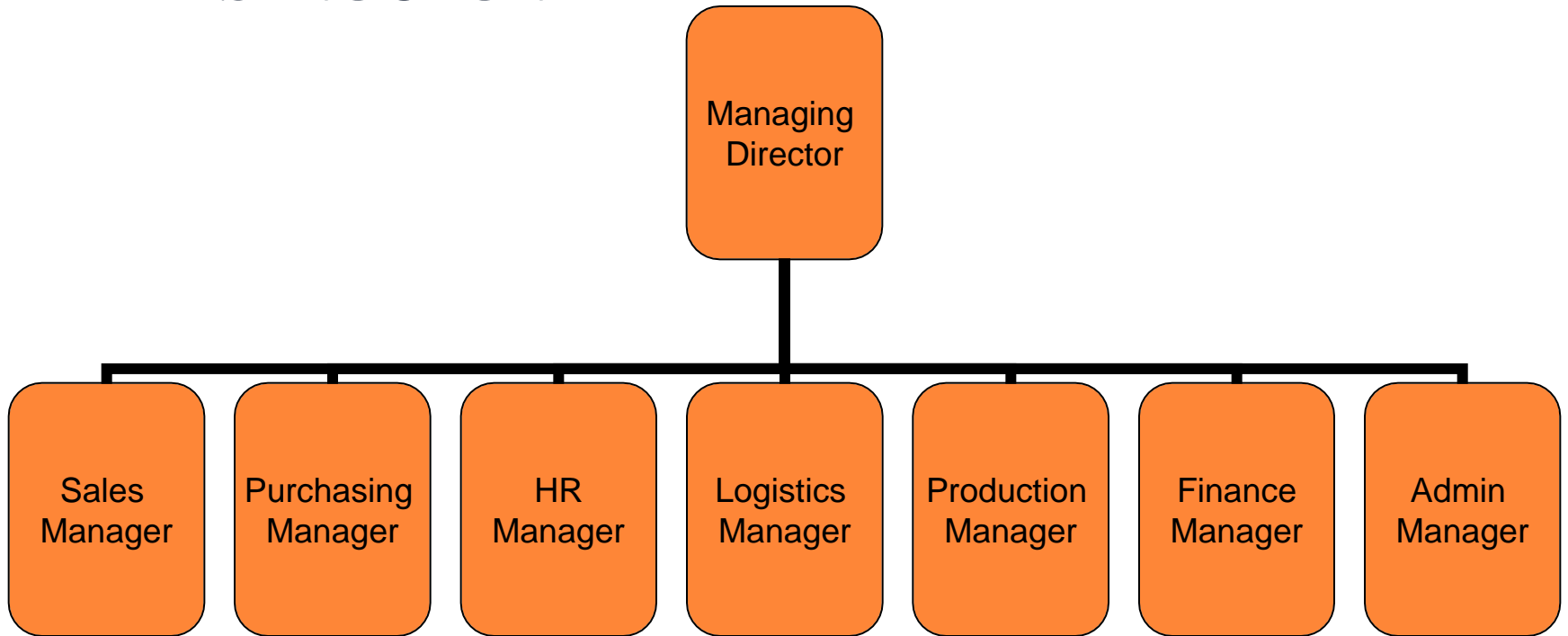
- centralised
- decentralised.



HIERARCHICAL STRUCTURES



FLAT STRUCTURE



PUBLIC SECTOR ORGANISATION STRUCTURES

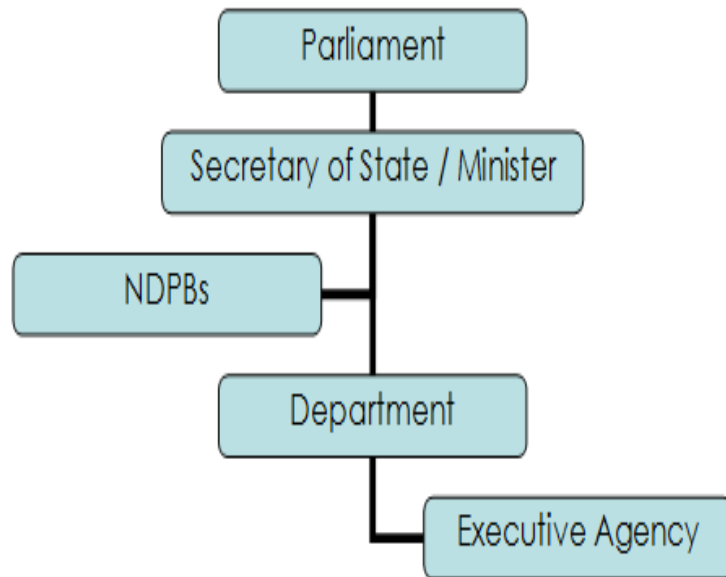


Figure 1: Example of Government reporting lines

- These differ from other sector organisations as they are headed up by a government department.
- Most government departments are headed by a secretary of state or minister and reflect the functions the minister has to oversee.
- A department usually has executive agencies under it.
- Departments and executive agencies are staffed by civil servants.

ORGANISATION CHARTS

- indicate the roles and responsibilities of staff
- the line of reporting/chain of command
- the span of control.



GLOSSARY OF TERMS

Hierarchy – the management levels within an organisation.

Line managers – those managing the work of other staff.

Subordinates – those under the line manager.

Authority – the power to direct and make decisions.

Delegation – giving over tasks or decisions to subordinates.

Span of control – the number of subordinates reporting directly to a manager.

Chain of command is the path of authority down which instructions are passed.

Lines of communication are the routes messages travel along.

