Chapter 1 : Organization | Definition of Organization by Merriam-Webster

A unifying framework for thinking about processes â€"or sequences of tasks and activities â€" that provides an integrated, dynamic picture of organizations and managerial behavior.

The Process Structure The process structure is a horizontal approach where instead of organizing along the product or function, the organization is structured along the key processes. Typically, a process refers to a set of related tasks and activities that work together in a predetermined sequence to transform inputs into user consumable outputs. The main challenge is to identify the core business processes which produce product or service that is directly consumed by the customers. A divisional structure can be reorganized horizontally by identifying the dependencies between different divisions or sub-divisions. Similarly, a matrix can be sliced horizontally along the product management and inter-connected based on interdependencies, such decomposition and realignment results in identification of core business processes. Once the core processes are identified, multi-skilled teams around the sub-processes are created and each team is lead by a process owner. The process owners have the complete responsibility for each core process. Strengths of process structure Strong Customer Orientation: The entire structure is formulated to serve the customers; the performance of the teams can be easily measured by the customer satisfaction and value that is created by the process group. The customer focus enables the designated process owners and team leaders to have direct relationship with its customers; hence the employees have broader view of the product and customer requirements. The absence of functional boundaries and lack of deep hierarchy encourages collaboration within the core process groups resulting in faster response to customer needs. The fundamental entity of a process structure is a team, not the management or individual employees. It is the performance of the team that can be directly evaluated from customer satisfaction; teams are rewarded for the good work and not the individuals. Teams have the freedom to take decisions, think creatively and plan their actions collectively. Weakness of process structure Identification of core processes: The success depends upon correct identification of core processes; usually the managers identify too many processes driven by their personal biases. If the processes that are finally identified are not fundamental to the organization, the structure gets aligned to improper business objectives leading to ineffective reengineering. Process structure involves radical change in the roles of middle management, they have to give up their authority and become coaches and facilitators of team decisions. The horizontal structure by construction requires lesser management and can only succeed if managers take initiative to prepare the team members in the necessary skills required to create a multi-skilled, self-managed team. This is a self contradiction with the aspirations of management; it implies that they have to be an instrument of their own demise. While process structure can be very inspiring for young entrants, it also limits in-depth skill development. Lack of either functional or managerial hierarchy means that there is a possibility of talent saturation. After certain duration, the individuals may find that their services are more valuable to organization than their own self and may perceive it as win-lose situation. Most Effective High Customer Orientation: The external environment is rather uncertain and unpredictable and can be best approached by high customer focus within the organization. The organization manages tasks that are non-routine, which require constant modifications according to customer demands. Also there exists interdependencies within the tasks, both factors justifies creating multi-skilled teams. Network Structure The network structure is an extension of the process structure where each major process or its teams are distributed physically, geographically or into separate organizations. The function of process ownership acts as a central controlling hub that manages the independent and distributed tasks in the network. The central hub defines the handshake mechanism between each network node and itself, it clearly states what result is expected from each of the specialized node. Some of the key characteristics of network organizations are Autonomous Units: The organization has units that are autonomous in how they develop and deliver their products or services. Each unit behaves as external contractors that are bound only by their agreed contracts. The independent units are complete in themselves; they have high skills and specialize in their own domains. The central hub maintains control over processes that are distributed to various units. Strengths of Network Structure Cost

effective: The best advantage of the network structure is its reduced administrative overhead; the organization can expand quickly in new functional area through outsourcing. Outsourcing eliminates the need to develop the new facility and procurement of equipment, manpower, skill and experience. Access to functional specialization: The organization focus primarily on development of intellectual property, since it can obtain talent and resources worldwide for the remaining functions. Each node in the network structure acts as a plug in module, as long as the inputs and the outputs of each process unit are well defined. This implies that the organization can reconfigure itself rapidly depending upon the pressure exerted by the external environment. Weakness of Network Structure Lack of control: It is an extreme form of horizontal structure where managers have very little control over the operation of each autonomous unit. The integration managers rely on intermediate reports to track the progress and have little visibility into the actual facts. Coordination is easier said than done, it requires very good planning, well designed product architecture, highly detailed design documents, well defined requirements and methods of product qualification. Even if the central hub gains an expertise on these, the greater challenge is in bridging the cultural divide between different units. It requires the managers to be highly skilled in communication and human skills while upholding good abstract technical knowledge. Threat to intellectual property: The structure poses a threat to the core propriety information being compromised in order to assist process coordination across different units. If the partners gain access to the intellectual property, then they can develop the technology in some form and might pose a danger to the core business. The risk is even more when the units are in different countries since it makes the legal process even more complicated. It is hard to transform an existing organization into network structure; undeniably there will be lot of resistance from both management and employees. It also limits the future growth of employees in either functional or managerial domains. Employee morals will run low since they know that they do not gain any core competencies and can be easily replaced later by a younger worker. The products success depends upon successful delivery of all components by each unit. A unit might fail due to non technical reasons, geographic, cultural, political or simply financial troubles. While the structure boasts of rapid response to external environment, it is also vulnerable to hostile changes.

Chapter 2 : Overview | Community Tool Box

The process structure is a horizontal approach where instead of organizing along the product or function, the organization is structured along the key calendrierdelascience.com network structure is an extension of the process structure where each major process or its teams are distributed physically, geographically or into separate organizations.

Education of members and public in cooperative principles. These original principles were geared to protect workers from the power of capital as the industrial revolution in Britain was in full swing. In all these stories you will find implicit or explicit political narratives, yet this emerging reorganization of tech companies is not centered around political goals. The ultimate goal is to make the company more successful. For some, this might mean saving money by reducing overheads: Some of these reasons are rooted in adaptability; prioritizing the long term success of the company in uncertain economic environments. To be clear then, there is nothing new about radically moving away from hierarchy or increasing worker autonomy. What is new is the attempt to deliver these goals in the pursuit of greater profit: How Zappos abandoned hierarchy in favor of managed chaos Zappos CEO Tony Hsieh made the announcement that the company were to shift to a holacratic model in This transition was sped up in as the management system was finally overhauled. Lots has been written on this, with countless critical articles appearing less than 12 months after the switch. But what is holacracy and how does it function? In their own words: Holacracy is a comprehensive practice for structuring, governing, and running an organization. They explain their rationale by trying to mimic already existing quasi-organic structures to reap the same benefits: In a city, people and businesses are self-organizing. This use of a city to illustrate their vision for how a company could reorganize and restructure does not simply rest on an analagous basis. The choice of a city in particular comes from the relationship cities have with two distinct variables: When cities grow, they become more productive. But when companies double in size, actually the exact opposite thing happens, productivity per employee goes down. And you have a certain level of freedom and autonomy to do what you think is right. They have diagnosed a productivity problem at the heart of traditional companies. As they can see cities out-achieving companies in the relationship between growth and productivity, they have aimed to mimic certain structures and relationships found within cities. This diagnosis is reliant not just on identifying the disparity between city growth and business growth, but also on what specific features give cities the advantage. Zappos have identified individual autonomy and its resultant entrepreneurialism as being at the heart of this performance success. Hence why they have looked to prioritize these features in their business. Part of nurturing that entrepreneurialism is embracing a borderline Darwinian interpretation of the success of cities; a Darwinian interpretation which yeilds further secondary benefits, if accurate. This adaptability provides not just a possible improvement in existing performance but, more importantly, a theoretical blueprint for long term success. How does holacracy work in Zappos on a day to day level? Bunch describes to us the first step of the holacracy implementation and presents us with the immediate challenge the organization faces: And instead, having a way that we can come together to define what work needs to be done, and then allow people the agency to figure out what work it is that they are most connected to. So, how is this achieved? How do Zappos facilitate this communication and come to a functional consensus? So we have tools like Role Marketplace which helps show what work is there that we need help on. We have tools for understanding what work should we be prioritizing over what other work. We have tools to help us understand how successful are we being at the work that we are doing. They use technology to try to facilitate the new modes and means of communication required to make this system work. Through the use of technology, it is possible to centralize elements of communication and organization. The difficulty is making that system work effectively. An open task marketplace where people can look at available work and gravitate toward tasks they want to participate in allows people to focus on the kinds of tasks they feel most motivated to do. However, this begs the question: What about the unsexy tasks? Bunch suggests that the flexibility and fluidity within the company is more about opportunity, and that not every individual will be rushing to achieve that. There are some groups that are very, very stable. Some people enjoy

structure and consistency and within Zappos these people will gravitate towards the kinds of tasks and roles which deliver these ends. This variety is an important part of the overall concept. Different teams will use different processes, and those processes should evolve naturally out of the fulfillment of that task by the individuals performing that task. A slight example is given in how Zappos interact with meetings: Meetings happen when they need to happen on whatever cadence makes sense. So some groups meet frequently, some groups meet very infrequently. And so, just like in a traditional organization, meetings happen when they need to. Business processes and events occur when they need to and policies are structured to deal with these issues as they arise like in any startup organization. It is as if Zappos have imported some of the chaos of startups into their established company. There are more roles in the company today than there were people or job descriptions in the previous iteration of the company. I would say maybe that holacracy is chaotic. You can look it up anywhere across the company. Nonetheless, as interesting as the theory is and the intended results are, how is the experiment going? What initial problems have Zappos encountered? But Zappos have been highly respected for company culture, typically have low turnover rates, and are used as a case study regularly for how to deal with being a customer facing company. Which is why, in , when Zappos decided to accelerate its holacracy transition, they created a new offer. As reported in The Atlantic, Zappos experienced what has been described as a mass exodus of management. To say it had failed seems a bit of an overstep at such an early stage. But the severity of this turnover spike was questioned at the time by Zappos: The defenses at the time continued: The question of employee turnover would have to be returned to at a later date to see whether it had stabilized or whether the spike had become a trend. Fortunately, we are at a later date and can look at this data. That said, not everyone is yet on board with the changes: While many articles critical of Zappos cite recent Stanford studies on the topic of hierarchy within organizations: Workers found hierarchical companies were more predictable, and therefore preferable, because it was easy to figure out who did what and how compensation should be doled out. Another Stanford paper , which looked at why hierarchical structures in the workplace have such staying power, concluded perhaps the obvious: How will the story end for Zappos? However, we do have a shorter case study which can tell us a lot about the challenges of moving to a non-hierarchical managerless model. This is the cautionary tale of Buffer. Why Buffer brought back structure; self-management and the challenges for a startup In November , the Buffer team were looking at the growth of the company and trying to envision new ways they could move forward. The Buffer leadership cite the book Reinventing Organizations by Frederick Laloux , originally published in February You can watch a lecture by Laloux below to gain a full insight into his philosophy of organization: One of the central themes which Buffer took from the text, which already lined up with their ethos and company culture, was the importance of the individual. Reading through the Buffer values document , you would be forgiven for mistaking it as a self-help guide or an emerging spiritual movement. The focus on the importance of the self while also emphasizing the subordination of elements of the self to company values feels at times religious. There are Freudian parallels which could be drawn between the relationship Buffer construct between wholeness and teamwork; a need to meet some of the instinctual desires of the id, suppress the moralized tendencies of the super-ego, and promote the rationalized power of the ego. For example, employees were encouraged to bring their ideas to the table and be creative within the workspace. However, they were instructed clearly to lose a sense of ownership of that idea once a team begin working on it. This way, the idea can change and be reshaped. The creative qualities of the individual are celebrated but emotional desires of ownership, protection, or self-promotion are actively discouraged. All companies do this in ways, just Buffer present these wishes explicitly as part of a psychological breakdown of what they want to see from their staff. The core values Buffer operate by are contained concisely in this graphic of theirs below: Some of these changes we were not completely happy with, and this triggered some reflection and searching for how we want to structure the company. It was also right around this time that we had a chance to visit Vegas Tech Fund in Las Vegas and get insights into some of the big organizational structure changes that have taken place at Zappos. Laloux talks about the previous paradigms which have existed for companies in the last few centuries, and convincingly shares his thoughts on how a whole new paradigm is emerging. In January , as the company was working through its transition stage, Gascoigne describes the challenges the team were facing: Perhaps one of

the biggest changes that we have made in the last month is moving away from having long-term, static teams within the company. Instead we have shorter-term, more fluid task forces which are formed for a specific purpose and then disband once that task is completed. Finally, before we move to the practical efforts Buffer took to implement this more horizontal structure, Gascoigne can define two key pieces of terminology for us, in the way these terms were viewed and used within the company at the time: Self-management means that we believe there is a way for the whole company to manage itself. As a result, we no longer have any managers within the company. Wholeness is the belief that we should bring our full self to work, something that is often hard to do. We think that if people can bring their whole self to work, then people will be happier and the company will benefit from the full skills everyone has. At Buffer we see a focus on the individual which is emphasized much more than in Zappos. How did the new horizontal Buffer operate in practice?

Chapter 3 : Structure–organization–process - Wikipedia

The Organizational Process This process involves determining what work is needed to accomplish the goal, assigning those tasks to individuals, and arranging those individuals in a decision•making framework (organizational structure).

We begin to examine techno-structural interventions change programs focusing on the technology and structure of organizations. Increasing global competition and rapid technological and environmental changes are forcing organizations to restructure themselves from rigid bureaucracies to leaner more flexible structures. These new forms of organizing are highly adaptive and cost efficient. They often result in fewer managers and employees and iii streamlined work flows that break down functional barriers. Diagnostic guidelines help determine which structure is appropriate for particular organizational environments, technologies, and conditions. Downsizing seeks to reduce costs and bureaucracy by decreasing the size of the organization. This work-flow integration results in faster, more responsive task performance. Reengineering often is accomplished with new information technology that permits employees to control and coordinate work processes more effectively. Based on a contingency perspective shown in Figure 41, organization structures should be designed to fit with at least five factors: Organization effectiveness depends on the extent to which its structures are responsive to these contingencies. Organizations traditionally have structured themselves into one of three forms: Faced with accelerating changes in competitive environments and technologies, however, organizations increasingly have redesigned their structures into more integrative and flexible forms. The advantages, disadvantages, and contingencies of the different structures are described below. The organization usually is subdivided into functional units, such as engineering, research, operation, human resources, finance, and marketing. This structure is based on early management theories regarding specialization line and staff relations, span of control, authority, and responsibility. The major functional subunits are staffed by specialists in such disciplines as engineering and accounting. It is considered easier to manage specialists if they are grouped together under the same head and if the head of the department has training and experience in that particular discipline. Table 12 lists the advantages and disadvantages of functional structures. On the positive side, functional structures promote specialization of skills and resources by grouping people who perform similar work and face similar problems. This grouping facilitates communication within departments and allows specialists to share their expertise. It also enhances career development within the specialist, whether it is accounting, finance, engineering, or sales. The functional structure reduces duplication of services because it makes the best use of people and resources. The Functional Organization On the negative side, functional structures tend to promote routine tasks with a limited orientation. This can lead to conflict across functional departments when each group tries to maximize its own performance without considering the performance of other units. Coordination and scheduling among departments can be difficult when each emphasizes its own perspective. As shown in Table 12, the functional structure tends to work best in small-to medium-sized firms in environments that are relatively stable and certain. These organizations typically have a small number of products or services, and coordination across specialized units is relatively easy. This structure also is best suited to routine technologies in which there is interdependence within functions, arid to organizational goals emphasizing efficiency and technical quality.

Chapter 4 : How 4 Top Startups are Reinventing Organizational Structure | Process Street

Structure is the physical embodiment of the system's pattern of organization (Dissipative structures as defined by Prigogine and Stengers,). Life process is the activity involved in the continual embodiment of the system's pattern of organization.

Optimizing an organizational process structure March 23, Pierre Veyrat Governance A management characterizes an organizational process structure focused on final delivery of products and services that are performed by processes along the value chain. Thus, the purpose of the process structure is moving away from management based on separate departments, disjointed or hindered by the distance between hierarchical levels. In the same way that a process must flow, avoiding bottlenecks and waste, seeking efficiency and effectiveness in an organizational process structure, the value created by the company is managed in a way that a process always delivers to the next step all that they need to progress efficiently. Thus, an area or department will be responsible for a particular process from start to finish. Determining factors of an organizational process structure Some elements must be established to succeed in implementing an organizational process structure. First, there must be a culture of processes installed in the company or, at least, everyone should be aware of what the business processes are. Moreover, it is necessary to have an objective consensus about the concept of the value of production within the company, as well as the delivery to the end customer. Therefore, it is determinate to keep in mind the importance of carrying out each process with quality, make it clear what skills and knowledge are necessary to perform each process and realize that a process has an influence on others and can interfere with the results. For all of this to happen in an organized manner, it is critical to formally define the owners of processes, document them properly, systematically and continuously make measurements of all of them and their results. Only then can an organizational process structure be able to enable decision-making based on the performance of each process. Functions of an organizational process structure When defining an organizational process architecture , some tasks must be implemented in the company, check them out: Sponsor process management It is necessary that a member of the senior management of the company is responsible for sponsoring and encouraging process management. Among its functions, we can highlight: Defining the vision of process management. Process Owner It is the employee directly responsible for a process, its important to know who this is and how they perform. Process Design Manager In this case, the employee is responsible for conducting a process management project to make it better. It is subject to the decisions and guidelines of the process office. Process Analyst This developer, as the functions name suggests, should be alert and always analyzing the processes and proposing improvements. His role includes giving full support to process owners, so they have all the necessary information and data that will help them make decisions. The continuous process improvement model Process Architect With a broader view, the process architect has an important role in the organizational process structure; they should ensure that the architecture is maintained properly and within reference standards or even suggest changes and improvements that bring results to generate value for the company. Business Analyst Unlike the process analyst , this employee analyzes the technology demands that the company needs to manage processes, seeking the most appropriate solutions. Specialist They are experienced employees and should be closely linked to improvement initiative processes. Their role is crucial in helping the other professionals to have great knowledge about the business An organizational process structure only works if the company understands the concept. Also, the company should ensure that they will not ignore initiatives, and they occur in a coordinated manner, with a common goal aligned with the top management of the organization. For this, the process empowerment office can be an excellent addition to ensure the success of a process structured organization.

Chapter 5 : Organizational Structure: The Decision-making Process

Process owners are a central element of business process management and process governance, but the role is highly demanding, and many organizations struggle with establishing effective process.

The process of organizing consists of following steps! Identification and Division of work: The organising function begins with the division of total work into smaller units. Each unit of total work is called a job. And an individual in the organisation is assigned one job only. The division of work into smaller jobs leads to specialization because jobs are assigned to individuals according to their qualifications and capabilities. The division of work leads to systematic working. For example, in a bank every individual is assigned a job. One cashier accepts cash, one cashier makes payments, one person issues cheque books, one person receives cheques, etc. With division of work into jobs the banks work very smoothly and systematically. Grouping the Jobs and Departmentalisation: After dividing the work in smaller jobs, related and similar jobs are grouped together and put under one department. The departmentation or grouping of jobs can be done by the organisation in different ways. But the most common two ways are: Under this method jobs related to common function are grouped under one department. For example, all the jobs related to production are grouped under production department; jobs related to sales are grouped under sales department and so on. When an organisation is producing more than one type of products then they prefer divisional departmentation. Under this jobs related to one product are grouped under one department. For example, if an organisation is producing cosmetics, textile and medicines then jobs related to production, sale and marketing of cosmetics are grouped under one department, jobs related to textile under one and so on. After dividing the organisation into specialised departments each individual working in different departments is assigned a duty matching to his skill and qualifications. The work is assigned according to the ability of individuals. Employees are assigned duties by giving them a document called job description. This document clearly defines the contents and responsibilities related to the job. After grouping the activities in different departments the employees have to perform the job and to perform the job every individual needs some authority. So, in the fourth step of organising process all the individuals are assigned some authority matching to the job they have to perform. The assignment of the authority results in creation of superior-subordinate relationship and the question of who reports to whom is clarified. The individual of higher authority becomes the superior and with less authority becomes the subordinate. With the establishment of authority, managerial hierarchy gets created chain of command and principle of scalar chain follows this hierarchy. The establishment of authority also helps in creation of managerial level. The managers with maximum authority are considered as top level managers, managers with little less authority become part of middle level management and managers with minimum authority are grouped in lower level management. So with establishment of the authority the individuals can perform their jobs and everyone knows who will report to whom.

Chapter 6 : Organizational structure - Wikipedia

An organizational process structure only works if the company understands the concept. Also, the company should ensure that they will not ignore initiatives, and they occur in a coordinated manner, with a common goal aligned with the top management of the organization.

The classic hierarchical structure was based on the assumption that a manager or worker could have rich interaction and exchange of information only with a limited number of predetermined people. A narrowing of interaction always marked operational boundaries. Thus you did not want people to cross functional silos. This was the infamous trade-off between richness and reach. An increasing number of companies trying to become social businesses are now becoming aware of the technical barriers and structural bottlenecks that hinder or totally prevent cooperation that is not planned in advance. It is time to rethink. Rather than thinking of organization as an imposed structure, plan or design, organization arises from the interactions of interdependent individuals who need to come together. The accumulating failures of attempts at organizational agility can be traced to the fundamental but mistaken assumption that organizations are structures that guide and, as a consequence, limit interaction. An organization as a structure is a seventeenth century notion from a time when philosophers began to describe the universe as a giant piece of clockwork. Our beliefs in prediction and organizational design originate from these same ideas. A different ideal is emerging today. We want to be agile and resilient and we want to learn effectively and fast. The tension of our time is that we want our firms to be flexible and creative but we only know how to treat them as systems of boxes or network nodes, where the shapes are round instead of square , with a fixed number of lines between them. It is time to change the way we think about organizations. It is not about hierarchies vs. Organizations are creative, responsive processes and emergent patterns in time. All creative, responsive processes have the capacity to constantly self-organize and re-organize all the time. Change is not a problem or anomaly. Change is the organizing input rather than the typical managerial re-design process. All solutions are always temporary. Information is the energy of organizing. When information is transparent to everybody, people can organize effectively around changes and differences, around customers, new technologies and competitors. What we have still not understood is that people need to have access to information that no one could predict they would want to know. Even they themselves did not know they needed it â€" before they needed it. Thus an organization can never be fully planned in advance. When information is transparent, different people see different things and new interdependencies are created, thus changing the organization. The context matters more than ever. The easier the access that people have to one another and to different information is, the more possibilities there are. We seek organization, but organization is a continuous process, not a structure.

Chapter 7 : Organization is a process, not a structure | Esko Kilpi on Interactive Value Creation

The process structure divides up the organization around processes, such as research, manufacturing and sales. Unlike a purely functional structure, a process-based organization considers how the.

A unifying framework for thinking about processes â€" or sequences of tasks and activities â€" that provides an integrated, dynamic picture of organizations and managerial behavior. Many modern organizations are functional and hierarchical; they suffer from isolated departments, poor coordination, and limited lateral communication. All too often, work is fragmented and compartmentalized, and managers find it difficult to get things done. Scholars have faced similar problems in their research, struggling to describe organizational functioning in other than static, highly aggregated terms. In the broadest sense, they can be defined as collections of tasks and activities that together â€" and only together â€" transform inputs into outputs. Within organizations, these inputs and outputs can be as varied as materials, information, and people. Common examples of processes include new product development, order fulfillment, and customer service; less obvious but equally legitimate candidates are resource allocation and decision making. Over the years, there have been a number of process theories in the academic literature, but seldom has anyone reviewed them systematically or in an integrated way. Process theories have appeared in organization theory, strategic management, operations management, group dynamics, and studies of managerial behavior. The few scholarly efforts to tackle processes as a collective phenomenon either have been tightly focused theoretical or methodological statements or have focused primarily on a single type of process theory. First, processes provide a convenient, intermediate level of analysis. Most studies have been straightforward descriptions of time allocation, roles, and activity streams, with few attempts to integrate activities into a coherent whole. A process approach, by contrast, emphasizes the links among activities, showing that seemingly unrelated tasks â€" a telephone call, a brief hallway conversation, or an unscheduled meeting â€" are often part of a single, unfolding sequence. From this vantage point, managerial work becomes far more rational and orderly. My aim here is to give a framework for thinking about processes, their impacts, and the implications for managers. I begin at the organizational level, reviewing a wide range of process theories and grouping them into categories. The discussion leads naturally to a typology of processes and a simple model of organizations as interconnected sets of processes. In the next section, I examine managerial processes; I consider them separately because they focus on individual managers and their relationships, rather than on organizations. I examine several types of managerial processes and contrast them with, and link them to, organizational processes, and identify their common elements. I conclude with a unifying framework that ties together the diverse processes and consider the implications for managers. Organizational Processes Scholars have developed three major approaches to organizational processes. They are best considered separate but related schools of thought because each focuses on a particular process and explores its distinctive characteristics and challenges. Davenport, Process Innovation Boston: Harvard Business School Press, , p. Any activity or group of activities that takes an input, adds value to it, and provides an output to an internal or external customer. McGraw-Hill, , p. Structure, Systems, and Process St. West, , p. It is shaped as much by the pattern of interaction of managers as it is by the contemplation and cognitive processes of the individual. Sage, , pp. Van de Ven and G. Work Processes The work process approach, which has roots in industrial engineering and work measurement, focuses on accomplishing tasks. It starts with a simple but powerful idea: These chains are called processes and can be conveniently grouped into two categories: Operational and administrative processes share several characteristics. Both involve sequences of linked, interdependent activities that together transform inputs into outputs. Both have beginnings and ends, with boundaries that can be defined with reasonable precision and minimal overlap. And both have customers, who may be internal or external to the organization. The primary differences between the two lie in the nature of their outputs. Typically, operational processes produce goods and services that external customers consume, while administrative processes generate information and plans that internal groups use. For this reason, the two are frequently considered independent, unrelated activities, even though they must usually be aligned and mutually supportive if the organization is to function

effectively. The work processes approach is probably most familiar to managers. It draws heavily on the principles of the quality movement and reengineering. Despite these shared goals, the two movements are strikingly similar on some points, but diverge on others. The similarities begin with the belief that most existing work processes have grown unchecked, with little rationale or planning, and are therefore terribly inefficient. Hammer, for example, has observed: Many of our procedures were not designed at all; they just happened. In fact, both implicitly equate process improvement with process management. They also suggest the use of similar tools, such as process mapping and data modeling, as well as common rules of thumb for identifying improvement opportunities. Their role is to ensure integration and overcome traditional functional loyalties; for this reason, relatively senior managers are usually assigned the task. The quality movement, for the most part, argues for incremental improvement. Improvements are continuous and relatively small scale. Reengineering, by contrast, calls for radical change. Quality experts, drawing on their experience with statistical process control in manufacturing, argue that well-managed work processes must be fully documented, with clearly defined control points. Reengineering experts, on the other hand, are virtually silent about measurement and control. They draw on a different tradition, information technology, that emphasizes redesign rather than control. The work processes perspective has led to a number of important insights for managers. It provides an especially useful framework for addressing a common organizational problem: Many aspects of modern organizations make integration difficult, including complexity, highly differentiated subunits and roles, poor informal relationships, size, and physical distance. In addition, the work processes perspective provides new targets for improvement. Rather than focusing on structures and roles, managers address the underlying processes. An obvious advantage is that they closely examine the real work of the organization. The results, however, have been mixed, and experts estimate that a high proportion of these programs have failed to deliver the expected gains. My analysis suggests several reasons for failure. Most improvement programs have focused exclusively on process redesign; the ongoing operation and management of the reconfigured processes have usually been neglected. Yet even the best processes will not perform effectively without suitable oversight, coordination, and control, as well as occasional intervention. In addition, operational processes have usually been targeted for improvement, while their supporting administrative processes have been overlooked. Incompatibilities and inconsistencies have arisen when the information and plans needed for effective operation were not forthcoming. A few companies have used the work processes approach to redefine their strategy and organization. The most progressive have blended a horizontal process orientation with conventional vertical structures. Sign up Please enter a valid email address Thank you for signing up Privacy Policy Behavioral Processes The behavioral process approach, which has roots in organization theory and group dynamics, focuses on ingrained behavior patterns. The underlying behavior patterns are normally so deeply embedded and recurrent that they are displayed by most organizational members. They also have enormous staying power. They are generalizations, distilled from observations of everyday work and have no independent existence apart from the work processes in which they appear. This makes them difficult to identify but explains their importance. Behavioral processes profoundly affect the form, substance, and character of work processes by shaping how they are carried out. They are different, however, from organizational culture because they reflect more than values and beliefs. Behavioral processes are the sequences of steps used for accomplishing the cognitive and interpersonal aspects of work. New product development processes, for example, may have roughly similar work flows yet still involve radically different patterns of decision making and communication. All involve the collection, movement, and interpretation of information, as well as forms of interpersonal interaction. In most cases, the associated behaviors are learned informally, through socialization and on-the-job experience, rather than through formal education and training programs. Of all behavioral processes, decision making has been the most carefully studied. The roots go back to the research and writings of Chester Barnard and Herbert Simon, who argued that organizational decision making was a distributed activity, extending over time, involving a number of people. This, in itself, is still a surprising insight for many managers. All too often, they see decision making as their personal responsibility, rather than as a shared, dispersed activity that they must orchestrate and lead. For the most part, the results of these studies have been equivocal. Efforts to produce a

simple linear flow model of decision making â€" in the same way that work processes can be diagrammed using process flow charts â€" have had limited success. Witte, for example, studied the purchase process for new computers and found that very few decisions â€" 4 of â€" corresponded to a standard, five-phase, sequential process. He concluded that simultaneous rather than sequenced processes were the norm: They cannot avoid evaluating these alternatives immediately, and in doing this, they are forced to a decision. This is a package of operations. A second group of scholars adopted a more focused approach. Each studied a particular kind of decision, usually involving large dollar investments, to identify the constituent activities, subprocesses, and associated management roles and responsibilities, as well as the contextual factors shaping the process. Much of this research has examined the resource allocation process, with studies of capital budgeting, foreign investments, strategic planning, internal corporate venturing, and business exit. First, it has forced scholars to acknowledge the simultaneous, multilevel quality of decision processes. While sequential stages can be specified, they are incomplete as process theories and must be supplemented by detailed descriptions of the interaction of activities, via subprocesses, across organizational levels and through time. Bower, for example, identified three major components of the resource allocation process â€" definition the development of financial goals, strategies, and product-market plans , impetus the crafting, selling, and choice of projects , and determination of context the creation of structures, systems, and incentives guiding the process â€" and then went on to describe the linkage among these activities and the interdependent roles of corporate, divisional, and middle managers. Second, this body of research focused attention on the way that managers shape and influence decision processes. While behavioral processes like decision making have great autonomy and persistence, they can, according to this line of research, be shaped and directed by managerial action.

Chapter 8 : The Organizational Control Process

Organizational structure is something that is best decided upon internally, through a process of critical thinking and discussion by members of the group. In your discussions, your answers to the following list of questions may guide your decisions.

Large international organisation bureaucratic structure: Precision, speed, unambiguity, â€¦ strict subordination, reduction of friction and of material and personal costs- these are raised to the optimum point in the strictly bureaucratic administration. They are better suited for more complex or larger scale organizations, usually adopting a tall structure. The Weberian characteristics of bureaucracy are: Clear defined roles and responsibilities A hierarchical structure Respect for merit Bureaucratic structures have many levels of management ranging from senior executives to regional managers, all the way to department store managers. Since there are many levels, decision-making authority has to pass through more layers than flatter organizations. A bureaucratic organization has rigid and tight procedures, policies and constraints. This kind of structure is reluctant to adapt or change what they have been doing since the company started. Organizational charts exist for every department, and everyone understands who is in charge and what their responsibilities are for every situation. Decisions are made through an organizedaucratic structures, the authority is at the top and information is then flowed from top to bottom. This causes for more rules and standards for the company which operational process is watched with close supervision. Some advantages for bureaucratic structures for top-level managers are they have a tremendous control over organizational structure decisions. This works best for managers who have a command and control style of managing. Strategic decision-making is also faster because there are fewer people it has to go through to approve. This can make it hard for a company to adapt to changing conditions in the marketplace. Post-bureaucratic[edit] The term of post bureaucratic is used in two senses in the organizational literature: This may include total quality management , culture management and matrix management , amongst others. None of these however has left behind the core tenets of Bureaucracy. Heckscher, arguing along these lines, describes them as cleaned up bureaucracies, [12] rather than a fundamental shift away from bureaucracy. Another smaller group of theorists have developed the theory of the Post-Bureaucratic Organization. Charles Heckscher has developed an ideal type, the post-bureaucratic organization, in which decisions are based on dialogue and consensus rather than authority and command, the organization is a network rather than a hierarchy, open at the boundaries in direct contrast to culture management ; there is an emphasis on meta-decision-making rules rather than decision-making rules. This sort of horizontal decision-making by consensus model is often used in housing cooperatives , other cooperatives and when running a non-profit or community organization. It is used in order to encourage participation and help to empower people who normally experience oppression in groups. Still other theorists are developing a resurgence of interest in complexity theory and organizations , and have focused on how simple structures can be used to engender organizational adaptations. For instance, Miner et al. Their study makes links to simple structures and improviser learning. Other scholars such as Jan Rivkin and Sigglekow, [13] and Nelson Repenning [14] revive an older interest in how structure and strategy relate in dynamic environments. Functional structure[edit] A functional organizational structure is a structure that consists of activities such as coordination, supervision and task allocation. The organizational structure determines how the organization performs or operates. The term organizational structure refers to how the people in an organization are grouped and to whom they report. One traditional way of organizing people is by function. Some common functions within an organization include production, marketing, human resources, and accounting. This organizing of specialization leads to operational efficiency, where employees become specialists within their own realm of expertise. On the other hand, the most typical problem with a functional organizational structure is that communication within the company can be rather rigid, making the organization slow and inflexible. Therefore, lateral communication between functions becomes very important, so that information is disseminated not only vertically, but also horizontally within the organization. Communication in organizations with functional organizational structures can be rigid because

of the standardized ways of operation and the high degree of formalization. As a whole, a functional organization is best suited as a producer of standardized goods and services at large volume and low cost. Coordination and specialization of tasks are centralized in a functional structure, which makes producing a limited amount of products or services efficient and predictable. Moreover, efficiency can further be realized as functional organizations integrate their activities vertically so that products are sold and distributed quickly and at low cost. Even though functional units often perform with a high level of efficiency, their level of cooperation with each other is sometimes compromised. Such groups may have difficulty working well with each other as they may be territorial and unwilling to cooperate. The occurrence of infighting among units may cause delays, reduced commitment due to competing interests, and wasted time, making projects fall behind schedule. This ultimately can bring down production levels overall, and the company-wide employee commitment toward meeting organizational goals. Divisional structure[edit] The divisional structure or product structure consists of self-contained divisions. A division is a collection of functions which produce a product. It also utilizes a plan to compete and operate as a separate business or profit center. Examples of divisions include regional a U. S Division and an EU division , consumer type a division for companies and one for households , and product type a division for trucks, another for SUVS, and another for cars. The divisions may also have their own departments such as marketing, sales, and engineering. The advantage of divisional structure is that it uses delegated authority so the performance can be directly measured with each group. This results in managers performing better and high employee morale. Also, a company will have a simpler process if they need to change the size of the business by either adding or removing divisions. When divisional structure is utilized more specialization can occur within the groups. When divisional structure is organized by product, the customer has their own advantages especially when only a few services or products are offered which differ greatly. When using divisional structures that are organized by either markets or geographic areas they generally have similar function and are located in different regions or markets. This allows business decisions and activities coordinated locally. The disadvantages of the divisional structure is that it can support unhealthy rivalries among divisions. This type of structure may increase costs by requiring more qualified managers for each division. Also, there is usually an over-emphasis on divisional more than organizational goals which results in duplication of resources and efforts like staff services, facilities, and personnel. Matrix structure[edit] This section possibly contains original research. Please improve it by verifying the claims made and adding inline citations. Statements consisting only of original research should be removed. October Learn how and when to remove this template message The matrix structure groups employees by both function and product simultaneously. A matrix organization frequently uses teams of employees to accomplish work, in order to take advantage of the strengths, as well as make up for the weaknesses, of functional and decentralized forms. An example would be a company that produces two products, "product a" and "product b". Using the matrix structure, this company would organize functions within the company as follows: A project manager with only limited authority is assigned to oversee the cross-functional aspects of the project. The functional managers maintain control over their resources and project areas. A project manager is assigned to oversee the project. Power is shared equally between the project manager and the functional managers. It brings the best aspects of functional and projectized organizations. However, this is the most difficult system to maintain as the sharing of power is a delicate proposition. A project manager is primarily responsible for the project. Functional managers provide technical expertise and assign resources as needed. There are both advantages and disadvantages of the matrix structure; some of the disadvantages are an increase in the complexity of the chain of command. This occurs because of the differentiation between functional managers and project managers, which can be confusing for employees to understand who is next in the chain of command. An additional disadvantage of the matrix structure is higher manager to worker ratio that results in conflicting loyalties of employees. However the matrix structure also has significant advantages that make it valuable for companies to use. Organizational Circle[edit] This section possibly contains original research. October Learn how and when to remove this template message 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. All of the aforementioned organizations operate in the field of technology, which may be significant, as software developers are highly skilled professionals , much like lawyers. Senior lawyers also enjoy a relatively high degree of autonomy within a typical law firm , which is typically structured as a partnership rather than a hierarchical bureaucracy. Some other types of professional organizations are also commonly structured as partnerships, such as accountancy companies and GP surgeries. Often, growth would result in bureaucracy , the most prevalent structure in the past. It is still, however, relevant in former Soviet Republics, China, and most governmental organizations all over the world. Shell Group used to represent the typical bureaucracy: It featured multiple levels of command and duplicate service companies existing in different regions. All this made Shell apprehensive to market changes, [17] leading to its incapacity to grow and develop further. The failure of this structure became the main reason for the company restructuring into a matrix. Starbucks is one of the numerous large organizations that successfully developed the matrix structure supporting their focused strategy. Its design combines functional and product based divisions, with employees reporting to two heads. This structure can be seen as a complex form of the matrix, as it maintains coordination among products, functions and geographic areas. With the growth of the internet, and the associated access that gives all levels of an organization to information and communication via digital means, power structures have begun to align more as a wirearchy , enabling the flow of power and authority to be based not on hierarchical levels, but on information, trust, credibility, and a focus on results. In general, over the last decade, it has become increasingly clear that through the forces of globalization, competition and more demanding customers, the structure of many companies has become flatter, less hierarchical, more fluid and even virtual. In small businesses, the team structure can define the entire organization. Xerox , Motorola , and DaimlerChrysler are all among the companies that actively use teams to perform tasks. Network[edit] Another modern structure is network. While business giants risk becoming too clumsy to proact such as , act and react efficiently, [24] the new network organizations contract out any business function, that can be done better or more cheaply.

Chapter 9 : Process Vs Network Structure

The process of organizing consists of following steps! 1. Identification and Division of work: The organising function begins with the division of total work into smaller units. Each unit of total work is called a job. And an individual in the organisation is assigned one job only. The division of.

The Decision-making Process The internal organizational structure of the local school district should reflect and support the collaborative decision making of educators and health professionals at all levels of the organization. With the increasing complexity of health services required by students in school, both administrative and clinical judgments are critical in planning, implementing, and evaluating services for children with health impairments. Local school districts may need to review and revise organizational structures, policies and procedures to promote decision making that is truly collaborative in nature and to ensure that both administrative and clinical judgment are made by those who have the expertise and legal authority to make them. Similarly, it is essential that school administrators, school nurse supervisors, school medical advisers, pupil personnel coordinators and other appropriate supervisory and administrative personnel collaborate in planning programs, developing procedures, and resolving many of the difficult issues inherent in providing services for students with special needs. Finally, the local board of education should ensure that health-related issues are identified and considered in the process of developing and revising policy by consulting with the medical adviser, nursing supervisor, and community health experts. Consultation with attorneys who have expertise in education may also be beneficial in resolving legal issues regarding district policy or procedure. Local school districts have the overall responsibility for providing a free and appropriate education in a safe environment for all of their students. In order to discharge administrative responsibilities as they relate to the health care of students in schools, local school districts should: Within a school district, school health professionals have primary responsibility for: School administrators, educators, medical advisers, school social workers, school nurses, speech language pathologists, school psychologists, school counselors, physical therapists, occupational therapists, food service supervisors, transportation supervisors, and other professionals within the school community need to collaborate in the development, review, and revision of related policies, procedures, and student services on a regular basis. Most school decisions related to serving students with special health care needs require some combination of both administrative judgment and clinical judgment. It is sometimes difficult to identify the specific components of the decision-making process, but it is important to make a collaborative effort to do so. When the various components of a decision-making process can be identified, they can then be developed into a procedure, protocol, or decision rubric for the future management of similar issues. Example of Collaborative Decision Making It is essential for all personnel to recognize that there will be conflicts and problems that arise in the process of planning for, providing, and evaluating the special services that students with special health care needs may require in school. It is important, therefore, for school districts to: The health, safety, and, in some cases, life of a student may depend on clear lines of decision-making among personnel. The following is an example of Collaborative Decision Making: In the process of planning for the student to enter school, the decision about who should perform the required procedure must be made. The steps of a collaborative process for making this decision, including both administrative and clinical components, as well as the primary responsibility for specific aspects of the decision, are outlined below. Administrative which professional staff members are available to perform the procedure; and whether the job description of the personnel permit the performance of such assigned health procedures. Administrative The administrator, after consultation with the potential candidates and the school nurse, chooses the individual professional certifi ed staff member who is most suitable to provide the care at the specified level. Clinical The school nurse trains the individual designated by the administrator, determines when the individual is sufficiently competent to provide care, and provides regular supervision. Administrative The administrator immediately arranges to implement the recommendation; or if regular staff members are not immediately available, the administrator makes an alternative interim plan which still meets the level of care recommended by the school nurse, such as reassigning a school nurse

part-time from another building while exploring the districts options and obtaining further consultation.