

4. Concepts of the world of organization

Organisation with a matrix structure

Organisation with matrix structure - its form is quite complicated. The principle is double subordination. Employees have two bosses at the same time: one of them is a part of the functional or company system, and the other is the head of the task force.

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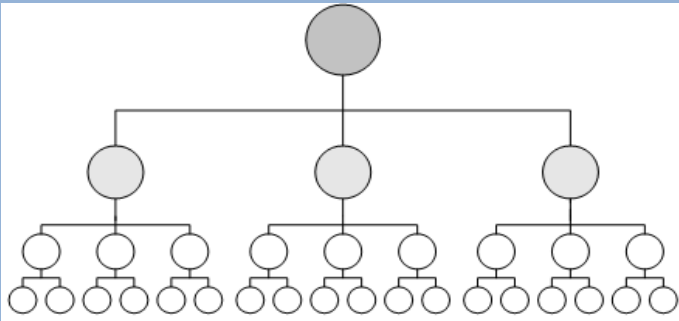
Organisation with a matrix structure (cont.)

Advantages of the matrix structure: it is efficient in solving specific problems, as it brings together various specialists (solving interdisciplinary problems). Cooperation also gives the company's employees the opportunity to become aware of the problems of other departments, because by carrying out one task, they get to know the problems of other departments better. The matrix organization also has greater flexibility, which helps to react to changes and also allows to save resources, because there is no duplication of jobs.

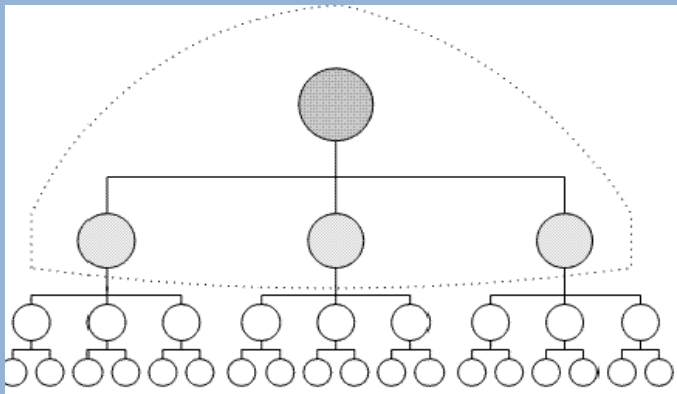
The problem is that not everyone can adapt to the matrix structure and double management. Problems may arise with issuing instructions, contradictory directives and lack of strictly defined responsibilities. The disadvantages of this form of organization are usually high management costs, the possibility of anarchy and extended time of tasks (much discussion, less action).

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From bureaucracy to matrix



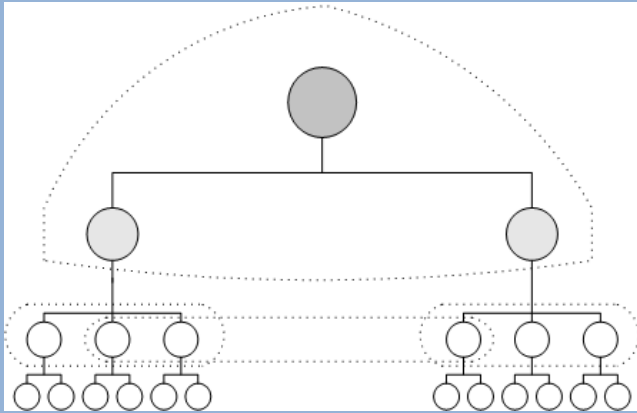
Model 1. Rigid bureaucracy



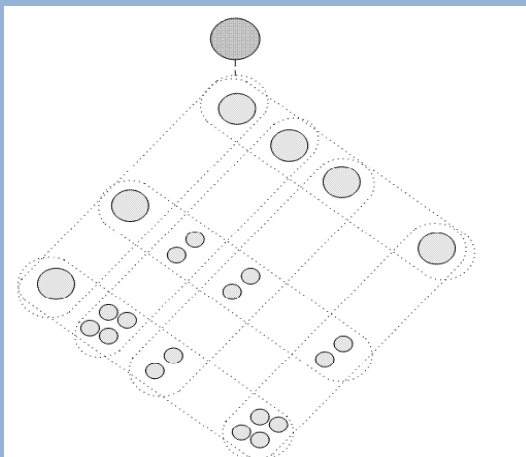
Model 2: Bureaucracy managed by a senior management team

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From bureaucracy to matrix (cont.)



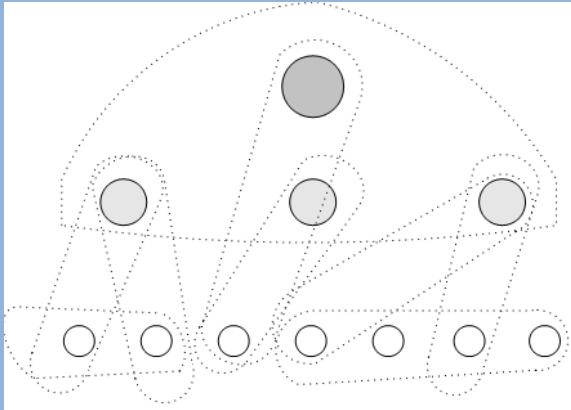
Model 3. Bureaucracy with project teams and task forces



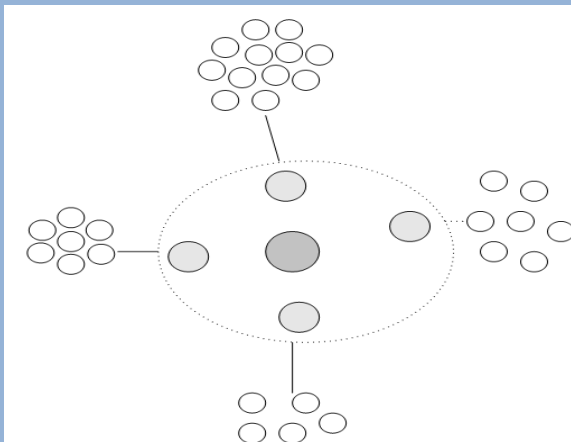
Model 4. Organisation - matrix

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From bureaucracy to matrix (cont.)



Model 5. Design organisation



Model 6. Loosely coupled organic network

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Types of organisational structures

An informal organizational structure is an employee-recognized relationship between members of an organization that arises as a result of personal and group needs as they work together. They are not recorded anywhere in official documents and may not be officially recognised, but they may facilitate the functioning of the company.

Organisational structures can be slender (slim/tall) or flat.

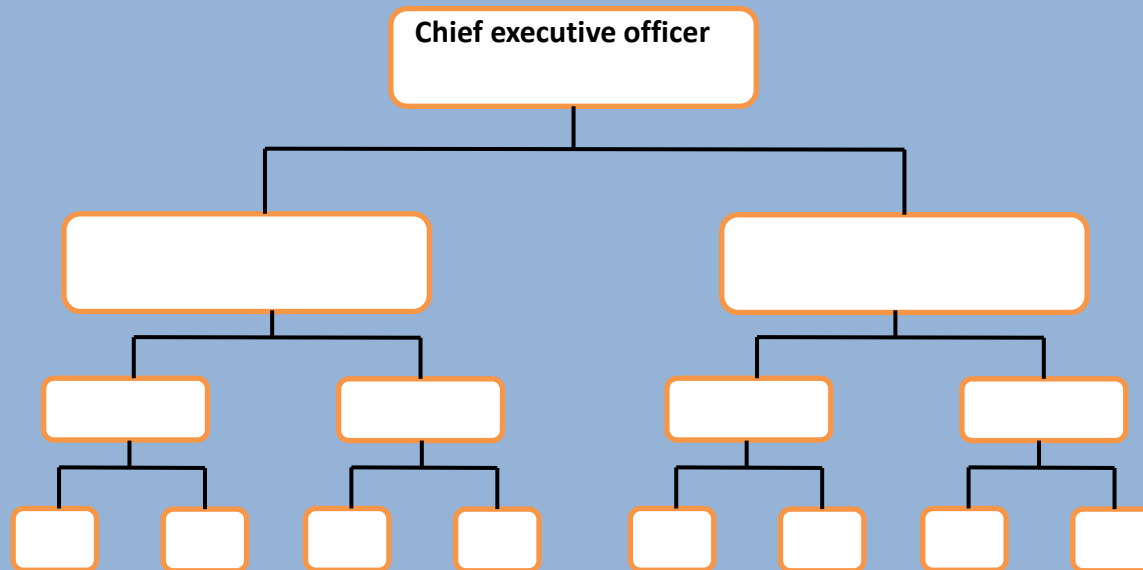
Slim structures - there are many levels between the lowest-ranking employees and the top management. There is a small range of management

Flat structures - there are not many intermediate levels between the top management and employees at the lowest level.

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Slim (tall, slender) structure

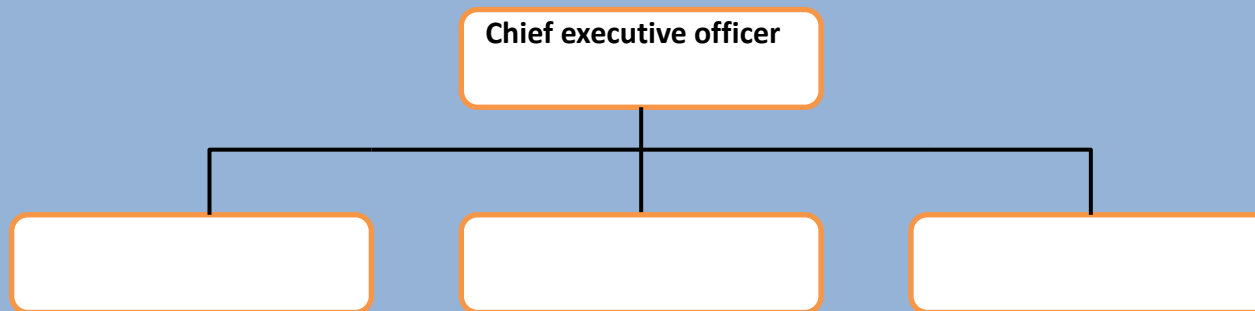
The diagram below shows a slender structure of the organisation.



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Flat structure

The diagram below shows a flat structure of the organisation.



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Concepts relating to the organisational structure

Hierarchy - the arrangement of many levels, in the organizational structure headed by a manager responsible for the whole organization.

Range of management - the number of people and departments that are directly subordinate to a single manager.

Management - it is about dealing with the issues of time and interpersonal relationships. Management is based on shaping the future, but based on the present and the past. It has an impact over time.

Leadership effectiveness - a measure of a manager's performance, assessing the extent to which the manager sets and achieves relevant objectives.

Organization effectiveness - an organization is as effective as it achieves its goals.

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Terms related to the organisational structure (cont.)

Efficiency - the ability to do things in the right way. It is associated with workload and results. An efficient manager is one who achieves results commensurate with the workload.

Effectiveness - it is the key to the success of the organisation and determines the ability to choose the right goals. The effectiveness of an organisation is also influenced by the degree of formalisation.

Formalization is a record of objectives, structure and rules of the organization in force in it. It limits any activity of individuals, because it imposes written standards on them the course of activities (e.g. description of the production process, circulation of information). It influences the quality of work. Thanks to formalisation, an employee knows what to do. However, sometimes when we create too many regulations and procedures, they may block (hinder) the activity of the institution.

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Terms related to the organisational structure (cont.)

Centralisation - concentration of power in the hands of the chief management. It can lead to the blocking of institutions. When a manager wants to decide for himself on everything, he has to deal with both important and trivial matters.

Decentralisation of powers to sub-national levels. This is beneficial when the position holder has a minimum of freedom to make decisions that do not need to be consulted with the manager.

