



HighApproach



NOTICE OF APPRECIATION

We, at HighApproach, extend our warmest gratitude to **Ms. Sandhya Sah** for her generous contribution of invaluable educational resources. Your efforts have significantly bolstered our goal to deliver high-quality education and support to our learners across the globe.

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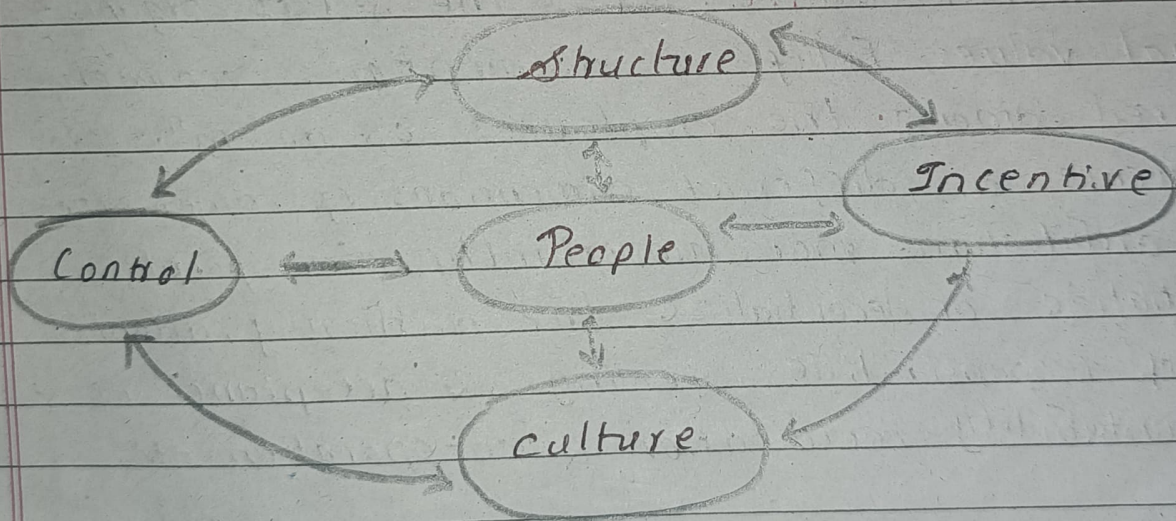
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ORGANIZATIONAL ARCHITECTURE

Organization Architectures

- It is meant as the organizational structural design formulated to deliver the organizational functions with formal division of responsibilities & authority.
- In broad sense, it has two differentiating meanings as organizations built environment & architecture metaphoric.

Elements of organizational architecture



1. **Organizational structure**: It is the integration of three things: person & position for making decision i.e. centralization & decentralization; formal division of functions of organization departments, units & subunits; & integration mechanisms to coordinate the activities of various functional units & subunits.

2. **Controls**: It is the extent of rights to supervise & direct the subordinates with legitimate authority. It provides horizon up to which performance control initiatives can be accessed.
3. **People**: People involved directly as employee as well as the people included for strategy formulation, training & development, performance appraisal & compensation in the organizational architecture.
4. **Organizational culture**: It is the set of organizational values, beliefs & assumptions commonly shared among the employees of an orgⁿ. It influences on different dimensions of organizational architecture, more importantly how people centralize or decentralize the authority, acceptance of responsibilities, feelings & acceptance of accountability coordination & co-operation etc.
5. **Incentive**: Incentive are the motivational techniques used in the organization to change the behaviour of the people towards acceptable behaviour in organization. Organizational structure sets authority - responsibility along with various financial & non-financial incentives.

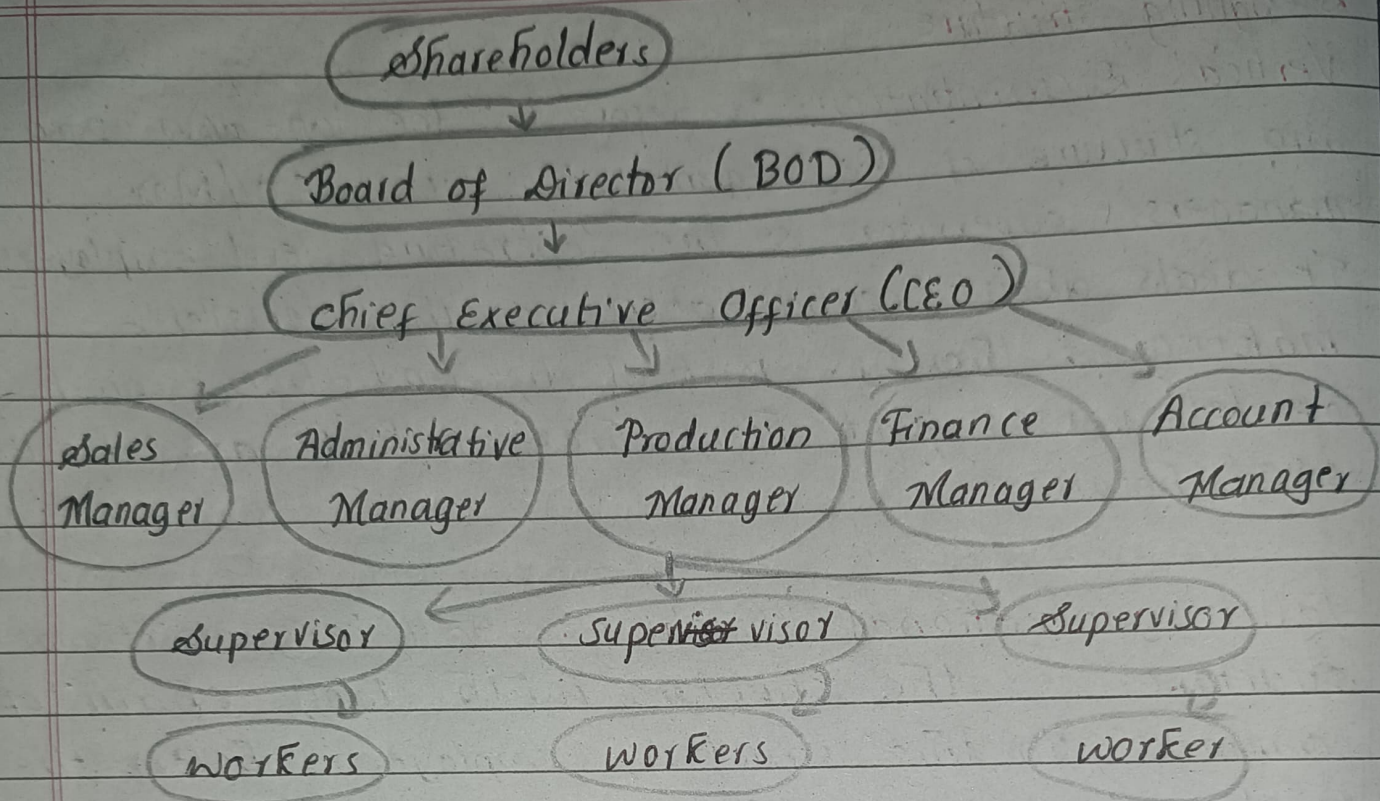
Designing Structure

A. **Vertical Differentiation**: It refers to the top-down pyramid structure of the organization with CEO/MD, managers, supervisors & the operating level employees. It deals about centralization of the decision-making authority. Vertical differentiation can be of tall versus flat hierarchies which are discussed below:-

1. **Tall organizational structure**: Tall organizational structure is the structure with long chain of command. In this structure, employees below the level understand their roles & responsibilities clearly & also the accountability remains always at the highest level which helps to higher level of productivity & efficiency.

Line organization structure is well known popular tall structure which is described below:-

Line organization: It is one of the simplest & oldest organizational structure. In this type of organization, the authority flows from top level to bottom level & responsibility flows from bottom level to top level. In the line organization, each superior is independent to take decision & each sub-ordinate is directly responsible to his superior.



Features:

- ↳ simplest form of organization.
- ↳ Line of authority flows top to bottom.
- ↳ specialized & supportive services do not take place in these organizations.
- ↳ This kind of organization always helps in bringing efficiency in communication & stability to a concern.

2. **Flat organizational structure** : is the structure with only few or no levels of management btwⁿ management & staff level employees.

- ↳ In order to remove the demerit of tall structure i.e. lengthy scalar chain, possibility of decision delay & poor employee satisfaction; flat

organization structure is brought into existence.

- ↳ In flat organization structure, there will be close supervision to the employees which facilitates higher productivity, strong belongingness & facility of quick decision.

B. Horizontal Differentiation in Organizational Structure

A. Functional structure

- ↳ This is the concept developed by the father of scientific management F.W. Taylor.
- ↳ He developed this concept for large organizations & especially for factory.
- ↳ In this concept, he has given more emphasis in specialization.
- ↳ According to him, each person is not specialized in different subjects.
- ↳ Hence, he is in the position that activities should be divided into group or main groups & to handle the activities, the experts are to be given right.
- ↳ He has recommended 8 bosses to carry out the duties.

B. Multidivisional structure (M-form)

- ↳ It is the organizational structure in which a firm is divided into different product divisions.
- ↳ Each of the division is responsible to carry out functions in a distinct business area.
- ↳ In this structure, each of the division has some decentralized authority & held accountable for their performance.

↳ It consists of self-contained units that rise as its own separate entity.

C. Geographic structure

- ↳ Geographic structure, as its name, is the idea of developing organizational structure based on the geographical operation of any business organization.
- ↳ Geographic structure becomes suitable if the organization has its business expanded into geographic areas.
- ↳ As the many organizations are being multinationals, this form of organizational structure is being more popular.
- ↳ As the structure helps identify business opportunities, solutions in different market places, & the provision for workplace compensations & employee relations in the ways demanded in different regions.

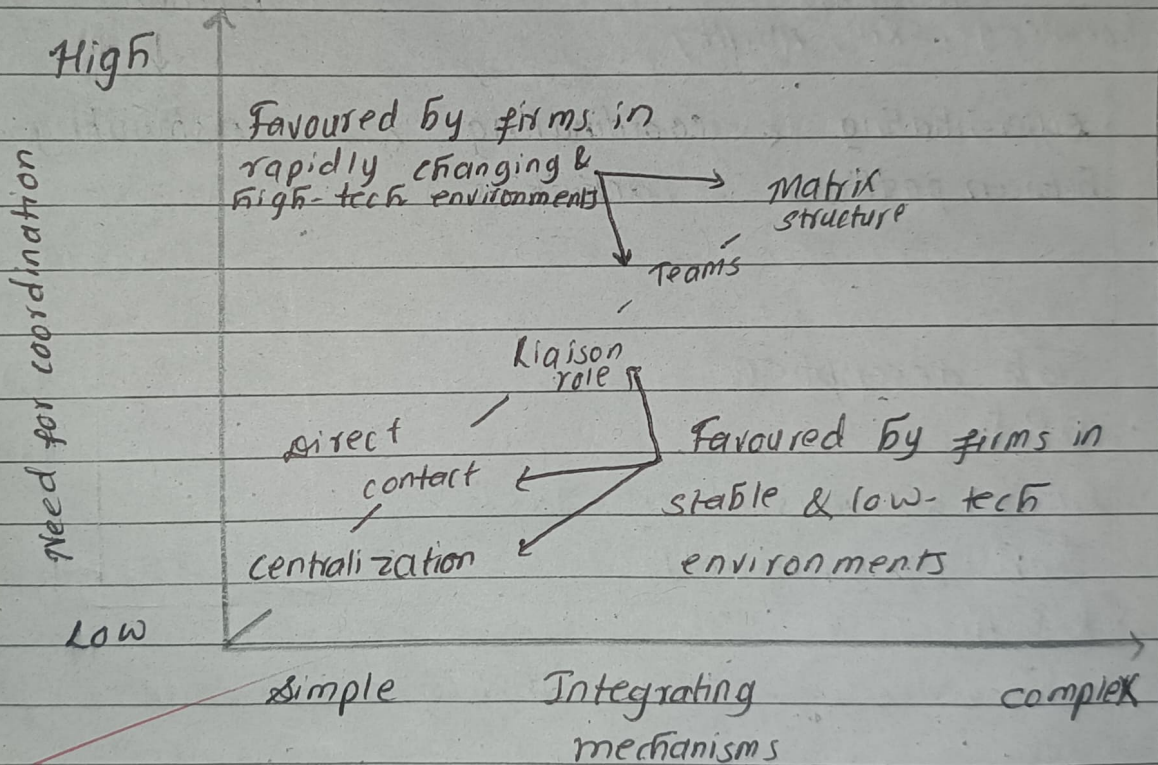
D. Matrix structure :

- ↳ An organizational structure that facilitates the horizontal flow of skills & information is matrix orgⁿ.
- ↳ It is used mainly in the management of large projects of product development processes, drawing employees from different functional disciplines for assignment to a team without removing them from their respective positions.
- ↳ This means matrix organization is formed with the people from different skills & expertise from different departments.

Integrating Mechanisms

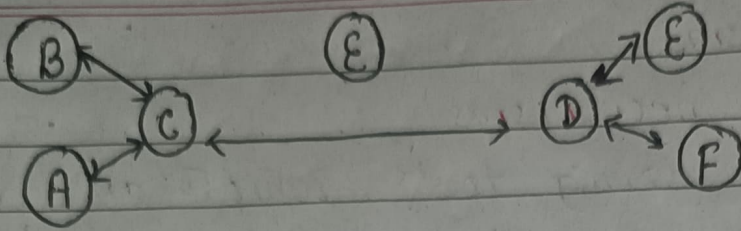
1. Formal integrating mechanisms

- ↳ They are those organizing tools which are designed by the organization formally.
- ↳ Such integrating mechanisms follow the formal organizational structure i.e. scalar chain for command, coordinate & communicate.

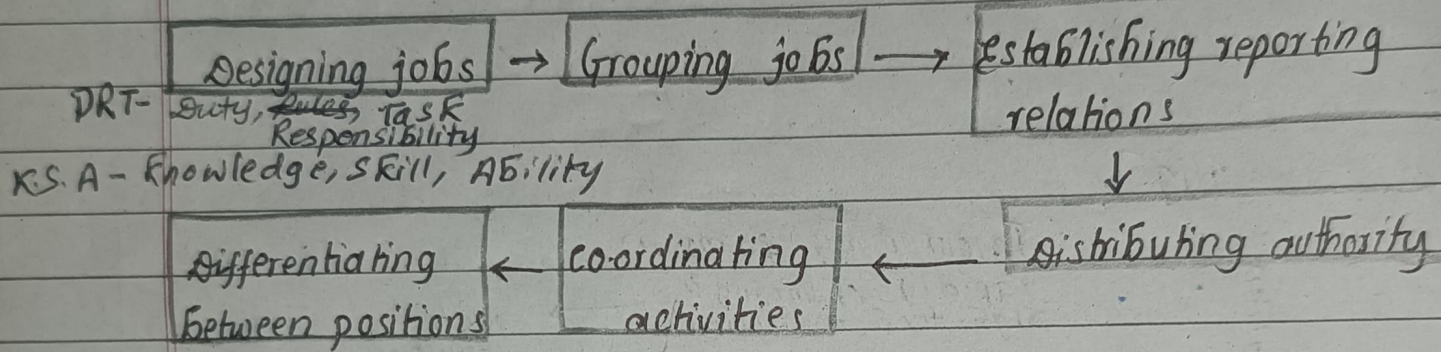


Informal Integrating mechanisms are those organizing tools which are designed by the organization beyond the organization's formal structure.

- ↳ Such integrating mechanisms follow the informal organizational structure for sharing knowledge & other resources.
- ↳ Basically such integrating mechanisms operate with the help of information technology.



Process / Elements of organizing



Job description.

D.R.T

Duty, Responsibility, Task

Job specification

K.S.A.

Knowledge, Skill, Ability

- **Authority**: is the legal right to make decision, give command, order or instruction to subordinates & compel them to do a certain act.
- In order to operate the organizational activities, different managers should make decisions, concerning performance or non-performance of a task in a particular manner, so as to accomplish organizational objectives.

- For this purpose, managers should have adequate authority.

Sources of Authority

i. Assigned authority

- Line authority
- Staff authority
- Functional authority
- Legal authority

ii. Perceived authority

- Expert authority
- Referent authority
- Reward authority
- Punitive authority

DELEGATION OF AUTHORITY

↳ Delegation of authority can be understood as a philosophy in which managers (superiors) assign a portion of their authority to their immediate subordinates so that they can make required decisions while accomplishing assigned job to them.

↳ This is simply the act of allowing subordinates to use the authority of manager while doing their job.

↳ Delegation of authority facilitates decision making

at right time so that the job can be accomplished at right time.

- ↳ Delegation of authority also provides the career advancement opportunity to the employees.
- ↳ Delegation It establishes a pattern of authority btwⁿ superior & subordinates.
- ↳ It consists not only assigning the duties & responsibilities to subordinates & granting authority to them but it also ensures the accountability.
- ↳ Managers can delegate only a part of authority that they have.
- ↳ This means neither full authority nor the authority from other's area of authority can be delegated.
- ↳ Delegated authority can be restored whenever is essential.

Features of Delegation of Authority

- Legality for autonomous
- Delegation of only part of authority
- No Delegation of accountability
- Delegation of only the authority that manager has
- Restoration of delegated authority
- Representation of superior
- Balance of responsibility & authority.

Responsibility

- It is the duty of a subordinate to perform the organizational purpose.
- It is fixed with position as the position holder becomes obliged to accomplish. Responsibility should go side by side with authority.

Features :

- Responsibility comes from superior subordinate relationship. It is gradually shifted from lower level to upper level but in scalar chain.
- Ultimate responsibility remains to the position holder.
- Responsibility makes the person accountable for the performance of assigned duties.

Accountability:

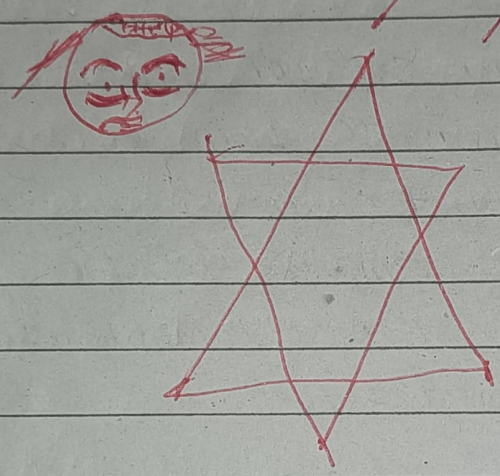
- It is the obligation or the legitimate compulsion for the employees to report the progress of jobs done.
- Employees should answer on the performance, success or failure of the job to the higher authority.
- Simply, accountability is the obligation to answer about the responsibility to their superior.

Creating Accountability in Organization.

- Clear expectations
- Meaningful feedback
- Established hierarchy
- Focusing on team cohesion
- Leading by example
- Fostering growth

Emerging issues in organization Design & Architecture

- Work Team Concept
- Boundaryless "
- Virtual or Network Organization Structure
- Learning Organization Concept
- Organizational Downsizing Concept
- Process Re-engineering Concept



Very Good