



# Organisational Structure



# Fundamental resources

- ◆ People
- ◆ Organisation
- ◆ Technology



# People

## ◆ Components to consider

- Career
- Education
- Training
- Employee attitudes
- Employee participation
- Employee monitoring
- Work environment

- ◆ People are a key resource, NOT a cost
- ◆ Potential must be fulfilled
- ◆ They must be motivated
- ◆ Training is a key component



# Organisation

- ◆ Strategy
- ◆ Policy
- ◆ Mission statement
- ◆ Culture
- ◆ Management
- ◆ Bureaucracy
- ◆ Competition
- ◆ Environment



# Technology

- ◆ Hardware
- ◆ Software
- ◆ Telecommunications
- ◆ Information systems



# Successful organisations:

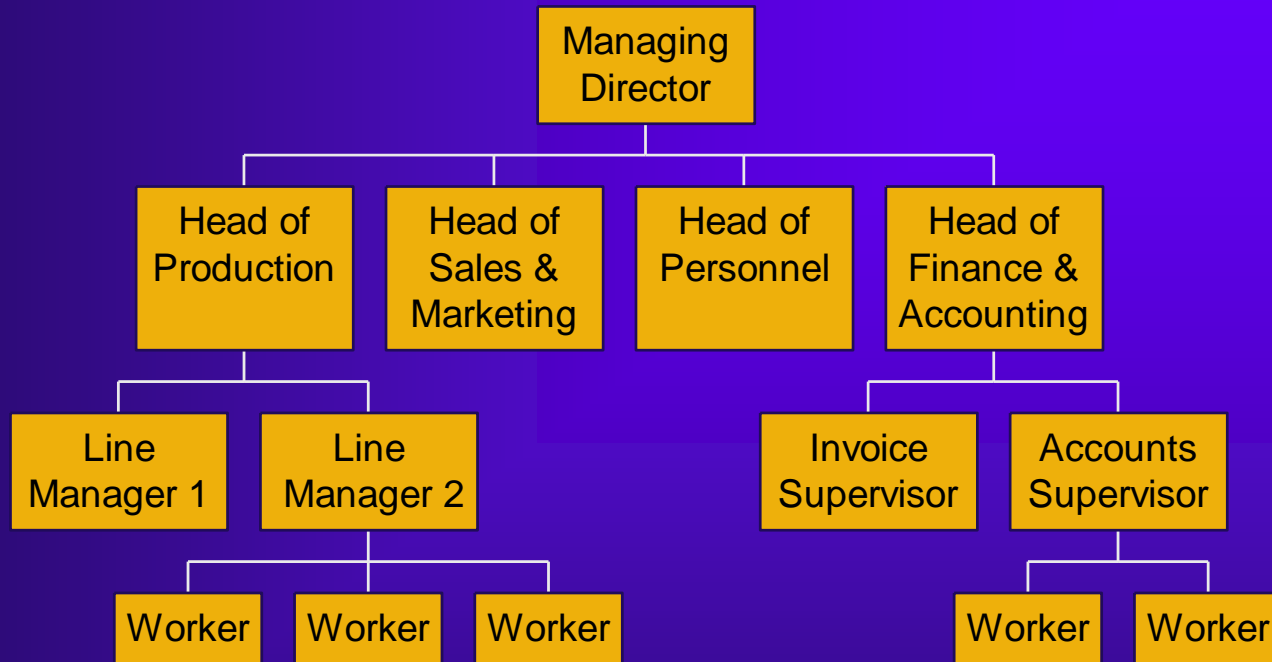
- ◆ Have visionary, enthusiastic leaders
- ◆ Unlock and develop the potential of employees
  - Create an empowered workforce
  - Invest in people through good communications & training
  - Flatten and invert the organisational pyramid
- ◆ Know their customers
  - Learn from others
  - Respond positively to demanding customers
- ◆ Constantly introduce new products and services
  - Know their competitors
  - Encourage innovation
  - Focus on core business and explore strategic alliances
- ◆ Exceed customers' expectations



# Main elements of the organisation

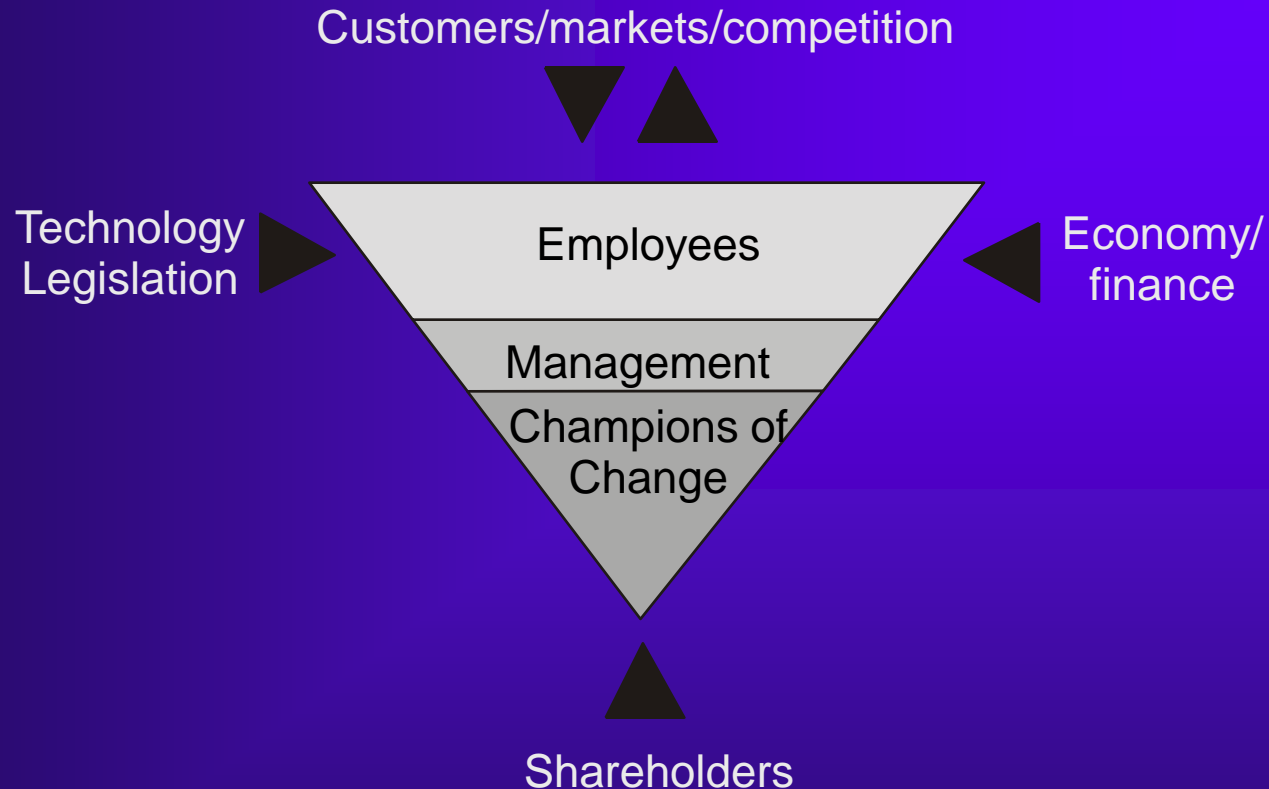
- ◆ Production
- ◆ Sales and marketing
- ◆ Personnel or Human Resources
- ◆ Finance and accounting

# Traditional structure



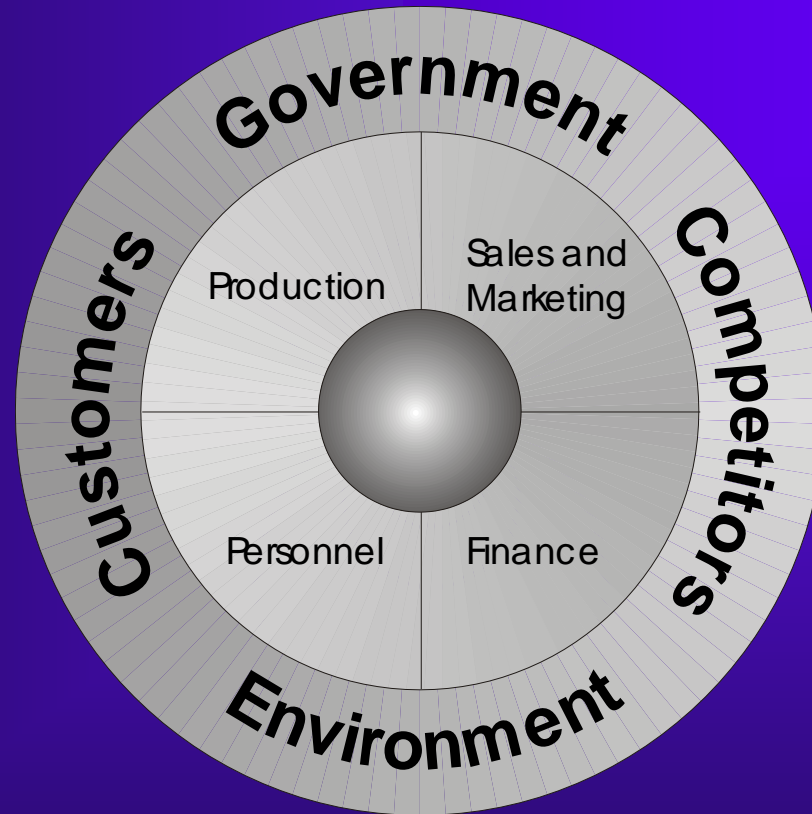
- ◆ Many organisations would have had many more layers of middle management than this model
- ◆ This kind of rigid pyramid structure began to disappear through the 1990s
- ◆ Tiers of middle management were removed

# Inverting the pyramid



- ◆ Emphasis on the importance of 'customers/markets/competition'
- ◆ Employees are the main point of contact

# External pressures



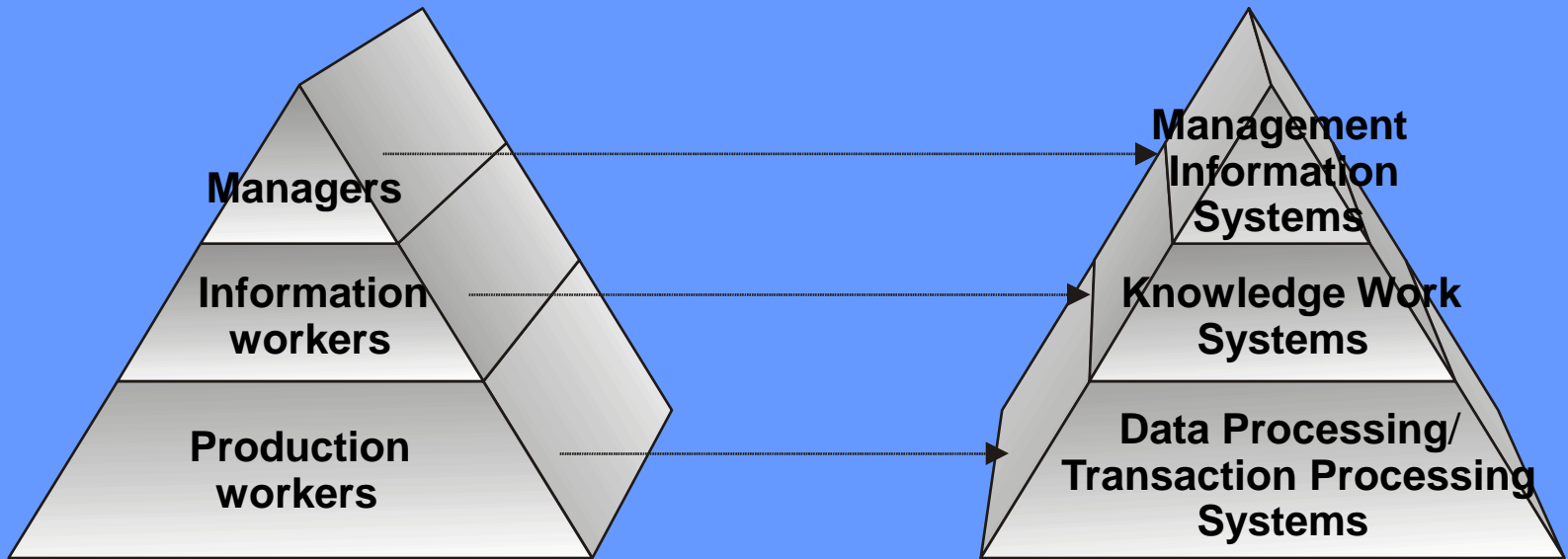
- ◆ These external influences affect the way that the business is run



# Information systems

- ◆ Three major levels within organisation
  - production workers
  - Information workers
  - Management workers
- ◆ Each level has its unique class of information system:
  - **Data or transaction processing systems**  
for production workers to deal with customers and suppliers
  - **Knowledge work systems**  
for clerical and professional people to process and create information and knowledge
  - **Management information systems**  
for management to control and plan the organisation

# Information systems



- ◆ Organisations will have many information systems.



# Types of information system

## ◆ Data / Transaction processing systems

### – Batch systems

transactions collected over time and processed together;

### – On-line systems

data is processed as soon as it is collected.

## ◆ Knowledge work systems

– used by information workers to help deal with problems requiring knowledge or technical expertise

## ◆ Management information systems

– help managers monitor and control organisational performance and plan for the future