

LEARNING MODULE 11	Logo of TVET Provider
TVET PROGRAM TITLE: FURNITURE MAKING LEVEL III	
MODULE TITLE: Improving Business Practice MODULE CODE: - INDFMK3 M12 1115	
NOMINAL DURATION: 40 Hours	
MODULE DESCRIPTION: This module covers the skills, knowledge and attitudes required in promoting, improving and growing business operations.	
LEARNING OUTCOMES: At the end of this module the trainees will be able to L01: Diagnose the business L02: Benchmark the business L03: Develop plans to improve business performance L04: Develop marketing and promotional plans L05: Develop practice growth plans L06: Implement and monitor plans	
MODULE CONTENTS: L01: Diagnosing the business 1.1 Determining and acquiring data required for diagnosis 1.2 Determining competitive advantage of the business 1.3 Undertaking SWOT analysis of the data L02: Benchmarking the business 2.1 Identifying sources of relevant benchmarking data 2.2 Selecting key indicators for benchmarking 2.3 Comparing like indicators of own practice with benchmark indicators 2.4 Identifying areas for improvement L03: Developing plans to improve business performance 3.1 Developing a consolidated list of required improvements 3.2 Determining cost-benefit ratios for required improvements 3.3 Determining work flow changes resulting from proposed improvements 3.4 Ranking proposed improvements according to agreed criteria 3.5 Developing and agreeing an action plan to implement the top ranked improvements 3.6 Checking organizational structures L04: Developing marketing and promotional plans 4.1 Reviewing the practice vision statement 4.2 Developing/reviewing practice objectives	

- 4.3 Identifying/refining target markets
- 4.4 Obtaining market research data
- 4.5 Obtaining competitor analysis
- 4.6 Developing/reviewing market position
- 4.7 Developing practice brand
- 4.8 Identifying benefits of practice/practice products/services

Selecting/developing promotion tools.

LO5. Develop business growth plans

- 5.1. Increasing productivity
- 5.2. Developing/implementing expansion plans
- 5.3. Reviewing work practices

LO6. Implement and monitor plans

- 6.1. Developing implementation plan
- 6.2 Identifying indicators of success
- 6.3 Monitoring implementation plan

L01: Diagnose the business

- ☐ Organization diagnosis is a process that helps organizations to improve their capacity to assess and change inefficient patterns of organizational behavior as a basis for greater effectiveness.
- ☐ Organizational diagnosis is an effective ways of Looking at an organization to determine gaps between current and desired performance and how it can achieve its goals.
- ☐ **There are six step processes for major organization development efforts.**

These are:

1. Clarification of whole organization objectives,
2. Data gathering and sharing,

3.Diagnosis of organization strengths and weaknesses,

4.Joint action presentation of organizational development interventions to correct weaknesses

5.Implementation of organizational development intervention, and\

6.Periodic progress review of results.

- ✓ Diagnosis is a cyclical process that involves data ***gathering, interpretation*** and ***identification*** of the **problem areas** and possible action programs.
- ✓ Each organizational culture profile reflects underlying attributes including the **management style, strategic plans, climate, reward system, leadership, and basic values of the organization.**
- ✓ So, changing the culture requires that these various elements of culture be identified and altered.
- ✓ Organizations try to achieve a sustainable competitive advantage by learning its environment through a scanning process as the environment is a determinant of human resource management.

Diagnosing the environment is an assessment process that focuses on determining the readiness of the target group to accept change.

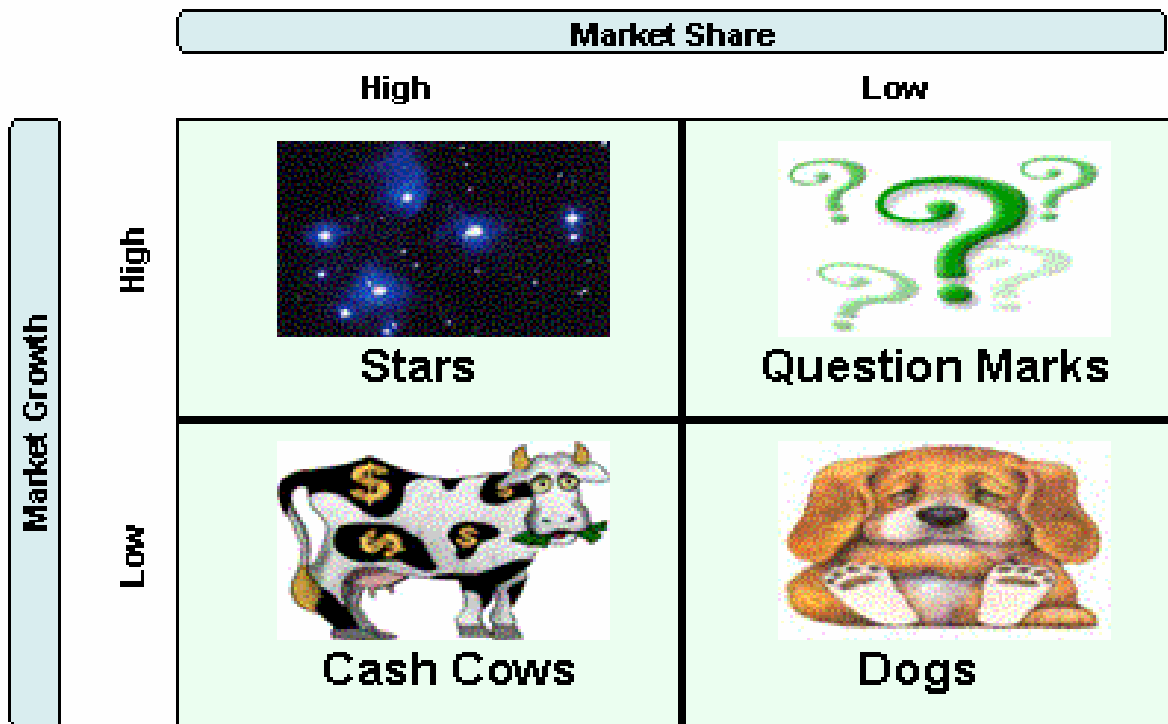
Some major data gathering methods are:

- **Secondary sources of data**, which are generated for other organizational purposes that can be used in identifying problem areas, such as: performance indicators, accounting data, productivity and quality data.
- **Direct observation** of people behaviors is another important source of data. This can include member actions or reactions to specific situations, and communication patterns.

- The other method of data collection is **employee survey**. The data provide a snapshot of an existing situation, and can be used to compare an organization's current state with some desired state.

Questionnaire-based surveys are one of the most effective tools for organizational diagnosis practitioners to understand and evaluate organizational issues.

- **Interviews** (can be structured, semi-structured or informal) are also the most widely used data gathering technique in organizational diagnosis programmes.
- **SWOT Analysis**
- **Task analysis** is conducted to exactly identify the employee needs to do his/her job effectively
- The other model for organizational diagnosis is **Growth-share matrix**.
- **Growth-Share Matrix** According to the growth-share matrix, developed during the 1970s by the Boston Consulting Group (BCG), two relatively simple factors predict whether an individual business will be a cash producer or a cash user.
 - **i. The growth rate of the market within which**
 - **the business competes and**
 - **ii. The market share of the business in that market.**
- The matrix classifies the businesses of a firm into four distinct categories on the basis of the above evaluations, i.e., on the basis of the two parameters, industry growth and market share relative to other main players:
 - Stars
 - Question Marks (Problem children)
 - Cash Cows
 - Dogs



L02: BENCHMARK THE BUSINESS

What is benchmarking?

- ❑ **Benchmarking** is simply the process of measuring the performance of one's company against the best in the same or another industry. Benchmarking is basically learning from others.
- ❑ Therefore, **benchmarking** is a continuous systematic/ structured/formal process for assessing/measuring/comparing the organizations.
- ❑ In business, benchmarking has come to mean variety of things. It has assumed a very special significance in today's competitive world. Benchmarking is one of the many techniques that one can employ to gather management information.

- ❑ The knowledge that is available for comparing operations and processes are vast.

Role of Benchmarking

The role of benchmarking is to provide management with knowledge of what constitutes 'best performance' or 'superior performance' in a particular field. Best performance relates to output, efficiency, quality and any other measurement relevant to performing the job.

Benchmarking not only investigates what best practice means in terms of performance yardsticks but also examine how best practices is achieved.

- ❖ **Generally, there are three reasons that benchmarking is becoming more commonly used in industry.**

These are:

- **Benchmarking is a more efficient way to make improvements.**
- **Benchmarking speeds up organization's ability to make improvements.**
- **Benchmarking has the ability to bring organizational performance up as a whole significantly.**
- **Types of benchmarking**
- **There are four primary types of benchmarking.**
- **Process benchmarking**
- **Performance benchmarking**
- **Strategic benchmarking**
- **Internal benchmarking**

There are four main steps that should to be followed to conduct benchmarking.

- **Step 1 – Plan the study**
- ✓ **Establish benchmarking roles and responsibilities**
- ✓ **Identify the process to benchmark**
- ✓ **Document the current process**

Define the measures for data collection

- **Step 2 – Collect the data**
- **Record current performance levels**
- **Find benchmarking partners**
- **Conduct the primary investigation**
- **Make a site visit**
- **Step 3 – Analyze the data**
 - **Normalize the performance data**
 - **Construct a comparison matrix to compare your current performance data with your partners' data**
 - **Identify outstanding practices**
 - **Isolate process enablers**
- **Step 4 – Adapt enablers to implement improvements**
 - **Set stretching targets**
 - **“Vision” an alternative process**
 - **Consider the barriers to change**
 - **Plan to implement the changes**

L03: Develop plans to improve business performance

Business planning has become a very important part of the top management function due to the influence of external environmental factors and systems approach to the business management. Business

planning is strategic planning because it is concerned mainly with the designing of business

According to Scott, long-range business planning is a systematic approach to decision making about issues which are fundamental and of crucial importance to its continuing long term effectiveness.

What is planning?

- **Planning is deciding now what we are going to later including when and how we are going to do it.**
- **The scope of planning activities may cover long or short period of time/range.**

Long Term/Range Planning/Strategic Plan

Strategic plan is a plan that matches an organization's resources with its market opportunity, over the long-run.

Long-range strategy is designed to provide information about an organization's vision, mission , direction and objectives.

- Implementation planning, explains the details of the policies and procedures, which are required to accomplish the strategies of the firm. These plans produce immediate and tangible results in relatively shorter period. However, the business planning is concerned with:
 - 1.The direction in which the company should move,
 - 2.The implementation of the plan for the subsequent period, and
 - 3.The alternatives which are to be sacrificed, if the plan is accepted and implemente

The benefits of business planning include

- 1.Helps the company to formulate and achieve objectives and goals clearly
- 2. Helps to avoid piece-meal approach and to have integrated approach.
- 3. Helps to view the organization in total rather than department-wise.
- 4. Aims at the long-range plan rather than short-range plan.
- 5.Integrates the company plan with the national plans and priorities
- 6.Helps to see both the internal and external environmental factors.
- 7.Contributes for the achievement of high rate of profits.
- 8.Helps to determine potential growth and profit.

Proactive Planning and Management

- **Proactive means** anticipating events such as problems, markets trends, and consumer demands and planning ahead for them, whereas, **reactive** is reacting to events when they occur with little or no anticipation of events.

Proactive Planning

To live within an environment and be responsive to it does not mean that managers should merely react in the face of stress. Proactive planning is an essential part of the planning process.

Proactive and Reactive Management The

best management is primarily proactive and then reactive.

How to be Proactive

- 1.They should plan for short and long term periods of time
- 2.They should work closely with technical and marketing staff to determine marketing opportunities
3. They should encourage innovation.
4. They should pretest markets/study/.

5.They should consider opinions and suggestions of employees

6. They should take calculated risks.

planning Strategy for Small Business Growth

Planning for the small business's future should begin with a basic strategy-an overall plan that relates the firm's products/services to the needs of the marketplace and the offerings of competitors.

According to Alfred D. Chandler, "Strategy is the determination of the basic long-term goals and objectives of an enterprise and the adoption of the courses of action and the allocation of resources necessary for carrying out these goals."

Meaning of Strategic Management

Strategic management is a stream of decisions and actions which leads to the development of an effective strategy or strategies to help achieve corporate objectives. According to this definition the end result of strategic management is a strategy or a set of strategies for the organization

Performance defined

Performance is a measure of the results achieved. Performance efficiency is the ratio between effort expended and results achieved. The difference between current performance and the theoretical performance limit is the performance improvement zone.

Performance improvement is the concept of measuring the output of a particular process or procedure, then modifying the process or procedure to increase the output, increase efficiency, or increase the effectiveness of the process or procedure. The concept of performance improvement can be applied to either individual performance such as an athlete or organizational performance such as a racing team or a commercial enterprise

In Organizational development, performance improvement is the concept of organizational change in which the managers and governing body of an organization put

into place and manage a program which measures the current level of performance of the organization and then generates ideas for modifying organizational behavior and infrastructure which are put into place to achieve higher output.

Performance improvement at the operational or individual employee level usually involves processes such as statistical quality control. At the organizational level, performance improvement usually involves softer forms of measurement such as customer satisfaction surveys which are used to obtain qualitative information about performance from the viewpoint of customers.

Another way to think of performance improvement is to see it as improvement in four potential areas. First, is the resource INPUT requirements (e.g., reduced working capital, material, replacement/reorder time, and set-up requirements). Second, is the THROUGHPUT requirements, often viewed as process efficiency; this is measured in terms of time, waste, and resource utilization. Third, OUTPUT requirements, often viewed from a cost/price, quality, functionality perspective. Fourth, OUTCOME requirements, did it end up making a difference

There are two main ways to improve performance: improving the measured attribute by using the performance platform more effectively, or by improving the measured attribute by modifying the performance platform, which in turn allows a given level of use to be more effective in producing the desired output.

Factors That Affect Performance

Certain factors need to be in place for workers to be able to perform well on their jobs:

1. Clear job expectations
2. Clear and immediate performance feedback
3. Adequate physical environment, including proper tools, supplies and workspace
4. Motivation and incentives to perform as expected
5. Skills and knowledge required for the job.

Why Measure Business Performance?

Business performance measurement has a variety of uses. Bititci, Carrie and Turner (2002) list the following reasons companies measure business performance:

- ☐ to monitor and control
- ☐ to drive improvement
- ☐ to maximize the effectiveness of the improvement effort
- ☐ to achieve alignment with organizational goals and objectives
- ☐ to reward and to discipline

Simmons (2000) looks at business performance measurement as a tool to balance five major tensions within a firm:

1. Balancing profit, growth and control
2. Balancing short term results against long-term capabilities and growth opportunities
3. Balancing performance expectations of different constituencies
4. Balancing opportunities and attention
5. Balancing the motives of human behavior

How to Improve Business Performance

In order to improve performance what, specifically, do your leaders need to be able to do?

The development aims for your managers should be to develop them all to be better able to:

1. Set goals and achieve targets consistent with the company's vision.

Set goals and achieve targets consistent with the company's vision. Your company has a long range strategy- it's VISION for the future. In order to achieve that vision, your managers need to break it down into a series of smaller, tighter short range goals. Failure to reduce visions into tangible goals will render the Grand Vision, an unrealizable fantasy.

2. Set, demonstrate and maintain high personal standards

In order to achieve goals, the manager has to set, maintain good standards. And the best way to do that is to be a role model for all the standards required

3. Communicate with accuracy and clarity.

Having a goal is only the first step: the manager must be able to explain WHAT the goal is and WHY it is important. Any ambiguity in the explanation will cause:

- Misunderstandings
- Errors

- Confusion

Therefore, accurate language in both the written and spoken form is essential

4. Plan ahead to PREVENT problems developing

All goals require a good plan. A goal without a practical plan for its attainment is worthless. Failure to plan will be the cause of panic

5. Make accurate decisions based on a logical assess

Indecision or poor decisions will cost your organization time and money. Your team should know the laws of logical decision making.

6. Handle conflict with unhappy customers and suppliers

Not all your customers are happy, all the time. Some are annoyed. So, you need to be able to handle complaints

- Quickly
- Fairly and
- *Without too much fuss.*

7. Handle conflict within the team

Conflict can occur within the team: issues of character clashes: they must be handled by the manager;

- Properly
- According to named principles

Failure to manage conflict will render your team less effective than it might be, because they will spend too much time squabbling amongst themselves instead of providing value to your customers.

8. Handle "poor performance" issues

Sometimes people do not do what they should do. And they do some things that they know they should NOT. Your management teams need to know how to tackle poor performance. They cannot ignore it. They cannot go in, with all guns blazing.

9. Develop self motivation and self confidence

Team leaders and managers are often under immense pressure at work. Consequently some become de motivated, and depressed. They need to know how to stay emotionally strong during tough times.

10. Develop high a degree of motivation and confidence in others

Even if the manager can self motivate, he (she) must be able to inspire positive emotions in others. The team is affected by:

- The goal
- The environment
- Their knowledge
- How they feel

If they feel dispirited, they will not perform well. Therefore the leader must have the ability to lift the spirits of the others in the team.

3.2 DETERMINING COST BENEFIT RATIOS FOR REQUIRED IMPORVEMENTS

Benefit-Cost Analysis

BCA is a useful economic tool for selecting among alternatives where benefits of the possible project alternatives are essentially identical. In many cases, however, alternatives that an agency is considering may not generate identical benefits.

BCA is not the same thing as financial analysis. Financial analysis is concerned with how to fund a project over its lifespan and measures the adequacy of current and future funds

and revenues to cover the cost of building, operating, and maintaining the project. While financial analysis is an important part of project management, the economic merit of the project as measured by BCA is generally not affected by how the project is financed.

Useful Applications of Benefit-Cost Analysis

Benefit-cost analysis (BCA) considers the changes in benefits and costs that would be caused by a potential improvement to the status quo facility. In highway decision-making, BCA may be used to help determine the following:

- Whether or not a project should be undertaken at all
- When a project should be undertaken.
- Which among many competing alternatives and projects should be funded given a limited budget.

Major Steps in the Benefit-Cost Analysis Process

1. Establish objectives
2. Identify constraints and specify assumptions
3. Define base case and identify alternatives
4. Set analysis period
5. Define level of effort for screening alternatives
6. Analyze traffic effects
7. Estimate benefits and costs relative to base case
8. Evaluate risk
9. Compare net benefits and rank alternatives
10. Make recommendations

To ensure that the alternatives can be compared fairly, the analyst specifies a multiyear analysis period over which the life-cycle costs and benefits of all alternatives will be measured. The analysis period is selected to be long enough to include at least one major rehabilitation activity for each alternative.

Ideally, the level of effort allocated to quantifying benefits and costs in the BCA is proportional to the expense, complexity, and controversy of the project. Also, to reduce effort, the alternatives are screened initially to ensure that the greatest share of analytical effort is allocated to the most promising ones. Detailed analysis of all alternatives is usually not necessary.

The investment costs, hours of delay, crash rates, and other effects of each alternative are measured using engineering methods and then compared to those of the base case, and the differences relative to the base case are quantified by year for each alternative.

Any alternative where the value of discounted benefits exceeds the value of discounted costs is worth pursuing from an economic standpoint. For any given project, however, only one design alternative can be selected. Usually, this alternative will be the economically efficient one, for which benefits exceed costs by the largest amount.

L04: Develop marketing and promotional plans

DEVELOP ACTION PLAN FOR BUSINESS IMPROVEMENTS

What is an action plan?

- ✍ An action plan helps us turn our dreams into a reality.
- ✍ An action plan is a way to make sure your organization's vision is made concrete.
- ✍ It describes the way your group will use its strategies to meet its objectives.
- ✍ An action plan consists of a number of action steps or changes to be brought about in your community.

Each action step or change to be sought should include the following information:

- *What* actions or changes will occur
- *Who* will carry out these changes
- *By when* they will take place, and for how long
- *What resources* (i.e., money, staff) are needed to carry out these changes
- *Communication* (who should know what?)

What are the criteria for a good action plan?

The action plan for your initiative should meet several criteria. Is the action plan:

- *Complete?* Does it list all the action steps or changes to be sought in all relevant parts of the community (e.g., schools, business, government, faith community)?
- *Clear?* Is it apparent who will do what by when?

- *Current?* Does the action plan reflect the current work? Does it anticipate newly emerging opportunities and barriers?

Why should you develop an action plan?

There is an inspirational adage /proverb/ that says, "People don't plan to fail. Instead they fail to plan." Because you certainly don't want to fail, it makes sense to take all of the steps necessary to ensure success, including developing an action plan. There are lots of good reasons to work out the details of your organization's work in an action plan. They include:

- To lend credibility to your organization. An action plan shows members of the community (including grant makers) that your organization is well ordered and dedicated to getting things done.
- To be sure you don't overlook any of the details
- To understand what is and isn't possible for your organization to do
- For efficiency: to save time, energy, and resources in the long run
- For accountability: To increase the chances that people will do what needs to be done

When should you create an action plan?

Ideally, an action plan should be developed within the first six months to one year of the start of an organization. It is developed after you have determined the vision, mission, objectives, and strategies of your group. If you develop an action plan when you are ready to start getting things done, it will give you a blueprint for running your organization or initiative.

Remember, though, that an action plan is always a work in progress. It is not something you can write, lock in your file drawers, and forget about. Keep it visible. Display it prominently. As your organization changes and grows, you will want to continually (usually monthly) revise your action plan to fit the changing needs of your group and community.

How to write an action plan

1. Determine what people and sectors of the community should be changed and involved in finding solutions. Some members of the community you might consider asking to join the action planning group include:

- Influential people from all the parts of the community affected by your initiative (e.g., from churches and synagogues, the school system, law enforcement, etc.)
- People who are directly involved in the problem (e.g., local high school students and their parents might be involved in planning a coalition trying to reduce teen substance abuse)
- Members of grassroots organizations
- Members of the various ethnic and cultural groups in your community
- People you know who are interested in the problem or issue
- Newcomers or young people in the community who are not yet involved

2. Convene a planning group in your community to design your action plan. This might be the same group of people who worked with you to decide your group's strategies and objectives. If you are organizing a new group of people, try to make your planning committee as diverse and inclusive as possible. Your group should look like the people most affected by the problem or issue. Once everyone is present, go over your organization's:

- vision
- mission
- objectives
- strategies
- targets and agents of change (e.g., youth, parents and guardians, clergy)
- proposed changes for each sector of the community (e.g., schools, faith community, service organizations, health organizations, government)

3. Develop an action plan composed of action steps that address all proposed changes. The plan should be complete, clear, and current. Additionally, the action plan should

include information and ideas you have already gathered while brainstorming about your objectives and your strategies. What are the steps you must take to carry out your objectives while still fulfilling your vision and mission? Now it's time for all of the VMOSA components to come together. While the plan might address general goals you want to see accomplished, the action steps will help you determine the specific actions you will take to help make your vision a reality. Here are some guidelines to follow to write action steps.

Members of the community initiative will want to determine:

- *What* action or change will occur
- *Who* will carry it out
- *When* it will take place, and for how long
- *What* resources (i.e., money, staff) are needed to carry out the change
- *Communication* (who should know what)

Example: The RTR Coalition's Action Plan (a sample)

One community change sought by this coalition to prevent teen pregnancy was to increase publicity about contraception and unwanted pregnancy at the local high school.

- *What* action or change will occur: Hanging posters, displays, and other information about contraception and the facts about unwanted pregnancy in the hallways of the local high school. The posters and other information will become a permanent part of the high school. Posters and information will be regularly changed as new materials become available.
- *Who* will carry it out: A sub-committee comprised of parents and guardians, teachers, students, and coalition members will be responsible for maintaining the displays. The coalition as a whole will work towards finding funding to purchase the materials. Maria and Alex of the schools action group will be responsible for researching and ordering the materials.
- *By when* will it take place, and for how long: The coalition will try to have posters hanging and displays visible within six weeks of deciding on the action step.
- *What resources* are needed to carry out the step: The coalition will approach the school district to request funding for the project. Otherwise, the group will seek

funding from other sources such as foundations and local businesses to finance the program.

- *Communication* about the action step. The school principal and leadership of the Parent-Teacher Organization (PTO) should be given information about this planned change.

4. Review your completed action plan carefully to check for completeness. Make sure that each proposed change will help accomplish your group's mission. Also, be sure that the action plan taken as a whole will help you complete your mission; that is, make sure you aren't leaving anything out.

5. Follow through. One hard part (figuring out what to do) is finished. Now take your plan and run with it! Remember the 80-20 rule: successful efforts are 80% follow through on planned actions and 20% planning for success.

6. Keep everyone informed about what's going on. Communicate to everyone involved how his or her input was incorporated. No one likes to feel like her wit and wisdom has been ignored.

7. Keep track of what (and how well) you've done. Always keep track of what the group has actually done. If the community change (a new program or policy) took significant time or resources, it's also a good idea to evaluate what you have done, either formally or informally.

Keep several questions in mind for both yourself and others:

- Are we doing what we said we'd do?
- Are we doing it well?
- Is what we are doing advancing the mission?

You can address these questions informally (ask yourself, chat with friends and other people), as well as formally, through surveys and other evaluation methods.

8. Celebrate a job well done! Celebrate your accomplishments; you and those you work with deserve it. Celebration helps keep everyone excited and interested in the work they are doing.

After you've written your action plan: Getting members to do what they said they would
Every community organization has undoubtedly had this happen: you plan and you assign tasks to get everything you've planned to do accomplished. Everyone agrees (maybe they even offer) to do certain tasks, and you all leave with a great feeling of accomplishment.

Tips & Warnings

- The action plan should be developed together by the whole team, as should the implementation goals. Without consensus buy-in for the future state and the implementation plan, failure is likely

An Action Plan should

- eliminate discrimination in an active way
- improve services to existing consumers or customers
- enhance organizational image
- reduce the likelihood of complaints being made
- increase the likelihood of being able to successfully defend complaints
- increase the likelihood of avoiding costly legal action
- allow for a planned and managed change in business or services
- open up new markets and attract new consumers.

formance Improvement Plan

The Performance Improvement Plan (PIP) is designed to facilitate constructive discussion between a staff member and his or her supervisor and to clarify the work performance to be improved.

It is implemented, at the discretion of the supervisor, when it becomes necessary to help a staff member improve his or her performance. The supervisor, with input from the affected employee, develops an improvement plan; the purpose of the activities outlined is to help the employee to attain the desired level of performance.

The PIP differs from the Performance Development Planning (PDP) process in the amount and quantity of the detail. Assuming an employee is already participating in the company-wide PDP process, the format and the expectation of the PIP should enable the supervisor and staff member to communicate with a higher degree of clarity about specific expectations. In general, people who are performing their jobs effectively, and meeting the expectations of the PDP process, will not need to participate in a PIP.

The supervisor should review the following six items with the employee when using the document.

1. State performance to be improved; be specific and cite examples.
2. State the level of work performance expectation and that it must be performed on a consistent basis.
3. Identify and specify the support and resources you will provide to assist the employee.

4. Communicate your plan for providing feedback to the employee. Specify meeting times, with whom and how often. Specify the measurements you will consider in evaluating progress.
5. Specify possible consequences if performance standards are not met.
6. Provide sources of additional information such as the Employee Handbook.

Now that you are formally committed to helping your staff member improve his or her performance, please use the form that follows to document this commitment.

CHECKING ORGANIZATIONAL STRUCTURES FOR BUSINESS IMPROVEMENTS

Organizational structure isn't just a matter for bureaucrats to worry about. The way you structure your company or non-profit--who reports to whom, and who has the power to make decisions--can affect your efficiency and your company morale. A structure that doesn't make it clear where the authority lies can leave employees confused about who to turn to for direction or authorization. Even if you started your organization with a well-designed structure, it's possible that as your business has grown, it has outgrown your original design.

Instructions

- 1 Write down your current organizational structure. Whether your organization is a large hierarchy with one person at the top and several layers of management or a small company where all the decision-making comes from you, you'll need it to get it down on paper before you decide how to improve it.
- 2 Decide if the structure suits your organization and carries out your purposes It may be that all you need to improve things is to remove a layer of management,
- 3 Select the new structure that will allow for the most efficiency and productivity.
- 4 Share the new organizational charts with the organization.

