

# LINKING HUMAN RESOURCES

BM2217

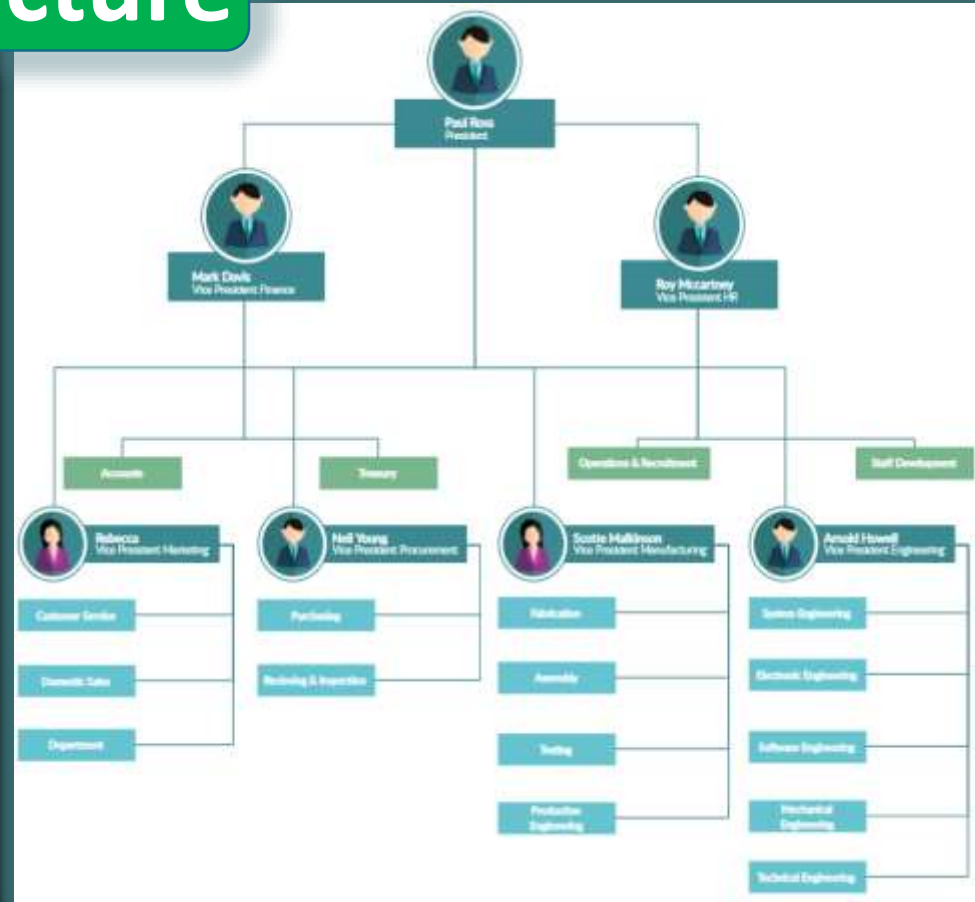


- ▶ Organizational Structure
- ▶ Leading and Directing Human Resources
- ▶ Ethics and Social Responsibility
- ▶ Generalization, Quiz, eLMS

# Organizational Structure

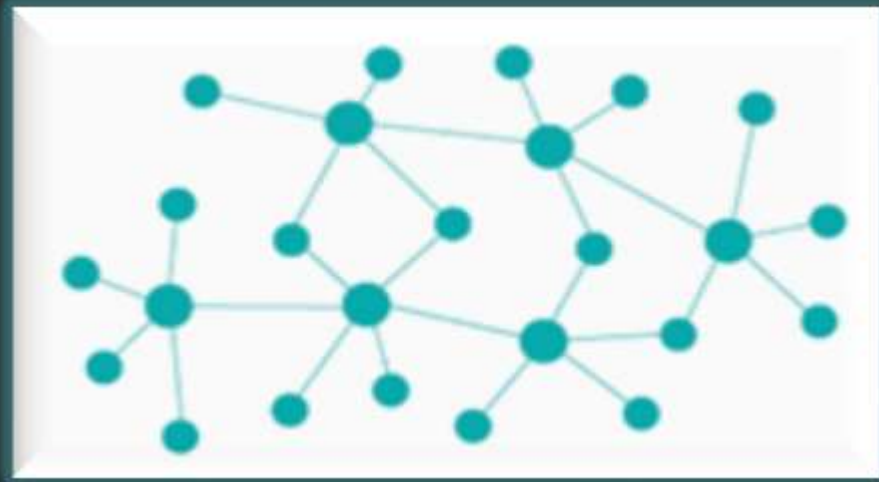
An organizational structure defines each worker's job and how it fits inside the system.

Enterprises must have an organizational structure so that employees may address issues or report for work to the correct personnel.



# Types of Organizational Structure

## Decentralized



## Centralized



*Figure 1. Centralized and Decentralized Organizational Structures*

Source: <https://geoffmcdonald.com/examples-of-centralized-and-decentralized-organizations>

# Centralized Organizational Structure



## Simple Structure

It is appropriate for a small enterprise. Employees here tend to be generalists and jack of all trades.

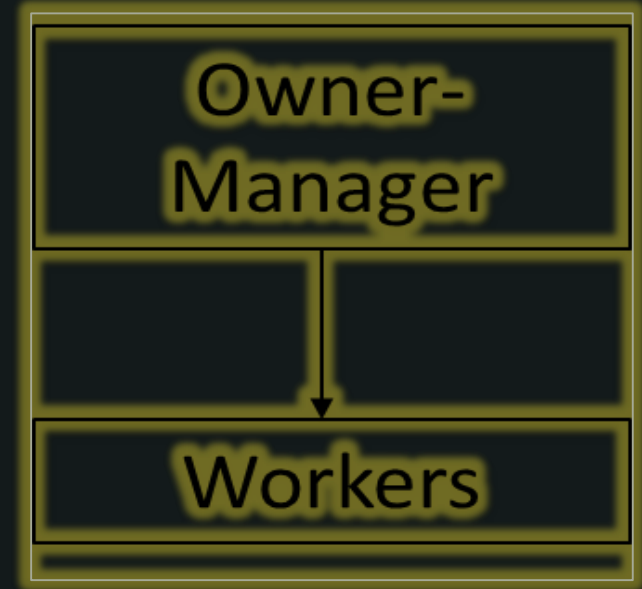


Figure 2. Simple structure

Source: Strategic Management and Business Policy (15th ed.), 2018, p. 176

# Centralized Organizational Structure

2

## Functional Structure

It is appropriate for a medium-sized firm with several product lines in one industry. Employees are designated in specific departments.



Figure 3. Functional structure

Source: *Strategic Management and Business Policy* (15th ed.), 2018, p. 176

# Centralized Organizational Structure



## Divisional Structure

It is appropriate for a large corporation. Employees are organized according to product/market distinctions.



Figure 4. *Divisional structure*

Source: *Strategic Management and Business Policy*  
(15th ed.), 2018, p. 176

# Leading and Directing Human Resources

**People strategy** is the organization's plan that enables a business to be successful by attracting, developing, retaining, and inspiring the workforce.

- It evaluates individuals accurately and in-depth.
- It provides a framework for identifying and developing leadership talent.
- It fills the leadership pipeline with the basis of a strong succession plan.



## Leading and Directing Human Resources



## Communicating with subordinates



## Information



# Motivation



# Control



# Emotion



## Leading and Directing Human Resources

A donut chart with a large white section and a small blue section representing 2% of the total. A large yellow number '2' is centered over the chart.

## Providing Counseling Services



# Leading and Directing Human Resources



## Motivating Employees



**Work Condition**



**Behavior**



**Recognition**



**Incentives**

# Leading and Directing Human Resources



## Maintaining Discipline

Verbal  
Warning

Written  
Warning

One-Day  
Suspension

Three-Day  
Suspension

Termination

## Activity: Create an Organizational Structure

- Marketing Manager
- Sales Head
- COO
- HR Assistant
- CEO
- Production Head
- IT Head
- Sales Supervisor
- Production Team
- HR Head
- Marketing Officer



## ***Corporate Social Responsibility***

A self-regulating business model that helps a company act responsibly in many ways.

# Ethics and Social Responsibility

Milton Friedman and Archie Carroll offer two (2) contrasting views of the responsibilities of business firms to society as follows:



Friedman's view focuses on **profit**.



Milton's view focuses on **obligations**.

# Friedman's View

The primary social responsibility of a business is to use its resources and engage only in activities designed to increase profit so long as it stays within the rules of open and free competition without deception or fraud.



# Carroll's View

Profit maximization cannot be the primary obligation of a business. He proposed that the business organizations have four (4) responsibilities as follows:



**Economic**



**Legal**



**Ethical**



**Discretionary**



# Drucker's View

1

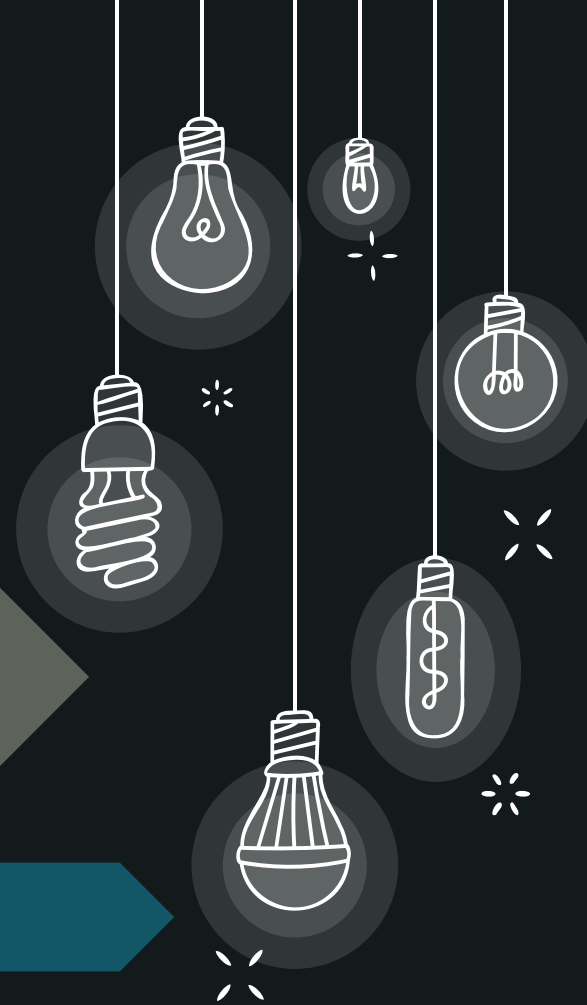
Government cannot solve many social problems

2

The corporate mission comes first

3

The unlimited liability clause



# Carr's View

That business practices such as bluffing and not telling the truth are normal and morally acceptable in business context; one cannot apply a single standard of ethics universally

# Freeman's View

Any person or organization that has an underlying interest in the business should also participate in the business' actions and decisions