**Organizational Structures & IT Organizations**

Review chapter readings and lecture notes in Module 2 and answer the following questions. Provide thoughtful and comprehensive responses to each of the questions below. Upload homework assignment using the link provided in Canvas on or before the scheduled due date.

1. List five common types of organizational structures and provide a brief description for each of the organizational structures? Use table below for your responses.

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| **Organizational Structure** | **Definition** |
| Hierarchical Structure | Also known as line Structure and is a well defined centralized organizational structure. The power typically flows from Board of Directors to CEO to rest of the company |
| Functional Structure | Functional Structure is also one of the centralized structures, however the power lies within the departmental head who is responsible to report to CEO |
| Divisional Structure | This type of structure is often seen in Enterprise who typically have large departments and territories. In this structure, each product kind of has its own administered official |
| Flat Structure | This type of structure is a decentralized organizational structure where all the employees are said to have equal power. This type of structures is usually seen in startup companies where there aren’t enough employees to allot them to different departments |
| Matrix Structure | This type of organizational structure has a classical approach where the centralized organization structure permits the employees to move from one department to the other, has horizontal decision making process |

1. What is the primary difference between a hierarchy and flat organizational structures?

Hierarchical Structure is a centralized vertical structure with multiple levels, the decisions are made at the very top level i.e, board of directors through CEO and to intermediate managers & supervisors who manages employees at the base level. On the other hand, flat structure is decentralized horizontal structure where there are no intermediate level Managers. This type of structure is seen in startup companies or usually in small scale businesses (Kanungo, .)

1. Relative to Matrixed Organizational Structures, please explain the differences of the weak-Functional Matrix, Balanced Functional matrix, and a Strong-Project Matrix?

In a Weak Functional Matrix the project manager does the job of a coordinator, they solely rely on the functional unit head/manager to allocate resources and project budget

However, in a Balanced functional matrix all the employees have equal ownership over the project, and no one manages the budget (Scott, 1994)

Finally, in a strong Functional Matrix, although the manager is responsible to report to the functional unit head, he has the full power to manage resources and has total control over the project budget

1. What determines the effectiveness of an organization?

There are various factors that determines efficiency and effectiveness of an organization

Leadership

Usually, the first step in organization effectiveness where the management sets the overall vision, set goals, how to implement them to accomplish a project

Communication

An effective communication is the key for spreading goals, guidelines and focus on strategic communication which indirectly derives Leadership

Accountability

This step involves managers to uphold their employees to their respective task’s roles and responsibilities

Performance

This step is to ensure to hire and train the right people well suited/best fits for the tasks you have

Delivery

Generally, in large organizations, the delivery process is complex and therefore there are high chances that the efficiency is at stake, by ensuring this process your products will be delivered on time

1. Why are flatarchies organizational structures good environments for fostering innovation?

Flatarhies are a combination of both flat and hierarchial structure, they are not flat nor hierarchical. The whole logic behind this is to work better, deliver results faster in a more efficient and effective way at the same time empowering employees. The flat team which can move employees based on their skillset to build an agile team with limited employees and to be able to deliver the outcome quickly is what makes the difference (Shamir, 1993)

1. How is a matrixed organization geared toward responsiveness and achieving results quickly?

In Matrixed Organizational structure employees report in two directions, therefore cross functional integration, standardization and better coordination are possible. With Cross functional approach the learning can be more easily diversified and facilitated. This makes all the employees feel connected and find themselves working in various projects under different managers which increases the demands, However, at times can be found having conflicting expectations (Howell, 1993). Exposing to multiple perspectives makes the employees to become more responsive to more than one group which can help in effective decision making

1. How can making decisions differ between a centralized versus decentralized IT organization?

In Centralized organizational structure, decisions are made by the higher management i.e, board of directors to CEO or by the CEO which is implemented by everyone below CEO. There is a little room for error however the since there is a detailed operations in place which can often delay the process

On the other hand, in a decentralized organization, the CEO sets the bar on how to run an organization, however the decisions are made by the managers at various levels of organization which are shared between the departments (Scott, 1994). Decentralized Structure allows the managers to take decisions at a small scale whereas in a Centralized structure, a manager has control and authority over a wide range of departmental employees. The structure is flexible and can be quickly changes therefore leaving a room for innovation

1. What is chain and command and span of control and how would these concepts relate to a how decisions are made and controlled in a centralized verses a decentralized organization?

Chain of command can be defined as reporting process who the employee and managers reports in the organization. In centralized organization as decision are made on higher level and communicated to the layers through middle and low managers and in decentralized organization it becomes shorter as departments take responsibility of making decisions (Kanungo, .).

Span of control can be defined as employees that are managed by superior. The span of control In Centralized organization is small and managers will not have lot of scope to control. In Decentralized organization it is wider as managers have the decision-making capabilities and manages their employees.

1. Describe how span of control would be used when flat lining a hierarchical organization?

A Flat lining in an organization refers to less number of layers or no layers between managers and employees. It also helps in decision making because of no middle managers with better communication. The span of Control becomes for the manger becomes wider as have to effectively have the responsibility to manage all the departments and employees without having any other managers and chain of command will be shorter. (Shamir, 1993)

1. Why does an IT organization exist and how should it align to the business model of a company?

IT organization will exist to provide Business increase profitability, market impact and growth and

Improved collaboration.IT employees should understand the business requirements and goals for organization so that they can provide better support and solution for business. The strategic between IT and business will help in better profits and reach their goals within less span of time

1. What are the core components that need to be evaluated when designing your IT organization? Why are they important? Use table below for your responses, add rows if required.

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| **IT Organization Design Components** | **Importance** |
| Strategy | This is considered as one of the core approaches for an organization to reach/accomplish its respective goals |
| Skills | This is for identifying the capabilities of various different people within the organization |
| Structure | Structure is to understand how teams are formed and how the work is distributed and coordinated |
| Systems | This is to add value |
| Culture | This determines company’s norms and values that often shape and make the organization strong and unique (Shamir, 1993) |

# References

Howell, J. M. (1993). *Transformational leadership, transactional leadership, locus of control andsupport for innovation. Key predictors of consolidated-business-unit performance.* Journal of Applied Psychology,78, 891–902.

Kanungo, R. N. (.). *Charismatic leadership: The elusive factor in organizational effective-ness (pp. 276–308).* San Francisco, CA.

Scott, S. G. (1994). *Determinants of innovative behavior: A path model of individual innovation in the workplace. .* Academy of Management Journal 37 , 580–607.

Shamir, B. H. (1993). *The motivational effects of charismatic leadership.* A self-concept-based theory. Organizational Science, 4, 577–94.