

Org Structure

An organization structure is a set of organizational units, and their hierarchical relationships, that together form the company.

As an administrator, learn to set up your organizational structure including business organizations and sub-units. The organizational structure establishes reporting lines and allows automatic work distribution.

Create Your Org Structure

Setting up an organizational structure enables automated routing of work. The organizational structure is composed of units and provides a unified representation of your company's organizational data.

To create your org structure, you must first plan your org structure. Use your existing organizational structure plan as a basis for creating the org structure in the system. When you start creating the structure, we recommend that you build from the top down; that is, start with companies and then add the sales organizations or departments, including your sales teams. Obtain all data relevant to organizational management, including managerial and functional data.

Tip

When editing your org structure, always enter the valid-from date for your changes.

Recommendations

Under **Settings Company Org Structures**, you establish your organizational structure as a prerequisite to going live. This is also where you maintain and update your organizational structure. As you set up your org structure, we recommend that you observe the following principles:

- The uppermost node of your org structure should be an org unit defined with the **Company** function.

Tip

You must create and then edit the org unit details to select the **Company** function.

- The node that you create directly below the **Company** node should be either a **Sales Organization** or a **Service Organization**. If your company uses both the sales and service functions of the solution, then your org structure will have both types of nodes below the company.

Tip

It's possible to setup multiple sales/service organizations in parallel organizational structures but it isn't possible to stack sales/service organizations. Because a sales organization is required to process all corresponding sales documents (for example, leads, opportunities), and a service organization is required to process service requests. We recommend that you define only one sales organization and one service organization per org structure.

- The nodes that you create below the **Sales Organization** node can be for example, **Sales Units**, and the nodes that you create below the **Service Organization** node can be for example, be **Service Units**. It's also possible to create an organization, in which all units underneath a sales/service organization are not flagged as a sales/service unit.

However, it is not recommended to interrupt the setup of the sales or service function along the organizational hierarchy as application logic may not consider functional units underneath a node that is not flagged as service or sales unit.

Tip

Within the org structure, multiple levels of sales or service units may be defined. Service units represent the service organization and teams that process service requests. Sales units represent the sales departments or offices where sales documents are initiated. Nodes for **Sales Units** or **Service Units** can be defined below the Sales Organization, or Service Organization node, or below the nodes of other sales or service units.

- When editing your org structure, always enter the valid-from date for your changes. There's no need to explicitly activate the organizational units. They are activated based on their validity period.

Caution

During maintenance of the org structure, always set the validity of org units within the validity period of the parent org unit.