INTRODUCTION OF MANAGEMENT

SUMMARY

CHAPTER 11

DESIGNING ORGANIZATIONAL STRUCTURE
ADAPTIVE DESIGN

1. Team Structure : organizational structure in which the entire organization is made of work teams.
   (+) employees are more involved and empowered, reduce barriers among functional areas.

   (-) no clear chain of command, pressure on teams to perform

   Employee teams design & do work in the way they think is best, but they also responsible for it. Ex: Amazon, Boeing, HP, Motorola

2. Matrix & Project Structure
   - Matrix : assigns specialists from different functional departments to work on projects, led by a project manager. Dual coc because have 2 managers (area & project)
   - Project : employees continuously work on projects. Has no formal departments, once project is completed however they move on to the next one. Managers serve as mentors.
   (+) faster decision making, fluid & flexible design that can respond to environmental changes

   (-) task & personality making

3. Boundaryless Structure : a structure that is not defined by or limited to artificial horizontal, vertical or external boundaries; includes *virtual* and *network* types of organizations.
   Internal Boundaries : work specialization, departmentalization, organizational levels, hierarchies.

   External Boundaries : that separate the organization from its customer, suppliers & other stakeholder.

   (+) highly flexible & responsive, utilize talents

   (-) lack of control, communication difficulties

   a. Virtual Organization : consist of small core of full-time employees
   b. Network Organization : use its own employees to do some work activities & network outside supplies to provide other needed companies or work processes.

Learning Organization : an organization that has developed the capacity to continuously learn, adapt, and change

Collaborative Works

Internal Collaboration : collaboration among employees (more integrated work efforts)

- **Cross-functional team -** a work team composed of individuals from various functional specialties.
- **Task force (or ad hoc committee)** - a temporary committee or team formed to tackle a specific short-term problem affecting several departments.
- **Communities of practice -** groups of people who share a concern, a set of problems, or a passion about a topic, and who deepen their knowledge and expertise in that area by interacting on an ongoing basis.

Making communities of practice work

- Have top management support and set clear expectations.
- Create an environment that will attract people and make them want to return for advice, conversation, and knowledge sharing.
- Encourage regular meetings of the community, whether in person or online.
- Establish regular communication among community members.
- Focus on real problems and issues important to the organization.
- Have clear accountability and managerial oversight.

External Collaboration : collaboration involving customer (usually in area product of innovation)

- **Open innovation -** opening up the search for new ideas beyond the organization's boundaries and allowing innovations to easily transfer inward and outward.
- **Strategic partnerships -** collaborative relationships between two or more organizations in which they combine their resources and capabilities for some business purpose.

Benefits & Drawbacks of open innovation

Benefits	Drawbacks
• Gives customers what they want—a voice	• High demands of managing the process
• Allows organizations to respond to complex problems	• Extensive support needed
• Nurtures internal and external relationships	• Cultural challenges
• Brings focus back to marketplace	• Greater need for flexibility
• Provides way to cope with rising costs and uncertainties of product development	• Crucial changes required in how knowledge is controlled and shared

Flexible Work Arrangements

- **Telecommuting** - a work arrangement in which employees work at home and are linked to the workplace by computer.

- **Compressed workweek** - a workweek where employees work longer hours per day but fewer days per week
- **Flextime (or flexible work hours)** - a scheduling system in which employees are required to work a specific number of hours a week but are free to vary those hours within certain limits.

Job sharing - the practice of having two or more people split a full-time job.

"I hope you live a life you're proud of. If you find that you're not, I hope you have the strength to start all over again." Benjamin Button