Organisations need to consider:
Staff costs
Employee relations
Employee/manager motivation
Implications for workload

Span of control:
Wide span of control: many staff
Narrow span of control: few staff

Organisations need to consider:
What are the boring implications for communication and employee relations?
What are the implications for staff costs?
What are the implications for employee/manager motivation?
What are the implications for workload

Chain of command
Who is the direct line manager? (line manager relationship)
How is the individual linked to the top of the organisation
Is there one chain of command or several e.g. a project manager may report to their own line manager and to the sponsor.
Functional relationship e.g. people from whom a manager/employee must get authorisation before they act. Also for example in redundancy situations directors must comply with HR director instructions.

Departmentalisation: How should jobs be grouped? By common expertise? By common product? By project?

Organising by product: Managing director puts production finance and marketing under a product to make it successful.

To what extent should work activities be specified and documented?

Formalisation

High formalisation
Extensive use of written rules, procedures, records
Staff have to follow set rules and procedures
Staff have to record actions

Low formalisation
Minimal use of written rules and procedures
High degree of discretion – responding to the situation

Centralisation

Where are decisions taken in the organisation?

Centralised
Decisions are taken at the top by senior managers
Staff actions are typically controlled by procedures or by gaining special authorisation to act (“pushing upwards”)