

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")