• Fewer levels of management encourage an easier decision-making process among employees.

• Eliminating the salaries of middle management reduces an organization's budget costs.

Disadvantages of Flat Structure

• Employees often lack a specific boss to report to, which creates confusion and possible power struggles among management.

• Flat organizations tend to produce a lot of generalists but no specialists. The specific job function of employees may not be clear.

• Flat structure may limit long-term growth of an organization; management may decide against new opportunities in an effort to maintain the structure.

• Larger organizations struggle to adapt the flat structure, unless the company divides into smaller, more manageable units.

Problems with Digital Communication

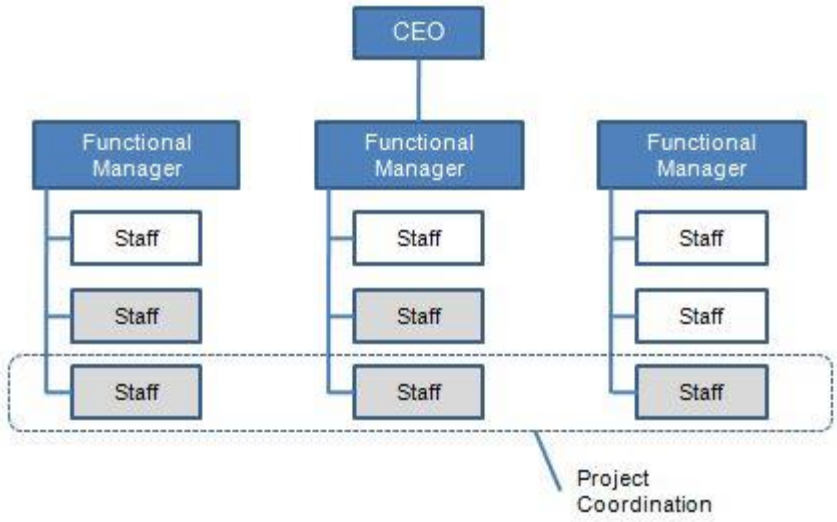
A network-based organizational structure depends on clear lines of communication to deliver project assignments and due dates to employees. The organizational model's dependence on technology, including Internet connections and phone lines, to deliver these messages can cause delays in the process if computer crash or network traffic errors occur. Work progress effectively slows to a crawl while IT professionals work to repair digital communication issues. The lack of one physical location where all employees work leaves out the possibility of communicating project assignments in person.

Too Many Supervisors

The nebulous nature of a network or matrix organization structure requires an extra layer of oversight to manage employees operating in many different locations. These additional managers and supervisors can easily create confusion among satellite employees, especially if employees have multiple managers communicating work orders at the same time. All it takes is for a couple managers to deliver work orders in different ways to the same employees to create errors in project development plans and cause delays in completion as employees sort through two different sets of assignment details.

Sharing Skilled Workers

Traditional business departments don't exist in the network-based organizational model. Because of this, sharing skilled workers between departments is a mandatory part of the process for the organization to function properly. This can lead to unfriendly competition among project managers and supervisors to secure the best employees for given assignments. Skilled workers in high demand may have multiple assignments in progress at any given time depending on the



CHAPTER FOUR: Organizational strategy and process

Organizational strategy and process

Concept of strategy: The term strategy is derived from a Greek word strategos which means generalship. A plan or course of action or a set of decision rules making a pattern or creating a common thread.

Definition for strategic management: Strategic Management is defined as the dynamic process of formulation, implementation, evaluation and control of strategies to realize the organizations strategic intent.

Conceptual framework for the development of strategic management:

- Strategic Advantage
- Organizational capability
- Competencies
- Synergistic Effects
- Strengths and weaknesses
- Organizational Resources
- organizational behavior

Meaning for Goal: Goal denotes what an organization hopes to accomplish in a future period of time .

o Environment is Complex:

o Environment is Dynamic

o Environment is Multi-faceted

o Environment has a far- reaching impact

Environmental Scanning: Environmental scanning plays a key role in strategy formulation by analyzing the strengths and weaknesses and opportunities and threats in the environment. Environmental scanning is defined as „monitoring, evaluating, and disseminating of information from external and internal environments to managers in organizations so that long term health of the organization will be ensured and strategic shocks can be avoided. The porters five forces model is used for environmental scanning.

Terms related to organizational environment

Industry: An industry can be defined as a group pf companies offering products services that are close substitutes for each other that is product or services that satisfy the same basic customer needs. A company‟s closest competitors its rivals are those that serve the same basic customer needs.

Industry and sectors: An important distinction that needs to be made is between an industry and a sector. A sector is a group of closely related industries.

Industry and market segments: Market segments are distinct groups of customers within a market that can be differentiated from each other on the basis of their distinct attributes and specific demands.

CHAPTER SIX: ORGANIZATIONS COMPETENCIES, RESOURCES AND COMPETITIVE ADVANTAGE:

Competencies, Resources and Competitive advantage Meaning of Competitive advantage:

A company has a **competitive advantage** over its rivals when its profitability is greater than the average profitability of all companies in its industry. It has a sustained competitive advantage when it is able to maintain above average profitability over a number of years.

CHAPTER SEVEN: STRATEGIC ALLIANCE

Strategic Alliance

Meaning: A strategic alliance is a formal relationship between two or more parties to pursue a set of agreed upon goals or to meet a critical business need while remaining independent organizations. **Types of Strategic Alliances**:

- Joint Venture
- Equity Strategic Alliance
- Non-equity Strategic Alliance
- Global Strategic Alliance

Stages of Alliance operation:

- Strategy Development
- Partner Assessment
- Contract Negotiation
- Alliance Operation
- Alliance Termination

Advantages of Strategic alliance:

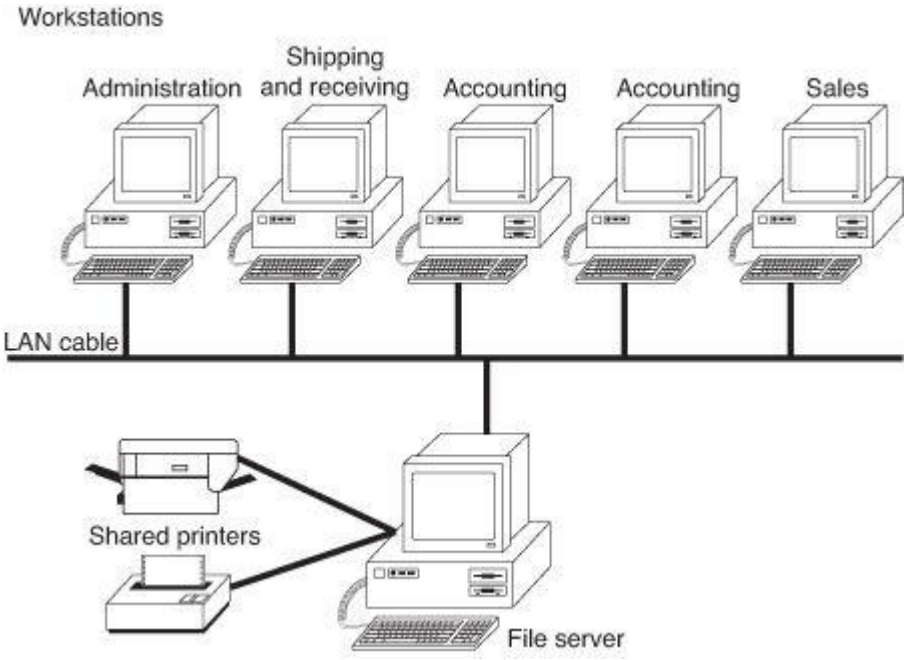
- Allowing each partner to concentrate on activities that best match their capabilities
- Learning from partners developing competences that may be more widely exploited elsewhere.
- Adequacy a suitability of the resources competencies of an organization for it to survive

Disadvantages of strategic Alliance:

- Alliances are costly
- Alliances can create indirect costs by blocking the possibility of cooperating with competing companies, thus possibly even denying the company various financing options.
- Joint ventures also expose the company to its partners and the unique technologies that it has are sometimes revealed to its partner company.

Gap analysis

Gap Analysis Meaning: In gap Analysis, the strategist examines what the organization wants to achieve (desired performance) and what it has really achieved (actual performance). The gap between what is desired and what is achieved widens as the time passes no strategy adopted.



A **dedicated server** computer often has faster processors, more memory, and more storage space than a client because it might have to service dozens or even hundreds of users at the same time.

Peer-to-peer (**P2P**) computing or networking is a distributed application architecture that partitions tasks or work loads between peers. Peers are equally privileged, equipotent participants in the application. They are said to form a peer-to-peer network of nodes.

Peers make a portion of their resources, such as processing power, disk storage or network bandwidth, directly available to other network participants, without the need for central coordination by servers or stable hosts.Peer-to-Peer NetworksBy contrast, on a **peer-to-peer network**, every computer is equal and can communicate with any other computer on the network to which it has been granted access rights. Essentially, every computer on a peer-to-peer network can function as both a server and a client; any computer on a peer-to-peer network is considered a server if it shares a printer, a folder, a drive, or some other resource with the rest of the network. This is why you might hear about client and server activities, even when the discussion is about a peer-to-peer network.

Comparing Client/Server and Peer-to-Peer Networking

Item	**Client/Server**	**Peer-to-Peer**
Access	Via user/group lists of permissions Via user/group lists	Resources are managed by each system with shared resources. Depending on the OS, resources may

control	of permissions to only the resources granted, and different users can be given different levels of access.	becontrolled by separate passwords for each shared resource or by a user list stored on each system with shared resources. Some OSs do not use passwords or user/group lists, thus enabling access to shared resources for anyone accessing the network.
Security	High; access is controlled by user or by group identity.	Varies; if password protection is employed, anyone who knows the password can access a shared resource. If no passwords are used, anyone who can access the workgroup can access shared resources. However, if user/group names are used,security is comparable to a client/server network.
Performance	High; the server is dedicated and doesn't handle other tasks.	Low; servers often act as workstations.
Hardware Cost	High; specialized high-performance server hardware with redundancy features.	Low; any workstation can become a server by sharing resources.
Software Cost	Higher; license fees per user are part of the cost of the server OS.	Lower; client software is included with OS.
Backup	Centralized on the server; managed by network administrator. Backup by device and media only required at server.	Decentralized; managed by users. Backup devices and media are required at each workstation.
Redundancy	Yes; duplicate power supplies, hot-swappable drive arrays, and even redundant servers are common; network OS normally is capable of using redundant devices automatically.	No true redundancy among peer "servers" or clients; failures require manual intervention to correct, with a high possibility of data loss.

NETWORK TOPOLOGIES

In computer networking, *topology* refers to the layout of connected devices. This article introduces the standard topologies of networking. Think of a topology as a network's virtual

Mesh topology