which may not necessarily be closely interrelated.

2. **Absence of Conceptual Thinking**: - The managers in this system do not find time for conceptual thinking so essential for organizational growth & development because they remain quite busy in their day to day managerial problems.
3. **Autocratic Approach**: - The line authority, being direct, demands high level of obedience on the part of the subordinates.
4. **Problems of Co ordination**: - Co ordination among various activities & the departments is achieved through horizontal relationships, whereas the line organization stresses only vertical relationships.

Functional/Staff Organization

Functional system implies the placement of specialists in line positions. Functional specialists are endowed with authority over the subordinates. This system is also known as functional foremanship & was conceived by FW Taylor.

unctional structure is created by grouping the activities n the basis of functions required for the achievement f organizational objectives.

erits of Staff Organization

1. Functional structure can result in high degree of specialization because a unit or department is concerned only with one aspect of total activities.
2. Functional structure brings order & clarity in the organization by prescribing what one is expected to do.

It promotes professional achievement as a person is restricted to his own area of specialization.

There is economy in the use of organizational resources because various units of the organization use the centralized resources of a kind.

5. There is high degree of control & co ordination of functions because all work of one kind is under one manager.

Demerits

1. Responsibility for ultimate performance cannot be fixed in functional structure because no one is responsible for product cost & profit.
2. Functional structure essentially generates slow decision making process because the problem requiring a decision has to go through various departments as all of them have something to say on the matter.
3. Functional structure lacks responsiveness, necessary to cope up with new & rapidly changing work requirements.
4. Absence of Unity of Command.
5. Chances for indiscipline.

Line Organization Vs Functional Organization

	Line Organization		Staff Organization
1	No specialization	1	Functions are divided on the basis of nature.
2	Unity of command is possible	2	No unity of command
3	Responsibility can be located.	3	Responsibility cannot be fixed.
4	Co ordination is easy.	4	Lack of co ordination.

Line and Staff Organization

This system is a synthesis of benevolent attributes of line & functional type. It is prominently prevalent today. This system implies the combined role of line & staff officers in attaining the objective of the business. It consists of line officers who have authority to take decisions. Line officers are assisted by the staff officers in framing & executing business policies & plans.

Advantages of Line & Staff organization

1. Operational efficiency is enhanced through expertise of the staff officers.
2. Discipline & unified control are ensured through line officers.

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Page 2 of 5