

Organizing

Dr. Piumi Perera

Department of sports Science
Faculty of Applied Sciences
University of Sri Jayewardenepura

Learning Outcomes

- Describe the concept of organizing and the key dimensions of organizational structure;
- Understand the unique features of the structure of sport organizations;
- Understand the various models of organization structure that can be used for sports organizations;
- Identify the factors that influence the structure of sport organizations
- Assess the importance of organisational structure in influencing the behaviour of people and organisational performance and understand some of the challenges facing managers and volunteers involved in.
- Managing the structure of sport organizations.

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Introduction

Organizing is one of the key management functions which follows planning and thereupon influence on the effectiveness and efficiency organizational activities.

The organizing function leads to the development of an organizational structure which comprises the designing of roles to be occupied by suitably skilled people and describing the inter relationship between these roles so that ambiguity in performance of duties can be removed.

Definitions of Organizing

1. Is the process of establishing orderly (systematic) uses for all resources within the management system.
(Certo and Certo,2010)
- 2.The deployment (utilization) of organisational resources to achieve strategic goals.
(Daft, 2012)
3. Is the process of deciding how best to group organisational elements.
(Griffin ,2012)

Important points of the definition

- Achieving organizational objectives
- ↑
- Distribute and coordinate
 - Work/activities
 - Resources
 - Authority
 among organizational members

Process of Organizing

1. Identification of Work
2. Dividing the workload in to jobs
3. Grouping jobs in to departments
4. Deciding Spans of Management
5. Creation of Hierarchy
6. Delegation of authority
7. Determining systems of working
8. Allocation of resources
9. Establishing coordinating mechanisms

Organizational Structure

- In simple terms, Organizational structure shows the results of organization. That is the way in which an organization's activities are divided, organized and coordinated.

Definitions of Organizational Structure

- According to Griffin (2012), organizational structure can be defined as
 “The set of elements that can be used to configure (design) an organization”.
- Robbins & Coulter (2010), defines organizational structure as the
 “formal framework by which job tasks are divided, grouped and coordinated.”

Organizational Chart

- Organizational chart can be describes as the graphical/visual representation of the organizational structure. It is the Visual Presentation of the Organizational Structure.

Figure 1: Organizational Chart

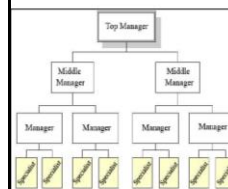
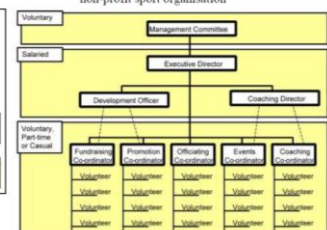


Figure 2: Organizational Chart of a typical non-profit sport organisation



Benefits of an organizational chart

- Whole structure (hierarchy, departments, divisions, number and types of positions, etc.) can be viewed at a glance.
- Outline managerial tasks and which manager is responsible for overseeing each employee.
- Shows the formal relationships and communication channels between the departments and the organizational members.

Limitations of an organizational chart

- Informal relationships are not explained
- Informal communication channels are not explained
- Degree of delegation is not explained
- Degree of formalization is not shown
- Introduce rigidity in to relationships
- Creates status problems
- Cost of preparation, storing, and studying
- Can soon become out of dated

Basic elements of organizing

According to Griffin (2012), following are the basic elements of organizing.

- 1) Designing Jobs
- 2) Grouping Jobs
- 3) Establishing reporting relationships
- 4) Distributing authority
- 5) Coordinating activities
- 6) Differentiating between positions

Element 1: Designing Jobs

The main consideration given when designing the jobs includes deciding the tasks and allocation of authority and responsibility to perform the job smoothly. Furthermore, it also includes determining the level of desired specialization or generalization.

- Division of work: Breaking a complete and a complex work down in to small and simple jobs in which each worker can specialize by performing such simplified jobs repetitively and continuously.
- Labor Specialization: When a person/employee performs a job for a longer period of time, he/she gets specialization of the task.

Benefits of Specialization (Robbins & Coulter, 2010 ; Griffin , 2012)

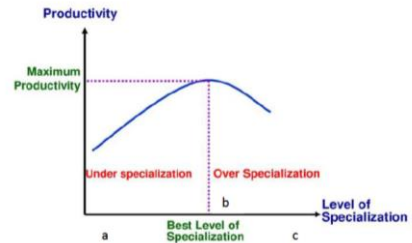
- Employees become very proficient at the task they perform and hence can perform the activities quickly comparative to a new comer
- The transfer time between tasks decrease
- Easy to develop specialized equipment to assist jobs

Limitations of Specialization

(Robbins & Coulter, 2010 ; Griffin , 2012)

- Boredom due to monotonous work activities
- Recurrent Fatigue and job stress
- Job dissatisfaction
- Higher levels of absenteeism and turnover
- Job related diseases

Relationship between Productivity and Level of specialization



According to Griffin (2012), there are Alternatives to Specialization.

(a) Job Rotation

- Job rotation involves systematically moving employees from one job to another.
- This method has not been very successful in enhancing employee motivation or satisfaction.
- This is more often used today as a training device to improve worker skills and flexibility.

(b) Job Enlargement

Job Enlargement involves giving the employee more tasks to perform (horizontal expansion).

Disadvantages of job enlargement include:

- (1) High training cost
- (2) Demand for higher pay
- (3) Work remains boring and routine.

(c) Job Enrichment

- Attempts to increase both the number of tasks a worker does and his controlling power over the job.
- To implement this managers remove some controls from the job, delegate more authority to employees and give him complete work unit.
- In this approach continually new and challenging tasks are assigned to increase employees' opportunity for growth and advancement.

(d) Work Team

- Allows an entire group to design the work system it will use to perform an interrelated set of task.
- The group itself decides how jobs will be allocated among the group members.

Element 2: Grouping Jobs: Departmentalization

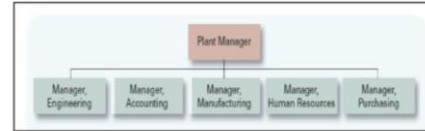
It is the process of grouping jobs according to some logical arrangement.

The four most common bases for departmentalization are ;

- Functional Base
- Product Base
- Customer Base
- Geographical Base

Organizations are likely to employ multiple bases of departmentalization depending on the context of the organization.

Departmentalization according to Functional Base (Griffin, 2012)



- Here the departments are formed by grouping the jobs involving the same or similar activities.

Advantages of Departmentalisation according to Functional Base (Daft, 2012 ; Griffin, 2012)

Advantages;

- 1) Efficient use of resources
- 2) Each department can be staffed by experts in that functional area
- 3) Supervision is facilitated with focused set of skills
- 4) Coordinating activities inside each department is easier
- 5) In-depth skill specialization and development

Disadvantages ;

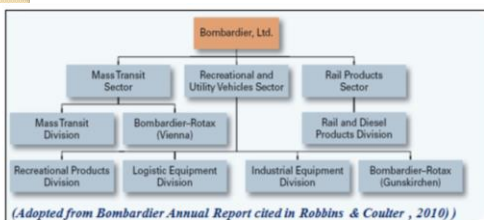
- 1) Decision making tends to become slower and bureaucratic
- 2) Poor communication across functional departments
- 3) Lose sight of the total organizational system
- 4) Accountability and performance become increasingly difficult to monitor in the organization

Departmentalization according to Product Base

Grouping and arranging activities around products or product groups. Generally multi product large organisations adopt this form of departmentalization for grouping activities at the business or corporate level.

(Adopted from Bombardier Annual Report cited in Robbins & Coulter ,2010).
(Griffin ,2012)

Product Base



(Adopted from Bombardier Annual Report cited in Robbins & Coulter , 2010)

Advantages and disadvantages of Departmentalization according to Product Base (Griffin,2012)

Advantages ;

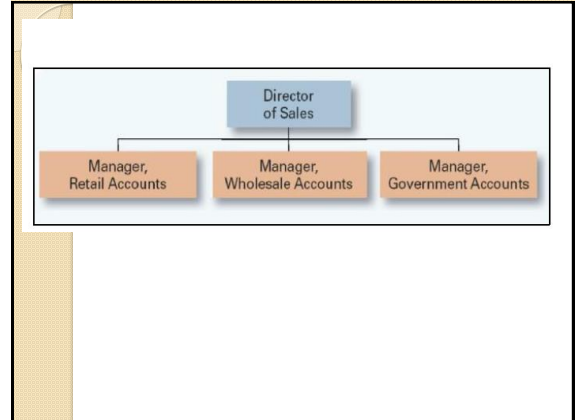
- 1) All activities associated with one product/ product group can be easily integrated and coordinated
- 2) Speed and effectiveness of decision making is enhanced
- 3) Performance of individual products/ product groups can be assessed easily and objectively

Disadvantage;

- 1) Managers may focus on their own product or product group only
- 2) Higher administrative costs

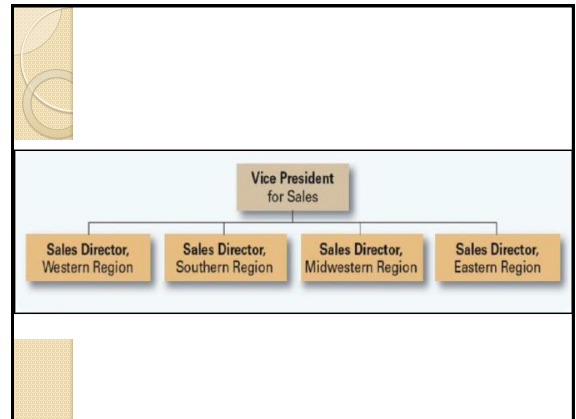
Departmentalisation according to Customer Base (Griffin,2012)

- Structures its activities to respond to and interact with specific customers or customer groups.
- Generally, can be seen in the service sector.
- The basic advantage of this approach is the ability to use skilled specialists to deal with unique customers or customer groups.
- However in this approach a fairly large administrative staff is required to integrate the activities of the various departments.



Departmentalisation according to Geographical Base (Griffin,2012)

- It involves grouping jobs on the basis of defined geographic site or areas.
- The primary advantage in this approach is that it enables the organisation to respond easily to unique customer and environmental characteristics in various regions.
- On the negative side, a larger administrative staff may be required if the organisation must keep track of units in scattered locations.



Element 3: Establishing Reporting Relationships (Griffin,2012)

This involves clarifying the chain of command and the span of management / span of control in the organisation.

Chain of Command

A clear and distinct line of authority among the positions in an organisation which shows who reports to whom.

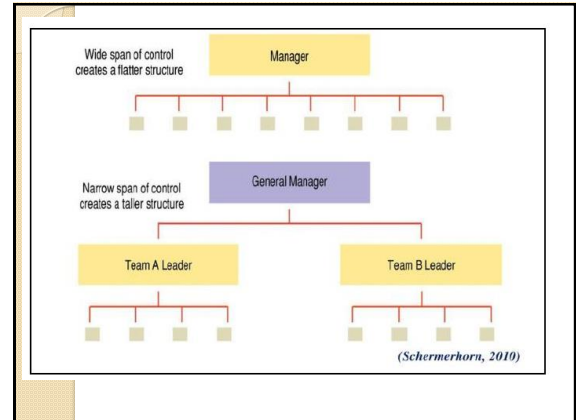
Chain of command Consist of two (02) components ;

o *Unity of Command* – Each person within an organisation must have a clear reporting relationship to one superior.

o *Scalar Principle* – There must be a clear and unbroken line of authority that extends from the highest to the lowest position in the organisation.

Span of Management / Span of Control

- The number of employees who directly report to a particular manager.
- The average span of control used in an organisation determines whether the organisational structure is **tall** or **flat**.
 - A tall structure has an overall narrow span and more hierarchical levels.
 - A flat structure has a wide span of control and is horizontally dispersed with a fewer hierarchical levels.



Factors Influencing the Span of Management / Span of Control (Griffin, 2012)

- Competence of supervisor and subordinates
- Physical dispersion of subordinates
- Extent of nonsupervisory work in manager's job
- Degree of required interaction
- Extent of standardized procedures
- Similarity of task being supervised
- Frequency of new problems
- Preference of supervisor and subordinates

Element 4: Distributing Authority (Griffin, 2012)

- Authority is the power that has been legitimized by the organisation.
- It includes the formal and legitimate right of a manager to make decisions, issue orders, and allocate resources to achieve organisational desired outcomes.

Types of authority within an organization (Certo & Certo, 2010)

- 1) **Line authority**
 - Reflects the existing superior-subordinate relationship.
 - It signifies that people in management positions have formal authority to direct and control immediate subordinates.
- 2) **Staff authority**
 - Includes the right to advise, recommend and counsel in the staff specialists' area of expertise.
 - This is a communication relationship where the staff specialist advise managers in technical areas.
- 3) **Functional authority**
 - The authority that staff manager has right to give orders relevant to his/her area, to the line managers.
 - There are two specific issues that managers must address when distributing authority are extent of **delegation** and **centralization**.

What is Delegation? (Based on study materials of (Griffin, 2012))

Delegation is the act of assigning specific tasks with authority and responsibility.

Reasons for delegation are ;

- It enables managers to get more work done
- Diversified and /or dispersed business activities
- Helps develop subordinates

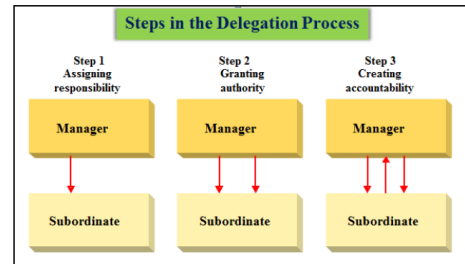
Problems in delegation are ;

- Managers may be reluctant to delegate
- Task cannot be delegated when managers are disorganized
- Low / no trust on the subordinates
- Subordinates are reluctant to accept delegation

The barriers to delegation could be overcome (Daft, 2012)

- Delegating the whole task
- Selecting the right person
- Ensuring that authority equals responsibility
- Giving thorough instructions
- Maintaining feedback
- Evaluating and rewarding performance

The Delegation Process (Griffin, 2012)



Centralization and Decentralization (Daft, 2012 ; Griffin, 2012)

- Centralization and decentralization pertain to the hierarchical level at which decisions are made.

Centralization

- The process of systematically retaining decision authority in the hand of the higher level managers.

Decentralization

- The process of systematically pushing down and delegating the decision authority throughout the organisation to middle and lower levels.

Factors that typically influence the extent of centralization and decentralization are ;

- 1) Greater change and uncertainty in the environment
- 2) The history of the organisation
- 3) The organisation's strategy
- 4) The nature of the decision
- 5) Abilities of lower level managers

Responsibility Vs. Accountability

- Responsibility is the moral and legal obligation to perform the assigned tasks to the satisfaction of the superiors.
- Accountability is answering for the result of one's actions or omissions and is the final act in the establishment of one's credibility.

Element 5: Coordinating Activities (Griffin, 2012)

- Coordination is the process of linking the activities of the various departments of the organization.
- The primary reason for coordination is that departments and work groups should be interdependent to achieve the common objectives of the organization.

Commonly used coordination devices are;

- The Managerial Hierarchy
- Policies, Procedures, Rules and Regulations
- Liaison Roles
- Task Forces

Element 6: Differentiating Between Positions (Griffin, 2012)

This Involves distinguishing between line positions and staff positions in the organisation.

Line Position

- A position in the direct chain of command that is responsible for the direct achievement of an organisation's goals.
- It consists of line authority which is generally considered as the formal/legitimate authority created by the organisational hierarchy.

Staff Position

- A position intended to provide expertise, advice and support for line positions.
- It consists of staff authority which is less concrete (in comparison to line authority) and take a variety of forms.

THANK YOU