Compare and Contrast Roles Supporting Organisational Structures and Functional Areas in Organisations
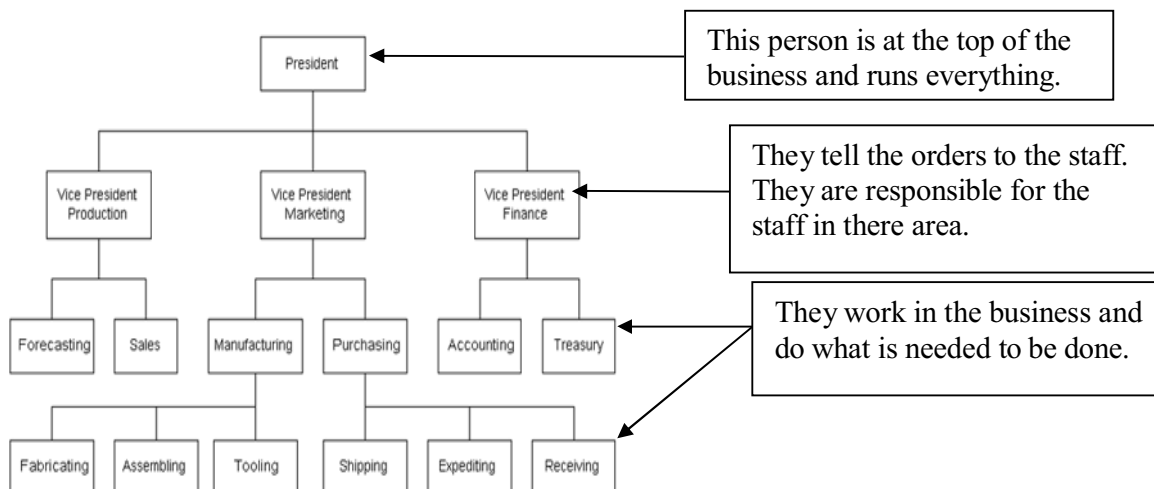
Each business has it's own structure. It could be a hierarchical structure, a matrix structure or a flat structure. Because of these structures it helps make a business efficient in each of the functional areas that it has. Each level of the structure has a level of responsibility.

Hierarchical structures are usually used by big businesses that have lots of different areas. This is why this structure is referred to as the pyramid structure. The most important and the most paid are at the top and the less important and the least paid are at the bottom. The people at the top of this structure are the ones that make the decisions and the ones at the bottom follow them. The higher up the structure the more responsibility they will have.
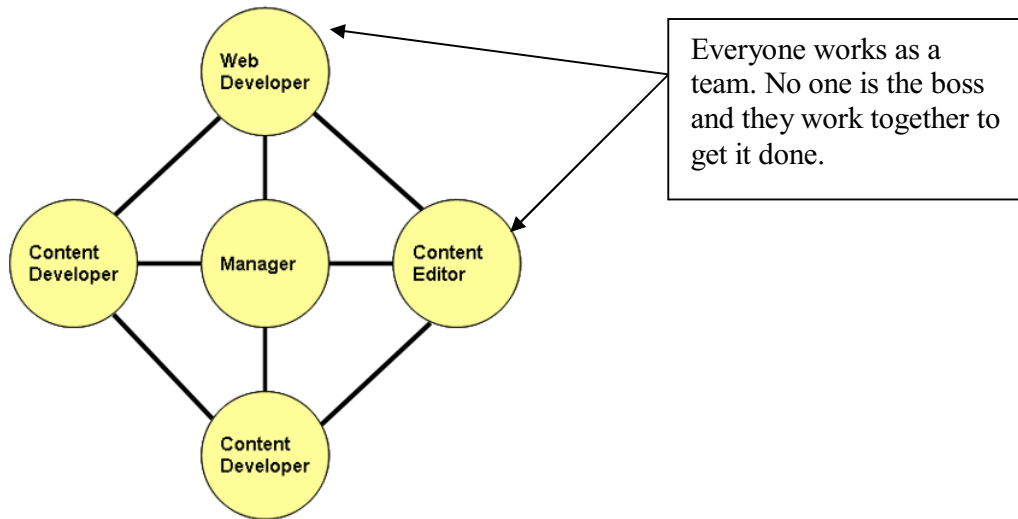
The matrix structure is used for projects within the business. No one has more authority than the other and they all have to report to each other. This structure is made to be a structure for temporary use only.

A flat structure is usually used by a sole trader who has unlimited liability. If a business is fairly small then a flat structure is the best to use and will be the most useful. The owner is the person who makes all of the decisions in a flat structure. The staff then follows what the owner says.
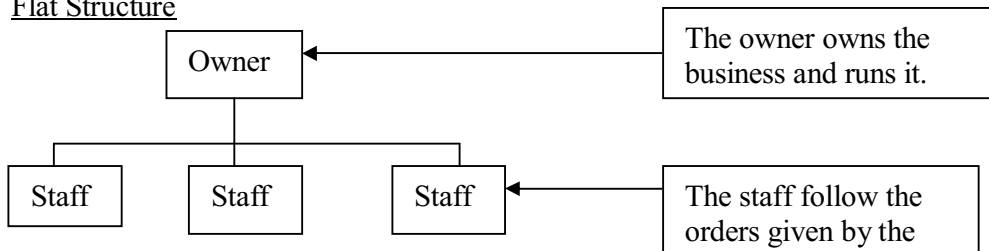
Hierarchical Structure

President

This person is at the top of the business and runs everything.

Vice President Production | Vice President Marketing | Vice President Finance

They tell the orders to the staff. They are responsible for the staff in there area.

Forecasting | Sales | Manufacturing | Purchasing | Accounting | Treasury

They work in the business and do what is needed to be done.

Fabricating | Assembling | Tooling | Shipping | Expediting | Receiving

Matrix Structure

Web
Developer

Content
Developer

Manager

Content
Editor

Content
Developer

Everyone works as a team. No one is the boss and they work together to get it done.

Flat Structure

Owner

Staff   Staff   Staff

The owner owns the business and runs it.

The staff follow the orders given by the

The structures in a business helps keep everything in order. It helps the business run as efficiently as possible. It shows all of the staff who works for whom and who they go to for help. It shows the chain of command and by knowing this it can help the staff when they have a problem. No business is perfect when it comes to efficiency but having a structure of any kind helps it become a bit more efficient.

Customer Services

This helps the efficiency in the business when it comes to dealing with customers. They sort out all of the problems they may have and fix them, once fixed and improved they report to somewhere higher up on the structure and talk to the customer. They deal with all of these problems.

Human Resources

Human resource is the area that hires and fires members of staff. They deal with that. They have to work with other area such as finance and accounts so they don't have enough money. If the communication between the two areas don't go well then something can go wrong, this is why they both need to be efficient. If they are efficient enough the things will go smoothly.

Sales and Marketing

This area must also communicate well with finance and accounts so there area runs smoothly. They think up ideas to market there product better and finance and accounts say if they have enough to do the advertisement or not. They need to have progress in advertisement so they need to run quickly and efficiently with finance so they can advertise.

Research and Development

This area has to communicate with production as they think up the product and production then make it. There is probably a schedule for each product they have to follow. So if neither area work together then the schedule falls apart and efficiency is lost.

Finance and Accounts

This area has to run the most efficient out of all of them. This is because they know what finance the business ahs and how much each area gets to run with. If one area needs more to work with and the higher ups agree this area needs to figure out how to get them more money. They will need to work quick and do it right the first time round. There is no room for mistakes in this area that is why efficiency is essential.

Production

This area gets a design from the research and development area and then find a way to make it. They may have a deadline to make so many products so efficiency is key. This is especially if they need to make so many products in a short space of time.

Administration and IT

This area sorts out the paperwork side of the business. This means they have strict deadlines the need to follow for each piece. They also need to be quick about it like

the finance and accounts area. If they were not and didn't finish a piece of document then something could go wrong and slow down production in each area.