Paper –Principles and Practice of Management   Dr. James Hussain

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Topic- APPROACHES FOR ORGANISATIONAL DESIGN

There are different approaches which can be adopted for designing organisation structure Each of these approaches emphasises differently how various organisational activities analyses which should be undertaken to design the structure. These are activities analysis, decision analysis, and relations analysis. Another way of classifying the approaches for organisational design is process approach, result approach, and decision approach. This classification is more appropriate for organisational design.

Process Approach. Process approach to designing of an organisation structure is related to identification of sequences of activities involved and then deciding the various units of organisation, combining various units, and placing them at appropriate places so that activities are performed properly. The main emphasis is put on three things. First, all necessary activities for achieving objectives are performed. Second, there is no unnecessary duplication of performance of activities. Third, all necessary activities are performed in a synchronised way.

Result Approach. Organisational design that focuses on results is more effective in the situations where strategy innovation is a prime need. The focal point for developing the structure through a result approach involves the following steps: of market opportunities

1 Defining the business on the basis of potential area 2. Establishing the objectives to be accomplished:

2.establishing the objective to be accomplished

3. Determining the requirements for success and functional skills needed to meet them: in mind the degree of centralisation

4. Determining the degree of authority keeping best suited to decision making.

Decision Approach. Decision approach of organisational design mechanism puts certain questions about the decisions and the answers of these questions become the basis for designing structure. These questions are:

1. What decisions are needed to obtain results for achieving organisational objectives?

 2. What is the nature of such decisions?

3. At what levels of the organisation, should such decisions be made?

4. What are the activities involved in or affected by such decisions?

The answers of these questions would determine the degree of authority in a position. its interaction with other positions, and the placement of the position in organisational hierarchy