

Topic- Formal Organisation Structure

Formal organisation refers to the structure of well-defined jobs, each being a definite measure of authority, responsibility and accountability. The structure is consciously designed to enable the people of the organisation to work together for accomplishing common objectives.

Characteristics of Formal Organisation

The formal organisation (mostly referred to structure) is deliberately designed to achieve definite authority, responsibility, and accountability. According to classical theorists, the formal organisation is built on four pillars:

- (1) division of labour,
- (2) scalar and functional processes,
- (3) structure, and (4) span of control. These are also referred to as principles of organisation.

From this point of view, characteristics of formal organisations are as follows:

1. Organisation structure is designed by the top management to fulfil certain requirements performance of necessary activities thereby achieving organisational goals.
2. Organisation structure is based on the principles of division of labour and efficiency in operations.
3. Organisation concentrates more on the performance of jobs (conglomerate of activities) and not on the individuals performing the jobs.

4. The authority and responsibility assigned to each job have to be adhered to by the job holders.

Based on the concept of authority and responsibility, people are placed in hierarchy, and their status is determined accordingly.

5. Coordination among members and their control are well specified through processes, procedures, rules, etc.