

- Chapter 8 Structure

- Structure- Anything composed of parts arranged together in some way
- Organizing- Arranging tasks, people and other resources to accomplish work
 - 3 Elements: Divide Work, Arrange Resources, Coordinate Activities
- Google and Structure video- created offsite, has staff meetings, has quarterly objectives which they review, had financial system that did not work so they had to replace it. Company was working well, just needed a little “list-making and structure” (Informal)
- Formal- Birds shiting, CEO on VPs, VPs on managers, managers on the rest.
- Org. Charts Provide Division of work, chain of command, span of control, communication flow, major units, staff vs. line, levels of management. (XEROX)
- Staff v. Line:
 - Line- Responsible for core business functions (development, selling, and manufacturing)
 - Staff- Important but do not directly bring in revenue (accounting, HR, Legal, etc.)
- Michael Dell (Restructuring)- Dell had too many people reporting directly to the CEO, so they grouped things together in order to simplify.
- Social Network Analysis (Informal)- Asks people who they turn to for help and creates a map connecting from person to person showing who each person turns to. Can be used to see who the key people are for mentoring and leadership roles.

- o 5 types of structure- Functional, Divisional, Matrix, Team, Network (Functional & Divisional are most common)
- o Functional- CEO – VPs- Line & Staff workers. Splits up by function (marketing, finance etc.)
 - Pros: Economies of Scale, Broad Expertise, Training for Skill, Functional Career Paths
 - Cons: Chimneys/Silos- A function only operates in best self-interest.
- o Divisional Structure- Splits up by product, then function
 - Pros: Focused experts, better coordination, increased accountability, can grow/ shrink easier.
 - Cons: Can be costly, can cause unhealthy rivalries amongst divisions.
- o Matrix Structure- Combines functional and divisional
 - Pros: Accountability, Better Communication, Teams Solve Issues, Top Management Focused on Strategy.
 - Cons: Every person has two bosses
- o Team Structure- Creates many permanent or temporary teams
 - Pros: Improves communication/ cooperation, decisions, stronger relationships.
 - Cons: Takes time, depends on how well team is managed and how well team members get along.
- o Network Structure- Uses strategic alliances and outsourcing (Oprah everyone gets a car)

- Pros: Lower costs, better access to expertise due to increased use of experts, easy to grow/shrink w/ market conditions.
 - Cons: If one part fails the whole thing does, too many moving parts.
- Flat vs. Tall- Taller by adding more levels of management, taller are generally less flexible/efficient. When an organization gets flatter span of control gets wider, meaning managers supervise more people.
- Centralized v. Decentralized- Centralization is when top level makes all decisions and lower levels just carry them out. Decentralized is when lower levels are allowed to make decisions on things where they are more informed than upper levels.
- Chapter 11 Leadership
 - Know Leader/Manager slide
 - Leadership- When one individual influences a group of individuals to want to reach big goals.
 - 3 R's- Right Experiences, Right Training, Right Attitude
 - Managerial Power= Position Power + Personal Power
 - Personal and Position Power
 - Position: Reward (carrot), Coercion (sticks), Legitimate
 - Personal: Expert, Referent (James Franklin)
 - Visionary Leaders: Jack Welch GE CEO, Need a strong vision to rally around, needs to be simple, attainable, and repeat it over and over again.