



# You will learn

- Why businesses need an internal structure,
- How structure changes when businesses expand,
- How organizational charts describe internal structures of an organization.



# Formal organisation

Running a business involves planning, decision making, coordination and communication.

Theses tasks are easier if workers are organised into a structure made up of different functions or departments.

### **Formal organisation**

The internal structure of a business is known as:

FORMAL ORGANISATION

p.s.: small business rarely need it



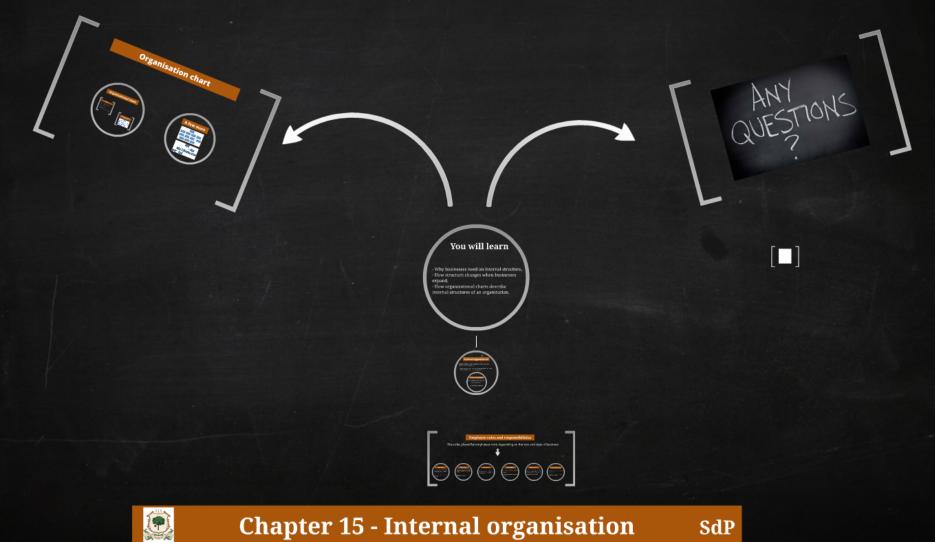
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## **Organisation chart**







# **Organisational chart**

### **Shows**

How the business is split into functions or departments;

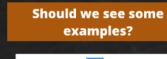
The roles of employees and their job titles;

Who has responsibility;

To whom people are accountable;

Communication channels;

The relationships between different positions in the business.





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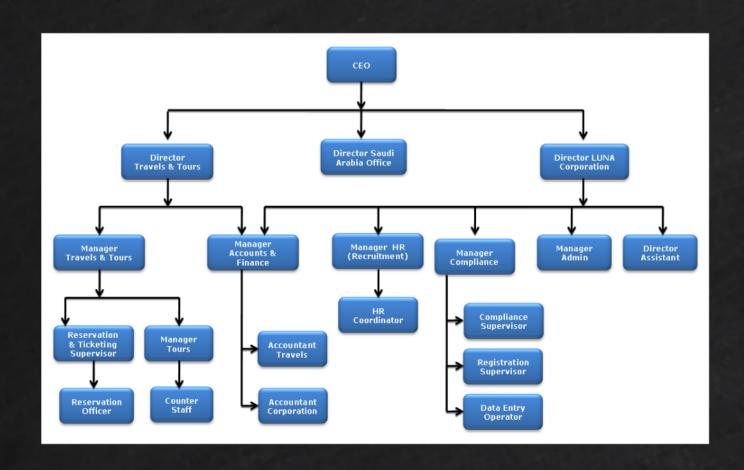
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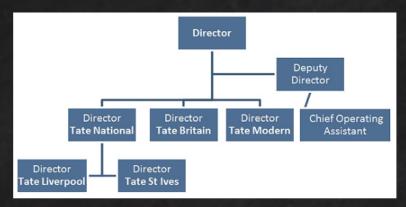
# Should we see some examples?





# A few more







### **Employee roles and responsibilities**

The roles played by employees vary depending on the size and type of business



### Directors

Directors are appointed by the owners to run the business. They make all the important decisions in the business.

They have authority over the managers.

#### Managers

They are responsible for planning, controlling, organising, motivating, problem solving and decision making.

Their role is to achieve the

#### Supervisors

Supervisors monitor the work in their particular area. They have authority over operatives and general workers.

### Operatives

Operative are skilled workers. They are involved in the production process.

They are accountable to supervisors or managers.

### General stat

Business often employ staff that do not have any specific skills. However, with training they can perform a variety of tasks and gain promotion to other positions

### **Professional staff**

Professional staff are skilled and highly trained.

Examples: lawyers, accountants



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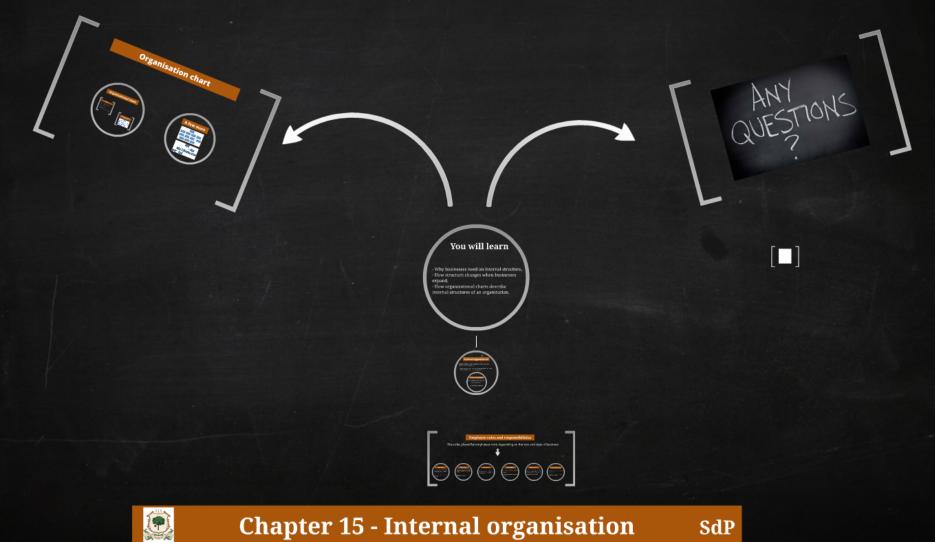


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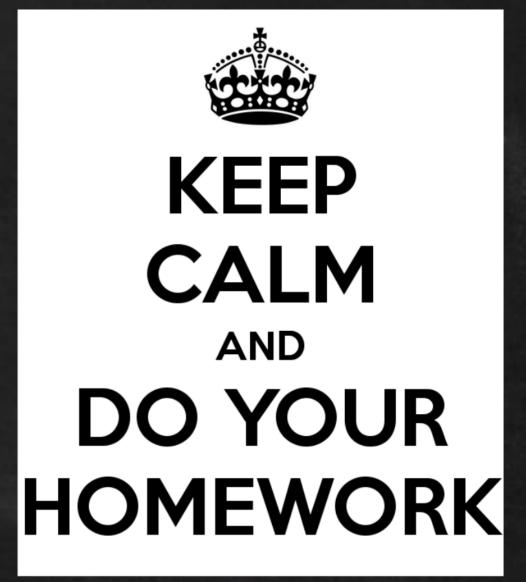
Examples: lawyers, accountants, doctors, pilots, dentists...













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