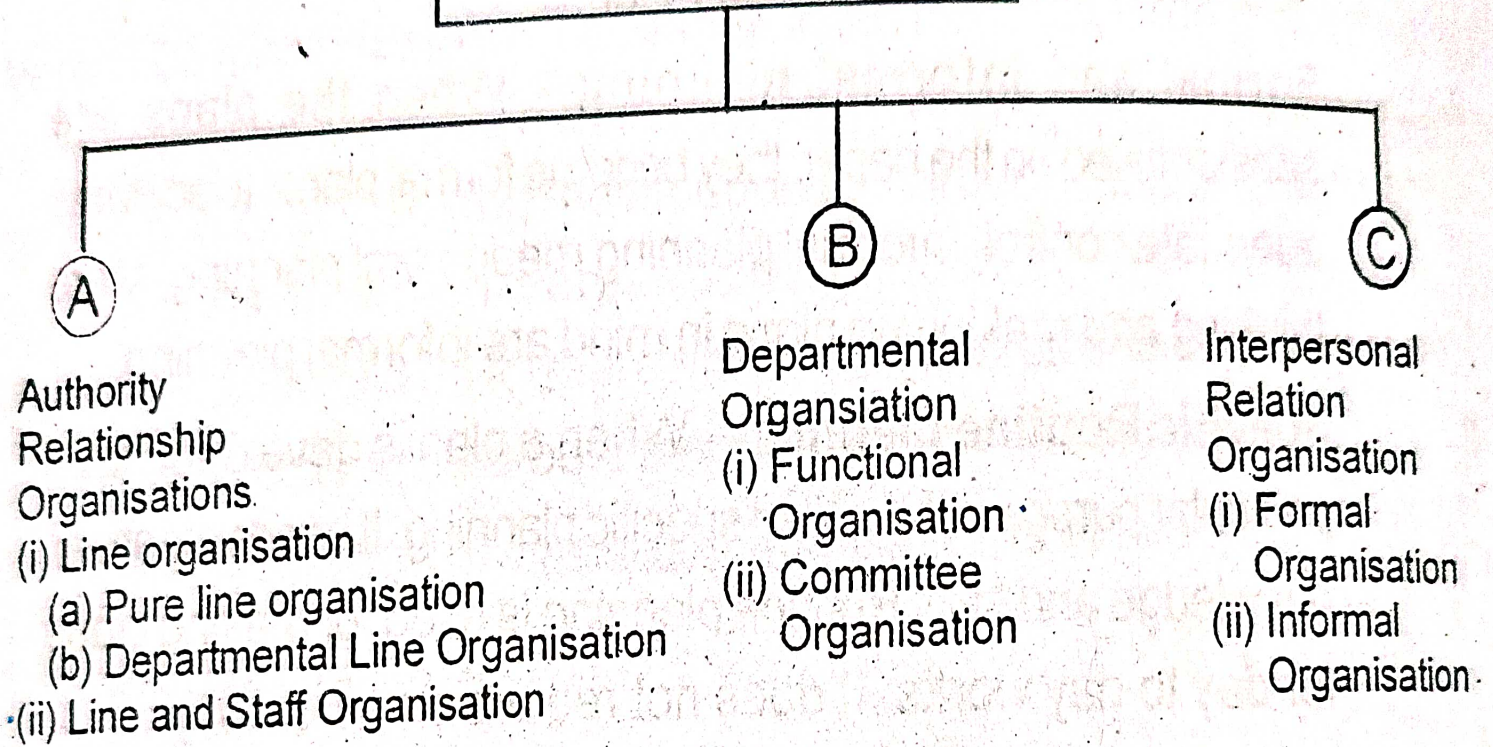


Types of Organisation

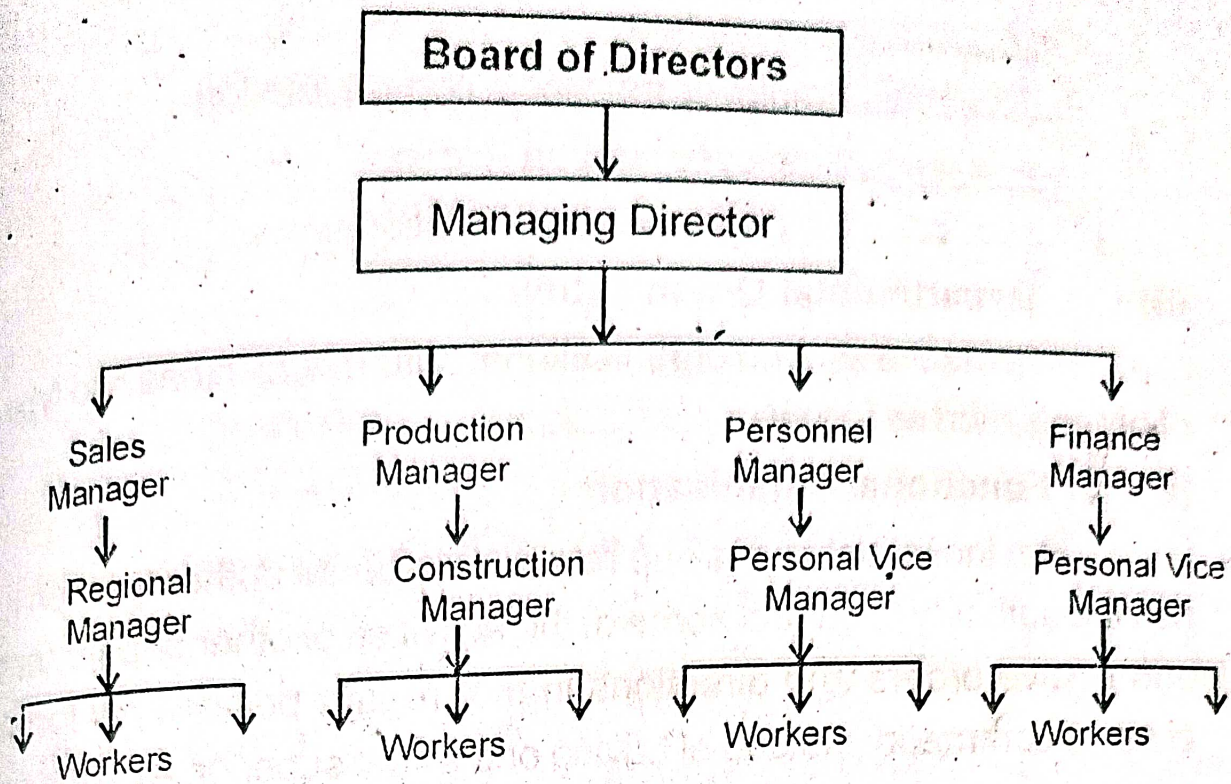


(A) Authority Relationship Organisation

There are two types of authority relationship organisation.

(i) Line Organisation -

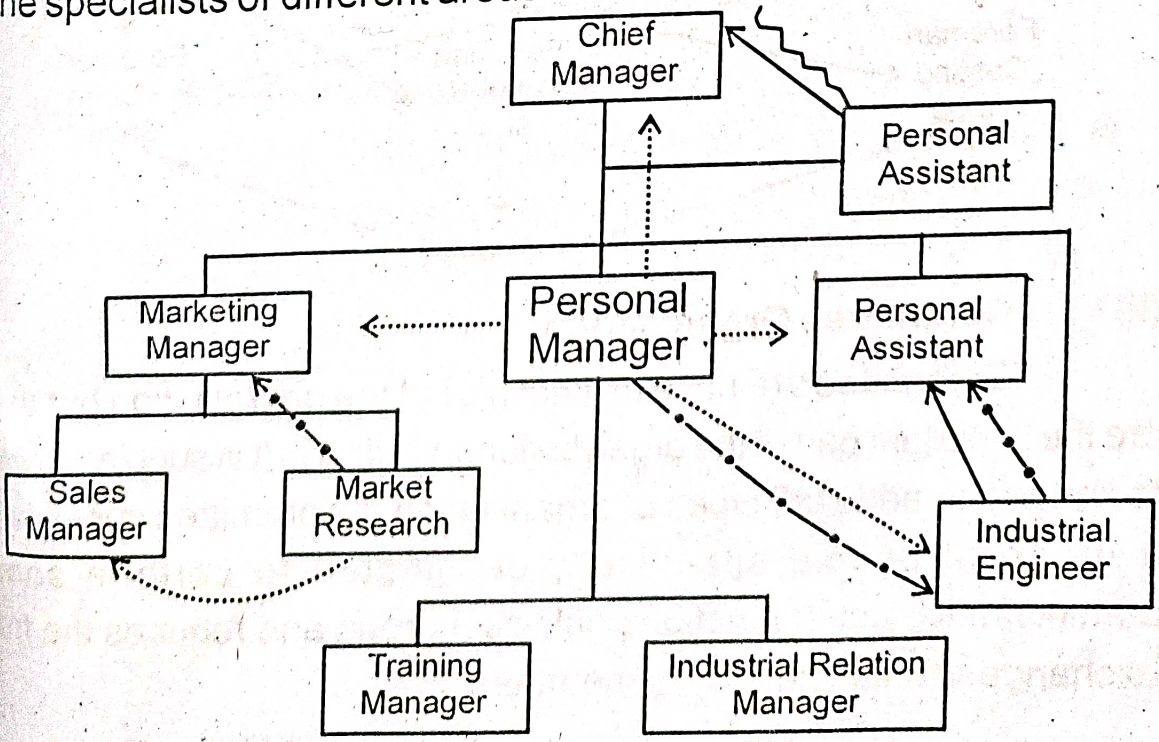
Also called as scalar organisation or departmental organisation. This is the simplest and oldest type of organisation. It assumes direct straight line responsibility and control from general manager to different assistant managers.



(a) **Pure Line Organisation** - In all the individuals at any given level perform the same type of work equally. They are divided into groups only to enable effective control and supervision.

Departmental Line Organisation - The business is broadly divided into departments which are put under the charge of various departmental heads. Each departmental head derives his authority from the chief executive and exercise complete control over this own department.

(ii) **Line and Staff Organisation** - A few executives cannot perform all the functions themselves and they need assistance from the specialists of different areas.



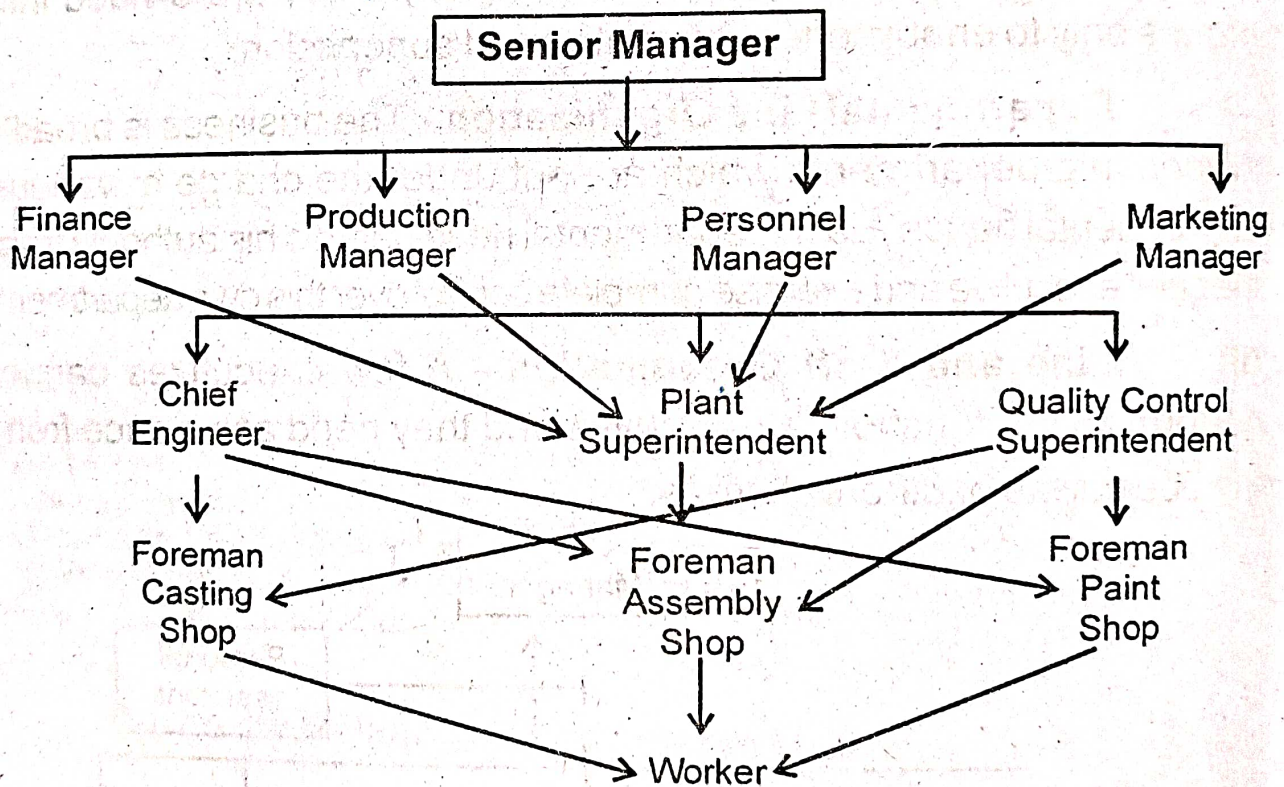
- Line relation
- Employee functional control relation
- ~~~~~ Employee support relation
- - - - - Employee advisory relation

(B) Departmental Organisation -

This is the second organisational pattern which has two types of organisation as follows -

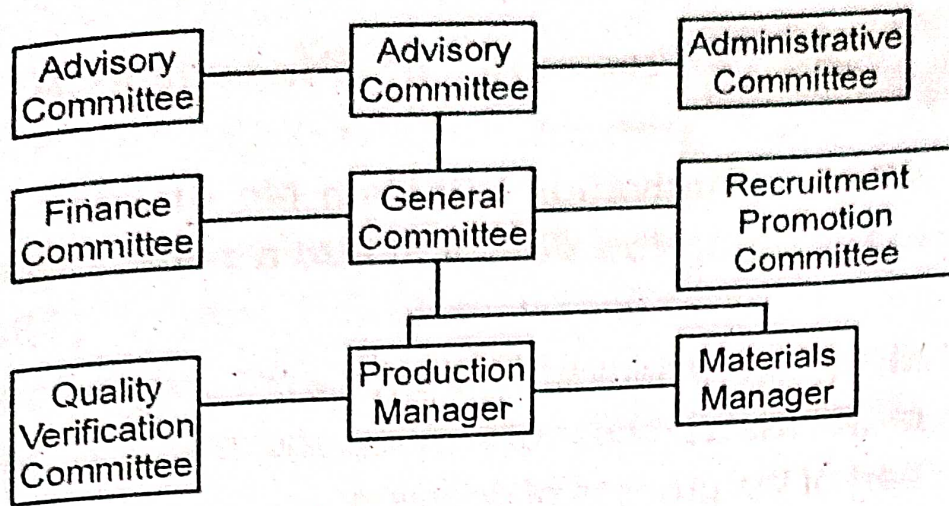
(i) Functional organisation -

An individual or a group retains functional authority when he has the authority to control some of the activities of other departments and to give orders and directions in that regard besides his formal chain of command. Instead of having one single superior, as in the line organisation, there was a need for the specialists to boss over the workers in various aspects of the business.

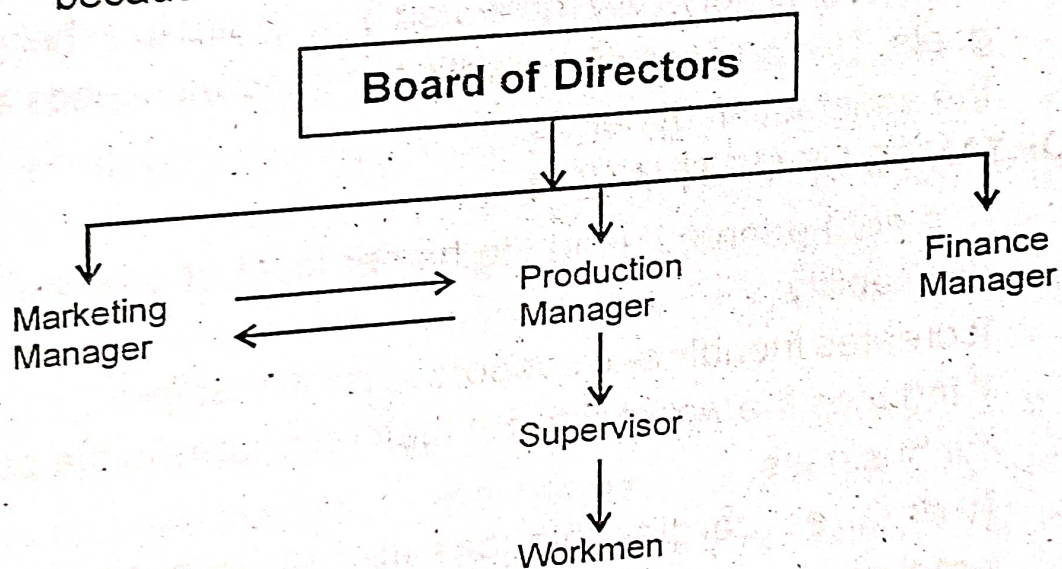


(ii) Committee Organisation

Committee are not a distinct part of the organisation but they are the important part of the organisational structure. It is supplementary to line or line and staff types of organisation. A committee consists of a group of people specifically designated to perform some administrative act. It functions only as a group and requires the free exchange of ideas among its members.



- (C) **Interpersonal Relation Organisation -**
 Organisation may be defined on the basis of interpersonal relations of the employees, offices and officers and employees.
- (i) **Formal Organisation**
 Formal organisation is formed where people work together because of their official placements and assigning of work.



- (ii) **Informal Organisation -**
 An organisation is informal when the aggregate of interpersonal relations are without conscious joint purpose. In this people work together because of their personal likings and dislikings.

