

Defining Your Organizational Structure



Hierarchical

Having a structure consisting of multiple levels. A hierarchical business structure would mean that the chain of command looks like a pyramid, with a large base of workers, who are directly supervised by the smaller level above them, who are in turn supervised by the level above them, continuing on to the top ranking officer such as the company President or CEO. Alternatively, anything which can be broken down into a series of levels which range from broad to specific can be considered hierarchical.

Read more: <http://www.businessdictionary.com/definition/hierarchical.html#ixzz2OZNeYxwc>

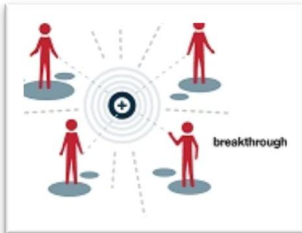
Open

When a business regularly interacts with its environment, and exchanges and processes feedback, it is an open system organizational structure. Open systems have open, or porous, boundaries that allow feedback exchanges from inside and outside the business. The controllers of open systems pay attention to their external environment, internal environment and customer needs and reactions. Open systems tend to devise more than one way to accomplish goals or reach similar results with different conditions and operations--what von Bertalanffy called "equifinality." This is in direct contrast to closed systems that function under the assumption that there is only one way to achieve a result: a direct relationship between cause and effect



Read more: <http://smallbusiness.chron.com/open-system-organizational-structure-432.html>

Breakthrough

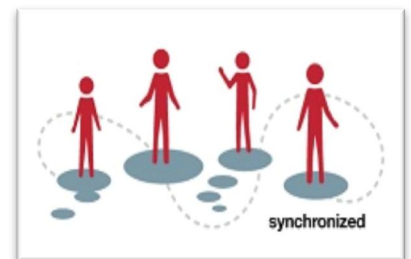


Breakthrough improvement involves major improvements in key business areas. They are often chronic problems solved permanently through focused, dedicated resources working for a limited period of time. Due to the investments in time and attention required, breakthrough improvement projects are selected by a management group that typically acts as a steering group. The improvement goal is between 50 and 95 percent improvement in four to 12 months, depending on project scope. Usually the scope of inquiry crosses multiple functional boundaries. These are good opportunities for developing next-generation leaders, an equally important aspect of creating an enduring quality culture. Breakthrough improvement projects yield the highest economic return in the short- to medium-term.

Read more: <http://www.isixsigma.com/implementation/basics/managing-continuous-and-breakthrough-improvement/>

Synchronized

The systemic approach to the economics and management of resources focuses on what can be achieved by combining the resources at hand. This is difficult because we are accustomed to thinking of resources as "belonging" to something, i.e. a function. In this paradigm, resources are allocated to achieve local, functional optima to the detriment of the goal of the system. Instead, in the systemic approach resources are generally sub-optimized locally in order to optimize the global systemic result. The goal of synchronization is to make the most out of what we have "as a system". Resources are therefore deployed to maximize the global result (we call it throughput) NOT what these resources could achieve if they were to operate in isolation. Accordingly, it is critical to understand what we are synchronizing. Once the system has been designed and the constraint of the system has been chosen, there are two levels of synchronization that must take place at the same time in any organization.



Read More: <http://thinkovate.com/2012/08/08/the-crucial-role-of-synchronization-in-a-systems-based-approach-to-management/>