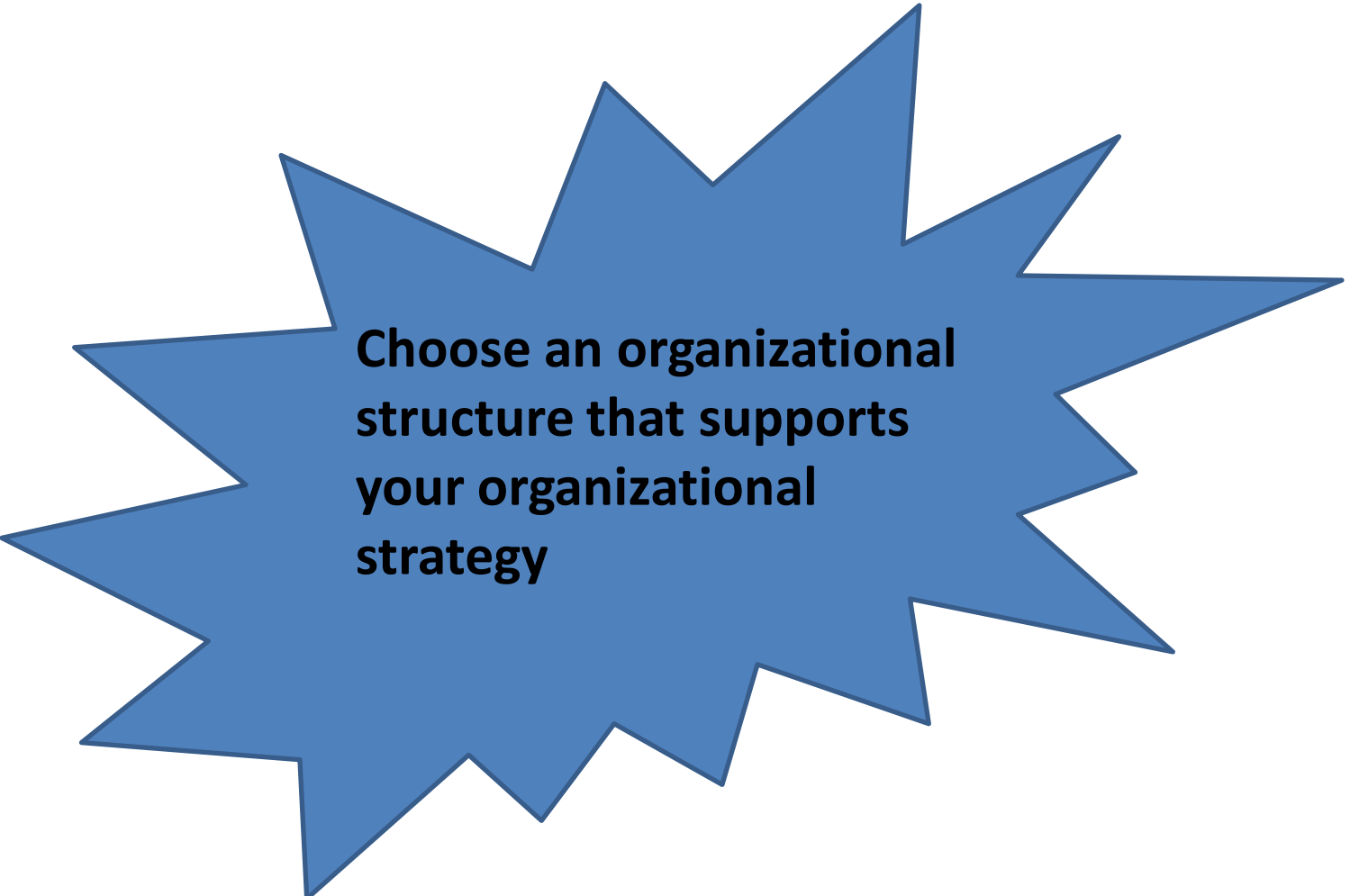


# Organizational Structure and Organizational Culture



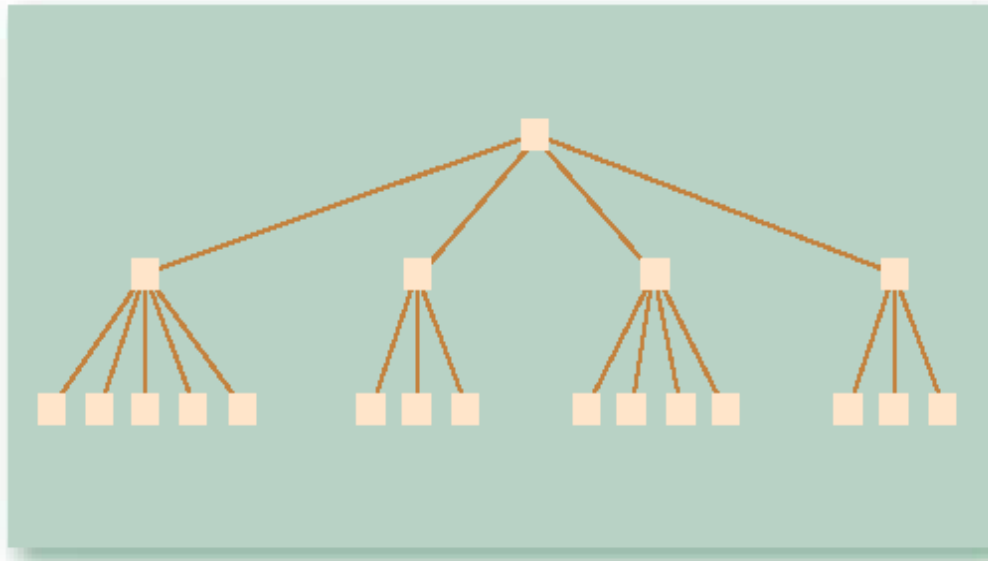
# Point made in “What is Organizational Design” video

A blue starburst shape with multiple points, containing the text 'Choose an organizational structure that supports your organizational strategy'.

**Choose an organizational structure that supports your organizational strategy**

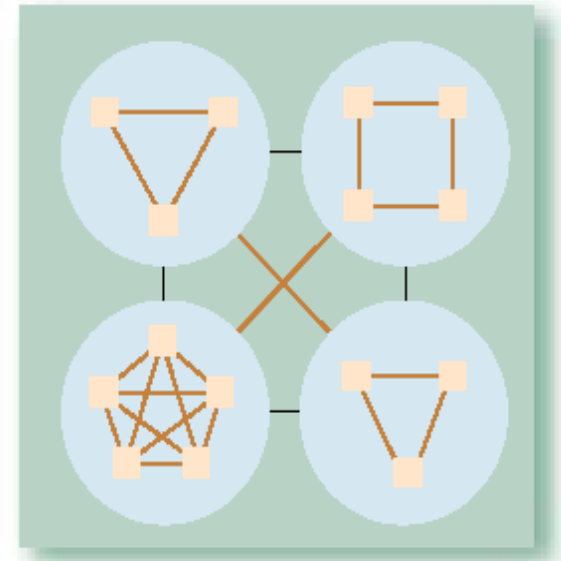
# Mechanistic Versus Organic Models

**The mechanistic model**



- High specialization
- Rigid departmentalization
- Clear chain of command
- Narrow spans of control
- Centralization
- High formalization

**The organic model**



- Cross-functional teams
- Cross-hierarchical teams
- Free flow of information
- Wide spans of control
- Decentralization
- Low formalization

# The Strategy-Structure Relationship

<b>Strategy</b>	<b>Structural Option</b>
<b>Innovation</b>	<b>Organic:</b> A loose structure; low specialization, low formalization, decentralized
<b>Cost minimization</b>	<b>Mechanistic:</b> Tight control; extensive work specialization, high formalization, high centralization
<b>Imitation</b>	<b>Mechanistic and organic:</b> Mix of loose with tight properties; tight controls over current activities and looser controls for new undertakings

# The Structure-Culture Relationship

Which of the following organizational culture characteristics would you expect to be associated with a mechanistic vs. an organic structure?

- Innovation & risk taking
- Attention to detail
- Outcome orientation
- People orientation
- Team orientation
- Aggressiveness
- Stability

# The Structure-Culture Relationship

	Mechanistic	Organic
Innovation & risk taking		X
Attention to detail		
Team orientation		
Stability		

# The Structure-Culture Relationship

	Mechanistic	Organic
Innovation & risk taking		X
Attention to detail	X	
Team orientation		
Stability		

# The Structure-Culture Relationship

	Mechanistic	Organic
Innovation & risk taking		X
Attention to detail	X	
Team orientation		X
Stability		



# The Structure-Culture Relationship

	Mechanistic	Organic
Innovation & risk taking		X
Attention to detail	X	
Team orientation		X
Stability	X	