

I'm not a robot



















## Example of organization

Employees want to understand their job responsibilities, whom they report to, what decisions they can and should make and how they interact with other people and teams within the company. An organizational structure creates this framework. Organizational structures can be centralized or decentralized, hierarchical or circular, flat or vertical. Centralized vs. Decentralized Many companies use the traditional model of a centralized organizational structure. With centralized leadership, there is a transparent chain of command and each role has well-defined responsibilities. Conversely, with a decentralized organizational structure, teams have more autonomy to make decisions and there may be cross-collaboration between groups. Decentralized leadership can help companies remain agile and adapt to changing needs. Hierarchical vs. Circular A hierarchical organization structure is the pyramid-shaped organization chart many people are used to seeing. There is one role at the top of the pyramid and the chain of command moves down, with each level decreasing in responsibilities and authority. On the other hand, a circular organization chart looks like concentric circles with company leadership in the center circle. Instead of information flowing down to the next "level," information flows out to the next ring of management. Vertical vs. Flat A vertical organizational chart has a clear chain of command with a small group of leaders at the top—or in the center, in the case of a circular structure—and each subsequent tier has less authority and responsibility. As discussed below, functional, product-based, market-based and geographical organizational structures are vertical structures. With a flat organization structure, a person may report to more than one person and there may be cross-department responsibilities and decision-making authority. The matrix organizational structure described below is an example of a flat structure. Benefits of Creating an Organizational Structure There are many benefits to creating an organizational structure that aligns with the company's operations, goals and objectives. Clearly disseminating this information to employees: Provides accountability Clarifies expectations Documents criteria for promotion Designates decision-making authority Creates efficiency Fosters collaboration Essential Elements of Clear Organizational Structure Regardless of the special type of organizational structure you choose, it should have the following components: Chain of command Roles and responsibilities Scope of control Decision-making authority Departments or teams within the organization The most common classification of organizations It is carried out with respect to the spirit that motivates its economic activity.Usually it is understood by companies to for-profit organizations, that is, those whose main objective is to expand and multiply a capital made up of the partners, with the basic premise that the benefits exceed the costs of obtaining a net profit. For example: Nestlé, Kraft, Telefónica.However, there are also Nonprofit organizations, where the purpose of the activity is not the multiplication of capital but the realization of some type of social purpose, in the sense of cooperation between people and improvements in the general quality of life. For example: World Vision, Wikimedia Foundation, Greenpeace.Difference over earningsThe identity difference between the two types of organization lies in the use made of the profits, since non-profit organizations obtain economic return from their activity, but all that income discounted from costs is put back so that the organization can comply its function.It is not true, as is commonly believed, that products carried out by a non-profit organization have no costs, and that employees do not work for a salary: simply the benefits of that activity have no other recipient than the organization itself. In for-profit companies, that profit is the rate at which capital is reproduced, and therefore distributed among the owners of the company.What has been said so far suggests that non-profit organizations can, by not having added to the price of their products the profit rate for the capital that profit-seeking companies do have, offering the same products at lower and competitive prices. This is part of the logic under which cooperative companies are installed, that is, run by their own workers.In fact, however, most of the trading companies They are for profit, and non-profit organizations are characterized by fulfilling a social function. The capitalization of non-profit organizations usually occurs from donations, which can come from individuals as well as companies.Tax exemptionThe positive effects that a non-profit organization can bring to the community make many times the States choose to promote the constitution of this type of organization through tax exemption.The mechanisms for the decrease in tax burden In contrast, they require organizations to submit regular reports detailing the progress and status of compliance with the proposed objectives. There are times when governments prefer to discourage these types of organizations, generally by using the means of imposing too many requirements for exemption from taxes.Examples of for-profit organizationsNestleKraftTelephoneCBC Bank of ChinaShellManzanaColgateCokeHitachiSonyGoogleFacebookSamsungAx deodorantsA mechanical workshopP&GMarsORAL BKellogg'sJohnson & JohnsonExamples of nonprofitsWorld visionCivil association 'For the boys' for the rights of the childReligious centersWikimedia FoundationDanish Council for RefugeesDoctors without bordersSport clubsCureviolenceGreenpeaceAwid (Association for Women's Rights and Development)El Refugio (Civil Association for Animal Rights)Neighborhood centersCenter for Justice and International LawRetiree CentersInternational AmnestyPartners in healthForum of studies on the administration of JusticeParkinson's disease civil associationWomen's Learning PartnershipUnicef