**Organization Design and Structure**

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# **Introduction**

The key aim of this report is to create organizational design for two companies, Heytsbury Holdings Limited and Ambrosia. Both of these organizations are listed under Australian Stock Exchange, whereby formed deals with retailing and property portfolio management, while latter deals with health care and body care products. Heytsbury makes reliance on frannchising model for expanding in different locations, while Ambrosia sells through distribution networks and it does not approaches customers. The underlying report has organizational structure for these two organization and offered justification for selection. Additionally, needed resources as well as processes by two organizations are also detailed in the report.

# **Organization Design**

## **Heytsbury Holdings Limited Design**



Figure 1. Hybrid organizational chart of Heytsbury Holdings Limited

The above mentioned figure shows that hybrid structure is considered as suitable for Heytsbury, as it will combine both functional as well as divisional structure. At functional level, Heytsbury will combine the efforts of different fuctional units, such as marketing, human resources as well as finance, which will support its divisional structure. The two major divisions will be of retailing and property portfolio management. The reliance on matrix structure will allow to share resources across divisions, such that functions of divisions can be managed in highly effective manner (Ahmady, Mehrpour & Nikooravesh, 2016). Additionally, goals of corporation as well as divisions will be well aligned through this structure. The flexibility and efficiency is also considered high in this structure. Additionally, as the company seeks to expand operations in international market, therefore hybrid structure will be highly suitable to combine functional aspects of structure across different international divisions (Zheng, Yang & McLean, 2010).

The power relations in matrix structure shows that power is distributed across different functions as well as divisions, thus violating the command of authority in traditional structure. For instance, the head of marketing and HR hold substantial authority across their division and they might choose to make decision on the extent to which delegation of authority will be carried out to subordinates (Tang, Mu & MacLachlan, 2010). The open communication will serve as the purpose, however, mainly communication is expected to flow from top. Finally, the subsidiary model of Heytsbury indicates that cultural differences are expected in each subsidiary, based on diverse working norms of different geographical areas.

## **Ambrosia Design**

Figure 2. Functional organization structure of Ambrosia

The functional structure has been considered suitable for Ambrosia, based on the notion that company mainly operates through collaboration of different departments and functional units and its operations are not divided into geographic or product divisions. The key departments which assure smooth delivery of Ambrosia’s operations are likely to work under directions of the top management of company (Zheng, Yang & McLean, 2010). The key benefit will be offered through grouping of employees in specific department, based on utilization of their specialized skills and knowledge (Mahmoudsalehi, Moradkhannejad & Safari, 2012). For instance, the education group of Ambrosia is responsible for offering training as well as health care advice, based on its research outcomes and separation of this functional unit will allow to effectively allocate resources to this functional unit, based on their knowledge of health related aspects. Additionally, the communication and coordination activities within different departments will be effectively delivered through this structure (Huang, Kristal & Schroeder, 2010). Moreover, the company information shows that Ambrosia is not willing to expand its operations further and thus this structure is suitable for management of existing operations of the company.

Finally, it is notable that functional structure of organization might restrict communication and coordination across departments. In order to assure the effective communication across functional units, cross functional team of each department will be made and coordination across different departments will be assured. It will allow to maintain focus on goals of whole organization, along with departmental goals of Ambrosia.

# **Resource Profile for companies and comparison**

## **Heytsbury Holdings Limited Resource profile**

The facilities and physical stores and outlets will be core resource to perform retailing option, which will be located in different national and international locations. In order to gain competitiveness in the market, the reliance is needed on differentiated human resources who might possess unique set of knowledge and skills (Wilden et al., 2013). The human capital is considered as non-imitable resource and thus it is key to bring innovation in products and services of the company (Zhang & Baden‐Fuller, 2010). For instance, if the marketing unit of Heytsbury will have highly differentiated workforce, then it will be able to efficiently promote the products and services of company, to assure its success. Additionally, the human resources will enable company to offer exceptional customer services which are considered as key aspect for gaining excellence within market.

Among the non-tangible resources, the ability of key person or leader of Heytsbury holds important consideration, as it will serve as the motivational force to assure long run success of company. The strong leadership characteristics can serve as the way of collaborating functions across multiple divisions (Wilden et al., 2013) of Heytsbury and thus expansion can be made easy and smooth in international markets. Likewise, commitment to financial resources is crucial to expand across geographical areas and to continue the operations of business in effective manner.

## **Ambrosia Resource profile and comparison with Heytsbury**

Based on responsible and organic sourcing of material, the key resource of company will be its organic suppliers, with which Ambrosia needs to maintain stronger ties, such that it can easily maintain its ethical and organic sourcing of material. In contrast, Heytsbury is mainly focused on retailing and thus this resource requirement is not relevant to that. In addition to this, the research and development capability of company will serve as its core resource, as it assures the delivery of high quality products (Zheng, Yang & McLean, 2010). Again, Heytsbury’s resource base shows no relevancy with this, as it does not involve in research and development. However, the similarity lies in human resource and leadership requirements, which are highly important for Ambrosia to deliver its underlying organizational goals. The human’s skills and knowledge base will support research and development, as well as education group and manufacturing division’s capacity to deliver its stated objectives. These resources will mainly be placed within Australia, as company is not operating beyond national boundaries.

# **Processes**

## **Heytsbury Holdings Limited Processes**

The operational processes of Heytsbury will serve as the key purpose for excelling within industry. There are two key operations of company, including; retailing and property portfolio management, whereby operational processes will focus on enhancing the capability of company to deliver these key operations in effective manner. The retailing processes of company will mainly be located in Australia and New Zealand, as these are considered as key operating locations of the company. On the other hand, the management processes will serve as the purpose of overseeing the operational activities of the company. The management processes will include; corporate governance, management of budgetary requirements of company as well as insights of human resources. The marketing activities also make up an important aspect of management processes of Heytsbury. Based on franchising model of Heytsbury, the management operations will differ for each franchise, however, key management will be handled by Heytsbury. Finally, there will also be some key supporting processes, such as training of staff, technical support and others, which might be needed to perform operational processes of company and can be availed when needed.

## **Ambrosia processes and Comparison with Heytsbury**

Likewise, Heytsbury, the key process of Ambrosia is the operational process of the company which is associated with sourcing of material and then manufacturing of highly ethical and quality health care and body care products to the customers. This process will be located in Australia, as both sourcing and manufacturing is mainly done within the national boundaries. On the other hand, likewise, Heytsbury, management processes will make up the important process base of Ambrosia. The management process for company will be linked with its education activities, research and development activities, its strategic partnerships with research groups, governance, financial and human resource management among others (Tang, Mu & MacLachlan, 2010).Finally supporting processes of company will also make up an important aspect of company’s processes. The combined contribution of all these key processes will serve the purpose of delivering the goals of Ambrosia in effective manner.

# **Conclusion**

Reliance on appropriate design and structure is considered important for assuring success of any organization. The appropriate structure for Heytsbury is hybrid structure, combining both functional and division structure, while functional structure is considered suitable for Abrosia. In terms of needed resources, Heytsbury requires physical resources in the form of stores and outlets, human resources and financial commitment. On the other hand, resource profile of Ambrosia will be comprised of supplier base of company, research and development capability, human resources and financial resources. The processes for both companies will be operational, management as well as supporting processes.

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