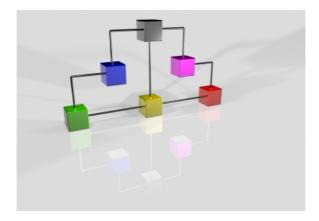
Organisational Chart © 2019 Identify Action



Why Your Organisational Chart Is So Much More Important Than You Think

Generally speaking, organisational charts for businesses have traditionally been more symbolic than anything else. Usually glimpsed in the pages of an annual report or mounted on a wall in the office, corporations have displayed the structure of their company in a way that reflects a hierarchy, but no vision. In reality, your organisational chart isn't just about the arrangement of your company; it is about the relationships of each role to each other and the overall strategy. In today's modern markets and commercial climates, it is more important than ever that you use your organisational chart properly. Your business will be far better off because of it.

As the nuances of running a successful business expand, managers need to be far more aware of how their organisation operates in order to ensure that every aspect is aligned and working towards the overall objectives. If a part of your business isn't contributing to your strategy, it becomes redundant and could be a potential drain on valuable resources. That is why you need to determine the roles and responsibilities of each part of your organisation, and how they relate to each other most efficiently. Enter the organisational chart; your avenue to maximum productivity and winning results.

Whether you are just starting a business or are looking for a way to get your existing one back on track, your organisational chart is an excellent place to start. Crafting an organisational chart that actually works for your business, and its objectives, will help you generate a strategy to achieve your goals more effectively.

What makes a good organisational chart?

An effective organisation chart determines the roles needed to achieve the company's objectives and what each function of the role is and could be. It then lays out the way in which those functions interact with each other and the connections that need to be made to achieve the right processes for your business. It should clearly define the responsibilities of each role in a way which may be applied to whoever undertakes its functions and in a way that allows for flexibility in the years to come. A good organisational chart will lay out the best possible ways to utilise your resources and assets. It will act as a map for your processes so that you can fulfil your overall strategy and operational objectives.

How do you approach making your organisational chart?

There are some key steps involved in building a successful organisation chart; we call them the six Ds:

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Step 1:

Define the overall goal of your business, both in the short term and the long term. If you currently run a business that produces the best stuffed bears, consider whether you might well expand into other stuffed animal varieties in the future. If your business strategy doesn't have the capacity to evolve, your profits won't be able to.

Step 2:

Determine the most efficient way to reach your goals. What assets will you need to reach your targets, how will they need to work together and what will be the most productive methods they will need to use.

Step 3:

Designate which roles are needed to fulfil your objectives and who should fill them. You will need to think about the responsibilities of each role and how flexible they might need to be. For instance in a small start-up, your receptionist might have a range of responsibilities that could eventually become roles in and of themselves.

Step 4:

Disseminate your structure to your employees. Communicate to them why this is the right strategy and how their individual obligations will contribute to the business in positive ways. This will empower your employees to take greater responsibility for their part and improve their productivity moving forward.

Step 5:

Develop a way to implement your organisational chart widely, across the organisation and make sure to keep it readily available. When issues arise, consulting your organisational chart could be key to finding out what went wrong, why it went wrong and how to fix it; even if that means changing it.

Step 6:

Don't ignore evolution. The most successful companies often find themselves undergoing around 25% of refinement annually. You might want to enter a new market or see the need to restructure your processes to improve the customer experience. By consistently planning to review your processes and organisational chart, you can maximise your operational productivity and business performance. Make sure to ask yourself if your strategy and organisational chart still fits your operational objectives. Remaining open to changes is what will set you apart from your competitors and foster loyalty and trust in your customers.

The right organisational chart could transform the capabilities and performance indicators of your company. It is an essential part of the planning and strategy elements that will set you apart in the market place. Not only will it help you build a business that works at the highest efficiency level, saving you time and money, but it will give you a blueprint that will be extremely valuable in the event of any unforeseen challenges — if that happens, you will wish you had taken the time to build the right organisational chart for your business.

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If you would like to get expert advice on aligning your company's strategy to business processes and performance that will continually drive improvements and profitability, get in touch with Identify Action at https://identifyaction.com/ or via email on action@identifyaction.com/.

Identify Action is a strong, talented team, whose members have been part of the UAE's explosive economic development since 1991. We are of different nationalities and backgrounds, and together have experience of a wide range of regional and multinational industries, at both shop floor and management level.

