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## SUBJECT- BUSINESS ORGANISATION

### TYPES OF ORGANIZATION: LINE AND STAFF

The types of Organization can be studied under the following heads:

1. Formal Organization.
  2. Informal Organization.
- Some of the types of Organization are

1. Line Organization
2. Functional Organization
3. Line and Staff Organization
4. Committee Organization
5. Project Organization
6. Matrix Organization
7. Free form Organization.

In this topic we will specifically discuss line and staff organization:

Line and staff Organization is a combination of both, line and staff organization. It is designed to maintain a proper balance between centralisation and division of work. This type of organization is that form of organization which combines the advantages of both line and functional organizations.

There is a direct line of authority and specialists are attached to line managers to advise them on important matters. The staff personnel only give advice to the line officials. The line manager

who have the ultimate authority to take decisions.

line and staff organisation have been defined as under:

"The specialist is introduced in an advisory capacity and without any apparent authority." - Kimball and Kimball

"Lines are those which have direct responsibility for accomplishing the objectives of the enterprise and staff refer to those elements of the organisation that help the line organisation to work most effectively in accomplishing the primary objectives of the enterprise." - Louis A. Allen

The line executives exist to take and execute decisions while staff executives exist to provide specialised knowledge for taking decisions.

"The line and staff organisation in a modern enterprise, is nearly always the departmental line organisation with staff functions added." - W.R. Sprigal.

This organisation structure provides the benefits of specialisation because staff officers are concerned with only one aspect of the total assignment of line officers. It also avoids the confusion and conflicts.

## Type of Staff:

Staff specialists may be of three kinds as given below:

- (i) Personal staff - The personal assistants or adviser attached to key line executive. They assist the line executive in his day to day work. For example, private secretary or personal assistant.
- (ii) Specialised staff - Finance manager, personnel manager, public relations officer, they have specialised knowledge in their field. Legal adviser, quality control inspectors and maintenance engineers are also specialised staff.
- (iii) General staff - The other expert staff indifferent field such as typing, dispatching are the example of general staff.

## \* Merits of line and staff organisation:

- (i) Specialisation - The services of specialists of their fields are made available to the officers of different departments so that they may solve the problems of their departments with greater efficiency and accuracy. By this method specialisation is attained.
- (ii) Flexibility - The staff can be added to the line and new activities may be introduced without disturbing the line procedure. The staff helps in taking care of increasing complexity caused by expansion and environmental changes.
- (iii) Research and Investigation - In this type of organisation, the experts are appointed in different departments. They are continuously engaged

on the work of research and investigation in their field. It encourages the research and development activities.

- (iv) Opportunity for Advancement - A greater variety of responsible positions exists in line and staff organisation. This provides more opportunities for advancement of capable workers.
- (v) Counselling and Execution - Under this type of organisation, there is a clear distinction between counselling and execution. The officers of staff cadre are responsible only to advise the departmental heads on various problems while officers of line cadre are responsible to execute the decision and policies.
- (vi) Sound Decision - As expert advice is made available to the heads departments it enables them to take sound and better decisions. The proper balance among various activities is maintained.
- (vii) Discipline - The executive officers are empowered to execute the policies and decisions. They are fully empowered to do according to their own decisions. There is complete unity of command. As a result, discipline and stability can be maintained in the organisation.

#### \* Demerits of line and staff organisation:

- (i) Confusion - The authority and responsibility between line and staff executives is not clearly indicated, and employees at lower level may be confused as to who is to do what and how.
- (ii) Conflicts - The conflicts between line executives and staff experts are very common. The line managers feel that they are empowered to take decision at their own and may ignore staff

advice thinking it impracticable.

- (iii) Costly - This type of organisation requires the appointment of a large number of experts involving heavy expenditure.
- (iv) Lack of co-ordination - Lack of co-ordination between line and staff cadre is observed in this type of organisation. Teamwork and lot many of work becomes difficult.
- (v) Ineffective staff - The staff may feel ineffective as it does not have authority to command and implement its suggestions. It may also be ignorant of practical routine of the organisation.

\* The line and staff organisation is a better organisation due to following reasons:

- (i) Relief to Line Executives - The staff executives look after complicated problems of their respective areas. At such line executives are relieved of matters of technical nature.
- (ii) Expert Advice - Line executives get the benefit of expert advice of staff executives. They should state reasons in case they cannot accept the advice. The staff authority should be restricted to an advisory role.
- (iii) Benefits of Research work and Development - The staff officers constantly undertake research work and help in improving the quality of products. The new and economical methods of production are developed by them. The advice of staff should be realistic and practical.

(iv) Training Facilities - Staff officers provide training and guidance to the officers. Line officers are benefited by their expert knowledge.

(v) Better Decision - Both line and staff should try to understand each other's responsibilities and difficulties and try to cooperate with each other for the achievement of organisation objectives.

This type of organisation is more suitable for large organisation as compare to line organisation and functional organisation.