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| **TEXAS CTE LESSON PLAN**[www.txcte.org](http://www.txcte.org) |
| **Lesson Identification and TEKS Addressed** |
| **Career Cluster** | Business Management and Administration |
| **Course Name** | Business Management |
| **Lesson/Unit Title** | Organizational Structure |
| **TEKS Student Expectations** | **130.139. (c) Knowledge and Skills**(3) The student recognizes the importance of planning in an organization:(H) The student is expected to identify the need for change.(4) The student recognizes the importance of organizations:(A) The student is expected to explain how to design an adaptive organization.(4) The student recognizes the importance of organizations: (B) The student is expected to define the concepts, methods, and types of departmentalization;(C) The student is expected to define the chain of command.(D) The student is expected to explain line authority;(E) The student is expected to define staff authority;(F) The student is expected to explain the advantages and disadvantages of different types of organizations, including line, line and staff, and matrix;(G). The student is expected to define delegation in a management context;(H) The student is expected to compare and contrast centralized and decentralized organizations;(I) The student is expected to identify the concept of teams and teamwork; and(J) The student is expected to define span of control or span of management. |
| **Basic Direct Teach Lesson**(Includes Special Education Modifications/Accommodations and one English Language Proficiency Standards (ELPS) Strategy) |
| **Instructional Objectives** | The students will be able to:* Define the four types of organizational structure.
* Apply the differences in organizational structure to different types of businesses.
* Analyze the advantages and disadvantages of the different types of organizational structure.
* Understand that different types of organizational structure exist within businesses.
* Understand how to increase competitiveness depending upon the type utilized.
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| **Rationale** | It is important for students to recognize the importance of planning in an organization. |
| **Duration of Lesson** | Teacher’s Discretion |
| **Word Wall/Key Vocabulary***(ELPS c1a,c,f; c2b; c3a,b,d; c4c; c5b) PDAS II(5)* | * Organizing – Effectively accomplishing plans and using resources effectively
* Line organization – A form of organization where the line of authority begins with the top executive down through the lowest level in the organization
* Line and staff organization – Similar to line organization but utilizes specialized staff to assist employees at different levels
* Matrix organization – Temporary work teams are created and utilized to accomplish a specific task or project
* Organizational chart – A visual representation of an organization’s structure
* Team organization – Permanent work teams utilizing a team leader as opposed to supervisors
* Supervisor – Directs the work of the employees reporting to him/her
* Mid-manager – A middle-level manager who focuses mainly on one management function, although spends some time on other functions as well
* Executive – A top-level manager who primarily spends time on management functions
* Manager - Concentrates on all management functions and has others reporting to him/her
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| **Materials/Specialized Equipment Needed** | * Poster board
* Flip chart paper
* Markers
* Computers for students to complete projects
* Projector for PowerPoint
* Corporate Organizational Chart Assignment #1
* Corporate Organizational Chart Assignment #1 Rubric
* Org Structure Rap Assignment #2
* Org Structure Rap Assignment #2 Rubric
* Case Study Report Assignment #3
* Case Study Report Assignment #3 Rubric
* Teamwork Project Assignment #4
* Teamwork Project Assignment #4 Rubric
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| **Anticipatory Set**(May include pre-assessment for prior knowledge) | Learner Preparation:* Ask students what one thing that they think is the one thing that any business cannot do without, regardless of the size of the company or the industry it is in. Ideally, they should provide a response that has something to do with people or employees. Even in virtual businesses, Internet businesses with no brick-and-mortar locations, people are needed to perform business functions. Therefore, Human Resource Management is so essential for any business to succeed.
* Ask students to brainstorm functions of Human Resource Management. List on the board or document camera their responses. You will later compare their list to the information contained in the PowerPoint for this lesson.

Introduction:* Discuss with students the importance of organizing the human resources of any organization. Ask students for their ideas on how their school is run. Begin drawing an organization chart on the board with the Principal at the top, then the Assistant Principals, departments, etc.
* Next discuss with them the functions of some of the people in the chart, for example, their job descriptions. They may not realize that many of them have duties that are behind-the-scenes, as opposed to merely handling student discipline issues.
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| **Direct Instruction \*** | 1. What is organizational structure?
2. The hierarchy of an organization that sets forth the chain of command
3. Depends upon the goals of the organization
4. Illustrated by an organization chart
5. Centralized or de-centralized
6. Centralized- decision-making rests with upper management
7. De-centralized- decision-making is the responsibility of departments or divisions

TEACHER NOTE: Use presentation as aid. Ask if any of the students have jobs. See if they are familiar with the structure or the titles of the individuals in the company. Ask students if they would rather have a list of tasks to complete during their shift or if they would like to be able to have input into their jobs. Then lead into a discussion about decentralized and centralized decision-making.1. What is an Adaptive Organization?
2. An organization that adjusts to changes
3. Decision-making is mainly decentralized
4. Team-oriented
5. Focuses on customer needs

TEACHER NOTE: Can companies do things the way they did decades ago and achieve the same results? No, they usually cannot. They must adapt to changes because if they do not, the competition probably will.1. When is Change Needed? If . . .
2. A merger is anticipated
3. There are new competitors
4. There is new technology
5. There is rapid growth or decline in your business
6. There is a change in legal issues
7. There is a new product or service pending
8. There is customer dissatisfaction
9. Costs are increasing
10. Employee morale is decreasing

TEACHER NOTE: Companies must recognize when change is needed. Ask students what could have happened to companies that don’t learn to compete. What are the benefits to the consumer when companies adjust to change? What are the costs to companies, aside from the actual cost of manufacturing the product?1. What is Human Resource Management? All the activities associated with personnel, such as:
2. Hiring, recruiting
3. Compensation
4. Performance evaluation
5. Employee relations
6. Health and safety

TEACHER NOTE: Give students sticky notes and ask them to write down one thing that they think a Human Resource department does in a business. Have them place all their sticky notes on the board and as you go through the different activities, write the headings on the left on the board. Ask a student to call out what is on the sticky notes one at a time, and ask another student to place them in the appropriate columns.1. What is Span of Control?
2. The number of subordinates over which a member of management has direct control.
3. Displayed in an organizational chart

TEACHER NOTE: A span of control that is large is typically for routine tasks that do not necessarily require as much managerial input. However, a span of control that is too small can result in micromanaging or too much managerial input. Show students the organizational chart for BPA listed in the references and calculate the span of control. Ask students to research on the Internet another business’s organizational chart and have them volunteer the span of control.1. Types of Organizational Structure
2. Line
3. Oldest form of organization
4. Simplest form of organization
5. Quicker decisions due to top-to-bottom chain of command
6. Lack of specialization
7. Line-and-Staff
8. More complex than line organization
9. Allows for experts at different levels
10. Specialization
11. Costlier than line organization
12. Matrix
13. Project teams
14. No consistent organization structures
15. Matches skills with projects
16. Team
17. Permanent work teams
18. Self-directed teams- autonomy over planning and reviewing work
19. Team leader as facilitator
20. Feedback from customers is important

TEACHER NOTE: Discuss with students how their school is organized. Does the principal make department decisions or do the departments? If the departments make decisions, what type of structure is this?*Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*None |
| **Guided Practice \*** | Go to the Business Professionals of America web site listed above and go through the specifics of the organizational chart with the students on a projector. Discuss which type of organizational structure BPA could be: line, line and staff, matrix, or team. Also point out the span of control of the organization.*Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*None |
| **Independent Practice/Laboratory Experience/Differentiated Activities \*** | Corporate Organizational Chart Assignment #1 - Students are to go to a finance website, and create organizational charts for 2 different corporations in different industries, or students can use a local community business. You may create these charts in a word-processing software or using online graphics. Identify each as to the type of organizational structure it is and comment on whether or not the structure varied for different industries.Org Structure Rap Assignment #2 – In pairs students will create a rap outlining the four types of organization structure of a business. They should include enough detail in the rap to demonstrate their knowledge of the topic. They should also include reference to at least one major corporation or local business that the other students can recognize as well as its organizational structure. Students will then perform their rap to the class.Case Study Report Assignment #3 – You are the owner of a business that sells uniforms and provides embroidery services for high school, college, and recreational sports teams in your area. You have managers in the following departments: High School Sales, Collegiate Sales, Recreational Sales, and Accounting. The High School and Collegiate Sales have one full-time sales associate and two part-time associates as well as a delivery person. The Recreational Sales department has one full-time and one part-time associate. The Accounting department has two full-time employees that report to the manager. Students will prepare a 2-page report that addresses the following questions: * What does the organizational chart look like for your business? (Hint: create an organizational chart),
* What organizational structure is your business?
* Assuming sales are declining in one of the sales departments, what would your recommendation be to possibly restructure to improve sales? 4) If sales are increasing, make a recommendation on how to restructure to handle the increased business,
* Is the current structure considered ‘tall’ (more centralized) or ‘flat’ (more decentralized)?

Teamwork Project Assignment #4 - Divide the class into teams of 5 if possible. They are to think of a team name and logo. Provide them with objects they can use to create a product. Bring either fruit or other food items they can arrange or put together in any way possible. Or you can give them wooden or plastic building logs or blocks with which to create a toy. They must create an organization chart of all their team members, identifying the type of structure, as well as job titles. They are to create a Marketing Plan for their finished food dish or toy including the four P’s for their product (product, price, place, promotion). All items can be affixed to a poster or flip chart. Finally, they will each prepare an ‘exit ticket’ that will include their own critique of their team’s organizational structure, team member duties, teamwork, their success (or lack of) with their product, and their overall assessment of their marketing plan.*Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:*None |
| **Lesson Closure** | Q: Which form of organizational structure is the oldest and simplest?1. Line organization is the most traditional form of organization.

Q: Which organizational structure works best for temporary projects?1. The matrix form of organization.

Q: Line-and-staff organization is the preferred structure in what types of situations?1. This structure is best suited where specialization is needed at different levels of an organization.

Q: What is a characteristic of a decentralized organization?1. Decision-making is generally left to departments or divisions within an organization.

Q: What are three of the most common signs that change may be needed in a company?1. New competitors, a merger, or decreasing profits are a few of the many reasons a change may be in order.
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| **Summative / End of Lesson Assessment \***  | Use the assigned rubrics to evaluate the four Independent Practice Assignments.*Individualized Education Plan (IEP) for all special education students must be followed. Examples of accommodations may include, but are not limited to:***Accommodations for Learning Differences:** It is important that lessons accommodate the needs of every learner. These lessons may be modified to accommodate your students with learning differences by referring to the files found on the Special Populations page of this website. |
| **References/Resources/****Teacher Preparation** | * *Business Principles and Management*, Everard Burrow, South-Western Thompson Learning
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| **Additional Required Components** |
| **English Language Proficiency Standards (ELPS) Strategies** |  |
| **College and Career Readiness Connection[[1]](#footnote-1)** |  |
| **Recommended Strategies** |
| **Reading Strategies** |  |
| **Quotes** |  |
| **Multimedia/Visual Strategy****Presentation Slides + One Additional Technology Connection** |  |
| **Graphic Organizers/Handout** |  |
| **Writing Strategies****Journal Entries + 1 Additional Writing Strategy** |  |
| **Communication****90 Second Speech Topics** |  |
| **Other Essential Lesson Components** |
| **Enrichment Activity**(e.g., homework assignment) | Have students think of several goals that management may have that could potentially conflict with personal goals of employees. Create a table listing the management goals in the left column, and, in the right column, how positive employee relations can create solutions to achieve both the company goals and the employees’ personal goals. |
| **Family/Community Connection** |  |
| **CTSO connection(s)** | Business Professionals of AmericaFuture Business Leaders of America |
| **Service Learning Projects** |  |
| **Lesson Notes** |  |

1. Visit the Texas College and Career Readiness Standards at <http://www.thecb.state.tx.us/collegereadiness/CRS.pdf>, Texas Higher Education Coordinating Board (THECB), 2009. [↑](#footnote-ref-1)