

**NATURE
OF
ORGANIZATIONS**

LECTURE 1

What is an Organization?

Organization is a group of people working together to achieve a common goal. It can be divided into formal and informal organization.

A formal organization is a group of people working for a common goal abiding to the rules and regulation of an organization.

An informal organization is within a formal organization whereby staff create a friendship group within members of an organization.

The Changing Nature of Organization

- Development in technology.
- Lower command of control.
- High need for speed.
- Advanced communication and network.
- Increased empowerment.
- More teamwork

Working in the New Economy

- **Intellectual capital:** *Collective brainpower*
- **Globalization:** *World as a single market*
- **Technology:** *Internet as information source*
- **Diversity:** *Having a different workforce*
- **Ethics:** *Importance of doing the right things*
- **Career:** *The expectations*