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# Department Creation

*-Begin with the end in mind! -*

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## What is a department?

The core definition of a department is” A system of clearly defined processes to achieve a common goal and deliver a specific product/service”.

### Benefits

- Provides a team of members who would give their undivided attention to the function/product/ service the department is created for. Hence, improving its performance and efficiency.
- Increases the team’s planning, problem-solving and decision-making ability.

- It gives better control over the product/service/function the department is created for.
- Makes way for specialisation, work division and effective allocation of resources, which increases productivity and accuracy.
- It Becomes easy to identify the problem in performance/quality decline cases and take the necessary measures to fix it.

## Why, How & What of any department

Before we move on to the details of forming a department, let us discuss some important terms; *Purpose, Vision and Mission*.

### ❖ Purpose:

It states the motivation and reasons behind a department's existence and working methodology.

✚ *It instils a sense of belonging and gives identity to the employees, which motivates them to succeed using the correct mindset.*

## ❖ Mission:

It is the recipe for the vision, the department's roadmap, which is dynamic and short-term as the work to achieve the vision changes with time, situations and milestones achieved.

- ✚ It can include the core values of the department, or the core values/value statement can be written separately.

## Features of a mission statement:

- ✓ Leads towards the vision.
- ✓ Detailed
- ✓ Needs to be evaluated regularly.

- ✓ Concrete
- ✓ Dynamic



### Vision:

- It pens down the broader picture of the leadership's visualisation of the department in future.
- It is like “based on the purpose and using the strategy in the mission this is what we want to become/do!”
- It is the ‘Cause’ for the employees and stakeholders to collaborate.
- It is the driving force for the department to work efficiently; It is said that people work best when it is for a cause rather than a goal!

- Example: ‘To be the leading supporter of education by providing funds for educational infrastructure.’

\* *The challenge is not to formulate the vision but to get it looked up to and engage the employees with it and NOT let it turn into an ‘article of disdain’. This often happens because leaders fail to make a lack of connection between the vision and the daily work.*

### Features of a good vision statement:

- ✓ Easy to read and understand.
- ✓ Compact and crisp to leave something to people’s imagination.
- ✓ Gives the destination and not the road map.

- ✓ Is meaningful and not too open-ended and far-fetched.
  - ✓ Excites people and makes them feel energised.
  - ✓ Provides a motivating force, even in hard times.
  - ✓ Is perceived as achievable and, at the same time, challenging and compelling, stretching us beyond what is comfortable.
- \* *A vision must be a stake in the ground, a dream, a state that should be prudent yet non-negotiable except in a few rare circumstances.*

## Don'ts of the Vision Statement

- ✚ They shouldn't contain the 'How' as the 'How' is dynamic.
- ✚ They should neither be a phrase length short nor run down to 2 to 3 pages. Average vision statements are about 35 words - 3 to 4 sentences.
- ✚ They shouldn't be concrete but rather at the abstraction level.

Example:

- ✘ To build a new building(concrete)  
To create beautiful living spaces.  
(higher level of abstraction)

- ✚ Do not change from year to year unless the department is restructured and expected

to undertake totally different tasks in the future.

## Role of Mission & Vision Statements

- They communicate the reason and purpose behind the department' to the various stakeholders.
- They outline the development of the strategies the department embraces.
- Guides the development of strategies to achieve the vision of the department
- Guides the development of SMART Goals to measure the success of the strategies endorsed
- Serve as a guide for decision-making and alignment of the decisions with the vision.

- Helps align all stakeholders with the focal point, increasing efficiency and productivity.

## How to create a mission & vision statement

1. Write the purpose, the 'WHO' of your department, the 'strategy' to be followed and the 'core values'. You can write these separately or combine them together as the 'Mission'.
2. Write down the strengths and weaknesses of your department. This will help you improve, set milestones and objectives and get a better vision for the department

3. Based on the analysis, Write the Vision in the future tense and Mission in the present tense.

✚ It would be a good idea to formulate them in consensus with the major stakeholders so there is mutual agreement, synergy and responsibility for implementing it and making it successful.

4. Set up Goals and milestones and your 5-year plan.

5. Remember to be specific, clear, practical, attainable and inspirational.

Let's discuss another important element that forms the framework of the department,

## Organisational Structure(O.S)

- \* The discussion applies to the overall organisation and new departments.
  
- It is a system that describes the flow of information, roles, responsibilities, rules and activities to achieve the department's goals.
  
- It defines each stakeholder and employee's job, roles and responsibilities. It is just like different pieces of a puzzle that together complete the puzzle.

## Benefits:

- Setting up an O.S. within the department brings clarity, focus and efficiency.
- It helps to lay out the pay structure for the employees by making it easier to decide salary grades and ranges for each position.
- Makes multitasking possible within the department. It can seamlessly perform different operations/activities at once.
- Establishes efficient communication for transferring information, policies, ideas, feedback, and expressing concerns.
- Brings accountability among the members and employees, which is very important to determine who is responsible for a

project's success or changes to be applied.

- It also clarifies what experience/skills one needs to climb the hierarchy. For example, an entry-level employee can be informed through the hierarchical structure that he needs to gain supervisory /managerial experience before becoming an executive.

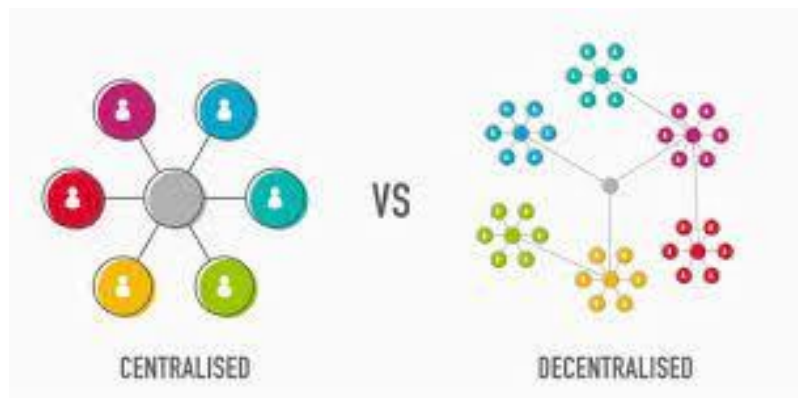
### Drawbacks of not having an O.S:

- Not having a proper O.S. can create uncertainty in the department regarding whom employees should report to and who is responsible for what. **Where there is uncertainty, success is a rarity.**

- Nobody would know whom to contact to schedule meetings, resolve conflicts, retrieve data, discuss ideas etc.

## Types of O.S

There are 2 basic types of O.S.;  
Centralized and Decentralized.



They are further classified into:

### A. Centralised:

I. Hierarchical(line)

II. Functional

III. Divisional

IV. Matrix

V. Project

VI. Circular

VII. Line & Staff

## B. De-Centralised:

I. Flat(horizontal)

II. Team-based

III. Network

IV. Holacracy

## Steps to create a department

The following steps need to be taken sequentially:

1. Why do you need this department?
2. Analyse if the purpose you have mentioned is guiding towards a product or a department!
3. If it is a product-oriented purpose, identify the department that can execute it and assign it to the identified department. Else, go ahead to the next step.
4. Is there another department(s) already handling the same cause?

- a. If yes, then creating another department is not advisable. Instead, rethink the existing departments managing a similar/exactly same product/service/function and re-design a single department for one particular function/product/service.
  - b. If no, then go ahead.
5. Research the function/product for which you visualise a department. Gather information on current practices and best practices on it.
  6. Document the details for the department as follows

<b>Aim</b>	<p>State the aim of the visualised department.</p> <p>Example:</p> <p>The Aim of the Moharramaat Eradication dept would be:</p> <p>“To completely rescue every individual indulged in moharramaat and build a safeguarding system to keep every community member forever away from it.”</p>
<b>Define the purpose</b>	<ul style="list-style-type: none"><li>• Clearly define the department's purpose and specific tasks/roles/responsibilities.</li><li>• The Vision &amp; strategy</li><li>• Outline the short-term and long-term milestones.</li></ul>

## objectives

- They represent the developmental requirements that must be achieved by the department in a particular sector by a selected set of policies and programmes over a specific period of time (short/medium/long term).
- There are 2 types of objectives:
  - Outcome-oriented: it addresses the goals to be achieved.
  - Process-oriented: it addresses the means to achieve the objectives.

Objectives must be directly connected to and derived from the

	<p>department's vision and mission statements.</p> <p>The departmental functions must also be enlisted here.</p>
<b>Functions</b>	<p>List down the various functions the department must perform to accomplish its roles/tasks/responsibilities. Example:</p> <ul style="list-style-type: none"><li>• Research &amp; Development (R&amp;D)</li><li>• Planning</li><li>• HR</li><li>• Marketing</li><li>• IT</li><li>• Accounts &amp; Finance</li><li>• Risk management</li></ul>
	<ul style="list-style-type: none"><li>• Enlist the skills you need in individuals to manage the</li></ul>

Identify the knowledge/ skills required.

functions mentioned by performing a 'Job Analysis'.

- Job analysis can be done by:
  - Interviewing employees performing similar functions and identifying their skills in collaboration with them.
  - Observing employees whilst performing their tasks and identifying the job's physical, cognitive and social demands.
  - Rolling out online surveys/questionnaires to collect information from employees about their roles that are of our interest.

	<ul style="list-style-type: none"><li>● Example of skills identified for a function: Skills required for Research &amp; development are:<ul style="list-style-type: none"><li>➤ Analytic skills</li><li>➤ Communication skills</li><li>➤ Writing skills</li><li>➤ Teamwork skills</li><li>➤ Thinking and reasoning skills</li><li>➤ Problem-solving</li><li>➤ Organisation skills</li><li>➤ Researching skills</li></ul></li></ul>
Allocate resources	<ul style="list-style-type: none"><li>● Identify the stakeholders to be involved.</li><li>● Identify the employees/K.G.possessing the skills needed.</li><li>● Factors to be considered include:</li></ul>

- The influence/position they hold to impact the success of the department;
- The interest level/enthusiasm of people in the functions for which the department is created.
- Positive/negative attitudes of individuals towards the department should be identified, and individuals optimistic about it must be chosen.
- To identify the required skills in a person, several methods can be adopted:
  - Psychometric test, behavioural test, aptitude test, spoken English test,

- There are several questionnaires available on the internet for testing a particular skill. Use them!
  - Previous work-related data/skill-based profiles of the employees will be beneficial here.
  - Giving them specific tasks that target those skills.
  - If specific skills are unavailable, you must conduct training programmes for those skill development.
- Nonetheless, the skills tests will have to be done initially so that you can identify the current skill

level of the employees to train them forward from there

Note:

- If profiles are not created already for employees, then it's time to do that first so that you do not have to repeat all these tests every time you design a department.

The profiles will serve as a reference.

- The tests defined above should be applied to all existing employees too. It will help create their skill-based profiles, saving time and expenses due to these repetitive tests in the long run!

How to calculate the number of employees needed?

- The skills identified for the different functions of the department itself will guide towards the number of resources needed.
- The number of people that complete the list of skills you need is the minimum number of people you need.
- Then, observing and analysing the tasks and activities required to produce a specific result and determining the time it takes to complete each task will help understand if more employees are needed to produce the results. (As long as current employees are working efficiently, and if not, then they

	<p>need to be replaced with efficient ones.)</p> <ul style="list-style-type: none"><li>• Ultimately, the employee to tasks ratio should be determined and analysed based on the goals achievement ratio. But, it is also essential to strike a balance between having just enough employees who work ‘EFFICIENTLY’ while avoiding overstaffing, which can just overcrowd the department and increase its budget.</li></ul>
Set a hierarchy	<ul style="list-style-type: none"><li>• Assign roles to the identified resources based on the skills they have been selected for.</li><li>• Set up the overall hierarchy of the department and the reporting hierarchy.</li></ul>

	<ul style="list-style-type: none"><li>• The common and mandatory roles include:<ul style="list-style-type: none"><li>➤ Steering committee</li><li>➤ Head of the department</li><li>➤ Department manager</li><li>➤ A team head/leader for the different functional teams(H.R/ I.T/Accounts/R&amp;D etc.)</li><li>➤ Team members for each team.</li></ul></li></ul> <p>Note: the number of employees in your department depends on the number of skills</p>
Communication system	<ul style="list-style-type: none"><li>• Establish clear lines of communication and decision-making within the department.</li></ul>

	<ul style="list-style-type: none"><li>• Create clear roles and responsibilities for the key stakeholders in the department.</li><li>• This must include the monitoring and feedback system for ensuring the achievement of goals.</li></ul>
Protocols	<ul style="list-style-type: none"><li>• Set clear expectations for each individual within the department.</li><li>• The work culture to be followed</li><li>• Behavioural conduct</li><li>• Rules to be followed etc.</li></ul>
Budget	<ul style="list-style-type: none"><li>• This includes:<ul style="list-style-type: none"><li>➤ The department set up cost.</li><li>➤ Staffing cost</li></ul></li></ul>

## Conclusion

Although the document highlights the steps for creating a department, the department's success depends on the staff/members of the department.

No guiding structure can guarantee the successful working of the department if any of the following is missing: communication,

responsibilities, management, ownership, dedication and regular skills upgradation training.

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