

AXIS 4: The Nature of the Organization, Its Components, and Main Responsibilities**1: Definition of an Organization**

An organization is generally defined as a group of human resources and material resources and financial resources (whether natural, financial, or otherwise) that operate together according to a specific structure and set framework in order to achieve the goals of the organization or perform tasks assigned by society.

There are four approaches that have studied the organization and provided the following definitions:

- **Social Approach:** It defines the organization as "a social unit with a specific goal, aiming to achieve society's objectives with efficiency and effectiveness."
- **Behavioral Approach:** It defines the organization as "a group of behaviors related to individuals working within it."
- **Structural Approach:** It sees the organization as a structural system that precisely defines the work of the individuals within it.
- **Functional Approach:** It defines the organization as a system or management body of various functions.

Thus, a general definition of an organization can be presented as: "A social entity consisting of a group of individuals who collaborate to achieve common goals and shared ideas, organized into a structural framework that ensures a diversity and integration of activities and tasks, based on values and principles that unite them and motivate them to commit to achieving the overall objective, through the implementation of the organization's plans and policies."

2: Functions of the Organization

The function of an organization, whether governmental or non-governmental, refers to "a set of activities and operations that are essential for the survival of the organization, with each function consisting of a set of sub-functions and activities." The larger the organization, the more attention is required to manage the activities of each function, which are:

- **Production and Operations Function:** This involves all technical operations related to producing goods or providing services within the administrative unit.
- **Finance Function:** (financial capital) This involves securing the necessary funds to establish projects, operate the organization or administrative unit, and ensure its sustainability.
- **Human Resources Function:** Also known as the HR function, it concerns acquiring the best human resources to operate the administrative unit and ensuring their continued productivity, satisfaction, and development.
- **Marketing Function:** (4Ps) This involves identifying the needs of target groups for the unit's services, planning and working to meet these needs, managing and operating these functions, and achieving their goals.

The relative importance of these functions varies depending on the organization's definition and the nature of its work. For instance, if the organization is industrial, the production function will dominate its operations. If the organization is marketing or media-based, the marketing function will take precedence. If the organization is financially oriented, the finance and financial analysis functions will dominate, and so on. Based on this, we find

industrial organizations, marketing organizations, financial organizations, and others focused on human resources.

3: Characteristics of Organization

The main characteristics of organization can be summarized as follows:

- **The Organization as a Social Entity:** Because it involves a group of individuals collaborating to achieve the organization's goals (survival, continuity, and development).
- **The Organization as an Intentional Entity:** Because it does not exist by chance or randomly; it exists to achieve specific, clear objectives, such as fulfilling human needs through production.
- **The Organization as a Human Entity:** It was established by humans, and human activity is central to its function. It exists to serve humanity.
- **The Organization as a Necessary Entity:** Because it carries out the process of producing goods and services.
- **The Organization as a Developmental Entity:** Because it has the capability to engage in creativity and innovation in society.

4: Objectives of the Organization

The organization's objectives form the foundation of the planning process. It is impossible to follow the stages of planning unless management has a clear understanding of the goals they aim to achieve according to the organization's definition. These objectives are derived from the organization's mission and can be classified into several types:

- **Strategic Objectives:** These represent the broad goals of the organization regarding its future aspirations. They define the organization in a comprehensive way and are linked to the strategic plan.
- **Tactical Objectives:** These are the outcomes that the main departments or functions of the organization (such as production, marketing, human resources, finance, etc.) aim to achieve, and they are linked to the tactical plan.
- **Operational Objectives:** These are specific results related to smaller departments, groups, and individuals, and are typically very detailed. These objectives are included in the operational plans.

5: Types of Organizations

Organizations can be classified according to various criteria, the most important of which include:

1. **Legal Classification of Organizations:** Organizations can be categorized based on their legal form, as follows:
 - **Sole Proprietorships:** Where the legal entity of the organization is identical to that of the entrepreneur.
 - **Partnerships:** Organizations owned by a group of individuals.
 - **Corporations:** Represented by joint-stock companies.
 - **Limited Liability Companies:** Such as:
 - **SARL** (Société à Responsabilité Limitée).
 - **EURL** (Entreprise Unipersonnelle à Responsabilité Limitée).

This legal form allows entrepreneurs to create limited liability companies, which carry out various functions simultaneously, such as administrative authority and the general assembly.

2. **Ownership Classification:** Organizations are classified based on their ownership structure:
 - **Private Institutions:** These are owned by individuals or groups of people, such as partnerships, limited liability companies, and corporations.
 - **Public and Mixed Institutions:** These have different legal statuses, including:
 - **Public Institutions:** Owned by the state, such as national and local companies.
 - **Mixed Institutions:** Where ownership and decision-making are shared between the state and individuals.
3. **Production Classification:** This classification is based on the final output produced by the organization:
 - **Commodity Organizations:** Those producing tangible goods, such as Condor (electronics manufacturer).
 - **Service Organizations:** Those providing services, such as communication companies or banks.
4. **Size Classification:** Studies have shown that the size of an organization correlates with the number of employees, and they can be categorized as follows:
 - **Small Organizations:** With between 1 and 50 employees.
 - **Medium-Sized Organizations:** With between 51 and 1,000 employees.
 - **Large Organizations:** With between 1,001 and 2,500 employees.
 - **Giant Organizations:** With more than 2,500 employees, such as multinational companies.
5. **Legitimacy Classification:** This refers to the legal recognition of the organization by society (customer approval):
 - **Legitimate Organizations:** These are established according to laws and regulations, such as a licensed doctor with a popular clinic.
 - **Illegitimate Organizations:** These do not comply with the legal or social norms, such as companies promoting illegal activities.
6. **Organizational Classification:** Based on the availability of procedures and instructions regulating how the organization operates:
 - **Formal Organizations:** These adhere to established rules and procedures, such as universities with defined working hours and examination schedules.
 - **Informal Organizations:** These lack specific organizational procedures, such as families.
7. **Objective Classification:** Based on the organization's primary goals:
 - **Social Organizations:** Such as charitable associations.
 - **Economic Organizations:** Such as economic conglomerates.
 - **Economic-Social Organizations:** Such as trade unions.

Sixth: Components of an Organization

An organization is composed of several elements that interact and integrate to achieve its objectives. These components include:

1. **The Goal:** Defined as "the desired outcomes that the organization expects to achieve." The goal is the measurable and observable end result obtained by performing specific tasks. It serves as an indicator of success or failure for the organization.

2. **Individuals:** These are the human and intellectual capital that established the organization. Individuals may include founders, partners, or owners, who contributed financially or in kind. There are also managers, who have decision-making and planning authority, and workers, who implement and execute tasks. Individuals are essential as they carry out management processes such as planning, execution, and monitoring, and are responsible for the production process.
3. **Organizational Structure:** The organizational structure refers to the hierarchical arrangement within an organization, showing the positions, functions, and relationships between individuals, along with lines of authority and responsibility.
4. **Technology:** This is the method used to transform inputs (material, human, and financial) into outputs in the form of goods and services.
5. **Mission:** The mission refers to the activity required to be performed by individuals to achieve the organization's goal.

In addition to these five components, known as the "five senses" of the organization, there are also the laws governing the organization. These laws are a set of principles, rules, and foundations that represent the organization and regulate internal relationships.

Seventh: Responsibilities of an Organization

1. **Social Responsibility:** Over time, the concept of corporate social responsibility (CSR) has evolved. Criticism of organizations for focusing more on profits at the expense of the environment, consumer health, or other community sectors has led to increased attention from management towards these issues. CSR represents the organization's concern for the interests of the community it operates in, in addition to its own interests. This is reflected in respecting societal norms and traditions during the organization's operations, as well as meeting workers' social needs, such as providing support during personal crises.
2. **Economic Responsibility:** This represents the traditional role of the organization, where it must be profitable for shareholders and provide high-quality products according to standards. It involves ensuring the organization meets the community's needs for goods and services while maintaining national resources and avoiding environmental harm.
3. **Legal Responsibility:**
The organization must comply with applicable laws and regulations. This responsibility involves the organization's commitment to adhering to the laws in effect within the community. Such adherence is evident both in the establishment of the organization and throughout its operations.
4. **Ethical Responsibility:**
Ethics refers to a set of principles and standards that govern the behavior of individuals and groups, helping them distinguish between right and wrong, and guiding them on how to perform the right actions. An ethical organization is one that strives to follow ethical principles and aims to achieve success within ethical standards and ideals. As a result, ethical managers work towards achieving the organization's goals, which are linked to profitability, while simultaneously adhering to both legal and ethical behavior. This responsibility is manifested in the organization's commitment to upholding general codes of honor, such as honesty, loyalty, trust, and refraining from abusing power or engaging in administrative corruption. In short, the ethical responsibility of an organization is demonstrated through its commitment to professional ethics and the ethics of society.

5. **Philanthropic Responsibility:** This relates to charitable activities that are not tied to specific community demands. It is reflected in activities like voluntary services, community development initiatives (e.g., tree planting, environmental protection), and providing disaster relief.