

Successful performance of a company in a modern business environment is contingent to successful implementation of a proper management concept and establishing individual management functions.

Organization function has a special place among other management functions. According to the management succession, this function comes immediately after the planning function, while organizational structure of a company has direct ties with it. After defining the objectives, plans and programs of a company, management activities need to create organizational conditions for their implementation. Without organization and planning, as the key management functions, companies or other business systems would be unable to successfully operate in a business environment. The organization connects, coordinates and directs human and material elements of production, allowing the company to accomplish the defined business goals. Organization should be understood as linking organizational elements into a harmonious whole, by setting the functioning methods of interdependent parts, thus creating the organizational structure. For company managers, including the mining sector companies, it is important to define the organizational structure, which would be used to achieve the organizational goals and provide preconditions for efficient operation of a company.

Activities aimed at ensuring efficient recruitment, organization and use of human and material resources of a company to achieve its defined objectives is the basis of management and operations of a company. An organizational system of a company could disintegrate, without proper preparation, control, coordination and organizational ties of all employees. Establishing objectives of a company as an organizational system requires a series of preliminary activities, which provide essential information about the needs of the market, competition, technological development, new products, etc. Transformation of objectives into tasks is an essential management activity applied to achieve the defined objectives. This is followed by the coordination of individual employees and their partial tasks within the appropriate organizational system of a company.

Some companies in Serbia, including the mining sector companies, face market conditions, market competition, market constraints and market valorisation of results as economic criteria used to evaluate the achieved production of goods and services. The current economic environment in Serbia is marked by serious consequences of the economic crisis, as well as by the unfinished transition and the special influence of the globalization process, which is why domestic companies with generally limited financial, material and other resources and under considerable impacts of foreign competition, need to be organized and able to perform their economic, market and social role.

An integral part of business performance improvements is significant improvement of the company's organization and defining the organizational structure in the new business environment and the market economy. Problems examined by prof. Dr. R. Tosovic are on

one part founded on the basic assumptions of economy, company economics, business economics and management, and on the other on the results of the author's comprehensive analytical-synthetic, inductive-deductive and systematic studies in the field of management, mineral economics and business decision-making. The main objective of this paper is to highlight the role and importance of defining the organizational structure of a company, as an essential precondition for efficient operation under modern economic and market conditions.