

Organizational Unit

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Discussion

An Organizational Unit is an [Organization](#) that forms part of a larger Organization. Its identity, purpose, authority, and responsibilities are defined within the containing Organization.

Examples of Organizational Units include departments, divisions, offices, business units, operational units, and support units.

An Organizational Unit may contain other Organizational Units. This allows the model to represent a hierarchy such as an enterprise containing a division, the division containing a department, and the department containing an operational team.

Organizational Unit remains distinct from [Legal Entity](#). An Organizational Unit normally operates through the legal identity and authority of its containing Organization. If applicable law recognizes a subsidiary or other subordinate Organization as a separate Legal Entity, the model represents it as an Organization with its own Legal Entity Recognition rather than merely as an Organizational Unit.

The phrase *internal Organizational Unit* describes the relationship of the unit to its containing Organization. Internal does not identify a separate kind of entity and is not part of the preferred term.

Definition

Organization that forms part of a larger Organization and whose identity and purpose are defined within the context of the containing Organization

Source

Adapted from:

- [W3C Organization Ontology](#)
 - Concept: Organizational Unit
 - Concept identifier: <http://www.w3.org/ns/org#OrganizationalUnit>
 - W3C Recommendation: 2014-01-16
 - Retrieved: 2026-10-07

Aligned with:

- [OMG Commons Ontology Library, Version 1.3](#)
 - Relevant ontology: Organizations
 - OMG File ID: formal/26-06-05
 - Retrieved: 2026-10-07

The permanent source citations should reference the applicable public Annex D entries after those reference entries receive identifiers.

Note

- Organizational Unit specializes Organization
- Each Organizational Unit belongs to at least one containing Organization
- An Organizational Unit may contain other Organizational Units
- An Organizational Unit may perform [Roles](#) within an applicable context
- An Organizational Unit normally acts through the authority of its containing Organization
- Organizational Unit does not imply separate legal identity
- A separately incorporated subsidiary is ordinarily modeled as an Organization with its own Legal Entity Recognition
- Internal describes a relationship to a containing Organization rather than a separate Party Kind

Example

Example Bank Corporation contains an FX Trading Division. The FX Trading Division contains a Trade Operations Department.

The FX Trading Division and Trade Operations Department are Organizational Units. They perform activities under the authority of Example Bank Corporation.

If Example Bank Subsidiary, Inc. is separately incorporated, the model represents it as an Organization with its own Legal Entity Recognition. It is not merely an Organizational Unit of Example Bank Corporation.

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