

Investigate the situation of the organizational structure of the headquarters offices of the Agricultural Bank and provide a model in line with the mission and strategy of the bank

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ABSTRACT

In this study, according to the importance and urgency of the problem, the purpose of which was to review the appropriateness of the organizational structure of headquarters offices of the Agricultural Bank with the its appropriate situation. This study is the 4 main variables of organizational structure, environmental factors and organizational capacities, administrative mission, and organizational strategy, that the information about these four variables obtained by questionnaires developed by the researchers with the guidance of a supervisor. The population of this research, also have formed all managers and staff of the headquarters offices of the Agricultural Bank in Tehran Province to 1260 people (1200 staff and 60 managers), which uses the Cochran formula selected the sample size for managers and staff, respectively 52 and 292 people with simple random sampling and were analyzed. Also, for analysis, we have been used from the mean comparison test. The results showed that the organizational structure of headquarters offices of the Agricultural Bank according to its due status and mission of headquarters offices of the Agricultural Bank are appropriate to the organizational structure. Also, environmental factors and organizational capacities of headquarters offices of the Agricultural Bank according to the organizational structure and strategy of headquarters offices of the Agricultural Bank are not appropriate to the organizational structure.

KEYWORDS: organizational structure, strategy, mission, environmental factors, organizational capacity

1. INTRODUCTION

The first problem that arises when planning the organization is a structure problem. Among the dimensions of the structure, complexity, formalization and centralization, compared to other structural aspects in the organizational structure creation and effective management and effective organization are more important and called it original size. Organizational structure is the framework of governing relations between businesses, systems and operational procedures, and individuals and groups trying to achieve the goal. (Nasiripour, 2013). Organizational structure is consists of set ways that the work divided into specific tasks and provide coordination among them. (Mintzberg, 1979). The structure shows the distribution of power in the organization, and only is not a coordination mechanism, but rather affects organizational processes. Organizational structure refers to patterns of relationships within the organization, authority and communication. (Feredikson, 1962). Structure show to the managers, who they are responsible for the administration and to staff, declares the managers, who are trained and instructed from them. To help the flow of information, as well as of the facilities that provide a structure for the organization. (Nasiripour, 2013).

As the growth of the organization, it is more accurate their strategy. This complexity of the case or redesign the organizational structure to form specialized units must be realized based on the tasks that must be done. If the organization grow into a variety of products and is calling for the realization of efficiency should be re-adjusted the structure of the organization. Product diversification strategy requires a kind of organizational structure, which creates an efficient allocation of resources and accountability for performance and coordination between the units. This important can be done through the creation of multiple of independent parts that each of which have a responsibility a special service activities. Accordingly, the organization, when the ahead take of diversification, the need to operate the different structure than firms that follow single-product strategy or in other words, the banks, when are looking to attract more customers and this is causing the diversity of opinion and different demands of customers should be followed the different strategies and overall this point should always be senior directors an

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organization that is successful, that could their structure has changed as desired or strategy, deploy a new structure or at least reconsider in its current structure. (Robbins, 2010).

Agricultural Bank, as well as other organizations is looking for a suitable organizational structure to advance their goals. Given the above and the impact of organizational structure on the organizational affecting components, including strategy, job satisfaction, and overall, environmental factors and organizational capacities, the researcher has determined to answer to this question, is proportional to the requirements the organizational structure according to the implemented strategies by the branches of the Agricultural Bank of Tehran or not? And if inappropriateness of this organizational structure expression the optimized structure to the branches of Agricultural Bank.

2. LITERATURE REVIEW

Organizational Structure

Organizational structure is a formal system of roles and relationships of authority, which controls how the coordination of the activities of persons and the use of resources to achieve organizational goals and implies to the pattern of relationships within the organization, authority and communication. (James, 1998). Organizational structure is defined as "a series of ways in which, by its work and activities of the organization are divided into different tasks and through this work carried out the necessary coordination in the activities of the organization" (Mintzberg, 1983). Chayd (1972), the organizational structure defined as "official assigned roles and tasks and administration mechanisms for control and the integration of business activities". Organizational structure is reflects official relations, communication, decision making processes, the processes and systems of an organization (Zerilli, 1978), that to the organization gives possible expansion of its operations and the achievement of its objectives. In a general concept, organizational structure is the crucial body, major areas of an institution, the basic mission of each of the areas, the overall mission of each of the basic units, unit management, and provides a picture of how the separation of management, communication system, the centers of decision making, responsibility, authority and decision-making, and is the foundation of organizational charts and other sub-systems. Stone underlying organizational structure is roles of individuals in the organization and the relationships between these roles, which form the organizational structure. (Robby, 1994).

2.1 Structural aspects of organizational structure

1) Complexity

The purpose of the complexity is the number of tasks or sub-systems that is done or there is within an organization, (Daft, 2009) and refers to the amount of discrimination that exists in the organization. (Robbins, quoted by Alvani and Danaeefard, 2007). Complexity is the result of environmental uncertainty and are increasingly turning, changing and complex environment, will lead to increased environmental uncertainty. With increasing complexity and diversity within the organization to adapt it, creating its complexity. This complexity called positive diversity principle and as that, just the diversity and complexity can neutralize the effect of diversity and complexity of the environment. (Rezaeian, 2009).

2) Recognize

Recognize is the degree to which formal rules and procedures are the dominant on the organizational activities and affect them (Michael et al., 1992) and refers to the degree of written rules and regulations and procedures, recommendations of training and communication in the organization. Recognized the organization can be evaluated by the attention to the impact of rules and procedures on businesses and degree (rate), which is permitted deviation from these rules.

3) Centralization

The third indicator of organizational structure is the focus. Most theorists agree that the focus refers to the extent that a decision (financial, human resources, program and the exceptional organization) is concentrated in one spot. In addition it, also affects the activities of decision making side. (Child, 2008). The focus is attention to the degree of independence of a job in decision making and choice. Some subsets decision, which could form the focus range, is determination of programs determine allocation of facilities, resources attract, granting rewards, hiring and firing, performance evaluation, promotion, regulation and funding, access to information and control over processes. (Mihm et al., 2010).

3. Organizational mission

Organizational mission was to target or the existence of organization. In general, the organizational mission is will contain information about the type of production and customer service, organization values. Organizational mission is widely expressed of organizational orientation. Managers for the correct development of organizational

mission have the information obtained during the process of environmental analysis, analyze thoroughly, and are noticed. Usually, the mission of the organization for each institution is summary, the definition and regulation in the form of "Mission Statement".

4. Organizational strategy

Strategic management is one of the management tools, which if properly perceived and be used, can lead to growth and industrial development and conservation organizations in today's competitive world. (Akhavan, 2004). Therefore, there is no doubt that the only strategy, which can like a road map, guide firms in medias volatile and sensitive in the right direction, and is also involved along with the company's continue. From the perspective of Chandler, strategy is objectives and long-term objectives of an organization, choice way, and scientific routes, as well as the resources required to reach these goals. (Chandler, 1962).

5. The conceptual framework

According to theoretical basis, conceptual model is as follows:

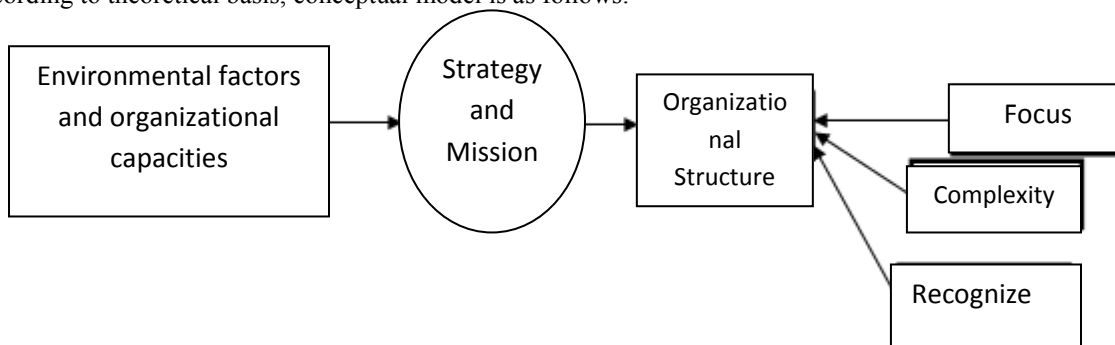


Figure 1: A conceptual model: from studies of Mojibi and Milani (2011)

6. Literature

- Zack Zacharias and et al (2012), in research entitled "align IT with business strategies in healthcare organizations: an empirical study" scientists have measured the impact of IT strategic alignment on organizational performance in 178 health care organizations in America. In this paper, to evaluate the strategic direction of the organization has used of the typology of Snow and Miles and to measure IT strategy is used from the operational role of information technology in the organization. Based on this division, which is called Scott-Morton model, IT organizations are 3 role of automation, notification or converter. In this study, has used of variable organizational structure as a control variable. The result shows that in organizations with similar organizational structure, which are of strategic orientation aggressive using information technology, as a converter is resulting in increased organizational performance. However, in analyst organizations using information technology in role of information has been effected on the performance and in organizations with a defensive strategy the use of automation, which has a positive impact on organizational performance.

- Molina et al., (2012), features the organizational structure related to combined competitive strategy: implications for practice came to the conclusion that the strategy may simply be regarded as an intermediate step. Stage between the unique features of the industrial, which has been working organization in it, and structure that running to get to the track. P of various industries in terms of growth opportunities, legal constraints, barriers to entry and equipment and other factors, are different from each other.

- Jahani Zadeh (2005), in a study entitled "The relationship between competitive strategy and organizational structure in Refah and Mellat bank" proposes to examine the relationship between these two variables. In this study, from the competitive strategies have been used Porter's competitive strategy, namely, cost leadership strategy and differentiation strategy and organizational structure of the classifications used from mechanical and organic structures. According to the results obtained from the analysis of research data, it can be stated that there is a significant relationship between competitive strategy and organizational structure, but the intensity of this relationship is very weak. So opinions and theories available, harmony and proportion between strategy and organizational structure is essential for the success of the strategy is required to certain structural features, so that, in the implementation of differentiation strategy, we need to structural features of organic and the implementation of cost leadership strategy is proportional to the mechanical structure.

- Ameri and Moharamzadeh (2008), in an article titled "The relationship between organizational factors (structure and technology) of physical education organization in the country with knowledge management strategy" achieved a significant relationship between organizational factors (structure and technology) with knowledge management strategy. Based on these results, the negative correlation coefficient between the formalization, complexity and focus with knowledge management components (knowledge creation and transfer of knowledge), there is an inverse relationship. So that existence of high formality and complexity in its structure, which prevents the formation of new ideas, while, flexibility causes provide better ways of doing things, a variety in tasks, exchange ideas and experiences, and as a result, the creation and transfer of knowledge. Finally, existence of concentration for decision-making is hampering the delivery of innovative solutions, while the distribution of power causes spontaneity, experience, and freedom of expression that these are considered as the lifeblood of knowledge creation.

7. METHODOLOGY OF RESEARCH

7.1 research questions

The main question:

Do the organizational structure of headquarters offices of the Agricultural Bank is in accordance with the appropriate situation?

Sub questions:

1. Do the environmental factors and organizational capacity of headquarters offices of the Agricultural Bank is in accordance with the organizational structure?
2. Do the mission of headquarters offices of the Agricultural Bank is in accordance with the organizational structure?
3. Do the strategy of headquarters offices of the Agricultural Bank is in accordance with the organizational structure?

7.2 The statistical population

Population of this study was to all managers and staff of headquarters offices of the Agricultural Bank of Tehran province in 2015, is working in this organization. The number of the community for the population staff and managers are respectively, 1200 people and 60 people, and the sample size of the target population, according to Cochran formula for population of staff and managers are respectively, at least 292 people and 52 people.

7.3 Methods and data collection tools

In this study, the main tool for data collection was a questionnaire, which has been contained four questions of demographic (age-gender-education levels and work experience), and 60 questions in relation to the organizational structure (24 questions), environmental factors and organizational capacity (12 questions), mission (12 questions), and strategy (12 questions). According to the survey, the questions are divided in a five point Likert scale options.

7.4 validity and reliability

As in this study, the primary means of data collection and measure the variables is questionnaire, the validity of the questionnaire is of particular importance. (Hafeznia, 2004). In this study, according to standardized questionnaires and frequent use of it by researchers and take advantage of view point of related professors, the validity was confirmed. The most common test reliability is Cronbach's alpha coefficient, which is also used in this study. Thus, 25 questionnaires were distributed among the sample members and between data collected calculated Cronbach's alpha coefficient. Cronbach's alpha reliability coefficient is between zero and one, where zero indicates the lack of reliability and positive 1 indicates perfect reliability. In this study, using the SPSS software showed amount reliability of the questionnaire, which is indicative of the scale is possessed of high reliability, which in this study the reliability for the questionnaire components, respectively, is equal to 0.81, 0.93, 0.87, 0.78, 0.84 and 0.85.

7.5 Data analysis

For processing and analyzing the results of the questionnaire have been used statistical analysis SPSS16software, which is comprised of two parts of descriptive statistics and inferential statistics. Tests used are:

- ✓ Kolmogorov-Smirnov test to study the distribution uniformity data.
- ✓ Two-sample t-test to study the status of examined objective variables.

8. RESULTS AND FINDINGS

8.1 Kolmogorov-Smirnov test to testing the normality of variables

In statistics used of parametric tests, when distributed data is normal and use of non-parametric tests, when the distribution data is not normal. So, at first, we examine to determine the normal distribution of data by using Kolmogorov-Smirnov test.

Table 1: Table Kolmogorov-Smirnov test for normality of the study variables

		Organizational structure	Organizational environment	Organizational mission	Organizational strategy
Number of data		344	344	344	344
Normal parameters	Mean	3.67	3.87	3.92	3.65
	Standard deviation	0.673	0.534	0.548	0.676
Kolmogorov-Smirnov statistic		1.307	1.341	1.32	1.22
Significant level		0.061	0.051	0.059	0.099

Source: Research findings

Table 1, and the values obtained ($P > 0.05$ = level of significance), show that is confirmed the H_0 hypothesis. So, with confidence of 95%, we can be argued that all four variables follow of a normal distribution, therefore to answer the research questions can be used to test the parameter t

8.2 test the hypothesis

The main hypothesis: organizational structure of headquarters offices of the Agricultural Bank is in accordance with its appropriate status.

Since, according to Levene test confirmed the hypothesis of equality of variances (significantly more than 0.05), therefore, examine on the study of mean differences significant, in the case that the variances are equal. Finally, according to the equality mean test, we see that confirmed the hypothesis of the equality of the means of two populations (significantly more than 0.05), thereby, indicated that the organizational structure of headquarters offices of the Agricultural Bank is in accordance with its appropriate status. In other words, it can be confirmed that the hypothesis of the study. In research, in this field found similar studies may be noted that such research in this field to research of Jahani Zadeh (2005), and Majd et al (2010) in this regard, that consistent have with results of research conducted, and is in line, as well as for external research can be noted to research of Emri and Barker (2007), Molina et al. (2012).

Table 2 t-test for two independent populations for organizational structure

T-test for equality of means							Levene test		
95 percent confidence level		Standard error of difference	Mean difference	Bilateral significant	Degrees of freedom	T	significance	F	
upper limit	lower limit								
0.023	-0.374	0.101	-0.175	0.084	342	-1.73	0.136	2.23	Variance assumed to be equal
0.048	-0.399	0.121	-0.175	0.122	65.21	-1.56			Variance is not assumed to be equal

First secondary hypothesis: environmental factors and organizational capacities of headquarters offices of the Agricultural Bank are appropriate to the organizational structure.

Since, according to Levene test was rejected the hypothesis of equality of variance (significantly less than 0.05), therefore, examine on the study of mean differences significant, in the case of variances are unequal. Finally, according to the equality mean test, we see that rejected the hypothesis of the equality of the means of two populations (significantly less than 0.05), therefore, can be concluded that environmental factors and organizational capacities of headquarters offices of the Agricultural Bank is not commensurate with the organizational structure, which in turn, will lead to the rejection of the first secondary hypothesis of study. In research, in this field found similar research, which can include research in this field pointed to research of Jahani Zadeh (2005) and Majd et al (2010), which is consistent with the results of research conducted and is in one direction.

Table 3: t-test for two independent populations for the first secondary hypothesis

T-test for equality of means							Levene test		
95 percent confidence level		Standard error of difference	Mean difference	Bilateral significant	Degrees of freedom	T	significance	F	
upper limit	lower limit								
-0.12	-0.433	0.079	-0.277	0.001	342	-3.50	0.002	9.27	Variance assumed to be equal
-0.16	-0.394	0.058	-0.277	0.000	100.77	-4.72			Variance is not assumed to be equal

The second secondary hypothesis: Mission of headquarters offices of the Agricultural Bank is appropriate to the organizational structure.

Since, according to Levene test confirmed the hypothesis of equality of variances (significantly more than 0.05), therefore, examine on the study of mean differences significant, in the case that the variances are equal. Finally, according to the equality mean test, we see that confirmed the hypothesis of the equality of the means of two populations (significantly more than 0.05), thereby, indicated that the mission are proportional to the organizational structure. In other words, it can be confirmed that the second secondary hypothesis of the study. In research, in this field found similar research, which can include research in this field pointed to research of Jahani Zadeh (2005) and Majd et al (2010), which is consistent with the results of research conducted and is in one direction.

Table 4: t-test for two independent populations for the second secondary hypothesis

T-test for equality of means							Levene test		
95 percent confidence level		Standard error of difference	Mean difference	Bilateral significant	Degrees of freedom	T	significance	F	
upper limit	lower limit								
0.018	-0.305	0.082	-0.143	0.082	342	-1.74	0.762	0.09	Variance assumed to be equal
0.011	-0.298	0.077	-0.143	0.069	74.01	-1.84			Variance is not assumed to be equal

The third secondary hypothesis: Strategy of headquarters offices of the Agricultural Bank is appropriate to the organizational structure.

Table 5: t-test for two independent populations for the third secondary hypothesis

T-test for equality of means							Levene test		
95 percent confidence level		Standard error of difference	Mean difference	Bilateral significant	Degrees of freedom	T	significance	F	
upper limit	lower limit								
-0.005	-0.404	0.101	-0.205	0.044	342	-2.02	0.518	0.41	Variance assumed to be equal
-0.002	-0.407	0.101	-0.205	0.047	70.28	-2.02			Variance is not assumed to be equal

Since, according to Levene test confirmed the hypothesis of equality of variances (significantly more than 0.05), therefore, examine on the study of mean differences significant, in the case that the variances are equal. Finally, according to the equality mean test, we see that rejected the hypothesis of the equality of the means of two populations (significantly less than 0.05), therefore, can be concluded that strategy of headquarters offices of the Agricultural Bank is not commensurate with the organizational structure, which in turn, will lead to the rejection of the third secondary hypothesis of study. In research, in this field found similar research, which can include research in this field pointed to research of Jahani Zadeh (2005) and Jamshidi (2006), which is consistent with the results of research conducted and is in one direction.

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