

Organizational Structure and Organizational Effectiveness

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ABSTRACT

This research considered the relationship between organizational structure and organizational effectiveness at Rafsanjan public departments.

The statically community of this research included all 60 managers of Rafsanjan public departments .sampling didn't perform for the reason of limitation in statistical community.

In order to describe and analyze the collected data via questionnaires', used different amplitude distribution tables, mean and middle scattering chart, Spearman and Pierson,s correlation ,T and F tests that all statistical analysis performed by computer and SPSS software. The analyzing of the data shows that:

There is a relation between organizational structure and effectiveness and also between formalization and organizational effectiveness.

As the above results show the managers should choose a structure that correlated with organization situation and conditions.

KEYWORDS: structure, organizational structure, effectiveness, organizational effectiveness

1. INTRODUCTION

We are living in a time that change speeded through it. The political huge events have changed our imaginary about the world and build the base changes of our life community again. The nowadays managers should be able to manage the changes effectively because whatever has effectiveness on the organization lose and success called organizational structure.

So the position of organization structure planning is one of the effective and key factors within organizations success. Organizational structure is a sense that the staff has it in a group responsibility, provisions, abundance and special manner of decisions. Also focus on the formal and informal present space and communication ways at organization (SHARIF ZADEH 1998:24).

The organizational structure also regulates the activities inside the organization, reveals the responsibility lines and authority and finds out who is the leader or manager? Whom we get reports from? And how should communication to be in an organization? (MOGHIMI: 1998:7).

In the other hand the subject of organization effectiveness is so important that the managers should pay attention to it .For measuring organization ability ,the responsible managers interested to know what situation their organization has and how to achieve the organizational target by different scales .

Effectiveness is a discussion that Pitter Druker (The eminent clear-sighted of management) considered it theoretically 50 years ago and has been studied since 1970.

In fact knowing the factors such as organizational structure and organizational effectiveness and also strengthening them can be a step to improve the organizations objects to the advance level. The managers should know the inside environmental changes of their organization, till could anticipate the above events before happening. This research also more considered the aspect of relationship between organizational structure and organizational effectiveness.

Problem expression:

Today we see the establishment of many organizations that some of them are destroyed in the field of competitions; the importance reason seems to be that there is no suitable organizational structure for solving these problems. The outcome of texts and views of organization and management shows that there is a meaning full relation between organizational structure and organizational effectiveness. What structure and personal used in an organization depend on environmental situation that the organization is acting in it .The authorities of management believe the

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organization as a system with different elements and parts which are in communication against each other such as organizational structure.

Therefore the organizational can be a movement and dynamic system, for achievement of its objects, required a correlation pattern among the parts which affected by many different changes and factors such as organizational structure, environment, technology, organizational level, culture opposition and creation, also all of them can affect the organizational effectiveness. The most important factor is organizational structure that is being considered by the present essay.

Organizational structure makes clear that how functions are allocated ? What person should report to the other person ? And what official harmonious works and also organizational styles should be observed ? the structure is one of organization part which included complexity ,formalization and centralization.(Alvani and Danayfard 2004 : 22), also effectiveness means operation improvement depends on action improvement (mohamadbegi 2004:38).

The organizational effectiveness is a level that organization can achieve its objects. (Arabi and Parsian 1999:90). Therefore this research is going to find a suitable answer for the question whether there is or there is not a relation between organization structure and organization effectiveness?

Research objects:

A- General objects: the general and essential objects of this research included the identification of relationship between organizational structure and organizational effectiveness in Rafsanjan public departments. To direct the above objects, the following alternative objects also attended.

B-Alternative objects :

- 1-the description of organizational structure at Rafsanjan public departments.
- 2-the determination level of organizational effectiveness at Rafsanjan public departments.
- 3-The description of the situation of formalization at Rafsanjan public department.
- 4-The description of the situation of centralization at Rafsanjan public department.
- 5-The description of the situation of complexity at Rafsanjan public departments.

Research territory:

Research territory can be studied from some dimensions as fallow:

- 1-Local dimension: this research performed in Rafsanjan public departments, so local territory of this research is Rafsanjan public departments.
- 2-Time dimension: this research has been considered since 2007.

Word definition:

A-theoretical word definitions:

Organizational structure: Organizational structure is the base of rules distribution in organization that included organization hierarchy, descriptive and operational mechanisms that perform the base of provisions and policy through organizations and communicational lines for daily performance (zahedi, et al 2000:271).

Formalization: the underline level on rule and provisions and also operation in organization shows the organizational formalization level. The factors such as job description and work standard, the managers control level on staff ,the free operation level of managers and staff, the standard level of the jobs, the operation level of provisions and directions , all lead to formalize an organization. (alvani,1997:306).

Centralization:

Belongs to a level of hierarchy that has power to make decision. When force decision remains in high level, the organization centralized. When become in low level, the organization will be decentralized.

These decisions are tools shopping, performing the objects, supplier's assignment, price assignment, staff employment, marketing authority, (deft, Persian translation 2004:18).

Complexity: the number of jobs or alternative systems is or is performed within an organization (parsian and ahrabi 1988:328).

The complexity level measured via vertical and horizontal separation level (hodge, Persian translation 1988, 328).

Effectiveness: means to achieve the objects (kontesvals 1989:6) And also define as the efficiency of an organization in the field of objects achievement and customer satisfaction that make rule in achieving these objects (rezaean 1993:3).

Organizational effectiveness: is a turning and continual process which starts from a plan and included all operations which used to achieve the objects of the organization and Idetermined, how well they work (ghorbani 2000:64).

B-Word practical definition:

Organization structure completed by complexity, formalization and centralization works (Rabins: 1997:252). That measured by an organizational structure questionnaire included 21 questions. The mark to this test shows the situation of the organization.

Organizational effectiveness: is an octagon center that measured by competition value in operation. These centers included OFM (flexibility), OFE (source absorption), OCM (planning), OCE (productivity, efficiency), PCM (information achievement), PCE (constancy), PEM (concentrated labor force), and PFE (skillful labor force) (def:2001:105).the effectiveness questionnaire included 24 questions. The test mark shows the organizational effectiveness level.

Review of the subject literature:

Structure definition:

Structure is a method that to distribute the organization personal duties and showed by the organization chart, jobs description , methods , and rules and it related to job performance and selection, and also perform the relation between person and social and psychological system(kastvals 1985:156).

The organizational structure, obtained in organizational chart, which is visible method from all organization operations and process.

There are 3 main parts in structure definition as follow.

A)The organizational structure is the founder of the reporting official relationship in organization that show some levels which are in official hierarchy and the control field of managers.

B) Organizational structure is the founder of personal work together at work and the parts division performed at all organizational.

C) organizational structure Is the founder of official relation of the reporter hierarchy level between the managers And grouped the organizational structure of staff through branches and branches through the whole organization .and also plan the systems for safety of effective Communications , coordination and cooperation's within the organization(DEFT86:2004).

The organizational structure as a rules system makes a relation between organizational parts (DEFT 2004, 86).

Structure of organization can be as a method that the operations inside divided and then coordinated to each other, (Faqhi and Vaziri 1998, 3).

The structure is an official method to control the operations within the organization. Classified the individual within the parts together and the parts within the general organization. The structure of an organization is a complex way that the operations of organization divided in two known processes along with harmony.

With the definition of organization as the rules of the system, show that the organization included some parts connected to each other called structure the relation method between the rules make an organizational system so the system known as the present expectations in each rule and relations between them(RABINZ 1988:18).

The structure is an official and planned method of control methods that direct the operations and communications between staff within organization (ferment and vals 1965:83).

Organizational plan is the result of organizing process that formed informally but approved formally (rezaean2003:129). The structure is designation of persons in different points of organizational chart; social posts (AHRABI and PARSSIAN 1997:83).and also is a method that the operations of one organization coordinated within (estoner1992).

ESTONER31992:15 Express that the organizational structure is a method to organize the operations (GRIFEN and BERNI ,1992-315) stated that the organizational structure is a ruled framework on the jobs and systems and also operations process of the group and individual that try to achieve the object.

The organizational structure ornaments the operations inside the organization and shows the responsibility of each staff managers whom they are responsible to, and help to inform the process (ARNOLD and FELEDMAN0 1986:241).

The organizational structure regarded to relation methods inside the organization, power and communications (Ferderixon 1998:282).

Dimensions of organizational structure:

The organizational structure consists of 3 main complexity, formalization and centralization dimensions.

Complexity: point to a degree of duties separation within organization as vertical and horizontal forms. Horizontal separation points to separated horizontal degree between units and vertical separation points to depth of organizational hierarchy. Local separation included a degree that is the place of an organization facilities and staff that are distributed regard to geography .Horizontal separation pointed to a degree of separation between units base on members feminization period,their work quality and education as the number of jobs and duties varies in an

organization, the horizontal separation will have more complexity. Because different expert knowledge and jobs cause to be used, the member of organization can't communicate with each other, and with a view to management to harmony the operations is very difficult. Specialization and separation are the prominent marks of organizations with horizontal separation that both of them have inter communication. Specialization: means the gradation of operations performed by one, the famous is duty one that the jobs divided in to easy and repetitive jobs. And also increase vise coefficient that could be changed easily by the manager's. In this section the specialized persons called social specialization.

The vertical separation shows the place of organization facilities and the staff that distributed geographically. But horizontal separation shows the separation between parts base on familiarization of the staff and the work capability and also personal education. And it included specialization that makes the job easy by one skillful person (rabins 1987:57).

Formalization: to formalize works or operations of an organization in the form of standard.

So the operator has little freedom to operate the official works. The workers have to present known products in known time. Therefore, the products always to be the same.

As the rules are high but the way to doing the job is so clear. But in informality, the operator has more freedom to operate so their work couldn't be in the field of planning, they do what they want. Therefore standardization can improve with formal criteria. Whereas the operator activity never have relation with the planning works of the organization. Standardization of the work not only extinguishes the staff behavior but also not let him to think about other work methods (rabins1987:62).

Centralization:

In centralized organizations the senior managers have right to make decision. But in decentralized organizations the junior managers do this. The results show that in a big organizations used more from decentralized methods, so the senior managers let juniors to make decision, otherwise the speed of decision making becomes low. Centralization is the most important method to make decision in an organization. Therefore all decisions made by one through one brain and then performed by direct manager (Ahrabi66:2003).

Here we consider centralization and decentralization on decision, making in an organization if all decision power to be in one fixed base at organization and finally managed by one, we called it centralization structure but if this power distributed between staff we called it decentralization structure. Whatever caused the organization centralized its structure on base or decentralized means job division against coordination. Centralization the most important model to make decision in one center. All decisions made by one through one brain and performed directly by manager. There are many other reasons for centralization presented, such as why does an organization change in to centralization? A simple reason is that all making decisions can't make in one center or brain, so receiving and sending the information should be hard.

But with decentralized method could solve the local problems by organization via making motivation among the staff and to research and renew. The clever staff fallow to research opportunities for presenting innovations. The organization can give decision making to these persons that caused them to be charmed and use their innovations (FAGHIHI AND VAZIRY 1999:15-147).

Organizational effectiveness:

There is no operation without dynamical and effective discussion; the present time is dynamical time. The correlation between science and technology caused to coordinate different operations which changing in one of the cultural, political, social, and economical operations cause to change in the other. The organization is a tool to mix material and man sources in order to produce and distribute goods and services.

The necessary elements of organization are organizational value and skills, material and technology sources. So today high productivity and effectiveness is one important course in situation and movement of trade in organizations life. The presence of one correct and suitable structure with remarkable rules can make useful the organization. The management of an organization should plan a structure along with all dimensions such as complexity, centralization, formalization, and effectiveness. So the operation in less time and useless work can improve the work quality along with high output. Therefore the organization will be effectiveness. So a right and suitable structure with defined rules and relations can make the organization effectiveness.

. The manager should plan a structure with all elements such as complexity, centralization, formalization and effectiveness (RABINS2000).

Research theoretical framework:

The theory usage in this research are different , but one the important usage is scientific theory .that the researcher directed his research to known the way and then organized it ,Because without theory the research can't be done . So, the scientific theory is the theory direction of the researcher that many different theories take place in this research, and support the works .and finally measured their learning in the form of men social life and behavior in the field of known place (Melek poor 2002:31).

According to study and consideration of the research theory discussions , the presented theories is in the field of organizational structure and effectiveness , and also its related problems are as a theory supported of this research that performed which is nearly related to western societies ,these kind of theories stated just as a part of research not the whole .

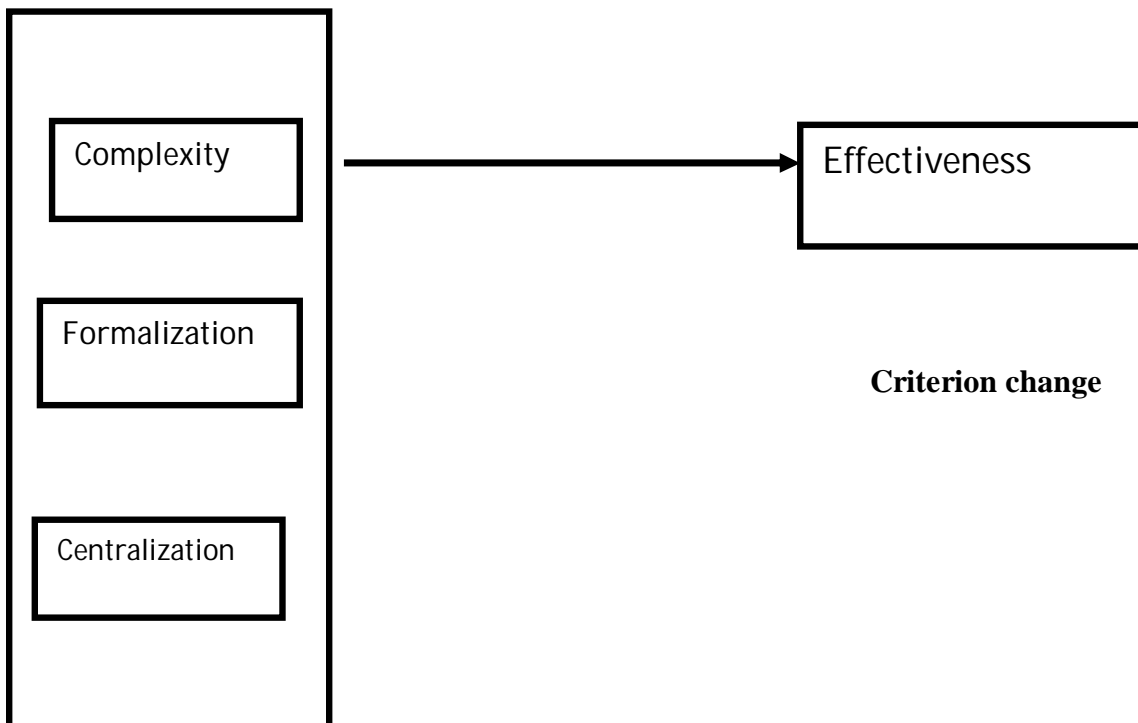
Therefor the theories that are acceptable in the field of science, each one plans the different dimension of organizational structure and effectiveness.

According to these efforts the preparation of the research within theoretical frame work can be performed, the organizational structure is a method that divide, organize and coordinate the organizational operations. The organizational structure emerge in organizational chart .which included all operations and processes (Mohammad Ahrabi 2002:15).

The organizational structure has 3 triple bases; the first is complexity included the operations that separated within the organization. The second is formalization that to form the operations. And the third is centralization that show making decision power.

These 3 bases mix into each other and make organizational structure (Mahrabi 2002:85).

The complexity, formalization and centralization are the important types of structure changes .that show the internal events within the organization .and also consider the theoretical framework in the points view of Estiven rabinz who described the organizational structure dimensions and its relations ,with each other .also to considered and presented the criterions and effectiveness. According to theoretical framework the other theories took place in this research with high scientific charges and value that determined different dimension of structure and organizational effectiveness .the following chart considered the effectiveness and its criterions and connectional models. (Alvani and Danaifard ,2004, 43).



Prediction change

Research connectional model

Research Hypothesis:

According to the research analytical model, the following theories can be presented:

- 1-there is a relationship between organizational structure and effectiveness at Rafsanjan public departments.
- 2-there is a relationship between organizational complexity and effectiveness at Rafsanjan public departments
- 3-there is a relationship between formalization and organizational effectiveness at Rafsanjan public departments
- 4-there is a relationship between centralization and organizational effectiveness at Rafsanjan public departments

Research method:

This research according to the type of the research subject

Considered the relation between organizational and effectiveness structure based on coordination method via descriptive and measurement. Also used Dolfi method, this research is a part of usage researches. Also it is used as a usable research.

Statistical community:

Statistical community included all 60 managers of Rafsanjan departments, so used number statistical method not in the field of symbolic but comptit. 4 managers didn't cooperate, with this researcher, then the number decrease to 57.

Data gathering tools (information):

Whereas the questionnaire is as one of important data gathering tools in management so used 2 questionnaires one for measuring organizational structure (21 questions) and 3 works (formalization, centralization, and complexity) and the other for measuring organizational effectiveness (24 questions).that used for octagon dimensions of valuable compare operation, that each dimension included 3 questions .

First questionary included 4 questions for measuring complexity level, 7for formalizations and 10 for centralization level. Each question has 5 choices as fallow.

Very much: 5, much: 4 ,med 3: low: 2, very low:

The admissibility of organizational structure questionnaire obtained %92 and the credibility of it %88.

The second question nearly included 24 questions for measuring organizational effectiveness, each dimension with 3 questions.

Organizational effectiveness							Change able
There is a relation	Speyer man			Pierson			test
	number	meaning able	coefficient	number	meaning able	coefficient	Organizational structure
	57	0/031	0/286	57	0/009	0/341	
	57	0/000	0/628	57	0/000	0/576	formalization

Organizational effectiveness							Change able
There isnot	Speyer man			Pierson			test
	number	Meaning able	coefficient	number	meaning able	coefficient	complexity
	57	0/344	-0/128	57	0/235	-0/160	
	57	0/090	0/226	57	0/372	0/121	centralization

Research Theories tables**Comments:**

The results of this research show that there is a relationship between organizational structure and organizational effectiveness and also with formalization which is one of organizational structure dimension related to organizational effectiveness. Also the organic organizational structure has more effectiveness than mechanic organizational structure.

1-The results of the research show that there is a tactical meaningful relationship between organizational structure and effectiveness. So the organizations and departments should try to select the type of organizational structure.

The theoretical response of an organization to this question is what does make an organization effective? Is that a correct structure makes the organization effective? As Robinz stated that an organization is a method which can mix staff and jobs and also defines that the rules between them is an important factor to success or un success of that organization (Robinz 1999:48).

2- According to the second result of theory there is no relation between organizational complexity and effectiveness. Means that more separation in organization makes it more effective.

Mehajery in his research as (the consideration of relation between organization culture and structure at public organizations in zahedan city)shows that by increasing complexity, decrease individual power manager support, identification, conductive and communication.

If the duties separation to be more, the organization will have less effectiveness.

3-according to the third theory, there is a relation between formalization and effectiveness means that more formalization increases the effectiveness that do not compare with the results of researcher study .According to Alken and Hig theory the organizations without official affairs are possibly modernization. And if the job to be more official, the person in charge has less freedom to do those jobs and How to perform them (Robinz: 1987:62).

4-According to fourth theory, there isn't a meaningful relation between organizational centralization and organizational effectiveness, because in centralization organization, the senior managers have right to make decision but in decentralizational organization decision made by junior managers, that used in big organizations. The results of researches performed in big organizations show that the phenomenon of decentralization conserved. So the senior managers try to let junior managers make decision (Arabi 2003,66).

5-According to fifth theory, the organic organizational structure regard to mechanical form has more relationship with organizational effectiveness. In this situation the staff should adopt themselves with needs. The job made by communications and recommendations more than decisions and directions.

Authority and influence are in someone who has ability to solve the problems (davis 1985:288).

In the kazemis point of views (1995) as organizational structure to be more organic, participation culture improve more and more.

The first researcher that planned the structure, were two British called, Brenz and Stucker .they believe that the organic organizations are open, the duties and rules define less officially. The people should adopt themselves with conditional needs .the communications are multiplied, so the job formed with information and descriptions more than orders and powers that able to solve the problems. Making decision is usually decentralization and different levels take place in it (Divis, 1985:288). Kazemi(1995) also shows where as organizational structure to be more organic, its culture take place in partnership culture that lead to have better operation or organizational effectiveness.

Suggestions

1-As the obtained results of statistical accountings show, there is a positive relation between organizational structure and organizational effectiveness. So the managers have to recognize each of organizational structure for raising the organizational effectiveness.

2-The results of the research show that, there is a positive relationship between organizational effectiveness and formalization. To increase the effectiveness , recommended to prepare written rules and provisions to recognizing organizational objects by the staff which improve the effectiveness of the organization.

3-The results of the research show that, there is a more positive relation between organic organizational structures with mechanical organizational structure with more effectiveness. So it is better to choose more suitable organizational structure that cause to more effectiveness of organization.

4-Suggested to other researcher to consider the organizational structure with effectiveness by other tools such as interview and observation and compare the own results with the present research results.

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