A Study on Mintzberg’s Framework for Organizational Structure

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\textbf{Abstract:} The employees that are employed in different organisations have the tendency to work in a trustworthy environment, which would enable them to make real contributions for achieving goals and the desired objectives. A positive working environment and a transparent organization culture would surely help an individual to enhance his work efficiency. By having a transparent organization structure, one can easily establish good relations with not only peers, but also with the senior managers and junior employees. A well-defined organization structure assures that all the details of the organization are known amongst various levels and information flow is even throughout the organization. This paper also explains about the difficulties that arise while working in teams and how can an effective organization overcome these difficulties in the most effective manner. This paper also tells about the Mintzberg’s Framework for Organizational Structure and all the related concepts within the framework.

\textbf{Keywords:} Key parts; prime co-ordinating mechanisms; Decentralization mechanisms; Mintzberg’s Five Organizational Structure; Centralization; Decentralization

\textbf{1. Introduction}

Centralization is an approach where hierarchal level the authority has got the rights to formulate decisions. If these decisions are delegated to the lower levels and decentralized and also if the decision making authority that is present at the top-level is centralized. Centralization is responsible for creation a non-participatory environment which can reduce certain factors including communication, commitment and also involvement with the tasks among the participants. Organizational control refers to the cycle that includes three stages, namely- target setting, measuring and finally feedback. Control in the bureaucracy refers to the standards, rules and internal procedures. Development and enforcement of performance control along with behavioural prescriptions can improve decisions and increasing the predictability of performance (Germain, 2007). (Chen and Huang) suggest that a decentralized along with an informal structure could produce higher performance. Germain carried out his study on effect of structure on the performance that mediates the supply chain management and drew conclusion that the formal structure (centralized) could create a positive effect on the performance. He also concluded that performance in a dynamic atmosphere could lead to attainment of negative effects. Once the organization decides the behaviour of its members, what sort of attitude could encourage them and also considering what the members wish to accomplish, it is then ready to design the structure and provide encouragement for development of cultural values along with norms to obtain the desired attitudes, behaviour and goals. Sablynski in his study found that no relationship exists between employee performance and span of control, but higher levels of job satisfaction can be observed in decentralized organizations. He further stated that organizational structure could lead to decrease in employee ambiguity and helps in explaining and predicting behaviour.

\textbf{2. Literature Review}

There are diverse opinions and definitions of organizational structure. Structure in general terms is defined as “an arrangement of duties used for the work so that the work can be done. This is represented by an organization chart.” (Jackson & Morgan, 1982) Organization structure can also be defined as “structure is architecture of business competence, leadership, talent, functional relationships and arrangement.” (Walton,1986). According to Walton, he identifies the structure as the basis of an organization for including the hierarchal levels as well as spans of responsibility, roles and permissions as well as mechanisms for integration and problem solving. According to Thompson, “a structure refers to internal differentiation and patterning of relationships.” Further he referred the structure as the means through which an organization defines limit and boundaries for obtaining efficient performance.
through its members by the means of delimiting responsibilities, controlling the resources and other parameters. “Structure is found in an interrelated set of events, which return in order to complete and renew a cycle of activities.” (Kartz & Kuhn) Jackson and Morgan have defined the organization structure in a modified way as “the relatively enduring allocation of work roles and administrative mechanisms that can create a pattern of interrelated work activities and allowing the organization to conduct, coordinate and control the activities”.

3. Identified Problems in Working in Groups
There are three major problems that a group faces when oriented or directed towards a particular task:[1]

1. The first major problem that is faced by groups is the frequent disagreement of group members over the goal or motive of the group, the strategies planned in order to secure these goals and coming-up with the possible solutions to the problems. In order to overcome this problem, the groups should make collective decisions in a peaceful and efficient manner

2. The second major problem that groups face is lack of motivation and low energy-zest among the members of group. To overcome this problem, the groups should motivate the members and ask them to behave in a selfless manner so that they can contribute towards the success of their group. This might come at the cost of behaviour that requires personal investment and sacrifice

3. The third problem so faced is the coordination of individual behaviours. For this problem, the groups should ask the members to have co-ordination amongst the members, so that they collective success of the group is achieved. The group leaders should assign tasks and responsibilities to every group member, maintain communication with the members and finally try to minimize the conflicts that might take place within the group.

4. How Hierarchy Helps in Overcoming These Problems?
   i. Collective Decision Making:
   Hierarchies help the groups for solving this problem of collective decision-making. This is done by giving the disproportionate control either to one or a few members of the group. The leaders of the groups are given control to decisions and hence are allowed for directing action of others. The concentration at the top (by group leaders) helps in making decisions making more efficiently and avoiding conflict over control. The concept of hierarchies also increase the quality of group decisions by giving disproportionate control to the most deserving and competent individuals. The decisions about a group’s goals or strategies are dealt with ambiguity and complexity. The competent individuals are presumed to have better decision making capability for the groups. The teams therefore, look for more competent members taking the charge.

   ii. Motivating the members:
The hierarchal model tends to provide social, material as well as the psychological incentives to the members of the group. Considering for the top-level members, they’ve got more respect and admiration, power along with lower level stress for physiological stress and material resources. The groups allot higher ranks to those members who are believed to contribute towards the goals of the group. Those individuals that are responsible for making greater contributions towards the groups are given higher ranks and on the contrary the ones making lesser contributions are often awarded with lower ranks.

   iii. Intra-group coordination:
The third problem faced in the groups in intra-group coordination, which can be overpowered by reducing conflicts and enhancing or facilitating communication. Hierarchies facilitate orderly division of resources ad influence among the group members. In hierarchies it is assumed that flow of information can more easily. In case of a pyramidal hierarchy, there is flow of information through different levels and finally reaching the leaders. The leaders then integrate this information and take relevant decisions. Group members that tend to disagree on the grounds of relative rank leads higher levels of conflict in the group. On the contrary, dyad members exhibiting complementary behaviour, where in one plays the role of a dominant person and the other being submissive, would engage themselves in smoother and better coordination within the groups.

5. Mintzberg’ Framework
Henry Mintzberg has explained that the organizations across the world can be differentiated along three major dimensions [2].

   1. Key part of an organization (which plays a major role in determining the failure or success of the organization)
2. **Prime coordinating mechanisms** (method used by organizations for co-ordinating the activities)

3. **The type of decentralization mechanism used** (degree to which organizations involve their subordinates while making a decision or extent to which they are involved in decision making process)

6. **Dimension-1: Key Parts of an Organization**
   i. **The Strategic Apex:**
   This refers to the top management of the organizations. It also includes the supportive staff required by the top management
   
   ii. **The Technostructure:**
   This layer consists of analysts such as engineers, accountants, planners, researchers and personnel managers
   
   iii. **The Middle Line:**
   The middle line comprises of middle and lower-level management staff for an organization
   
   iv. **The Support Staff:**
   This consists of all the people who are responsible for providing indirect services to an organization
   
   v. **The Operative Core:**
   This level has the workers the who are responsible for carrying out the tasks within an organization

![Fig 1: Key Parts of Organization](image)

7. **Dimension-2: Prime Coordinating Mechanisms**

There are five main coordinating mechanisms under the Mintzberg’ framework.

   i. **Direct Supervision:**
   Direct supervision means that an individual is responsible for work of others. This coordinating mechanisms adheres to unity of command and scalar principles
   
   ii. **Standardization of Work Process:**
   This type of mechanism exists when the content of work is either specified or programmed
   
   iii. **Standardization of Skills:**
   This type of mechanisms exists whenever the type of training is necessary for carrying out the work is specified

   iv. **Standardization of Output:**
   This exists whenever the results of the work are specified. As the raw material is to be processed by the operative core, which consists of people and not the things, the standardization of output becomes more difficult to measure in the non-service organizations

   v. **Mutual Adjustment:**
   This exists whenever the work to be done is coordinated through the means of an informal communication procedure

8. **Dimension-3: Type of Decentralization Mechanisms**

The type of decentralization mechanism is the third dimension of any organization. The decentralization mechanism can be classified into the following three categories-

   i. **Vertical Decentralization:**
   This type of decentralization mechanism takes place when there is distribution of power along the command chain or there is a shared authority between the subordinates and superordinates in an organization

   ii. **Horizontal Decentralization:**
   It is the extent to which the non-administrators make or formulate any decisions. There exists a shared authority between the line and the staff

   iii. **Selective Decentralization:**
   This type of decentralization mechanisms occur where the extent of decision-making power is being delegated to different units within the organizations [4]

9. **Five Organizational Structures by Mintzberg:**

Mintzberg has suggested five different types of organizational structures [3]. These are tabulated and further studied below-

<table>
<thead>
<tr>
<th>Structural Configuration</th>
<th>Prime Coordinating Mechanism</th>
<th>Key Part of Organization</th>
<th>Type of Decentralization</th>
</tr>
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<tbody>
<tr>
<td>Simple structure</td>
<td>Direct supervision</td>
<td>Strategic apex</td>
<td>Vertical and horizontal centralization</td>
</tr>
<tr>
<td>Machine bureaucracy</td>
<td>Standardization of work</td>
<td>Technostructure</td>
<td>Limited horizontal decentralization</td>
</tr>
<tr>
<td>Professional bureaucracy</td>
<td>Standardization of skills</td>
<td>Operating core</td>
<td>Vertical and horizontal decentralization</td>
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</table>
### i. Simple Structure:

The key part of simple structure is the strategic apex using direct supervision as the prime coordinating mechanism and the type of centralization used is vertical and horizontal centralization. Organizations that use simple structure constitute a top manager and there are a few workers present at the operative core level. There exists no Technostructure and the support staff is quite small. Here, overlapping tasks are performed by the workers. As the simple structures are small organizations, the coordination among various levels is informal and is maintained directly through direct supervision. Such organizations can rapidly adapt to the environmental change. Some examples of simple structure organizations include smaller corporations, new government departments, and medium-sized retail stores.

![Fig 2: Simple Structure](image)

### ii. Machine Bureaucracy:

Machine bureaucracy has got Technostructure as the key part, with standardization of work process as the prime coordinating mechanism and employing limited horizontal decentralization. This type of organization structure has very high degree of formalization along with work specialization. Here the decisions are centralized and the span of management is very narrow. The organization is apparently tall, i.e., having many levels within the command chain right from top management to the bottom-most level of organization. Very less horizontal or lateral coordination is needed. This organization structure supports a large technostructure and support staff. The Some examples of machine bureaucracy include automobile manufacturers, steel companies and large government organizations.

![Fig 3: Machine Bureaucracy](image)

### iii. Professional Bureaucracy:

This type of structural organization has got operating core as the key part, using standardization of skills as the prime coordination mechanism. It employs vertical and horizontal decentralization mechanism. These types of organizations are relative formalized and decentralized in order to provide autonomy to the professionals. The highly trained professionals have the task of providing nonroutine services to their clients. The management present at the top is small, with a few managers in the middle and a small technostructure. The support staff is large for providing clerical and maintenance support to the professional operating core. The goals of professional bureaucracy include innovating and providing high-quality services. These exist in complex yet stable environments and their size varies from moderate to large. Some examples of this type of structural organizations include universities, hospitals and law firms.

![Fig 4: Professional Bureaucracy](image)

### iv. Divisionalized Forms:

The divisionalized forms have got middle line as the key part, using standardization of output as the prime coordinating mechanism and employing limited vertical decentralization as the decentralization mechanism. In this type of organizational structure, decision making is decentralized at the divisional level and there is little amount of coordination that exists among the separate divisions. Some coordination is provided by the corporate-level personnel. The technostructure is located at the corporate headquarters for providing services to all the divisions and the support staffs are strategically located within each of the divisions. Example of organizations using divisionalized forms can be large corporations.

![Fig 5: Divisionalized Form](image)
v. Adhocracy:
This type of organizational structures has got support staff as the key part and uses mutual adjustment as a means of coordination mechanisms. The type of decentralization mechanism used by this structure is selective decentralization. The structure is low in terms of formalization and decentralization. The technostructure is small as the technical specialists are involved in the operative core of the organization. The support staff is large in number in order to support the complex structure. The adhocracies are engaged in nonroutine tasks and sophisticated technology is used. Their primary goal is innovation and rapid adaption to the constantly varying environments. These are generally medium sized, which needs to be highly adaptive and efficient use of resources should take place. Examples of organizations using this structure include aerospace and electronics industries, research and development (R&D) firms.

10. Conclusion
Humans tend to face several difficulties when working in a group. There can be personal conflicts and ego issues within the group. All these factors could lead to downfall of the group and ultimately hampering the effectiveness of such groups. The leaders of such groups need to identify the individual problems and come up with solutions. A successful group leader is characterized by how effectively and how well he coordinates with his team and attain maximum effectiveness out of the group. The team leader’s task is to bind the team and keep every member involved and motivated. To overcome these problems, Henry Mintzberg suggested three different dimensions for understanding organizational structure. Dimensions in the framework include- key parts of organization, prime coordinating mechanisms and decentralization mechanisms. This framework, explained by Mintzberg helps in understanding the amount of paper work required for conveying any information within several levels in the organization.

11. References: