

# Free essay on organizational structure and design

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Henry Mintzberg has identified five basic forms of organizations which include: entrepreneurial organization; machine or bureaucracy organization; professional organization; diversified or divisional organization; and the innovative or adhocracy organization. From amongst these, Toyota can be classified as having a divisional structure. There is a central headquarter which controls all the division in the company while all the divisions are autonomous in making their own decisions and have unique structures. One of the major benefits of this structure is that the line manager has the control and also accountability; the central team focuses on the strategic plans whereas the decentralized divisions focus on their day to day activities and plans. So, there is a better alignment between the divisions and the central units (Aquinas, 2013). According to Mintzberg, there are five major driving forces of business including the operating core, strategic apex, middle-line managers, techno structure and the support staff (Lunenburg, 2011). This form of organization relies on standardizing the outputs while the divisions are independent are run by the middle-line managers; these managers tend to form a chain between the strategic apex of the company to the operating core with the help of the formal authority that is delegated to them. The company focuses on its outputs and the type of decentralization is the limited vertical decentralization. All the divisions are completely separate with very little coordination; but there is coordination among the personnel at the corporate level. In other words, there is a machine bureaucracy structure inherent in each division. The structural configuration of the organization is based upon the kind of strategy adopted by the organization and also the extent upon which the company practices

the adopted strategy in its operations (Lunenburg, 2011). The company gives freedom to its workers to work until and unless the results are being achieved according to the standards. There is a complete alignment between all the forms of the business; all the strategic aspects are taken care of such that the overall ends are achieved while giving autonomy to the means.

## **References**

Aquinas, P. (2013). *Organization Structure and Design: applications and challenges*. New Delhi: Excel Books.

Lunenburg, F. (2011). *Organizational Structure: Mintzberg's Framework*. *International Journal of Scholarly, Academic, Intellectual Diversity*, 14 (1).