

## What Organizational Structure Is Appropriate for Provincial General Governments in Developing Countries? (Case Study: Islamic Republic of Iran- Yazd Province)

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**Abstract:** As a part of centralized public sector, each province in Iran used to have a General Government and also a Management and Planning Organization (MPO). These two separated structures were merged in 2007. Therefore, a new organizational structure was needed to cover all of their functions and people. By using a hybrid methodology we are going to offer a sound organizational structure for general governments in Iran after recognizing our current conditions and also international trends in public administration. So we have reviewed all domestic important legal and administrative documents and finally a suitable structure for following comprehensive development in provincial level has been recommended that can be used by developing countries in public sector. Hopefully, the answer to the research question will help us to understand the general guidelines could be followed by developing countries that implement new organizational structures in relation to new concepts such as good governance.

**Key words:** Organizational structure design • General government • Development management • Iran

### INTRODUCTION

As a part of centralized public sector, each province in Iran used to have a General Government and also a Management and Planning Organization (MPO). These two separated structures were merged in 2007. Therefore, a new organizational structure was needed to cover all of their functions and people. On the other hand, that situation seemed to be a unique opportunity for public sector to take a look toward new global concepts like as good governance. In this paper we are going to redesign the general government structure after recognizing our current conditions and also international trends in public administration.

### MATERIALS AND METHODS

The case study method seems to be the most suitable research strategy when trying to answer the main research question posed in the title: what organizational structure is appropriate for provincial general governments in developing countries? This research has been done by a hybrid methodology that includes desk review study and field interviews. The main research goal is designing a sound organizational structure for provincial general

governments in Iran and to achieve this goal we were committed to consider several conditions and limitations:

- A 20% reduce in number of managerial positions (4th dev. plan law: article 143) [1].
- Only 3 deputy positions for governor general (civil service management law: article 29) [2].
- Not more than 5 office managers for each governor general deputy (civil service management law: article 29) [2].
- Accurate consideration to the functions of both general government and MPO [3].
- Accordance to macro and strategic orientations of Islamic republic of Iran.
- Conformity with official and legal system in country.
- Global trends and international considerations.
- Use of new scientific approaches.
- Specifics and local conditions of Yazd province.

### LITERATURE REVIEW

**Organizational Structure:** According to Mintzberg (1979), the organizational structure can be defined as the result of the combination of all the ways in which work can be divided into different tasks, the coordination of

which must subsequently be ensured [4]. There has been increased emphasis on the importance of organizational structure [5]. For example, Miller (1987) claims that organizational structure influences information flows as well as the context and nature of human interactions [4] and it also has been said that the success of any strategy depends heavily on its fit with organizational structure [5]. The key issue with the structure mentality is that each bit of the structure takes a meaning of its own [6]. For instance, technology and the choice of the organization structure have generally been closely related [7].

Early studies of organizational structures, collectively described as "classical organizational theory", posited the structuring of organization as a search for "idealism" or efficient structural "principles", with "scientific" characteristics. Later research from the "contingency perspective" argued that the key to understanding structure lay in identifying organizational attributes and aligning them to contextual factors [8]. The generation of an organizational structure that is capable of coping with the needs of modern businesses has been one of the most problematic issues facing organizations and their managers [8]. Drucker (1992) considers that a modern company must be organized to pursue innovation and to remove systematically whatever is seen as established and accommodating. It must additionally be ready for permanent change, putting knowledge to work, which requires a high decentralization level so that decisions can be made quickly [4].

All organizations, no matter how big or small, have to be aware of the coming changes. Terms that consultants use to describe the 21st century organization include flat, employee-empowered, shared services and - perhaps most important - flexible. Here, size does not matter [9].

**General Government Functions:** We have chosen a task oriented approach for structure design in this paper. However, we need know what the most important functions of general government are and how we can divide them. To find a sound answer, we would better consider these clues:

- It had been clarified in article 1 from 1998 resolution by High Administrative Council that "governor generals, as government high representatives in their territory, are responsible for implementing public policies related to public sector organizations."
- Development is considered as a comprehensive concept that at least has two aspects as economical affairs and socio-cultural dimension. In Iran we also

have experienced 4 multi dimension plan for development named as "economical, social and cultural development plan".

- On the other hand, it seems that a third scope of development is necessitated for coordinating between these two sections. We have named this part as suprasectoral development.

As a conclusion we can consider the most important function of governor general as comprehensive development that includes three parts.

**Legal Resources and Administrative Documents:** As we know, it is necessary to establish a kind of alignment and link between organizational structure and strategies. These macro strategies for an Iranian public sector organization should be discovered from legal and administrative documents like as:

- Islamic republic of Iran constitution.
- Islamic republic of Iran's 20-year vision.
- 4th development plan law.
- Functional statement of governors and governor generals (administrative high council: 1998).
- Functional statement of MPO heads.
- UN millennium development goals.
- New models and theories on development management.

We can find the key concepts explored from these documents in Table 1. On the other hand, based on the mentioned pattern for development management scoping, we can divide those concepts as Table 2.

**Data Analysis:** In order to have maximum cover of above concepts, we have organized the main titles and key functions of governor general deputies in this pattern:

**Economical and Infrastructural Development Deputy:**

- Planning to achieve a fast and continues economic growth in order to life quality improvement and per capita income enhancement and creating a poverty free society by various mechanisms such as earning the current income resources and realizing some new ones.
- Effort in discrimination removing and fair expansion in use of national incomes by building a just and without discrimination and corruption economic system with regional balance approach.

Table 1: the discovered concepts from the studied documents

Key concepts	Document title
To create a suitable environment for ethical growth\ enhancement of public knowledge\ free education and sport\ empowerment of research and innovation\ to provide social and political freedom\ people participation\ discrimination removing\ proper administrative system\ national defense empowerment\ just economy\ to provide comprehensive rights\ public cooperation\ fairness in use of national incomes\ environment protection\ people councils control	Iran constitution
Religious democracy\ social fair\ human rights\ social and judicial security\ power and security\ desired environment\ family\ without poverty, corruption and discrimination\ social cooperation and gross adjustment\ work commitment\ software movement and science production\ economic growth\ per capita income enhancement\ full employment\ mental and social dynamic	Iran vision
Fast economic growth\ economical competitiveness\ knowledge-based development\ environment protection\ regional balance\ life quality enhancement\ human security\ social fair\ cultural development\ national security\ judicial development\ government renewing and governance effectiveness improvement	4th development plan law
General policies implementation\ security and order\ Islamic councils empowerment\ people participation\ meeting and council development\ political and social freedom institutionalization\ election control\ compartmentalization\ women empowerment\ general education, sport, hygiene and high education growth\ Islamic culture development\ social corruptions prevention\ social fair\ poverty decline\ natural disasters management\ civil servant welfare\ administrative and personnel affairs\ rule and regulation implementation control\ organizational and behavioral control on public sector\ managers performance appraisal\ cooperation and coordination in public sector\ construction projects control\ natural resources and environment protection\ optimum use of resources\ regional development\ planning and budgeting direction\ income earning and new income resources identification\ banks activities coordinating\ export affairs direction	Functional statement of governor generals
To provide short and long term plan for provincial economic, social and cultural development\ to provide macro plans and policies in employment, investment, income and resources allocation\ continuous control on budgets\ governmental organizations evaluation\ regulations revision suggestion\ management and human resources control\ public administration change implementation\ training and research programs implementation\ to update information maps and layers\ technical-executive system implementation\ qualification and grading conductors, advisors and experts\ to produce, record and publish the development documents	Functional statement of MPO heads
Eradicate extreme poverty and hunger\ Achieve universal primary education\ Promote gender equality and empower women\ Reduce child mortality\ Improve maternal health\ Combat HIV, malaria and other diseases\ Ensure environmental sustainability\ Develop a global partnership for development	MDGs
Good governance\ entrepreneurship\ productivity\ information technology\ sustainable development\ SMEs\ human development\ social capital	New development management concepts

Table 2: Division of discovered concepts

Suprasectoral dev. concepts	Social and cultural dev. concepts	Economical and infrastructural dev. concepts	Document title
Empowerment of research and innovation\ people participation\ proper administrative system\ environment protection	To create a suitable environment for ethical growth\ enhancement of public knowledge\ free education and sport\ to provide social and political freedom\ discrimination removing\ national defense empowerment\ to provide comprehensive rights\ public cooperation\ people councils control	Just economy \ discrimination removing\ fairness in use of national incomes	Iran constitution
Desired environment\ work commitment\ software movement and science production	Religious democracy\ social fair\ human rights\ social and judicial security\ power and security\ family\ social cooperation and gross adjustment\ mental and social dynamic	without poverty, corruption and discrimination\ economic growth\ per capita income enhancement\ full employment	Iran vision

Table 2: Continued

Knowledge-based development\ environment protection\ judicial development\ government renewing and governance effectiveness improvement	Human security\ social fair\ cultural development\ national security	Fast economic growth\ economical competitiveness\ regional balance\ life quality enhancement	4 <sup>th</sup> development plan law
General policies implementation\ natural disasters management\ civil servant welfare\ administrative and personnel affairs\ rule and regulation implementation control\ organizational and behavioral control on public sector\ managers performance appraisal\ cooperation and coordination in public sector\ natural resources and environment protection\ optimum use of resources\	General policies implementation\ security and order\ Islamic councils empowerment\ political and social freedom institutionalization\ election control\ compartmentalization\ women empowerment\ general education, sport, hygiene and high education growth\ Islamic culture development\ social corruptions prevention\ social fair\	General policies implementation\ poverty decline\ construction projects control\ regional development\ planning and budgeting direction\ income earning and new income resources identification\ banks activities coordinating\ export affairs direction	Functional statement of governor generals
Governmental organizations evaluation\ regulations revision suggestion\ management and human resources control\ public administration change implementation\ training and research programs implementation\ to update information maps and layers\ to produce, record and publish the development documents		To provide short and long term plan for provincial economic, social and cultural development\ to provide macro plans and policies in employment, investment, income and resources allocation\ continuous control on budgets\ technical-executive system implementation\ qualification and grading conductors, advisors and experts	Functional statement of MPO heads
Ensure environmental sustainability\ Develop a global partnership for development	Achieve universal primary education\ Promote gender equality and empower women\ Reduce child mortality\ Improve maternal health\ Combat HIV, malaria and other diseases	Eradicate extreme poverty and hunger	MDGs
Good governance\ productivity\ information technology\ sustainable development	Human development\ social capital	Entrepreneurship\ SMEs	New development management models

- Implementing the technical-executive system and control on constructional projects and budgets and qualification and grading conductors, advisors and experts.
- Directing and coordinating in planning and budgeting system by providing short and long term plans for provincial economic, social and cultural development in some areas such as employment, investment, income and resources allocation.
- Planning for development in entrepreneurship and employment by expansion of economical competitiveness and SMEs growth.
- Export affaire direction and banks activities coordinating.

- General policies implementation in specialized and professional scope.

#### Social and Cultural Development Deputy:

- Establishment and maintenance of order and social and general security by human security improvement and social corruption prevention and also control on compartmentalization.
- Planning for human and social capital development by enhancement in general knowledge and expansion of general education, sport, hygiene, high education and physical-mental health among citizens.

- Effort for extension of religious democracy and institutionalization of political and social freedom by people participation development, election control, Islamic councils empowerment and expansion of legal activities of gross councils.
- Planning for maintaining the human dignity and rights by women empowerment and family supporting and expansion of children welfare.
- Effort for cultural development and extension of original Islamic culture by creating a suitable environment for ethical growth, Islamic brotherhood, general cooperation, gross adjustment and group dynamic.
- Planning for social-political discrimination removing and expansion of social fair in all levels.
- General policies implementation in specialized and professional scope.

**Suprasectoral Development Deputy:**

- Planning for governance improvement and public administration development by organizational and behavioral control on public sector, managers performance appraisal, cooperation and coordination in public sector and public administration change implementation.
- Coordinating and controlling for sustainable development by natural resources and environment protection and optimum use of current resources.
- Effort for achieving the knowledge-based development with an approach to software movement and science production by expansion of research culture, training programs implementation and extension of new technologies such as IT.
- Providing suitable conditions for cooperation and coordinating in order to appealing public participation in province development process.
- Judicial affairs development and control on rules implementation and also offering for approval or revision of rules and regulations.
- Design, establishment and updating the provincial statistical database by producing informative maps and layers and also development documents maintenance.
- Forecasting and planning for crisis management in natural disasters.
- General policies implementation in specialized and professional scope.

Therefore, a sound organizational structure for general government (including 45 managerial positions) with their key functions is offered as next part.

**Governor General: Key Functions:** General policies implementation in comprehensive development scope.

- Communication and information management office.
- Public relations and international affairs group.
- Performance management, preservation and complaint responding group.

**Key Functions:** Coordinating and administration of governor general's activities\ organization physical and information preservation\organizational performance evaluation and planning for improving it\ complaints receiving and responding\ public relations and international affairs

- Resources and regions management office.
- Human resources and administrative affairs group.
- Credit resources and financial affairs group.
- Regions and logistic affairs group.

**Key Functions:** Performing necessary activities in relation with organizational unites\ performing administrative and personnel affaires related to employees and retired people\ performing financial and logistic affairs according to current rules.

**Economical and Infrastructural Development Deputy:** Key functions: General policies implementation in Economical and infrastructural development scope.

- Strategic & medium-range planning bureau.
- Deputy.

**Key Functions:** Planning to achieve a fast and continues economic growth in order to life quality improvement and per capita income enhancement and creating a poverty free society by various mechanisms such as earning the current income resources and realizing some new ones.

- Regional balance bureau.
- Civil management group.
- Rural management group.

**Key Functions:** Effort in discrimination removing and fair expansion in use of national incomes by building a just and without discrimination and corruption economic system with regional balance approach.

- Technical development bureau.
- Construction affairs group.
- Crisis management group.

**Key Functions:** Implementing the technical-executive system and control on constructional projects and budgets and qualification and grading conductors, advisors and experts\ Forecasting and planning for crisis management in natural disasters.

- Operational & annual planning bureau.
- Deputy.

**Key Functions:** Directing and coordinating in planning and budgeting system by providing short term plans for provincial development and budget documents conduction.

- Entrepreneurship & employment & Investment bureau.
- Deputy.

**Key Functions:** Planning for development in entrepreneurship and employment by expansion of economical competitiveness and SMEs growth and directing in some areas such as employment, investment, income and resources allocation\ Export affaire direction and banks activities coordinating.

**Social and Cultural Development Deputy: Key Functions:** General policies implementation in social and cultural development scope.

- Social security development bureau.
- Social security group.
- Foreign emigrants group.

**Key Functions:** Establishment and maintenance of order and social and general security by human security improvement and social corruption prevention and also control on compartmentalization.

- Human development bureau.
- Education affairs group.
- Health affairs group.

**Key Functions:** Planning for human and social capital development by enhancement in general knowledge and expansion of general education, sport, hygiene, high education and physical-mental health among citizens.

- Political participation development bureau.
- Election affairs group.
- Councils affairs group.

**Key Functions:** Effort for extension of religious democracy and institutionalization of political and social freedom by people participation development, election control, Islamic councils empowerment and expansion of legal activities of gross councils.

- Family & women empowerment bureau.

**Key Functions:** Planning for maintaining the human dignity and rights by women empowerment and family supporting and expansion of children welfare.

- Cultural development & social justice bureau.

**Key Functions:** Effort for cultural development and extension of original Islamic culture by creating a suitable environment for ethical growth, Islamic brotherhood, general cooperation, gross adjustment and group dynamic\ Planning for social-political discrimination removing and expansion of social fair in all levels.

**Suprasectoral Development Deputy: Key Functions:** General policies implementation in Suprasectoral development scope.

- Governance & management development bureau.
- Deputy.

**Key Functions:** Planning for governance improvement and public administration development by organizational and behavioral control on public sector, manager's performance appraisal, cooperation and coordination in public sector and public administration change implementation.

- Comprehensive & sustainable development bureau.
- Green management and productivity group.
- Participative and comprehensive development group.

**Key Functions:** Coordinating and controlling for sustainable development by natural resources and environment protection and optimum use of current resources\ Providing suitable conditions for cooperation and coordinating in order to appealing public participation in province development process.

- Knowledge-based development bureau.
- Knowledge and research group.
- Information technology group.

**Key Functions:** Effort for achieving the knowledge-based development with an approach to software movement and science production by expansion of research culture, training programs implementation and extension of new technologies such as IT.

- Statistical system development bureau.
- Deputy.

**Key Functions:** Design, establishment and updating the provincial statistical database by producing informative maps and layers and also development documents maintenance.

- Judicial development bureau.

**Key Functions:** Judicial affairs development and control on rules implementation and also offering for approval or revision of rules and regulations.

## CONCLUSION

This paper has allowed us to explore the main pattern could be followed by developing countries when it comes to designing their public sector

organizational structure. Finally it seems that according to current legal considerations (such as Iran constitution, vision, civil service management law and 4th development plan law) and also regarding to current realities in Iran's administrative system (such as expected functions of governor generals) and in alignment with international trends (such as UN MDGs) a suitable and sound organizational structure for general government in similar countries would be as offered in this paper (Figure 1). Giving attention to some complementary explanation about this structure could be useful:

- Total number of managerial positions in this structure is 45 and it shows a 20% decrease in compare with current structure (with about 60 positions).
- Among these managerial positions, there are 4 (about 9%) in high level, 22 (about 49%) in middle level and 19 (about 42%) in operational level.
- Frequency distribution of managerial positions in 4 organizational main unites seems also logical because there are 8 posts in governor general scope, 13 posts in Economical and infrastructural deputy and 12 posts in two rest deputies.
- Commitment degree of this structure to the macro strategies and policies can be finding in Table 3.
- Some of the most significant advantages of this structure are:

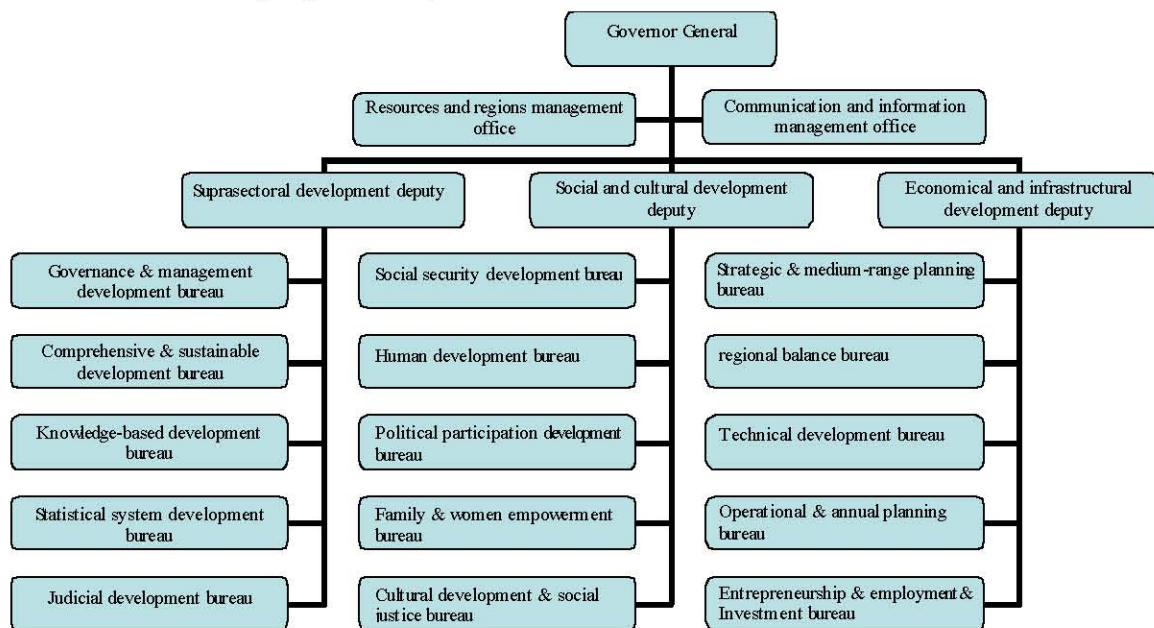


Fig. 1: An appropriate organizational structure for general government

Table 3: a comparison between bureaus titles and studied documents

New dev. theories	MDGs	MPO functions	Governor g. functions	Dev. plan	Vision	Constitution	DOCUMENTS ORG. UNIT
	----		----	----	----		Strategic & medium-range planning
			----	----	----	----	Regional balance bureau
		----	----				Technical dev. bureau
		----	----				Operational & annual planning bureau
----		----	----		----		Entrepreneurship & employment &
			----	----		----	Social security dev.
----	----		----	----		----	Human dev. bureau
----			----		----	----	Political participation dev.
----	----		----		----	----	Family & women empowerment bureau
----			----	----	----	----	Cultural dev. & social justice
----		----	----	----	----	----	Governance & management dev.
----	----		----	----	----	----	Comprehensive & sustainable Dev.
----		----	----	----	----	----	Knowledge-based Dev.
		----	----				Statistical system Dev.
		----	----	----			Judicial Dev. bureau

- More accordance to new global approaches to development management.
- Removing some overlapping and misunderstanding in functions.
- Coordinating with current organizing regulations.
- More comprehensiveness on development concept.
- Alignment with new developmental conditions and necessities.
- Accordance to scientific models of organizational structure design.

### SUGGESTIONS

In order to better use of this paper findings and also facilitating the flow of organizational structure design for general governments, several suggestions can be offered as below:

- A deeper research for finding the detailed formal structure is recommended.
- Some extra adjustments in other organizational aspects such as manpower, procedures and regulation are needed.
- It would be useful to hold some brainstorming or debating sessions among related experts and professionals to discover and realize other aspects and outcomes of this structure implementation.

Consequently, as possible research lines for the future, it would be interesting to carry out in-depth analyses of other developing countries which have still not been able to design the appropriate

organizational structures in their public sector. This would make it possible to draw a comparison with the results obtained in the present study. Similarly, it would be very enriching to extend the analysis to developed countries, as this would allow us to identify certain similarities or differences regarding the degree of development.

Finally, a quantitative methodology based on statistical and econometric techniques should be applied to the analysis of organizational structure quality in public sector.

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