

Organisational Structural Typology and Performance of Food and Beverage Firms in Abia State, Nigeria

Amaka Anna Iyke¹ and B. Chima Onuoha²

¹Doctoral Student, Department of Management, University of Port Harcourt

²Professor of Management, Department of Management, University of Port Harcourt

Abstract: *The study investigates the relationship between Organisational structural typology and performance of food and beverage firms in Abia State, Nigeria. A cross-sectional survey was used. The study comprises of 125 managers and from the food and beverage firms in Abia State. A structured questionnaire was used to collect the data to determine the connection between Organisational structural typology and performance of food and beverage firms in Abia State. The Spearman rank correlation was used in the analysis. The findings show that Organisational structural typology relates with the performance of food and beverage firms in Abia State. The study recommended embracing both mechanic and organic structure for efficiency and profitability.*

Keywords: *Organisational Structural Typology, Mechanic Structure, Organic Structure, Organisational Performance, Operational Efficiency, Profitability.*

1.0 Introduction

Organizations are continuously operating in a rapid, high-proliferation environment. that requires successful businesses performance for long-term viability. The performance of an organization's enhances an organisational competitive ability, sustainability and productivity. Businesses are assessed as industry leaders based on their performance rather than on how long they have been in operation. According to Al Youha and Randeree (2009), a company's success is ultimately determined by its performance, or its ability to successfully implement initiatives in order to achieve goals. Organizational performance is defined as a company's performance in comparison to its competitors (Cho & Dansereau, 2010), and having competitive advantage, profitability hinges on the typological structure of the organisation, hence the firms require comprehension of the significance of organizational structure.

An organizational structure specifies how activities including work distribution, coordination, and supervision are oriented toward achieving organizational goals. The organizational typological structure has an impact on organizational action and serves as the foundation for standard operating procedures and routines. It defines which individuals are allowed to participate in certain decision-making processes, and hence how much their perspectives influence the organization's actions (Jacobides, 2007). A company's organizational structure enhances a number of factors that are in line with its

operations, goals, and objectives, such as informing employees, establishing accountability, defining expectations, establishing promotion criteria, allocating decision-making authority, boosting efficiency, and promoting collaboration.

The typological structure of a corporation affects how well it works because it fosters an environment that encourages good job and resource allocation as well as efficient information flow. It outlines how certain tasks should be completed in order to accomplish the goals of an organization. Rules, duties, and obligations are a few examples of these activities. Employees want to understand what their responsibilities are, who they report to, what decisions they can and should make, and how they fit into the teams and other people at the organization. The organisational structural typological gives explanations to all employees' enquiries on how the firm is run.

According to Kinicki and Fugate (2016), organizational structure brings harmony, order, and peace to both formal and informal organizations. Every organization's structure dictates how power relationships are developed, how employees report to one another, and how channels of communication are established. The organizational structure of the company affects how information moves between levels as well. For instance, in a centralized structure, decisions are made at the top, whereas in a decentralized structure, decision-making power is distributed across the organization.

A corporation can continue to be effective and focused if it has an established organizational structure (Kenton, 2021). A successful synergy between many organizational structure components is necessary to achieve the required performance level. The ultimate objective of organizational structure is to improve corporate performance. Although several studies have been carried on organisational performance and few on organisational typological structure, the dearth of empirical work as related to the organisational structural typology and performance of food and beverage firms in Abia State, Nigeria, necessitates this study.

Statement of problem

An organization can be likened to a building whose strength is determined by the structure and frames which holds it. Many organisations that makes use of certain structures cannot do without structuring their organization with an element or dimension or mixed dimensions and in the process of operating these dimensions with structure of the organization, organization ends up achieving different result (Eze, Bello, & Adekola, 2017) A poor organizational structure hurts the firm's ability to maximize opportunities, create problems that can lead to serious financial consequences (Milano, 2023).

The performance of the food and beverage sub-sector of the economy has slipped behind. Lack of good communication structure, strategic management result from bad structure and this has fatal consequences on the performance of the organisation. Low productivity, high staff turnover and hiring issues, incompatibility between technology and decision-making, and the incapacity for the business to thrive are all signs of a weak organizational structure (Cale, 2023). For a variety of reasons, changes in management

can also bring challenge on an organization's organizational structure (Ikechukwu, & Orga, 2022).

There is no absolute way to structure a business. Whether a particular structure is advantageous or disadvantageous for an organization depends on the type of business, the strategy, its target market and the style of the management. The structure is the manner in which interrelated elements (resources) are arranged so that the building can be stable, resist stress and it provides the right form. Understanding the impact of a poor company structure will help take steps to ensure the firms internal management operations take the business to the next level. To this end, for the performance of an organization to be effective, it is important to understand the right manner in which interrelated elements (structure) in the specific organization is arranged.

Aims and Objectives of the study

The study determines the influence of organisational structure typology on the performance of the food and beverage firms in Abia State. Specifically, it examines the relationships between:

1. Mechanistic structure and operational efficiency of the food and beverage firms in Abia State.
2. Mechanistic structure and profitability of the food and beverage firms in Abia State.
3. Organic structure and operational efficiency of the food and beverage firms in Abia State.
4. Organic structure and profitability of the food and beverage firms in Abia State.

Research Questions

1. What is the relationship between mechanistic structure and operational efficiency of the food and beverage firms in Abia State?
2. How does mechanistic structure relate to profitability of the food and beverage firms in Abia State?
3. How does organic structure influence the operational efficiency of the food and beverage firms in Abia State?
4. What is the association between organic structure and profitability of the food and beverage firms in Abia State?

Research Hypothesis.

Ho₁: There is no significant relationship between mechanistic structure and operational efficiency of the food and beverage firms in Abia State.

Ho₂: There is no significant relationship between mechanistic structure and profitability of the food and beverage firms in Abia State.

Ho₃: There is no significant relationship between organic structure and operational efficiency of the food and beverage firms in Abia State.

Ho₄: There is no significant relationship between organic structure and profitability of the food and beverage firms in Abia State.

2.0 Literature Review

Concept of Organisational Structural Typology

Organizational structural typology examine the many organizational structure types. It has to deal with the several groupings into which organizations can be classified. Organizational structure refers to the lens or perspective that people employ to observe their organization and its surroundings. Almost every quantifiable performance can be influenced by organizational structure. A well-designed, adaptable structure can help a company expand in numerous ways and initiate a chain reaction of improvement and support. Employee morale, internal communications, efficiency, and effectiveness are some of the most significant advantages of an organizational structure. An organizational structure specifies how activities such as work distribution, coordination, and supervision are oriented toward achieving organizational goals.

According to Eze, Bello, and Adekola (2017), structures of many types exist in organizations, and it is the consciousness of designing and using the structure chosen that causes changes in an organization's output or performance. For the successful managing of commercial tasks, each management must design its own organizational structure. The phrase 'organization structure' has become increasingly relevant in the business world today, distinguishing different organizations around the world. The term "organization" is derived from the word "organism," which refers to a body structure separated into several sections that are bound together by a web of relationship as one organic whole.

Droege (2013) defined organizational structure as the arrangement of people and occupations in order for work to be performed and goals to be realized. When a work group is very small and face-to-face communication is frequent, formal structure may be unnecessary, but in a larger organization, decisions concerning the delegation of specific jobs must be made. As a result, protocols are created that assign accountability for specific tasks. The organizational structure is determined by these decisions.

The organizational structure of the firm ensures that information flows from one level to the next. Organizational structure has an impact on practically every type of measurable performance. A well-planned, easily flexible structure can assist a firm in many ways, resulting in a chain reaction of mutual support and improvement. Employee morale, internal communications, efficiency, and effectiveness are some of the most critical benefits of organizational structure. Employee morale is frequently dependent on a robust organizational structure. Employees are more likely to be motivated and loyal when they are treated with respect, challenged by their work, and offered prospects for progress.

The influence of organizational structure on employee morale can sometimes be negative; for example, if a company consistently offers raises and incentives to department heads while freezing junior employee salaries, lower level employees might

soon get bored with the job. Because organizational structure influences how incentive programs, discipline, and progress are managed, the structure of a company can have a significant impact on its morale.

According to Ellis (2023), one of the most important benefits of organizational structure is how well people and departments communicate. Employees may be unable to obtain the information or individuals required to complete a task in a strictly structured, highly divided setting. An overly lax structure, on the other hand, can result in a hazy chain of command, which means employees may be unsure who they should be communicating with regarding a project or complaint. A key component of organizational structure is balancing the necessity for departmental flexibility with the importance of a clear chain of command. The "skeleton" of a business is commonly referred to as organizational structure, which can either aid or hinder the attainment of effectiveness. Structure can influence effectiveness by incorporating a review process that compares expectations to actual performance. A corporation can consistently satisfy effectiveness goals by developing an organizational structure that can be reviewed and adapted. The two most frequent organizational structures are mechanistic organizational structure and organic organizational structure.

Mechanistic Structure

The mechanistic structure is a type of traditional organizational structure with a rigid framework, centralized decision-making, higher formality, and standardized control mechanisms. This structure is advantageous for increasing organizational efficiency. The mechanistic structure views men, (employees) as machines whose sole function in the workplace is to convert input into output. This structure works well in an environment that is straightforward, steady, and predictable. A mechanistic organization, according to Dickson, Resick, & Hanges (2006), is characterized by "specialized differentiation between jobs", distinct expectations for exactly what the organization provided to employees and the reciprocation expected (Dickson, Resick, and Hanges, 2006), "behaviour that is governed by clear policies and rules" and an extreme concentration on a military style of hierarchy wherein instructions flowed down and responses trickled

The mechanistic structure sees an organization as a machine that uses specific procedures to convert input into output. It assumes organizations work in surroundings that are stable, straightforward, and predictable. Its primary goal is to increase efficiency through specialization and standardization of work. It features a formal hierarchy of power and assumes that there is one optimum way to conduct duties and solve each problem with better consistency.

Organic Organizational Structure?

An organic organizational structure is one that is more modern, less rigid, less formal, and more adaptable. It is a group of people or groups. People labor in a variety of capacities at the same time. This structure is less formal, flatter, less hierarchical, and more decentralized. The organic organizational structure was discovered to be more characteristic of firms that had evolved through time, were more established, and had

identified a market niche in the business world (Strikwerda, Stoelhorst, & Strikwerda, 2009).

According to Dickson, Resick, & Hanges (2006), an organic organization is the polar opposite of a mechanistic organizational structure and is characterized by: "overlapping responsibilities, less specialization, and greater generalization among positions" (p. 353); no specific outline or specificity of work requirements for a given employee's position (Dickson, Resick, & Hanges, 2006); and "behavior that is governed by rules"

Employees are allowed authority to make decisions at their job levels, and communication flows horizontally. It is a more humane organization than a mechanistic one. In a dynamic setting, the organic structure adopts a rigid structure, and greater formality does not work well. It assumes that the best method to do tasks in a modern business setting is to be adaptable enough to change. Because it is not rigorously structured, organic organizations are advantageous for achieving operational innovation. The structure is used in dynamic, unstable conditions where the firm must swiftly adapt to change because it allows the organization to manage with sudden environmental change and a variety of variables.

Bright & Cortes, (2019). Suggest that high-tech, computer, aerospace, and telecommunications industries are examples of organically formed industries that must deal with change and uncertainty. They believe that modern organizations and firms operating in fast-paced, highly competitive, rapidly changing, and tumultuous environments are becoming more organic in a variety of ways, however, not every organization or component of most organizations may necessitate an organic structure. Understanding various organizational designs and structures is essential for determining when, where, and under what conditions a sort of mechanical system or part of an organization is required. The section that follows examines five different sorts of structures

Concept of Organisational Performance

The ability of an organization to achieve its vision, mission, and goals is referred to as organizational performance (University of Minnesota, 2023). Strategic management requires the evaluation of organizational performance; hence the executives must understand how well their organizations are operating in order to determine what strategic adjustments to implement; however, performance is a very complex notion that requires careful consideration in how it is measured. According to Richard et al. (2009), organizational performance involves three types of firm outcomes: (a) financial performance (return on assets, profits, and return on investment); (b) product market performance (sales, market share); and (c) shareholder return (total shareholder return, economic value added).

Performance is all about accomplishing the goals that organizations/firms establish for themselves. Hence Organizational performance can thus be divided into two categories: financial and nonfinancial (Abu-Jarad, Yusof, & Nikbin, 2010). The profitability of an organization is an essential financial indicator that reflects the organization's efficiency

and the ability of the owners/managers to raise revenues while keeping variable costs low (Davis, Schoorman, Mayer & Tan 2000).

The common indicators of financial profitability are profit margin, return on assets, return on equity, return on investment, and return on sales (Robinson, 1982; Galbraith & Schendel, 1983). According to Abu-Jarad, Yusof, & Nikbin (2010), a common way to gauge an organization's performance is by looking at its financial performance. Sales and profitability metrics can be used to evaluate financial stress for the majority of profit-oriented organizations (Davis et al., 2000).

Organizational Efficiency

Organizational efficiency is defined as an organization's capacity to carry out its plans with the least amount of resources. Maheshwari and Argarwal (2013) state that efficiency is getting maximum results or output with the fewest resources available, such as labor, time, or money (Maheshwari & Argarwal, 2013). According to Ndolo (2015), efficiency is concerned with maximizing outputs—whether commodities or services—from each unit of input, where input is assessed in terms of the time, effort, personnel, and costs of producing the output. The ease and degree of success with which the organization is able to achieve its goals is a significant aspect in the firm's effectiveness. Organizational efficiency is all about determining how to be more effective while utilizing fewer resources, as such as less time and money, to reach the same goal. Organizational efficiency is measured in terms of time, effort, and results. When attempting to assess efficiency, the fundamental question to ask is how to maximize the desired results while spending the least amount of money and time.

Organizational efficiency investigates ways to maximize an organization's production while using a limited number of resources. The more output produced with the same resources, the more efficient the organization becomes (Sheffield, 2023). Organizational effectiveness, in contrast to organizational efficiency, is measured using both quantitative criteria like income and non-quantitative ones like the organization's social consciousness because it is too abstract and broad to be measured otherwise. Organizational efficiency is a significant aspect in determining a company's organizational success.

Most firms strive for overall effectiveness, which includes employee relations, efficiency, sales, and marketing. The quantity of work required to achieve performance goals is referred to as organizational efficiency. Work will be productive and beneficial, with little waste, if an organization is structured efficiently. Because a poorly planned system can slow down work in practically every department of a corporation, the consequences of organizational structure on efficiency can be enormous. An employee who has to go through seven levels of bosses and supervisors to receive clearance for a task, for example, may have his or her work stagnate for hours, if not days, while waiting for approval. Structure adaptation for efficiency typically entails the simplification or streamlining of command chains.

Profitability

Sari (2014) defines profit as having four meanings: monetary profit, spiritual profit, dignity profit, and inner fulfillment profit. Wafirotin and Marsiwi (2015) define profit perceptions as one of four types: material profit, spiritual profit, inner satisfaction profit, and ordinary savings profit. Profit has two meanings, according to Atmadja, et al., (2017). (2017): material profit and spiritual profit. profit is not only materialistically defined but includes an expression of satisfaction (thanks) for the usefulness that arises from the process of earning profit.

Profit can be defined as a rise in economic capability. This definition corresponds to Fisher's (classical economist) concept of economic profit. Profit economics, according to Fisher, is a set of events that relate to many criteria, such as profit inner satisfaction, real profit, and profit money (Belkaoui, 2000; Sari, 2010).

Profitability, the enterprise's ability to profit, is a critical instrument for the market economy mechanism, modifying production to meet the wants of consumers. It is generating an income from production sales that exceeds expenses. It reflects the efficiency of an enterprise's overall economic activity.

Empirical Review

Ikechukwu & Orga (2022) evaluated the organizational structure and productivity of food, beverage, and tobacco manufacturing firms in South East, Nigeria. A survey design was used for the study, and the questionnaire and interviews were the data collection instruments. The population for the study was two thousand and twenty-four (2024). The sample size of three hundred and twenty-three (323) was drawn using Freund and William's formula at 5 percent error margin. With the help of Special Package for Statistical Software (SPSS), the Pearson correlation coefficient (r) was utilized to evaluate the hypotheses and establish the nature and strength of the study variables. The results showed a significant association $r(95, n=302)=.461$ between task allocation and the units of output produced by South East Nigerian food, beverage, and tobacco manufacturing enterprises.

With special reference to Nigerian Food and Beverage Companies, Ayo-Oyebiyi (2019) looks into the effect of capital structure on organizational performance. For this investigation, secondary data were used. It was taken from the audited financial statements of the publicly traded food and beverage businesses on the Nigerian Stock Exchange (NSE), covering the years 2014 through 2018. Pearson Moment Correlation Coefficient and linear regressions were the analysis techniques used. The findings show that while growth and firm size have a positive relationship with the financial performance of the Nigerian food and beverage industry, firm leverage, the tangibility of assets, and liquidity have an inverse relationship with that performance.

Ibrahim, Umar, and Ojo-Ayo's 2019 study examines the relationship between the profitability performance of Nigerian food and beverage companies and their equity ownership structure, as well as their management, institutional, and block holder ownership. The methodology was based on a secondary panel data approach with

various regression estimators and an ex-post factor study strategy. The thirty-nine companies were purposefully narrowed down to a sample size of fifteen based on the companies that have comprehensive data for the years 2007–2016. The information was gathered regarding the ownership structure proxy as represented by management ownership (MANOWN), institutional ownership (INSTOWN), and block holder ownership (BLOCOWN). This study used E-Views 7.1 to do multiple regression analysis utilizing the Panel Least Square Method. The results demonstrated a positive significant impact of managerial ownership, institutional ownership, and block ownership on returns on assets and equity, indicating that equity ownership structure plays a significant role in determining the profitability of listed food and beverage firms in Nigeria. legislation in the sector

Eze, S. C., Bello, A. O., and Adekola, T. A. (2017) investigated the effects of organizational structure on organizational performance. The study used a quantitative design and a single procedure, which resulted in numerical data obtained from a questionnaire administered. This study's demographic includes all Covenant Micro Finance Bank employees as well as bank clients. The sample size is 354 people, made up of both Covenant Micro Finance Bank personnel (51) and consumers (303). The study proposes that firms adopt a decentralized structure and reduce formalization in the workplace as a result of the primary and secondary data obtained and findings revealed that organisational structure relates with corporate performance.

Akinyom i(2013) research looks at the impact of capital structure on firm performance in Nigeria. Data were taken from the firms' annual reports from 2007 to 2011. The data was analysed using correlation analysis. The results demonstrated that DC, DCE, SDTD, and AGE are all significantly and positively associated to ROE. Meanwhile, LDC has a significant but inverse relationship with ROE. DC, DCE, SDTD, and AGE are all strongly and positively associated to ROA. LDC, on the other hand, is considerably and negatively associated to ROA. The tested hypotheses confirmed a strong association between capital structure and financial performance using both ROA and ROE.

3.0 Methodology

To meet the study's objectives, a cross sectional survey design was used. 125 manager and supervisors of 20 food and beverage firms constitute the population. The study was a census study. A structured questionnaire was given to each participant in order to gather information about the variables under inquiry. Each dimension and measure item were measured with six inquiry items. Organisational typological structure was measured with mechanistic structure and organic structure, while organisational performance was measured with organizational efficiency and profitability. The data analysis to test the hypotheses formulated were carried out using the Spearman rank order correlation coefficient.

4.0 Result

Out of the 125 questionnaires distributed, 115 questionnaires representing 92% copies were returned. The hypotheses test is undertaken at a 95% confidence interval and the decision rule is stated below.

Where $P < 0.05$ = Reject the null hypotheses

Where $P > 0.05$ = Accept the null hypotheses

Table 1: Mechanistic Structure and Operational Efficiency

Correlations				
			Mechanistic Structure	Operational Efficiency
Spearman's rho	Mechanistic Structure	Correlation Coefficient	1.000	.785**
		Sig. (2-tailed)		.000
		N	115	115
	Operational Efficiency	Correlation Coefficient	.785**	1.000
		Sig. (2-tailed)	.000	
		N	115	115

** . Correlation is significant at the 0.01 level (2-tailed).

The data analysis results in table 1 show a substantial relationship between mechanistic structure and operational efficiency. The P-value of 0.000 indicates the existence of a relationship between mechanistic structure and operational efficiency, while the rho value of 0.785 indicates a strong and positive relationship between the variables. This means that a change in one of the variables will have a beneficial impact on the other, i.e. a change in mechanistic structure will affect operational efficiency. As a result of the research, it was discovered that there is a positive and significant association between mechanistic structure and operational efficiency. Given the foregoing, we reject the null hypothesis and adopt the alternate hypothesis that there is a significant relationship between mechanistic structure and operational efficiency.

Table 2: Mechanistic Structure and Profitability

Correlations				
			Mechanistic Structure	Profitability
Spearman's rho	Mechanistic Structure	Correlation Coefficient	1.000	.760**
		Sig. (2-tailed)		.000
		N	115	115
	Profitability	Correlation Coefficient	.760**	1.000
		Sig. (2-tailed)	.000	
		N	115	115

** . Correlation is significant at the 0.01 level (2-tailed).

The findings in Table 2 revealed a strong link between mechanistic structure and profitability. The P-value of 0.000 indicates the existence of a relationship between mechanistic structure and profitability, while the rho value of 0.760 indicates a strong and positive relationship between the variables. This means that a change in one variable will have a beneficial impact on the other, i.e. a change in mechanistic structure will affect profitability. As a result of the investigation, a positive and significant association between mechanistic structure and profitability was discovered. Based on this, we reject the null hypothesis and adopt the alternate hypothesis that there is a significant relationship between mechanistic structure and profitability.

Table 3: Organic Structure and Operational Efficiency

Correlations				
			Organic Structure	Operational Efficiency
Spearman's rho	Organic Structure	Correlation Coefficient	1.000	.795**
		Sig. (2-tailed)		.000
		N	115	115
	Operational Efficiency	Correlation Coefficient	.795**	1.000
		Sig. (2-tailed)	.000	
		N	115	115

** . Correlation is significant at the 0.01 level (2-tailed).

The results of the data analysis in table 3 display a strong association between organic structure and Operational Efficiency. The P-value of 0.000 shows relationship existence between organic structure and operational efficiency, and the rho value of 0.795 demonstrates a strong and positive association between the variables. This entails that a

change in one of the variables will positively impact the other, i.e. a change in organic structure will have an impact on the operational efficiency. Therefore, the study revealed that a positive and significant relationship exist between organic structure and operational efficiency. Considering this, we therefore reject the null hypothesis and accepts the alternate hypothesis which states that that there is a significant association between organic structure and Operational Efficiency.

Table 4: Organic Structure and Profitability

Correlations				
			Organic Structure	Profitability
Spearman's rho	Organic Structure	Correlation Coefficient	1.000	.775**
		Sig. (2-tailed)		.000
		N	115	115
	Profitability	Correlation Coefficient	.775**	1.000
		Sig. (2-tailed)	.000	
		N	115	115

** . Correlation is significant at the 0.01 level (2-tailed).

Table 4 demonstrated a significant relationship between organic structure and profitability. The P-value of 0.000 suggests that there is a relationship between organic structure and profitability, whilst the rho value of 0.775 indicates that the variables have a strong and positive relationship. This suggests that a change in one variable will benefit the other, for example, a change in organic structure will affect profitability. The analysis found a favourable and significant relationship between organic structure and profitability. As a result, we reject the null hypothesis and embrace the alternative hypothesis, which states that there is a strong association between organic structure and profitability.

5.0 Discussion of Findings

Mechanistic Structure and Operational Efficiency

The analysis results showed a strong relationship between mechanistic structure and operational efficiency. The P-value of 0.000 demonstrates relationship existence between relationship skills and adaptability, and the rho value of 0.785 validates a strong and positive connection between mechanistic structure and operational efficiency. Thus, it can be inferred that the beverage firm with required efficiency will engage in operational efficiency. The result of the study agrees with, Ikechukwu & Orga (2022), hose findings show that the organizational structure relates with productivity of food, beverage, and tobacco manufacturing firms in South East, Nigeria. It also aligns with Ellis (2023) whose research revealed that organizational

structure balances the departmental flexibility for a clear chain of command and influence effectiveness by incorporating a review process that compares expectations to actual performance.

Mechanistic Structure and Profitability

The analysis in table 2, displayed a strong connection between mechanistic structure and profitability. The P-value of 0.000 demonstrates relationship existence between mechanistic structure and profitability, and the rho value of 0.760 proves a strong and positive link between mechanistic structure and profitability. Thus, it can be inferred that mechanic structure can be used as a tool for achieving profitability. The result of the study confirms that Ayo-Oyebiyi (2019) whose findings show that while growth and firm size have a positive relationship with the financial performance of the Nigerian food and beverage industry, firm leverage, the tangibility of assets, and liquidity have an inverse relationship with that performance. it agrees with Eze, Bello, and Adekola (2017), structures distinguished profitably different organizations around the world

Organic Structure and Operational Efficiency

The result of hypothesis three demonstrated a significant connection organic structure and operational efficiency. The P-value of 0.000, and the rho value of 0.795 shows that there is a strong relationship between organic structure. This shows that a change in any of the variable will affect the other. Furthermore, when there is coordination, it enhances entrepreneurial adaptability. The result aligns with the study of Akinyomi (2013) whose findings reveals that structure relates with the firm performance. it agrees with Jacobides (2007) that organisation structure enhances operational efficiency.

Organic Structure and Profitability

Results of the fourth hypothesis shows that organic structure and profitability significantly relates with agility. The coefficient value of 0.775 shows that a change in the organic structure will affect agility. Thus, it is inferred that coordination enhances the level of firm's agility. The findings agree with the study of Ibrahim, Umar, and Ojo-Ayo's 2019 whose findings shows a relationship between the profitability performance of Nigerian food and beverage companies and their equity ownership structure. It confirms Bright & Cortes (2019) that organizational designs and structures is essential for profitability.

6.0 Conclusion

Organizational activity is influenced by organizational typological structure, which serves as the foundation for standard operating procedures and routines. The type of organisational typological structure that a firm possessed will determine their performance in terms of their operational efficiency and profitability, as efficiency and profit are symbol that reflects an increase in the economic capacity o and performance of an organisation. The following recommendations were thus proffered;

1. The food and beverage firms should embrace a structural typology that will enable them to implement initiatives that will make them achieve their goals.
2. The food and beverage firms' typological structure should foster an environment that encourages good job and resource allocation as well as efficient information flow.

3. Where and when necessary, a successful synergy between many organizational structure components will be required by the beverage firms to achieve the required performance level
4. Both mechanistic and organic structure should be embraced as a tool for achieving efficiency and profitability

Reference

- Abu-Jarad, I. Y., Yusof, N. A., & Nikbin, D. (2010). A review paper on organizational culture and organizational performance. *International journal of business and social science*, 1(3).
- Akinyomi, J. (2013). Effect of capital structure on firm performance: Evidence from Nigerian manufacturing industry. *International Journal of Innovative Research & Studies*. 2, 468-480.
- Atmadja, A. T., SE, A., Herawati, N. T., & AK, S. (2017). Analisis makna keuntungan menurut pedagang kaki lima di sepanjang jalan ahmad yani singaraja. jimat (jurnal ilmiah mahasiswa akuntansi) undiksha, 7(1). m <https://ejournal.undiksha.ac.id/index.php/S1ak/>
- Ayo-Oyebiyi, G. T. (2019). Capital structure and organizational performance: Evidence from Nigerian food and beverage companies. *South Asian Journal of Social Studies and Economics*, 4(2), 1-9. <http://dx.doi.org/10.9734/sajsse/2019/v4i230121>
- Boka (2022). Mechanistic Vs. Organic organizational structure: 7 Key differences, https://bokastutor.com/difference_between_mechanistic_and_organic_structure
- Cale E. (2023). Implications of a bad organizational structure. *Small Business.Chron.Com*, <https://smallbusiness.chron.com/implications-bad-organizational-structure-43667.html>
- David S. Bright, D. S. & Cortes, A. H. (2019). *Principles of Management*, OpenStax. <https://openstax.org/books/principles-management/pages/1-introduction>
- Davis, J. H., Schoorman, F. D., Mayer, R. C., & Tan, H. H. (2000). The trusted general manager and business unit performance: Empirical evidence of a competitive advantage. *Strategic Management Journal*, 21, 563-576.
- Dickson, M., Resick, C., & Hanges, P. (2006). When organizational climate is unambiguous, it is also strong. *Journal of Applied Psychology*, 91(2), 351-364. doi: 10.1037/0021-9010.91.2.351
- Ellis J. (2023) What Are the Effects of Organizational Structure? *Smart Capital Mind.Com*, <https://www.smartcapitalmind.com/what-are-the-effects-of-organizational-structure.htm#:~>

- Eze, S. C., Bello, A. O., & Adekola, T. A. (2017). The effects of organizational structure on the performance of organizations. *European Journal of Business and Innovation Research*, 5(6), 46-62. <http://dx.doi.org/10.37745/ejbir.vol5.no6.p46-62.2017>
- Ibrahim, Umar & Magdalene, Ojo-Ayo. (2019). *Effect of ownership structure on profitability performance of listed food and beverage firms in Nigeria: A Panel Data Approach*.
- Ikechukwu, U. F., & Orga, C. C. (2022). Organizational structure and productivity of food, beverage and tobacco manufacturing firms in South East, Nigeria. *Saudi Journal of Business Management Studies*, 7(2), 71-85. <http://dx.doi.org/10.36348/sjbms.2022.v07i02.02>
- Jacobides., M. G. (2007). The inherent limits of organizational structure and the unfulfilled role of hierarchy: Lessons from a near-war. *Organization Science*, 18(3), 455-477.
- Kinicki, A., & Fugate, M. (2016). *Organizational behaviour: A practical, problem-solving approach (Vol. 2)*. New York, NY: McGraw-Hill Education.
- Maheshwari, N. and Agarwal, N. (2013). Evaluating financial performance of SBI through financial ratios. *Indian Journal of Finance*, 7, 34-44.
- Milano, S. (2023). What is the impact of poor organizational structure relative to growth? *Small Business.Chron. Com*, <https://smallbusiness.chron.com/impact-poor-organizationalstructure-relative-growth-75327.html>
- Ndolo, P.S. (2015). *The relationship between operational efficiency and Financial Performance of firms listed at the Nairobi Securities Exchange*. Nairobi: Nairobi University.
- Pugh, D. S., ed. (1990). *Organization theory: Selected readings*. Harmondsworth: Penguin.
- Riahi-Belkaoui, A. (2000). *Accounting theory 5th edition*.
- Richard, P. J.; Devinney, T. M.; Yip, George S.; Johnson, G. (2009). Measuring organizational performance: towards methodological best practice. *Journal of Management*. 35 (3): 718–804 <http://dx.doi.org/10.1177/0149206308330560>.
- Robinson, Richard B. Jr. (1982). The importance of “outsiders” in small firm strategic planning. *Academy of Management Journal*, 25 (1) 80-93.
- Sheffield, I. (2023). What is organizational efficiency & why it’s critical for long-term success. *Guidespark.Com*, <https://www.guidespark.com/blog/what-is-organizational-efficiency>
- Strikwerda, J., Stoelhorst, J., & Strikwerda, J. (2009). The emergence and evolution of the multidimensional organization. *California Management Review*, 51(4), 11-31.

University of Minnesota (2023). Assessing organizational performance. *Open.Lib.Umn.Edu*, <https://open.lib.umn.edu/strategicmanagement/chapter/2-3-assessing-organizational-performance/>