

Research Article

# Sufficient Organizational Size as a Prerequisite to Adequate Organizational Structure and Process

John Theodore\* 

JDT Management Consultants, Clearwater, Florida, USA

## Abstract

This article presented information to demonstrate that sufficient organizational size leads to the formation of adequate organizational structure with hierarchal levels and departmentalization. The hierarchy and departmentalization precipitate the formation of organizational process which include the development of the chain and unity of command, span of control, and delegation (empowerment) all of which lead to organizational development. The author in this article demonstrated that sufficient organizational size (capacity) leads to the formation of adequate organizational structure with hierarchal levels and departmentalization. Structural organizational capacity was defined in this work in terms of size (space volume) that includes the total number of persons employed in an organization. Organizational size is an important contingency variable in macro-organizational studies that can affect an organization's knowledge management strategy, processes, and performance. The hierarchal levels and departmentalization precipitate the formation of organizational process which include the development of the chain and unity of command, span of control, and delegation (empowerment) all of which lead to organizational development (OD). OD is a pre-planned process that emanates from the highest level of the organizational hierarchy and whose aim is to augment the effectiveness and efficiency of organizational operations. Organizational size impacts upon the developmental process of organizations and has a direct effect on organizational performance and learning. The organizational structure was defined as a stable framework which depicts how the human and non-human elements in it are arranged and grouped. An adequate organizational structure allows the creation of a scalar design that consists of the executives, general managers, managers, and supervisors. The adequately formed hierarchal levels allow the formation and function of departments and divisions which denote how job activities are clustered together. Chain of Command was stated as the cascading process from the top hierarchy to the lowest one and depicts scalar accountability (a two-dimensional vertical movement), and responsibility in each level. Span of control denoted the number of persons in lower positions a supervisor is responsible for; it is a vertical relationship between the two levels. Delegation was defined as the downward movement of authority and responsibility that enables the recipients to assume responsible positions when promotional opportunities take place.

## Keywords

Organizational Size, Organizational Structure, Organizational Levels, Departmentalization (Departments), Chain and Unity of Command, Span of Control, Delegation (Empowerment), Process

\*Corresponding author: JDTheodore@tampabay.rr.com (John Theodore)

Received: 3 May 2025; Accepted: 19 May 2025; Published: 19 June 2025



Copyright: © The Author(s), 2025. Published by Science Publishing Group. This is an **Open Access** article, distributed under the terms of the Creative Commons Attribution 4.0 License (<http://creativecommons.org/licenses/by/4.0/>), which permits unrestricted use, distribution and reproduction in any medium, provided the original work is properly cited.

## 1. Introduction

The purpose of this work is to demonstrate how sufficient structural size in organizations allows the creation of adequate organizational structures, organizational levels, and departments. The mission, goals, and objectives of organizations are responsible for the formation of commensurately sufficient structural size in their operations in order for them to function effectively and efficiently under organizational development.

The writer of this work is both a university professor and a certified management consultant (CMC) whose lengthy experience with small and medium-size organizations has detected that organizational inability to provide commensurately sufficient structural capacity, as is the case with small enterprises, constrains the attainment of its mission, goals, and objectives, and impedes its organizational development under action orientation auspices. Subsequently, organizational structure, organizational levels, and departments allow the formation of the chain and unity of command, span of control, and delegation of authority and responsibility/empowerment that lead to the implementation of planned changes under action orientation and organizational development.

## 2. Revue of the Literature

Organizational size impacts the developmental process of organizations and has a direct effect on organizational performance and learning [8]. Organizational size is an important contingency variable in macro-organizational studies that can affect an organization's knowledge management strategy, processes, and performance [7]. The present writer conducted research on organizational capacity in Honduras [13], and Ecuador [14], and Greece [15] and detected that the lack of adequate capacity in their business organizations was a deterrent to the organizational development of such enterprises.

Organizational development (OD) is a pre-planned process that emanates from the highest level of the organizational hierarchy and whose aim is to augment the effectiveness and efficiency of organizational operations [11]. Laconically stated, OD aims to create organizations that operate on high efficiency and effectiveness [2].

## 3. Methodology

The data used in this work are both primary and secondary. The primary data are based on the present writer's consulting experience during six decades with small and medium-size client organizations. The writer, based on his lengthy experience, indicated that small organizations have up to 50 employees and managers; medium size organizations have 50-100 persons employed [13] who are both em-

ployees and managers [14]. Secondary data emanate from the academic research conducted by the present writer [15] and other academic authors some of whom are listed in the References [6].

## 4. Results and Discussion

### 4.1. Structure

#### 4.1.1. Structural Organizational Capacity

Structural organizational capacity is defined in this work in terms of space volume (size) that includes the total number of people employed in organizations. Sufficient size allows the formation of the organizational structure which subsequently leads to the creation of levels, divisions, and departments [9]. Sufficient size is being determined by the mission, goals, and objectives of each organization.

#### 4.1.2. Organizational Structure

The organizational structure is defined as a stable framework which depicts how the human and non-human elements in it are arranged and grouped [3]. Organizational structure, essence, and process are elements that are not pertinent to the personnel of the organization and their functions.

#### 4.1.3. Organizational Levels

An adequate organizational structure allows the creation of a scalar design that consists of the executives /top management, general managers, and managers/supervisors. Each of these three levels are dedicated to corporate affairs, management, and business/operational functions [4].

#### 4.1.4. Departments

The adequately formed hierarchal levels allow the formation and function of departments (or divisions) which denotes how job activities are clustered together [5]. Adequately formed organizational structure, organizational levels, and departments allow the formation and function of the principles of organization that are chain and unity of command, span of control, and delegation/empowerment of authority and responsibility.

### 4.2. Process

#### 4.2.1. Chain and Unity of Command

The cascading process from the top hierarchy to the lowest one and depicts scalar accountability (a two-dimensional vertical movement), and responsibility in each level [12]. Because there is a tendency to overstaff organizations, it is wise for managers to analyze and evaluate the necessity of

having all the existing levels. Frequently, level can be eliminated and its functions are distributed to the levels below or above of the unnecessary level.

#### 4.2.2. Span of Control

Span of control denotes the number of persons in lower positions a supervisor is responsible for; it is a vertical relationship between the two levels [1] that interplay through synergy whose aim is the effective and efficient process of delegation of authority and responsibility. Superiors and subordinates coordinate their divergent activities in order to allocate their resources effectively and efficiently. Upon receiving such the orders and suggestions from higher levels, subordinates become responsible for and accountable for their decisions and actions.

#### 4.2.3. Delegation (Empowerment)

Delegation is the downward movement of authority and responsibility [10] that trains and enables the recipients of them to assume responsible positions when promotional opportunities take place. Effective, efficient, and timely delegation of authority and responsibility is conducive to the development of professional management because the recipients of the delegation have the opportunity to make their own decisions, thus developing their capabilities, expertise and skills that pave the way to their managerial development; this is also called *empowerment*.

### 5. Concluding Statement

In order to attain organizational development, organizations need to have sufficient size. Organizational development (OD) is a pre-planned process that emanates from the highest level of the organizational hierarchy and whose aim is to augment the effectiveness and efficiency of organizational operations; OD aims to create organizations that operate on high efficiency and effectiveness.

### 6. Summary and Conclusions

The purpose of this article was to demonstrate how sufficient organizational size allows the creation of adequate organizational structures, levels, and departments. Subsequently, organizational structures, levels, and departments lead to the formation of the chain and unity of command, span of control, and delegation of authority and responsibility (empowerment). All the elements mentioned above give impetus to organizational development.

The author presented sufficient information by using primary and secondary data to support his thesis that sufficient structural size allows the formation of adequate organizational structure and process leading to organizational development.

Finally, the author wishes that other researchers in the fu-

ture contribute to the enhancement of the information and knowledge on the topic in this work.

### Abbreviations

OD	Organizational Development
CMC	Certified Management Consultant

### Author Contributions

John Theodore is the sole author. The author read and approved the final manuscript.

### Conflicts of Interest

The author declares no conflicts of interest.

### References

- [1] Bateman, T. S. & Snell, S. (2002). *Management: Competing in the new era*. (5<sup>th</sup> ed.). Boston: McGraw-Hill Irwin.
- [2] French, W. L., & Bell, C. H. (1978). *Organization development: Behavioral science interventions for organization improvement*. (2<sup>nd</sup> ed.). Englewood Cliffs, NJ: Prentice Hall.
- [3] Hodge, B. J., Anthony, W. P., William, & Gales, L. (2003). *Organization theory: A strategic approach*. (6<sup>th</sup> ed). Upper Saddle River, New Jersey: Prentice Hall.
- [4] Jones, G. R. & George, J. M. (2007). *Contemporary management*. (2<sup>nd</sup> ed.). Boston: McGraw-Hill Irwin.
- [5] Kreitner, R. (2001). *Management*. (8th ed). Boston: Houghton Mifflin Company.
- [6] Lewin, K. (1951). *Field theory in social science*. New York: Harper.
- [7] Mohsenah, A. Y., Ajmal, M. M. & Balasubramanian, S. (2022). Does size matter? The effects of public sector organizational size on knowledge management process and operational efficiency. *VINE Journal of Information and Knowledge Management Systems*. Vol. 52, Iss. 5.
- [8] Real, J. C. (April 2014). From Entrepreneurial Orientation and Learning Orientation to Business Performance: Analysing the Mediating Role of Organizational and the Moderating Effects of Organizational Size. *British journal of Management*. Volume 25. Issue 2. Page: 186-208. <https://doi.org/10.1111/j.1467-8551.2012.00848.x>
- [9] Robins, S. & Coulter, M. (2005). *Management*. (8th ed). Upper Saddle River, New Jersey: Prentice Hall.
- [10] Shannock, L. R. & Eisenberger, R. (2006), Why supervisors feel supported: relationships with subordinates' perceived supervisor support, perceived organizational support, and performance, *Journal of Applied Psychology*, 91(3), 689. <https://doi.org/10.1037/0021-9010.91.3.689>

- [11] Schein, E. H. (1985). *Organizational culture and leadership*. San Francisco: John Wiley & Sons.
- [12] Spreitzer, G. M. & Quinn, R. E. (1996). Empowering middle managers to be transformational leaders, *Journal of Applied Behavioral Science*, 32(3).
- [13] Theodore, J. (March 2017). The Necessity for Large Private Business Organizations in the Economy of Honduras. *Global Journal of Management and Business Research. Volume 17, Issue 1, Version 1.0*.
- [14] Theodore, J. (July 2009). Organizational size: A key element in the development of private enterprises in the less developed countries. The case of Ecuador. *International Business & Economics Research Journal*, 8, (7), 45-49.
- [15] Theodore, J. (December 2023). Strategic Organizational Interventions for the Development of Greek Private Enterprises. *Review of Business and Financial Studies. Volume 14. Number 1*.

## Biography

**John Theodore** is the holder of a Ph.D. degree in Administration and Latin American Studies from the University of Kansas, USA; a Ph.D. in Management from the Aristotelian University in Greece, European Union; and a DBA in International Business from the University of South Africa. He has been teaching and consulting in higher education for over five decades domestically and internationally. He is a visiting professor in various foreign universities. Dr. Theodore is the president of JDT Management Consultants (established in 1965) in Clearwater, Florida, specializing in management, organization, strategy, international business, human resources, organizational development, and educational administration. He is a Certified Management Consultant (CMC) certified by the Institute of Management Consultants in Washington, D.C. He is the author of three books and of a large number of peer-reviewed articles and global academic presentations in economics, management/organization, Latin American business and economic topics, and education.