

Organisational Structure and Business Growth of Pharmaceutical Industry in Delta State Nigeria

OKOLIE, Ugo Chuks¹, OMOGBIYA, Oghenenyerhowvo Shulammite², ADDAH, Grace Aruoriwo-oghene³

Department of Public Administration, Faculty of Management Sciences, Delta State University, Abraka, Nigeria¹

Department of Business Administration, Delta State University of Science and Technology, Ozoro, Nigeria²

Department of Business Administration and Management, Delta State Polytechnic, Ogwashi-Uku, Nigeria³

Abstract

This study examined influence organisational structure on business growth of pharmaceutical industry in Delta State. A cross-sectional research design and convenience sampling technique were adopted. A questionnaire was employed as the research instrument for this study with 109 respondents deemed usable. The autopoietic systems theory was used to explain how organisational structure might enhance business growth in Nigerian manufacturing firms. Statistical Package for Social Sciences (SPSS) software version 23.0 was used to perform descriptive and inferential statistics, correlation analysis, and simple regression analysis on the collected data. The results of the study revealed that organisational structure has a very strong positive and significant relationship with business growth. The study confirmed what was expected by demonstrating that organisational structure has a positive, significant impact on the expansion of the pharmaceutical sector in Delta State. The study's findings suggest that, in order to improve business growth, management in Nigeria's pharmaceutical industry should create the proper organisational structures to increase worker productivity and working conditions. In order to promote business growth, the study advises management in the Nigerian pharmaceutical industry to use formalised, a lower layer of organisational hierarchy, technology, and loose boundaries.

Keywords: organisational structure; business growth; autopoietic systems theory; business strategy.

Corresponding author. ugookolie3@gmail.com¹, omogbiyashulammite711@gmail.com², gracearuoriwooghene@gmail.com³

History of article. Received: Oktober 2022, Revision: Desember 2022, Published: Maret 2023

PENDAHULUAN

Organisations do have goals and objectives to achieve and could be better coordinated through a formalised procedure. For organization to achieve its goals and objectives, the work of such organization has to be divided among its members. Some structure is necessary to make possible the effective performance of key activities and to support the effort of staff, structure provide the framework of an organization and its pattern of management. It represents a formalised framework within which management operates. It is by means of organization structure that the purpose and work of the organization can be carried out. Over the years pharmaceutical companies have contributed and are still playing significant roles in the economic growth of

Nigeria. The necessity for effective organisational structures that would support smooth manufacturing processes and hence promote corporate growth has arisen as a result of the competitive business climate and increased demand for goods and services from the manufacturing industry. Organisations have structure on which they operate, ranging from simple to complex structures and aim of ensuring effective organisational structure is to attain operational effectiveness and efficiency which will lead to business growth (Ezeji for & Ezekwesili, 2021). To achieve survival, expansion, and profitability, according to Aluko, Odugbesan, Gbadamosi, and Osuagwu (2011), is one of the reasons organisations function on structure. This claim states that the purpose of organisational

structure is to promote business expansion or any of the aforementioned objectives. However, the success of an organization's operations and performance depends on how well it is structured.

The formal division, grouping, and coordination of job tasks are determined by organisational structure. As a result, it is crucial for managers to pursue company growth through an efficient organisational structure that includes formalisation and a chain of command. While chain of command is another aspect of organisational structure that aids in managing employees to accomplish organisational goals and objectives, formalisation refers to the degree of standardization of jobs in the organization. Therefore, this refers to the chain of command defining who reports to whom that runs from the highest organisational levels to the lowest level (Robbins & Coulter, 2013). Based on the meaning of aforementioned variables that constitutes aspect of organisational structure and their importance in business growth, scholars have put more efforts to examine the influence of these independent variables on organisational performance (Barkema, Baum & Mannix, 2002).

An effective tool for recognizing and achieving organisational goals is the organisational structure. The consensus is that an organization's structure must be based on its objectives. According to studies by Okafor, Kalu, and Ozioma (2017), Ogosi and Agbaeze (2018), and Bekanwah et al., among others, organisational structure had a significant impact on corporate success in Nigeria (2020). Organisational effectiveness is significantly influenced by organisational structure (Ugwu, Onoh Nnadi & Udeze, 2019). Nelson and Quick (2011) claim that an organization's organisational structure gives it the focus it needs to operate effectively in its surroundings. Although the idea of organisational structure has been discussed in

literature over the years, many organisations still find it challenging to comprehend and adopt a specific design or structure that best promotes business growth. Furthermore, it has been noted that few empirical studies on organisational structure and its effect on business growth in Nigeria have been conducted. The impact of organisational structure on business growth in Delta State thus requires urgently more widely acknowledged empirical research. Therefore, this study examined the effect of organisational structure on business growth of pharmaceutical industry in Delta State to bridge this gap.

Organisational Structure

Structure is a control mechanism that has the power to affect how well workers perform. The internal characteristics of a company are described by its structure. Given that it has a favorable and significant impact on how the organization operates, it is a crucial factor that can affect the organization's commitment (Arikan & Kirci, 2015). According to Samuel and Lucent-Iwhiwhu (2021), an organization's structure acts as both an authority and a responsibility for achieving results. They also contend that an organization's structure can have a favorable effect on its performance. The pyramid-shaped structure is made up of the following: Relationship based on hierarchy between the superior and their subordinates;

- a. The coordination of the different tasks and activities;
- b. There is formal relationship with a well defined duties and responsibilities;
- c. Different persons and departments are being assigned tasks and duties, e.g. formulation of a set of policies procedures, standards and method of evaluation of performance.

Organisational structure is how job is formally divided, grouped and coordinated. It is the anatomy of the organization, providing

a foundation within which organisations function. However, According to Nnabuife (2009), organisational structure is defined as the process of creating new structures or altering existing ones to better suit organisational needs and technological requirements. The arrangement of tasks, relationships between different departments, and levels of authority to achieve cooperation of efforts, delegation of authority, and effective communication along the scalar chain of command are referred to as organisational structure. Structure establishes the formal categorization, arrangement, and coordination of job tasks. It displays the hierarchical relationships between organization members (Olajide, 2015). Organisational structure, according to Ajagbe, Maduenyi, Oke, and Olatunji (2015), is the prescribed pattern of work-related behavior that is consciously established for the achievement of organisational goals. According to Shabbir (2017), organisational structure affects how work flows in a company; as a result, a different design or structure can help or hinder a variety of strategic objectives as well as employees in their respective roles. Structure can also determine how strategies are developed. According to Greenberg (2011), organisational structure refers to the formal arrangement between individuals and groups in terms of task distribution, responsibility distribution, and authority distribution within an organization.

According to Wegwu and Umoru (2021), organisational structure facilitates interactions and communication for the purpose of coordinating and managing the activities of the organization. Specialisation, formalisation, and centralisation are used in its implementation. The number of occupational specialties, the length of training necessary for each, or the extent to which highly specialized requirements are specified in formal job descriptions for various functions are all examples of Specialisation.

The term "formalisation" describes the laws, practices, and written materials that specify an employee's rights and responsibilities, such as policy manuals and job descriptions. The process of formalisation entails the development of a formalised structure as well as its ongoing maintenance. An organisational structure is frequently formalised in an effort to make decision-making more logical. The formalised organization is critical for the organization in which issues are known and changes are implemented slowly and purposefully. While centralisation refers to the levels of hierarchy with authority to make decisions (Lim, 2017). The organisational structure in this study refers to how authority and responsibility are distributed among members of the organization and how work processes are carried out. According to Shabbir (2017), organisational structure can be broken down into four different categories: the number of layers in the hierarchy, the degree of formalisation, the definition of internal and external boundaries, and the use of the right technology. These measurements consist of:

Number of Layers in the Hierarchy

The complexity of an organization's structure increases with the number of layers present, and as a result, coordination and member integration become more challenging. The recent trend towards flatter organisational structures is a covert admission that complexity will limit flexibility and can hinder an organization's capacity to compete in a fast-paced environment (Nahm, Vonderembse & Koufteros, 2003). Decision-making is facilitated by organisational hierarchies with fewer layers. In the operation, the term "ease of decision-making" refers to those who are more likely to be aware of the precise circumstance that called for the choice. Participating in decision-making with a lower cadre encourages a sense of belonging in the employee. According to some academics, systems with fewer layers have advantages over those with more layers.

Macduffie (1995) and Shabbir (2017) posit that firms need a structure that has few layers of hierarchy, allows for a high level of organisational integration, decentralized decision-making, and quick response because they operate in a dynamic environment.

Nature of Formalisation

According to Robbin and DeCenzo (2005), formalisation refers to how uniformly jobs are performed. The degree to which rules and procedures are provided to employees that not only stifle but also discourage creativity, independent work, and learning activity is referred to as the formalisation's nature. When an organization loosens its grip on rules and regulations, it promotes innovative, self-directed work, learning, and structures its work units around key procedures in order to increase value to clients. According to Nnabuife (2009), mechanistic systems promote strict bureaucracy: here, organisational activities are set up so that personal goals and authority are clearly defined, power flows are known and strictly followed, personal skills are separated, and specialized tasks are defined. When compared to mechanistic structures, organic structures allow for the use of job skills in group settings, open lines of communication at all organisational levels, and less emphasis on receiving and issuing orders from inferior to superior and vice versa (Shabbir, 2017).

Technology

According to Onodugo (2000), technology is a technique or a collection of techniques used to change materials (human or non-human, mental or physical) in a predetermined way. It is a set of potential institutions that could be managed successfully or unsuccessfully and to varying degrees. Technology is the productive methods used by an organization to turn resources into products and services, as well as factors related to the application of knowledge and the machinery used in the production of goods and services that have an

effect on the organization's business (Kamzi, 2003; Shabbir, 2017). Every organization's ability to adapt to technological changes and the degree to which its structure matches the technology adopted determines its performance, success, and ability to survive. The effectiveness of an organization is determined in part by how quickly management adapts to technological changes. Technology is one of the most important factors that affect how the rules of competition are set, according to Porter (1983).

Internal Boundary and External Boundary.

The term "organisational boundary" is frequently used in business and the legal field to distinguish between one company and another that is unrelated but separate. A company can be cut off from both internal connections and other external stakeholders using this strategy. A good structure with fuzzy boundaries is essential for an organization to function effectively and efficiently. Every organization's structure serves two crucial functions: it defines the roles of each member and establishes the degree of control that each member has over the organization (Shabbir, 2017). Despite the fact that structure is significant and essential to an organization, it can also serve as a barrier between members of various departments and between the organization and stakeholders outside the organization. If these barriers or boundaries are too strict, they may prevent people from cooperating, which would reduce the organization's effectiveness and responsiveness to customer needs. The business must cross the external boundary with customers, suppliers, and other businesses in order to adapt to the changing environment and provide value to customers (Ashkenas, Ulrich & Jick, 2002). Because customers provide insightful feedback on products or services, loose boundaries encourage involving customers broadly and

early in product manufacturing, product development, and delivery activities.

Business Growth

Jaja (2009) asserts that a company's ability to grow is essential to its success. One of the characteristics that separate successful business operations from unsuccessful ones is the potential for growth. Growth is dynamic because it involves internal organisational development and change as well as adjustments to how the business organization engages with its surroundings. Although a business organization develops as a coherent whole, growth is viewed from a variety of perspectives. Its facets are as numerous as the components of the business organization. One goal of entrepreneurship is business expansion. This could manifest as greater personal wealth, a sense of accomplishment, or a larger business organization. In order to succeed and not just to survive, many businesses want to grow. However, organisational growth can mean different things to various organisations. A company can choose from a variety of metrics to gauge its growth. The most crucial metric is one that shows achievement of the company's stated objectives. Most businesses prioritize income, net profit, sales, and other financial metrics because they can be used as "bottom-line" success indicators (Crosby, 1999).

Additionally, Wegwu and Umoru (2021) assert that a company's long-term success and dominance over its rivals can be described as market or business growth. Additionally, associating the term "sustainable" with "future growth" highlights how management practices already incorporate sustainability. Because growth is typically viewed by many as a sign of success or advancements, many businesses desire it. Organisational growth is a top priority for many managers and is also used as a productivity indicator for both small and large organisations (Cole, 2002). Ultimately, virtually all organisations place a high priority on growth (Crosby, 1999). Thus,

it is necessary to establish an appropriate organisational structure in order to achieve growth.

Organisational Structure and Business Growth

Knowledge reigns supreme in the business world of today. Organisational structure has become an important consideration as businesses vie for a competitive advantage. Most businesses, whether big or small, aim to grow their business. Organisational structure plays a key role in accelerating corporate growth. Instead of looking for the "optimal" structure, organisational managers should focus on creating appropriate alignments between organisational strategies and structures (Chigozie & Chijioke, 2015).

Organisational growth frequently has a transformative impact on the business, especially if it was achieved through dramatic rather than incremental means, such as opening a second location, launching a new marketing campaign for a well-liked product, significantly expanding services, launching an online website, etc.

Organisational structure improves performance by providing all levels of employees with transparency. By focusing time and energy on crucial tasks, systems operate more like well-oiled machines when the organisational structure is taken into account. A clearly defined structure may also include a plan for internal promotions, allowing companies to create effective employee advancement avenues for entry-level workers.

Empirical Review

Organization structure, according to Brickley, Smith, Willet, and Zimmerman (2002), is the connection between organisational structure and organisational strategy. This perspective was a development of Chandler's (1962) work, which connected it to the growth pattern of American large corporations. This

trailblazing researcher discovered that an organization's strategy affects its structure. The stability and effectiveness of the structure is influenced by a variety of organisational variables, including tasks, technology, and the environment. Chigozie and Chijioke (2015) examined how South East Nigerian manufacturing firms' performance is impacted by organisational structure. The findings indicated that employee training had a beneficial effect on the company's ability to provide high-quality products and services. According to the study, an organization's success depends on its fundamental organisational structure. Management that emphasizes employee training will also have a positive impact on the organization's ability to provide high-quality products and services, while flexibility and adaptability will help it increase its sales turnover.

Okafor, Kalu, and Ozioma (2017) examined how the organisational structure of a few manufacturing companies in Enugu, Nigeria, affected their performance. Little attention has been paid to the significance of the structure for manufacturing enterprises, particularly in Nigeria's pharmaceutical industry, especially in terms of empirical evidence. According to the study, the structure had a sizable impact on organisational effectiveness. Their research comes to the conclusion that the organisational structure of pharmaceutical manufacturing enterprises affects production, with the exception of its growth objective. In brewing companies in Nigeria, Organizational structure and employee effectiveness were studied by Shabbir (2017). The purpose of the study was to determine whether Nigerian brewing companies have an appropriate organizational structure and the extent to which it has significantly impacted the staff members' productivity. The 6468 people in the study are the combined staff of the five breweries in Nigeria. The study's results showed that formalization

significantly improved employee performance and that the structure of the hierarchical layers significantly affected how well employees performed for brewing companies. The study draws the conclusion that the adoption of the proper structure is the focal point for the effectiveness of Brewing firms by workers in light of the aforementioned findings.

In Nigerian manufacturing firms, Bekanwah, Miidom, and Ukoha (2020) looked at the relationship between organisational structure and business growth. Using Yamene's sample size calculation method, 192 respondents were selected from a population of 220 managers and supervisors. Data collection was done through the use of a questionnaire. Regression analysis was used to examine the data in SPSS Version 23.0. Their study's conclusions showed a strong and significant relationship between organisational structure and business growth. Their study found that organisational structure had a significant impact on how fast businesses grew in Nigeria. They advised management to use formalisation as a tool to increase the structural expansion and financial viability of Nigerian manufacturing firms. Additionally, management should create a proper chain of command from higher organisational levels to lower levels to enhance structural and financial expansion in Nigerian manufacturing firms.

Ezejiofor and Ezekwesili (2021) looked at how the organisational structure of pharmaceutical companies in Nigeria's Anambra State affected employee performance. The study was carried out using a descriptive survey research methodology. 67 employees from 20 pharmaceutical companies in Anambra State are taking part in the study. The researchers examined the hypothesis using regression analysis and SPSS version 20. The study's conclusions showed that formalisation and working

conditions significantly improve employee performance in pharmaceutical companies. Based on the results, the study advised management of Nigerian manufacturing companies to create a suitable organisational structure to increase employee productivity.

Theoretical Framework

This study used the Maturana and Varela (1980) theory of autopoietic systems, which views systems as fully self-productive in nature. It appears to be much more informative when it comes to generating knowledge about organisational structure, much like self-organized and self-maintained systems. Maturana and Varela (1980) first put forth the autopoiesis theory in a study of living things, focusing primarily on the self-generating nature of living systems. Although systems are autopoietic, Luhmann (1995) expressed the opinion that it is also important to take into account psychic (people) and social (interactions and societies) systems. According to Luhmann's theory, which is also known as the "social theory of autopoietics," psychic and social mechanisms both replicate processes (Luhmann, 1995). According to Hatch (1997), "structure" describes the connections between the constituent parts of an ordered whole. Social theory or structure specifically refers to the connections between people, roles, and the organisational units, like departments and divisions, to which they belong in relation to organization theory. He pointed out that the fundamental components of organisational structure had a direct bearing on business expansion.

According to Bausch (2001), the system (self-) produces all the components, processes, frontiers, and systems of autopoietic systems and continuously modifies them through its contacts (internal and external). As a result, the system's structure is constrained by its constant organisational structure. Consequently, the structure varies depending on the organization. Therefore, through interaction within the system, the

organization acts as the dynamic, and the components engage in this kind of interaction with one another (Stacey, 2001). For these reasons, the autopoietic structure's inherent nature is one of continuous self-renewal. For those reasons, the continual self-renewal is the fundamental characteristic of the autopoietic structure. Internal operations are responsible for developing the system's components, systems, processes, boundaries, and overall cohesion. As a result, the study looked at organisational structure and connected it to the core ideas of the autopoietic theory as they were conceptualized from such living systems. This implies that because of their distinctive identity, organisational structures are similar to living systems.

In a similar vein, all the components, techniques, and boundaries of organisational structure are continuously modified by the system through its contacts, both internal and external. As a result, the organization's structure is constant and limits the activities of its structure. As a result of internal system interactions, the organization functions as a dynamic system, and its constituent parts also interact with one another in this way. The shared sense of the organisational players, a construction that resulted from their collaborative processes, serves as the foundation of this theory with regard to organisational structure. They develop a sense of logic within their line of work and an understanding of the parameter of effectiveness to enhance business growth by doing this. This shows that the relationship between organisational structure and business growth is consistent and specific. According to the literature review, this study looked at how the organization of the pharmaceutical industry in Delta State affected business growth.

Research Hypothesis

The null hypotheses were stated to guide this study.

H1: There is no significant relationship between organisational structure and business growth of pharmaceutical industry in Delta State.

H2: Organisational structure has no significant influence on business growth of pharmaceutical industry in Delta State.

METHOD

Cross-sectional research design was used in this study. The population of this study consisted of 127 employees from Surelife Pharmaceutical Industry (59) and Zunamediks Pharm Limited (68) in Delta State. The managers and employees of the chosen pharmaceutical companies were given the questionnaire for the study's objectives and to produce a reliable result. This was done using a non-probability sampling technique. A preliminary pilot study involving 25 workers was conducted without replacement to establish the study's reliability and validity using the Smart PLS Criterion. The questionnaire items were taken from the literature.

RESULT AND DISCUSSION

Table 1: Validity and Reliability Results

Constructs	Number of items	Composite Reliability	Cronbach's Alpha	Average Variance Extract
Organization structure	10	0.847	0.765	0.625
Business growth	7	0.803	0.751	0.607

Source: Field Survey, 2023

According to Table 1, the values for the two constructs' respective composite reliability and Cronbach's alpha range from 0.751 to 0.765. Given that the composite and

Crombach's alpha coefficient values are above the cutoff of 0.70, it implied that the constructs are reliable (Hair, Hult, Ringle & Sarstedt, 2017). The discriminant validity values of Average Variance Extract (AVE), which are also above the standard of 0.50, support the reliability findings (Hair et al., 2017). The two constructs used in this study therefore demonstrated high internal consistency and reliability. With the help of the Statistical Package for Social Sciences (SPSS) software version 23.0, descriptive and inferential statistics, correlation analysis, and simple regression analysis were used to analyze the study's hypothesis. Only 109 of the 127 questionnaires were actually retrieved and used for data analysis, giving us an 85.8% response rate.

Data Analysis

The analysis of the study used descriptive statistics (mean and standard deviations). The benchmark score on a Likert 5-point scale that is lower than 3.9 serves as the threshold for rejection. The univariate analysis of the mean and standard deviations for the questionnaire items is shown in the table below.

Table 2: Descriptive Statistics

Constructs	N	Minimum	Maximum	Mean	Std. Deviation
Organization structure	109	1.00	5.00	4.157	.8673
Business growth	109	1.00	5.00	4.235	.8490
Valid N (Listwise)	109				

Source: SPSS software version 23.0. Output, 2023

The descriptive analysis in Table 2 revealed that the chosen pharmaceutical companies' mean (average) in Delta State. The criterion mean for all items on the variables was higher

than 3.90. This shows that the items for this variable meet the benchmark of a mean score of 2.50 on a Likert scale ranging from 1 to 5. This suggests that more respondents attested to the variables' items. Additionally, the values of the variables' standard deviations 0.8673 for organisational structure and 0.8490 for business growth indicate that the variables are dispersed from one another, suggesting that some variables likely outperformed others.

Bivariate Analysis (Test of Relationship)

The bivariate analysis involves the test for the bivariate relationship between the dependent and independent variables. The decision rule which applies for all bivariate test outcomes is stated as follows: where $P < 0.05$, reject hypothesis on the basis or evidence of insignificant relationship and where $P > 0.05$, accept hypothesis on the basis of significant relationship between the variables.

H1: There is no significant relationship between organization structure and business growth of pharmaceutical industry in Delta State.

Table 3: Correlation of Organization Structure and Business Growth

	Variables	Correlation	Organization structure	Business growth
Spearman's rho	Organization structure	1	.857*	.000
	Business Growth	.857**	.000	1
			109	109
			109	109

** . Correlation is significant at the 0.05 level (2-tailed)

Source: SPSS Output, 2023

Using Spearman's Rank-order correlation coefficients techniques, Table 3 demonstrated the relationship between organisational structure and business growth. According to the analysis's findings, organisational structure and business growth have a very strong positive and significant relationship at ($\rho = 0.857$, and $P = 0.000$ at 005%). As a result, the null hypothesis was disproved, and it was reiterated that there was a very strong positive and significant relationship between organisational structure and business growth of the pharmaceutical industry in Delta State. A straightforward regression analysis was conducted to confirm the impact of organisational structure on business growth because correlation does not imply causation.

H2: Organisational structure has no significant influence on business growth of pharmaceutical industry in Delta State.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					R Square Change	F Change
1	.340 ^a	.102	.086	.6285	.102	13.205

a. Predictors: (Constant), Organisational structure
 b. Dependent Variable: Business growth

ANOVA^a

	Sum of Squares	Df	Mean Square	F	Sig.
Model Regression	11.208	1	8.146	13.205	.000 ^b
Residual	34.760	108	.459		
Total	45.968	109			

a. Dependent Variable: Business growth
 b. Predictors: (Constant), Organisational structure

Coefficients^a

Model 1	Standardized		T	Sig.
	Unstandardized Coefficients	Coefficients		

	B	Std. Error	Beta		
(Constant)	2.451	.298		6.840	.000
Organisational structure	.457	.086	.386	4.579	.000

a. Dependent Variable: Business growth

that overall, there exist statistically significant linear relationships between organisational structure and business growth of pharmaceutical industry in Delta State. Similarly, the t-statistics of 4.579 at p-value (sig) of 0.000 obtained in the model for business growth which is less than 5% level of significant also indicated that there is significant relationship between organisational structure and business growth of pharmaceutical industry in Delta State. The coefficient of 0.386 further indicated that one percent increase in organisational structure result in 38.6 (%) percent increased in business growth of pharmaceutical industry in Delta State.

Discussion of Findings

The study examined the causal link between organisational structure and business growth of pharmaceutical industry in Nigeria. The result of hypotheses was supported by the findings of Bekanwah et al. (2020) which to them improving organisational structure enhances business growth. Ezejiyor and Ezekwesili (2021) collaborating with this finding opined that organisational structure remains fundamental to business growth which translates to increased performance and for this reason, placing emphasis on what can help enhance business growth is imperative pharmaceutical industry in Nigeria.

The finding is also consistent with the study of Okafor et al. (2017) study that organisational structure increases the productivity of their workers and organisational performance which translates to business growth. Consistent with the findings of this study, Shabbir (2017) found that organisational structure (the nature of hierarchical layers and formalisation) had a significant influence on the performance of brewing firms in Nigeria.

According to Peter Drucker, organisational structure can help an organization achieve both its long-term and short-term objectives (Robbins, 2000). Organisations have goals

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.365	4.786	3.588	.235	109
Residual	2.249	4.259	.000	.621	109
Std. Predicted Value	5.783	5.131	.000	1.000	109
Std. Residual	3.435	6.194	.000	.894	109

a. Dependent Variable: Business growth

Drawing on the model summary displayed by the regression analysis, we observed that R-squared value which is the coefficient determination was .102 for the influence of organisational structure on business growth. This value means that organisational structure triggers or explains 10.2% of increase in business growth of pharmaceutical industry in Delta State while the remaining 89.1% causes of change in business growth of pharmaceutical industry in Delta State are explained by other elements not included in the model, but taken care of by the error terms. When coefficient of determination was adjusted for the degree of freedom it yielded .086 or approximately 8.6%. This indicated that organisational structure account approximately 8.6% of systematic (change) in business growth after adjustment to degree of freedom. The Durbin-Watson statistic, which is 1.957, implies absence of serial autocorrelation in the regression analysis and the model can be relied upon in making policies related to the subject matters.

The F-statistic test of 13.205 at prob (Sig) = .000^b conducted at 5% level of significant depicted in the regressions results revealed

and objectives to accomplish, and only through the coordinated efforts of employees is this possible. The realization of organisational goals and objectives, which results in business expansion, depends critically on the structure of the organization. For a long time, organisational behaviorists and human resource specialists have been interested in how best to set up a workplace so that job satisfaction can affect employee outcomes. Individual attitudes and behaviors are influenced by organisational structure. It is influenced by the manager's individual preferences for dealing with subordinates, other managers, and organisational issues. In order to boost the pharmaceutical industry's business growth in Nigeria, organisational structure is a key factor.

KESIMPULAN

The pharmaceutical industry in Nigeria was used to examine the effect of organisational structure on business growth. A straightforward regression analysis was used to identify the relationship between organisational structure and business growth. The results demonstrated that organisational structure significantly affects the expansion of the pharmaceutical industry in Nigeria. According to the study's findings, management of Nigeria's pharmaceutical industry should create the proper organisational structures to improve worker productivity and working conditions in order to spur the expansion of the industry. A clear indication that managers of pharmaceutical companies must create a suitable business strategy and organisational structure that can elevate the organization to a level where its goals and objectives can be achieved effectively and efficiently is the current advancement in technology and the high level of competition in today's business environment. Structure and strategy working together can result in a very successful organization with a high level of productivity. The following suggestions were made in light

of the fact that organisational structure significantly influences business growth in Nigeria:

1. To promote business growth, management in the Nigerian pharmaceutical industry should use formalisation, a lower layer in the organisational hierarchy, technology, and loose boundaries.
2. In order to increase the financial viability of the pharmaceutical industry in Nigeria, management should create a proper chain of command.
3. For improved organisational productivity, management in the Nigerian pharmaceutical industry should keep an eye on the organisational structure that develops from the time a strategy is crafted through to implementation.
4. Management in the Nigerian pharmaceutical sector needs to pay close attention to ensuring that organisational structure and organisational strategy are compatible. Long-term, this will significantly boost business growth.

DAFTAR PUSTAKA

- Ajagbe, M.A., Maduenyi, S., Oke, A.O., & Olatunji, F. (2015). Impacts of organisational structure on organisational performance. *International Conference on African Development Issues*, 4, 354 - 358.
- Aluko, M., Odugbesan, O., Gbadamosi, G., & Osuagwu, L. (2011). *Business policy and strategy*. Lagos: Longman Publishers
- Arikan, C., & Kirci, S. (2015). Effects of organisational structure at outsourcing companies to
- Ashkenas, D., Ulrich, D., & Jick, T. (2002). *The boundaryless organization: Breaking the chains of*

- organisational structure*. New York: Mechanical Industry Press.
- Barkema, H., Baum, J. A. C., & Mannix, B. A. (2002). Management challenges in a new time. *Academy of Management Journal*, 45, 916 - 930.
- Bausch, K. C. (2001). *The emerging consensus in social systems theory*. New York: E-book.
- Bekawah, D. S., Miidom, D. F., & Ukoha, O. (2020). Organisational structure and business growth in manufacturing firms in Nigeria. *International Journal of Advanced Academic Research Social and Management Sciences*, 6(5), 30 – 47.
- Brickley, J., Smith, C., Willet, J., & Zimmerman, J. L. (2002). *Designing organisations to create value: from strategy to structure*. New York: McGraw Hill.
- Chandler, A.D. (1962). *Strategy and structure*. Cambridge, M.A: MIT Press.
- Chigozie, M. P., & Chijioke, E. (2015). Effect of organisational structure on performance of manufacturing firms in South East Nigeria. *GE-International Journal of Management Research*, 3(12), 2 - 6.
- Cole, G. A. (2002). *Personnel and human resource management*. London: Continuum Publisher.
- Crombach, L. J. (1951). Coefficient alpha and the internal structure of test. *Psychometrika*, 16, 297 – 334.
- Crosby, F. J. (1999). *The developing literature on developmental relationships*. New York: Harper Business.
- Ezejiofor, R. A., & Ezekwesili, T. P. (2021). Organisational structure and employee performance: evidence from pharmaceutical companies in Anambra state, Nigeria. *Innovations*, 67, 76 – 89.
- Greenberg, J. (2011). *Behaviour in organization*. Upper Saddle River, NJ: Prentice Hall.
- Hair, J. F. Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2017). *A primer on partial least squares structural equation modeling*. London: sage.
- Hatch, M. J. (1997). *Organisational social structure and theory*. New York, NY: Oxford Publishing Limited.
- Jaja, S. A. (2009). *The entrepreneurship paradigm*. Port Harcourt: Cutting edge publishers.
- Kamzi, A. (2003). *Business policy and strategic management*. New Delhi: McGraw-Hill.
- Lim, M. (2017). Examining the literature on organisational structure and success. *College Mirror*, 43(1), 16 - 18.
- Luhmann, N. (1995). *The two sociologies and the theory of society*. Cincinnati: South Western Publishing.
- Macduffie, J. P. (1995). Human resource bundles and manufacturing performance: organisational logic and flexible production systems in the world auto industry. *Industrial and Labor Relations Review*, 48, 197 – 221.
- Maturana, H. R., & Varela, F. J. (1980). *Autopoiesis and cognition: the realization of the living*, Dordrecht: Reidel Publishing Limited.
- Nahm, A., Vonderembse, M. A., & Koufteros, X. (2003). The impact of organisational structure on time-based manufacturing and performance. *Journal of Operations Management*, 21, 281 – 306.
- Nelson, D. B., & Quick, J. C. (2011). *Understanding organisational behaviour*. Mason: Cengage Learning Publishers.
- Nnabuiife, E. (2009). *Organisational behaviour and management theory*. Nimo: Rex Charles & Patrick Printing Limited.

- Ogosi, C. D., & Agbaeze, E. K. (2018). Structure and organisational performance in the Nigerian banking system. *European Journal of Social Sciences*, 56(1), 37 – 48.
- Okafor, N. C., Kalu, A. E., & Ozioma, O. H. (2017). Effect of organisational structure on performance of selected manufacturing companies in Enugu State Nigeria. *International Journal of Business & Management*, 5(5), 2 - 12.
- Okafor, N. C., Kalu, A. E., & Ozioma, O. H. (2017). Effect of organisational structure on performance of selected manufacturing companies in Enugu State Nigeria. *The International Journal of Business & Management*, 5(5), 2-12.
- Olajide, O. T. (2015). Effects of organisational structure on job satisfaction in the Nigerian financial sector: Empirical insight from selected banks in Lagos State. *NG-Journal of Social Development*, 5(1), 96 – 108.
- Onodugo, V. (2000). *Management fundamentals and practices*. Enugu: El-Demark Publishers.
- operational performance: A practice. *International Journal of Arts and Sciences*, 8(4), 263 - 272.
- Porter, M. (1983). *Competitive strategy: Techniques for analyzing industries and competitor*. New York: Free Press.
- Robbin S. P., & De-Cenzo D. A. (2005). *Fundamentals of management: Essential concepts and applications*. Upper Saddle River, NJ: Prentice Hall.
- Robbins, S. P. (2000). *Organization theory, Structure, design and applications*. Englewood Cliffs, NJ: Prentice Hall.
- Robbins, S. P., & Coulter, M. (2013). *Management*. England: Pearson Education Limited.
- Samuel, A. P. & Lucent-Iwhiwhu, H. E. O. (2021). business strategies and their respective organisational structures in the Nigerian business organisations. *International Journal of Business & Law Research*, 9(2), 97 - 105.
- Shabbir, M. S. (2017). Organisational structure and employee's performance: A study of brewing firms in Nigeria. *American Research Journal of Business and Management*, 3(1), 1 - 16.
- Stacey, R. D. (2001). *Complex responsive processes in organisations: Learning and knowledge creation*. London: Routledge.
- Ugwu, J. N., Onoh Nnadi, C. S., & Udeze, C. C. (2019). Organisational structure and employee's performance in selected micro-finance banks in Enugu State, Nigeria. *Journal of Humanities and Social Sciences*, 4(1), 38 - 52.
- Wegwu, M. E., & Umoru, J. O. (2021). Organisational structure and business growth in the manufacturing industry in Nigeria *Int. J. Business Management*. 4(5), 33 – 43.