**ORGANIZATIONAL STRUCTURE**

Entarfarma was founded in Lithuania by Tauras Endriukaitis and two other people in 1993. He has been the C.E.O of Entarfarma for the past twenty-two years. Next in line to him, in terms of decision making, is the executive director, the head of development and the marketing manager. Decision making is centralized amongst the four of them but the C.E.O has to be informed about proposed decisions and he has the final say.

The company started out with three enthusiasts and currently has eighty two employees at its head office. The employees are categorised into four different categories; logistics, pharmaceuticals marketing, wholesale pharmaceuticals and repackaging of medicinal products.

The company uses Mintzberg’s The Machine Organisation (Bureaucracy). This is because machine organization is defined by its standardisation. The work at Entarfarma is very formalized and there are many routines and procedures to be followed e.g. process of selling wholesale and retail to public and private pharmacies.

The tasks are grouped by functional departments. Each department and its head have a specific task that is assigned to them. For example, the head of the department of development is responsible of acquiring products from the supplier; the marketing manager is responsible for sales and there are I.T. employees who update the business data into the current system.

The company is an established organisation since it was established in 1993 and has expanded its markets in Lithuania, Latvia and Estonia. They sell their products all over Europe.

Machine bureaucracy is based on performance organisations and not problem solving ones – they know what they have to do and their main concern is to get the best products and sell them. This is clearly evident in Entarfarma.

One may reason that Entarfarma’s organisational structure can also fall under the Professional Bureaucracy category. This is not the case. Entafarma’s decision making is centralized while in a Professional Bureaucracy structure the decision making is decentralized due to the presence of highly trained employees in a business – the manager or director can overlook everything.