**ORGANIZATIONAL STRUCTURE**

Entafarma was founded in Lithuania by Tauras Endriukaitis and two other people in 1993. He has been the C.E.O of Entafarma 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’s structure resembles Mintzberg’s The Machine Organisation (Bureaucracy). This is because machine organization is defined by its standardisation. The work at Entafarma 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 Entafarma.

One may reason that Entafarma’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.

**Analyze of The Machine Bureaucracy Structure**

While analyzing the “Machine bureaucracy” in this company, we found out some pros and cons regarding the way managers and employees handle their tasks.

The first good thing of having this kind of bureaucracy is that there is no need for highly trained employees because of the repetitive tasks and work. The managers know exactly what they have to do and what they expect from all the employees. The workers are not given “problem solving” tasks, so they don’t have to manage big problems. For example, the IT guys are responsible for updating the system with the data of the sales.

Another good thing is that the C.E.O. and the managers can overview everything in their company, which then allows them to increase the overall quality of their services. Also if an employee is not doing his work properly, the managers can check up on him and see what the problem is.

However, the disadvantage of it is if a problem comes up, the employees can’t solve it themselves. They have to bring it to the managers first and those might need to bring it even higher in the chain of management, which results in stopped or slowed work until the problem is resolved.

Also, they will confront big changes in society because this kind of bureaucracy is perfect for companies that are “static”. So every change will cause them troubles because of their standardized schedule.

Yet the Machine Bureaucracy structure fits the company’s needs because of its standardization and methodical work. It is important that all the decisions must go to the superiors because people are working with medicines. Because of it, the Machine Bureaucracies weaknesses are used as strengths here.