

"A man is
great by
deeds, not by
birth"

-Chanakya

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Structural Changes Amongst Incumbent Firms in Emerging Economies

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Abstract: Organizational Structure is formulated, evolved, or modified based on the requirements of the organization, and is constrained by several contextual factors. Emerging economies possess several characteristics, including increased dynamism in the environment, and these factors have a significant impact upon the structure of incumbent firms. We examine several of these aspects in this paper and propose that, in an emerging economy, in purview of increased dynamism in the environment, incumbent firm, in pursuit of better performance, tend to move from a mechanistic to organic structure and from a functional to product-division structure. Also we state that, depending on the individual firm's perception of environmental uncertainty in the emerging economy, firms may choose variant types of strategies, which might in turn lead them to different types of structures.

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