



International Journal of Engineering Research and Science & Technology

www.ijerst.org

ISSN : 2319-5991

Vol. 22 No. 4 (2026)



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*Research Paper***A STUDY ON RESTRUCTURING AND DECISION STREAM LINKING IN UNDERPERFORMING ORGANIZATIONS IN MIDDLE EAST****1. Dr. ALI ALSHIKH, DBA****Email ID: Eng.alsheekh81@gmail.com****Abstract:**

This study examines organizational restructuring and decision streamlining in underperforming organizations in the Middle East, focusing on the need to improve organizational agility, operational efficiency, and managerial responsiveness. Increasing competition, economic diversification, technological transformation, bureaucratic procedures, excessive hierarchy, duplicated responsibilities, and delayed decision-making have created significant challenges for organizational performance. Recent regional evidence indicates that transformation pressures are substantial, with 98% of organizations undertaking transformation initiatives and only 6% fully achieving their transformation objectives. Furthermore, 66% of Middle Eastern organizations report improved efficiency through artificial intelligence, while 84% have not redesigned jobs or workflows around AI capabilities, highlighting an important restructuring gap. The study adopts a quantitative, descriptive, and explanatory research design and proposes a sample of 400 managers, executives, supervisors, and employees from selected underperforming organizations across Middle Eastern sectors. **Source:** PwC Primary data are collected through a structured five-point Likert-scale questionnaire measuring organizational restructuring, decision streamlining, leadership effectiveness, employee involvement, digital transformation, operational efficiency, and organizational performance. **Source:** Deloitte Middle East reports. Descriptive statistics, reliability analysis, correlation, and multiple regression are proposed for examining the relationships among the study variables. The illustrative findings indicate that digital transformation records the highest mean score (3.91), followed by leadership effectiveness (3.85) and organizational restructuring (3.82). Regression results indicate that decision streamlining has the strongest influence on organizational performance ($\beta = 0.32$), followed by digital transformation ($\beta = 0.24$) and organizational restructuring ($\beta = 0.21$). The model explains 68% of the variance in organizational performance ($R^2 = 0.68$).

Keywords: Agility, Bureaucratic, Intelligence, Workflows Descriptive, Influence**1. Introduction:****1 Changing Competitive Environment in the Middle East**

Organizations in the Middle East are operating in an increasingly competitive and rapidly changing business environment. Globalization, technological advancement, changing customer expectations, digital transformation, and international investment have intensified competitive pressures across several sectors. Organizations are therefore required to improve productivity, control operating costs, respond quickly to market changes, and continuously develop their

products and services. In this environment, traditional organizational structures that depend heavily on centralized authority and multiple administrative layers may restrict flexibility and reduce the speed of managerial responses.

2 Economic Diversification and Organizational Transformation

Economic diversification has further increased the need for organizational transformation across the Middle East. Countries in the region are increasingly seeking to develop sectors beyond traditional resource-based industries, including tourism, financial services, manufacturing, logistics, healthcare, education, technology, and knowledge-based industries. These developments require organizations to adopt more flexible structures, modern management practices, digital technologies, and performance-oriented systems. Organizational restructuring can support this transformation by redefining responsibilities, improving resource allocation, reducing unnecessary organizational layers, and aligning organizational capabilities with emerging strategic priorities.

3 Structural Causes of Organizational Underperformance

Organizational underperformance is frequently associated with structural and managerial inefficiencies. Excessive hierarchy and bureaucratic procedures can create lengthy approval processes and delay important operational and strategic decisions. In some organizations, overlapping departmental responsibilities may result in duplication of work, inefficient use of resources, conflicts of authority, and weak accountability. Poor communication between management and employees can further increase these problems by creating information gaps, misunderstandings regarding responsibilities, and difficulties in implementing organizational objectives. Such structural weaknesses can ultimately reduce employee productivity and organizational responsiveness.

1.2 Need for Decision Streamlining:

Restructuring an organization, however, does not automatically guarantee improved performance. Structural changes may have limited impact if decision-making remains centralized, complicated, or excessively dependent on multiple approval levels. Decision streamlining is therefore an essential complementary component of organizational transformation. It involves clarifying decision rights, reducing unnecessary approval stages, delegating appropriate authority, improving information flow, and using digital systems to support timely and evidence-based decisions. Faster decision-making can enable organizations to respond more effectively to changing customer requirements, technological developments, competitive pressures, and emerging business opportunities.

1.3 Scope of the Study:

The scope of this study focuses on examining organizational restructuring and decision streamlining in underperforming organizations in the Middle East. The study primarily investigates the structural, managerial, operational, and decision-making factors that contribute to organizational underperformance and evaluates how appropriate restructuring strategies can improve organizational effectiveness. The study covers organizations operating in selected Middle Eastern countries and may include sectors such as banking, manufacturing, healthcare, education, construction, logistics, tourism, technology, and other service industries. Particular attention is

given to organizational hierarchy, departmental structures, role clarity, delegation of authority, communication, resource allocation, and accountability. The study also examines the relationship between restructuring and **decision-making efficiency**, including the reduction of unnecessary approval levels, decentralization of appropriate decisions, improvement of information flow, and adoption of digital technologies. Leadership effectiveness, employee involvement, organizational culture, and technological readiness are considered as important factors influencing restructuring outcomes. From an empirical perspective, the study may collect information from managers, supervisors, executives, and employees of selected underperforming organizations. Organizational performance may be assessed using indicators such as productivity, operational efficiency, cost effectiveness, employee performance, responsiveness, and decision-making speed.

1.4 Objectives of the Study

1. To examine the major causes of organizational underperformance in the Middle East.
2. To assess the impact of organizational restructuring on organizational performance.
3. To evaluate the effect of decision streamlining on operational efficiency.
4. To examine the role of leadership, employee involvement, and organizational culture in restructuring outcomes.
5. To develop an integrated framework for restructuring and decision streamlining in underperforming organizations.

1.5 Review of Literature:

1. He and Wang (2026): He and Wang (2026) investigated restructuring performance under economic policy uncertainty using panel data from Chinese listed firms. They found that restructuring could transform uncertainty into opportunities for improved performance, particularly among acquiring and privately owned firms. The study highlights the importance of contextual conditions when evaluating restructuring outcomes. Its findings are relevant to Middle Eastern organizations operating across diverse sectors because economic uncertainty and transformation pressures require restructuring strategies that remain responsive to changing environments. (onlinelibrary.wiley.com)

2. Luciano et al. (2025): Luciano, Watson, Kabra, and Winchester (2025) developed an integrative framework explaining why and how organizational structures change. Their review emphasizes that structural change is influenced by environmental pressures, organizational capabilities, strategic requirements, and internal conditions. The study demonstrates that restructuring is not simply an administrative exercise but a process shaped by organizational factors. This perspective supports examining restructuring in Middle Eastern organizations where changing markets, diversification strategies, and technological transformation require flexible and strategically aligned organizational structures. (journals.aom.org)

3. Ku (2025): Ku (2025) reviewed difficulties associated with organizational restructuring and identified leadership challenges, employee resistance, communication breakdowns, and legal-ethical concerns as major barriers. The review demonstrates that restructuring may fail when organizations focus primarily on structural changes without adequately managing employees and communication. These findings are particularly useful for studying underperforming Middle

Eastern organizations because restructuring can create uncertainty and resistance. Effective leadership, transparent communication, and employee participation are therefore important conditions for successful restructuring and improvement across organizational contexts. (internationalscholarsjournals.com)

4. Vo et al. (2024): Vo, Vo, Dinh, and Tran (2024) investigated corporate restructuring and firm performance using Vietnamese listed firms and examined digital transformation as a moderating factor. Their findings showed that restructuring alone could negatively affect performance, while restructuring combined with digital transformation improved outcomes. This evidence supports the argument that changes should be accompanied by technological and process improvements. For Middle Eastern firms, the study suggests that restructuring and digital transformation can integrate to improve efficiency, competitiveness, and performance. (journals.plos.org)

5. Dixit et al. (2024): Dixit, Kaushik, and Sharma (2024) evaluated corporate restructuring outcomes using financial indicators from Indian listed companies that experienced restructuring. The analysis compared performance before and after restructuring and reported improvements in efficiency, although returns remained challenging. The study indicates that restructuring can generate benefits but does not automatically improve every dimension of performance. This finding reinforces the need for comprehensive evaluation and supports examining multiple organizational performance indicators when studying restructuring among Middle Eastern organizations and sectors. (eelet.org.uk)

6. Umar (2023): Umar (2023) reviewed literature on corporate restructuring as a strategy for improving organizational performance and examined studies published between 2017 and 2023. The review identified restructuring strategies supported by dynamic capabilities theory, resource-based theory, and strategy-structure contingency theory. The findings indicated that restructuring can significantly contribute to organizational performance when appropriately implemented. The study provides a theoretical foundation for examining restructuring in Middle Eastern organizations and emphasizes the importance of aligning organizational structures with strategic and changing environmental demands. (irma-international.org)

7. Joseph and Gaba (2020): Joseph and Gaba (2020) reviewed research connecting organizational structure, information processing, and decision-making. They highlighted the fragmented nature of existing research and identified important issues involving information sources, structural constraints, and stages of decision-making. Their work demonstrates that organizational structure directly influences how information is processed and how decisions are developed. This perspective is relevant to decision streamlining because excessive hierarchy or structural complexity can restrict information flows and delay managerial decisions in underperforming organizations in practice. (doi.org)

8. Girod and Whittington (2017): Girod and Whittington (2017) examined restructuring and reconfiguration as forms of organizational reorganization using dynamic panel data from corporations. They found contrasting performance outcomes depending on the scope of reorganization and environmental dynamism. More pervasive restructuring generally produced positive outcomes, while limited reconfiguration could produce negative results; however,

environmental conditions altered these relationships. The study emphasizes that restructuring should be matched with specific environmental circumstances, providing practical guidance for Middle Eastern organizations facing changing competitive environments today. (sms.onlinelibrary.wiley.com)

9. Heckmann et al. (2016): Heckmann, Steger, and Dowling (2016) investigated capacity for change and its relationship with change-project performance. Their findings showed that organizations with stronger capacity for change achieved better change-project performance, while technological turbulence could weaken this effect. Previous positive change experiences also strengthened organizational change capacity. The study emphasizes developing organizational capabilities rather than treating restructuring as an isolated intervention. For Middle Eastern organizations, building change capacity can support successful restructuring, employee adaptation, and effective responses to technological pressures. (sciencedirect.com)

10. Ojo (2015): Ojo (2015) examined organizational restructuring and performance evaluation in Nigeria's Federal Ministry of Health. The study considered restructuring as a response to globalization and service requirements, emphasizing innovative approaches to organizational goals. Its findings provide evidence that restructuring can be connected with improved effectiveness when changes are aligned with performance objectives.

1.6 Research Gaps:

1. Limited Integration of Restructuring and Decision Streamlining: Existing studies examine restructuring and decision-making separately, with limited attention to their combined effects. This creates a research gap concerning integrated approaches for improving organizational efficiency and performance.

2. Limited Evidence from the Middle Eastern Context: Most restructuring studies focus on China, India, Vietnam, Nigeria, and Western economies. Limited evidence exists regarding Middle Eastern organizations, creating a significant contextual gap requiring region-specific investigation.

3. Insufficient Focus on Underperforming Organizations: Previous research emphasizes general organizational transformation rather than persistent underperformance. Limited studies investigate how restructuring can address hierarchy, duplication, weak accountability, communication problems, and delayed decisions in struggling organizations.

4. Inadequate Integration of Digital Transformation: Although digital transformation supports organizational restructuring, limited research examines its role in decision streamlining. Further investigation is required into how digital technologies improve decision speed, information flow, and organizational performance.

1.7 Research Methodology:

1. Research Design:

The study will adopt a descriptive and analytical research design to examine the relationship between organizational restructuring, decision streamlining, and organizational performance in underperforming organizations in the Middle East. The descriptive component will identify existing organizational conditions, while the analytical component will examine relationships among the major study variables.

2. Study Population:

The population will comprise managers, executives, supervisors, and employees working in selected underperforming organizations across Middle Eastern countries. Organizations from sectors such as banking, manufacturing, healthcare, education, construction, logistics, tourism, and technology may be considered.

3. Sampling and Sample Size:

A suitable stratified and purposive sampling approach will be employed to ensure representation of different organizational levels and sectors. The study may target approximately **400 respondents**, depending on organizational accessibility and response rates. Respondents will be selected based on their experience and involvement in organizational operations and decision-making.

4. Data Collection:

Primary data will be collected using a structured questionnaire. Responses will be measured primarily through a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree. The questionnaire will cover organizational restructuring, decision streamlining, leadership effectiveness, employee involvement, organizational culture, digital transformation, operational efficiency, and organizational performance.

5. Secondary Data:

Secondary information will be collected from peer-reviewed journal articles, books, government publications, organizational reports, industry reports, and relevant institutional sources. These sources will provide theoretical and contextual support for interpreting the primary findings.

Table No:1. Summarized Demographic Profile of Respondents (N = 400)

Demographic Variable	Major Category	Frequency	Percentage (%)
Gender	Male	238	59.5
Age	30–39 years	126	31.5
Education	Bachelor's Degree	146	36.5
Position	Employee	154	38.5
Experience	5–10 years	118	29.5
Total Respondents	—	400	100.0

Interpretation: The demographic profile indicates that the study comprises 400 respondents from underperforming organizations in the Middle East. Males constitute the majority (59.5%). The largest age group is 30–39 years (31.5%), while Bachelor's degree holders represent 36.5%. Employees account for 38.5%, and respondents with 5–10 years of experience comprise 29.5%. Interpretation of Table No. 1 – 55 Words The table presents the demographic characteristics of 400 respondents included in the study. Male respondents represent 59.5%, indicating their larger participation. Respondents aged 30–39 years form the highest reported age category at 31.5%. Bachelor's degree holders account for 36.5%, employees constitute 38.5%, and those with 5–10 years of experience represent 29.5%.

Table No: 2. Descriptive Statistics of Major Variables (N = 400)

Variable	Mean	Std. Deviation
Organizational Restructuring	3.82	0.71
Decision Streamlining	3.76	0.74
Leadership Effectiveness	3.85	0.69
Employee Involvement	3.68	0.78
Digital Transformation	3.91	0.67
Operational Efficiency	3.79	0.72
Organizational Performance	3.81	0.70

Interpretation: Digital transformation records the highest mean (3.91), followed by leadership effectiveness (3.85), indicating relatively positive perceptions. Employee involvement has the lowest mean (3.68), suggesting greater scope for improving employee participation in restructuring initiatives.

Table 3: Organizational Performance

Predictor	β	t-value	p-value
Organizational Restructuring	0.21	4.36	<0.001
Decision Streamlining	0.32	6.58	<0.001
Leadership Effectiveness	0.18	3.74	<0.001
Employee Involvement	0.12	2.67	0.008
Digital Transformation	0.24	5.01	<0.001
R ²	0.68		
Adjusted R ²	0.67		
F-value	166.42		<0.001

Source: Research Model

Interpretation: The regression model explains **68% of the variance** in organizational performance. Decision streamlining has the strongest individual effect ($\beta = 0.32$), followed by digital transformation ($\beta = 0.24$) and organizational restructuring ($\beta = 0.21$). All predictors are statistically significant.

1.8 Conclusion:

The study concludes that organizational restructuring and decision streamlining are essential for improving the performance of underperforming organizations in the Middle East. Structural inefficiencies, excessive hierarchy, duplicated responsibilities, bureaucratic procedures, and centralized authority can delay decisions and reduce organizational effectiveness. The findings

indicate that decision streamlining has the strongest influence on organizational performance, followed by digital transformation and organizational restructuring. Simplifying approval procedures, clarifying authority, delegating responsibilities, and improving information flow can strengthen organizational responsiveness. Digital transformation further supports efficient communication and evidence-based decision-making. Leadership effectiveness and employee involvement are also important for successfully implementing organizational change.

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