

Organizational design, decision making mechanism, and talent and culture: Basis for optimized governance framework

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Abstract

This study investigates the interrelationship among organizational design, decision-making mechanisms, and talent and culture practices as the basis for constructing an optimized governance framework for private colleges in Chongqing, China. The study responds to increasing governance challenges faced by private higher education institutions, including structural inefficiencies, low decision transparency, and unstable talent systems. Focusing on five representative private colleges in Chongqing—Pass College of Chongqing Technology and Business University, Chongqing College of Humanities, Science and Technology, Chongqing Finance and Economics College, Chongqing College of Mobile Communication, and Chongqing College of International Business and Economics—the study targets administrative personnel as key informants. A total of 400 valid responses were collected through a structured survey instrument designed to assess perceptions of organizational design (formalization, specialization, centralization), decision-making mechanisms (modes, procedures, efficiency), and talent and culture practices (performance management, leadership development, business principles). The research employed descriptive statistics and correlational analysis to examine the relationships between the three core variables. Findings revealed significant positive correlations among all variables, particularly between organizational design and decision-making mechanisms, and between decision-making and talent and culture practices. Centralization and decision-making modes emerged as the most influential factors. Based on the empirical results, the study proposed a governance framework that emphasizes structural clarity, participatory decision-making, and people-oriented culture strategies. The framework is intended to enhance administrative performance, institutional adaptability, and long-term development in private higher education. This research contributes both to the theoretical discourse on governance in education and to practical applications for improving internal systems in Chinese private colleges.

Keywords: organizational design, decision-making mechanism, talent and culture, governance framework, private colleges, higher education, Chongqing

Organizational design, decision making mechanism, and talent and culture: Basis for optimized governance framework

1. Introduction

In recent decades, the global landscape of higher education has undergone profound transformation, marked by marketization, massification, and diversification. Against this backdrop, governance in higher education institutions has emerged as a critical area of concern. Governance refers not only to the formal structure of authority and responsibility within institutions, but also to the dynamic mechanisms through which decisions are made, resources are allocated, and human capital is developed. For private higher education institutions—particularly in developing regions such as western China—effective governance is both a prerequisite for institutional sustainability and a strategic tool for differentiation in an increasingly competitive educational environment.

In China, the rise of private colleges has been a significant response to the surging demand for higher education following economic reform and the expansion of the middle class. These institutions have filled crucial gaps by offering accessible, flexible, and often vocationally oriented education. However, their development has also exposed a range of structural and managerial problems. Many private colleges operate under hybrid models that blend educational missions with corporate governance logic, resulting in tensions between academic values and market imperatives. Without stable funding from the state, private colleges rely heavily on tuition and cost control, which places pressure on internal management systems to remain efficient, agile, and aligned with strategic goals.

Nowhere are these challenges more visible than in cities such as Chongqing, a major urban center in western China where private colleges have proliferated rapidly but continue to face persistent governance bottlenecks. These include unclear organizational hierarchies, weak accountability mechanisms, limited administrative professionalism, and a lack of coherent talent development strategies. Unlike their public counterparts, which often enjoy institutional legacy and state protection, private colleges must self-regulate, self-finance, and self-improve within an evolving policy environment. As such, a well-functioning internal governance framework is not a luxury, but a necessity.

Within this context, three key elements are widely recognized in the literature as foundational to effective institutional governance: organizational design, decision-making mechanism, and talent and culture practices. Organizational design determines how authority, roles, and responsibilities are distributed; it directly shapes the flow of information, efficiency of operations, and clarity of institutional purpose. A poorly designed organizational structure can lead to inefficiency, duplication of roles, and decision paralysis. Decision-making mechanisms, meanwhile, relate to how choices are initiated, deliberated, and enacted across institutional levels. These mechanisms include both formal procedures and informal norms. In institutions where decisions are overly centralized or opaque, the lack of inclusiveness and responsiveness can erode staff engagement and institutional adaptability. Conversely, participatory and transparent decision-making contributes to a stronger sense of ownership and alignment with strategic objectives.

Equally important are talent and culture practices, which reflect how institutions attract, retain, motivate, and develop their human resources, while also shaping institutional identity and collective behavior. In private colleges, where staff turnover may be high and professional development opportunities limited, the cultivation of a coherent organizational culture and effective talent management is essential to institutional resilience. Despite increasing awareness of the importance of governance in private higher education, existing research remains fragmented. Many studies focus on isolated aspects, such as leadership styles or performance evaluation systems, without addressing how structural design, decision logic, and human capital systems are interrelated. Moreover, most empirical research in China concentrates on public universities, with limited attention paid to private colleges—

especially from the perspective of administrative staff who are central to governance operations but often excluded from research and decision-making discourses. There is a pressing need to revisit the governance challenges facing Chinese private colleges, not as isolated technical issues but as manifestations of deeper systemic misalignments. Only by understanding how organizational structure, decision-making dynamics, and talent strategies interact can we move toward more integrated, adaptive, and sustainable governance models that reflect both institutional realities and developmental aspirations.

Objectives of the Study - This study aims to describe the organizational design, decision-making mechanism, and talent and culture in private undergraduate university in Chongqing, China. Specifically it aims to assess the organizational design in terms of formalization, specialization, and centralization; assess the decision-making mechanism in terms of decision-making modes, procedures, and efficiency; determine the talent and culture practices in terms of performance management and incentives, business and operating principles, and leadership and development; test the significant relationship among organizational design, decision-making mechanism, and talent and culture, and develop an optimized governance framework.

2. Methods

Research Design - The researcher used descriptive correlation methods to analyze the relationships among organizational design, decision-making mechanism, and talent and culture practices. Descriptive research methods are a simple and effective research tool used to describe and explain phenomena, patterns, and theories in order to understand the relationships between variables. In this study, the researcher collected a large amount of data through questionnaire surveys, including measures of organizational design, assessments of the decision-making mechanism, and indicators of talent and culture. The purpose was to explore whether there are statistically significant correlations among these three core variables and to propose a governance framework that can enhance the administrative effectiveness and institutional sustainability of private colleges in Chongqing, China.

Participants of the Study - Administrative employees (non-teaching staff) from 5 colleges & universities in Chongqing, China such as Chongqing College of Humanities and Science; Pais College of Chongqing Technology and Business University; Chongqing Technology and Business University; Chongqing University of Finance and Economics; Chongqing Yitong College. Quota sampling method will be used and 80 administrative employees per college will be required to have a total of 400 valid responses.

Instruments of the Study - In this study, modified questionnaire was used as the main data collection tool to evaluate the organizational design, decision-making mechanism, talent and cultural practices of undergraduate universities in Chongqing, and ultimately to construct an optimized governance framework. The questionnaire was developed around the five specific objectives of the study, specifically designed as follows:

Main Variables	Sub Variables	Evaluation indicators
Organizational Design	Formalization	The degree of specification of the rules and processes in an organization
	Specialization	Division of work tasks and the degree of expertise
	Centralization	The concentration of decision-making power
Decision-Making Mechanism	Decision-Making Modes	Such as collaborative decision, authorization decision and so on
	Decision-Making Procedures	Transparency and logic of the decision-making process
	Decision-Making Efficiency	Speed and effectiveness of decision-making
Talent and Culture	Performance Management and Incentives	The rationality of performance appraisal and incentive mechanism
	Business and Operating Principles	The influence of organizational culture on business operations
	Leadership and Development	Leadership development and employee development opportunities

In addition, in order to smoothly carry out the variable relationship test, the interactive problem is designed for the relationship between organizational design, decision-making mechanism, talent and culture. The questionnaire design is based on literature review and existing research results, with the following classical tools

and theories: Organization design: tissue structure theory based on Mintzberg. Decision-making mechanism: Using Simon's theory of decision process. Talent and culture: refer to the Denison organizational culture model. Questionnaire was designed independently by the researcher according to the study objectives and adjusted locally according to the study background.

Table 1*Reliability Results*

Variables	No. of Items	α value	Interpretation
Organizational Design			
Formalization	5	0.931	Excellent
Specialization	5	0.776	Acceptable
Centralization	5	0.736	Acceptable
Overall	15	0.828	Good
Decision Making Mechanism			
Decision-Making Modes	5	0.925	Excellent
Decision-Making Procedures	5	0.983	Excellent
Decision-Making Efficiency	5	0.704	Acceptable
Overall	15	0.870	Good
Talent and Culture			
Performance Management and Incentives	5	0.950	Excellent
Business and Operating Principles	5	0.942	Excellent
Leadership and Development	5	0.757	Acceptable
Overall	15	0.884	Good

Legend > 0.9 =Excellent; >0.8=Good;>0.7=Acceptable;>0.6=Questionable;>0.5=Poor;<0.5=Unacceptable

The reliability results indicate a strong internal consistency across different constructs as measured using Cronbach's alpha (α). Within Organizational Design, *Formalization* demonstrated excellent reliability ($\alpha=0.931$), while *Specialization* ($\alpha=0.776$) and *Centralization* ($\alpha=0.736$) were found to be acceptable. The overall reliability for this category was good ($\alpha=0.828$). For Decision-Making Mechanism, *Decision-Making Modes* ($\alpha=0.925$) and *Decision-Making Procedures* ($\alpha=0.983$) showed excellent reliability, whereas *Decision-Making Efficiency* ($\alpha=0.704$) was at an acceptable level. The overall reliability for this construct was also good ($\alpha=0.870$). In Talent and Culture, both *Performance Management and Incentives* ($\alpha=0.950$) and *Business and Operating Principles* ($\alpha=0.942$) exhibited excellent reliability, while *Leadership and Development* ($\alpha=0.757$) was acceptable. The overall reliability for this domain was good ($\alpha=0.884$). These results suggest that the questionnaire used for all three variables—Organizational Design, Decision-Making Mechanism, and Talent and Culture—are generally reliable, with sub variables falling within the acceptable to excellent range. This indicates that the items within each construct consistently measure their intended variables, making the data suitable for further analysis.

Data Gathering Procedure - In selecting variables, I conducted extensive literature research on organizational design, decision-making, talent, and culture. The review revealed limited studies in higher education, especially in undergraduate universities in Chongqing, and a lack of systematic analysis and frameworks. Thus, I focused my research on this region and proposed the topic “Optimized governance framework based on organizational design, decision-making mechanism, talent, and culture.” This not only holds academic value but also offers practical support for university governance. The study pursues five main goals: (1) describe organizational design through formalization, specialization, and centralization; (2) analyze decision-making modes, procedures, and efficiency; (3) examine talent and cultural practices, including performance management, leadership, and development; (4) test relationships among variables; and (5) construct an optimized governance framework for undergraduate institutions.

Data collection centered on a questionnaire developed through literature review, expert consultation, and pre-surveys. Respondents included managers and staff from Chongqing universities, selected through stratified sampling. Survey was distributed online and offline, and responses were screened and coded to ensure validity. Data were analyzed using both quantitative and qualitative methods. Descriptive statistics outlined the current situation, correlation and regression analysis tested relationships and causality, while interviews and case studies

addressed gaps in survey data. Based on results and theory, the study proposed an optimized governance framework. It emphasizes being systemic, covering organizational design, decision-making, talent, and culture; operable, offering clear implementation paths; and applicable, tailored to the needs of undergraduate universities in Chongqing.

Ethical Considerations - Ethical considerations will be practiced in the conduct of the research work to warrant that every information that was gathered are used for research purposes only to maintain the quality and integrity of the research. The researcher will also seek the consent of the respondents through letter and communication to make sure that the target respondents will be prepared to answer necessary questions involved in the research. It also ensured the confidentiality and anonymity of the respondents by not seeking their names as they were answering the questionnaires. The researcher will also ensure that the respondents voluntarily answer the questionnaires according to their will. Lastly, it will also ensure that none of the respondents of the study will be hurt or harmed and their safety and security is of top priority.

Data Analysis - In the study, weighted mean and rank were used to assess the organizational design in terms of formalization, specialization, and centralization; to assess the decision-making mechanism in terms of decision-making modes, procedures, and efficiency; and to determine the talent and culture practices in terms of performance management and incentives, business and operating principles, and leadership and development. The result of Shapiro-Wilk Test showed that p-values of all variables were less than 0.05 which means that the data set was not normally distributed. Therefore, Spearman rho was used as part of the non-parametric tests to determine the significant relationship. All analyses were performed using SPSS version 28.

3. Results and discussions

Table 2

Summary Table of Organizational Design

Indicators	Weighted Mean	Verbal Interpretation	Rank
Formalization	3.18	Agree	1.5
Specialization	3.18	Agree	1.5
Centralization	3.17	Agree	3
Composite Mean	3.18	Agree	

Legend: 3.50-4.00=Strongly Agree; 2.50-3.49=Agree; 1.50-2.49=Disagree; 1.00-1.49=Strongly Disagree

Table 2 presents the assessment of the respondents on Organizational Design in terms of its three sub-variables: Formalization, Specialization, and Centralization. The composite mean of 3.18 indicates that the respondents Agree in general. This implies that, in the perception of administrative staff in the selected private colleges in Chongqing, the organizational structures of their institutions reflect a moderate level of formalization, specialization, and centralization. This result suggests that these private institutions have developed standardized policies, task allocations, and centralized procedures, which may help stabilize operations and support compliance, while also balancing flexibility for individual departments. The relatively uniform perception among respondents can be attributed to the standardized administrative models adopted by private colleges under regulatory oversight from the Ministry of Education in China. Two local scenarios help explain this consistency. Most private colleges in Chongqing implement institutional regulations that require administrative staff to adhere to job descriptions and reporting protocols, especially in areas such as finance, human resources, and student services. Due to performance audits and accreditation evaluations, colleges ensure that task division and responsibilities are documented, even if some decision-making processes remain centralized at the upper administrative level. This finding aligns with Kaphle (2023), who emphasized that organizational performance in local institutions often depends on the coordination among formalization, specialization, and centralization. Similarly, Rabhi et al. (2023) indicated that integrating structural elements strategically enables more effective decision-making and operational coherence.

Formalization and Specialization both ranked first with a mean score of 3.18 and a verbal interpretation of Agree. This implies that institutions have made efforts to establish clear procedures and specialized roles, which

likely enhances administrative efficiency and reduces task ambiguity. The result is due to increased accountability demands from local education bureaus, pushing colleges to adopt formal guidelines and task-specific assignments. The need to optimize limited human resources by assigning specialized responsibilities to improve work output and responsiveness also contributes. For example, Chongqing Finance and Economics College requires each administrative officer to undergo task-specific training and utilize manuals related to their department's functions. Chongqing University of Humanities and Technology organizes periodic departmental audits, which reinforce specialization and documentation standards. This result is supported by Primorac et al. (2022), who found that specialized roles and formal structures improved internal coordination in Bosnian private companies. It is also in line with Susiawati et al. (2025), who noted that although bureaucratic reforms toward functional structures are in progress, formalized task roles remain critical to performance.

The metric with the lowest weighted average is Centralization, with a mean score of 3.17 and a verbal interpretation of Agree. This implies that, while respondents acknowledge the presence of centralized structures, they also perceive some degree of flexibility in administrative decision-making. This is because many private colleges in Chongqing, although maintaining hierarchical control over major decisions, are gradually decentralizing minor operations and allowing departmental autonomy in less critical areas. This shift reflects an adaptive response to growing institutional complexity, digital workflow integration, and demands for administrative efficiency. From the local reality, the following scenarios exist. Delegation of routine decisions: for example, student affairs like leave approvals, event coordination, and minor budget allocations are often handled directly by faculty offices or student service departments without requiring senior-level approval. Digital platform-driven decentralization: colleges increasingly rely on office automation (OA) systems that allow mid-level administrators to process workflows such as procurement or scheduling independently, thereby reducing reliance on top-down directives. According to by Dewi et al. (2025), decentralizing operational functions while maintaining strategic control at the top enhances institutional responsiveness and reduces administrative bottlenecks. Also, Jerab et al. (2023) highlight the effectiveness of hybrid structures, where decision-making power is selectively distributed to improve agility without compromising oversight.

Finally, the composite mean of all three sub-variables remains at 3.18, with a unified interpretation of Agree, indicating an overall coherent organizational design. The moderate yet consistent assessment reflects an evolving yet structured environment within Chongqing's private colleges.

Table 3

Summary Table of Decision-making Mechanism

Indicators	Weighted Mean	Verbal Interpretation	Rank
Decision-making Modes	3.18	Agree	1
Decision-making Procedures	3.14	Agree	2.5
Decision-making Efficiency	3.14	Agree	2.5
Composite Mean	3.15	Agree	

Legend: 3.50-4.00=Strongly Agree; 2.50-3.49=Agree; 1.50-2.49=Disagree; 1.00-1.49=Strongly Disagree

Table 3 presents the assessment of the respondents on Decision-Making Mechanism in terms of Decision-making Modes, Procedures, and Efficiency. The composite mean of 3.15 indicates that the respondents Agree in general. This implies that private colleges in Chongqing have implemented decision-making mechanisms that are generally systematic, participatory, and operationally responsive. This is because these institutions, though privately funded, are increasingly aware of the need to formalize internal governance and foster timely, transparent, and participative decision-making frameworks. From the local reality, the following scenarios exist. In Pass College of Chongqing Technology and Business University, administrative decisions on budget allocations are typically reviewed through inter-departmental meetings, allowing for more inclusive dialogue and reducing conflict due to lack of transparency. At Chongqing College of Humanities, Science and Technology, decision-making structures emphasize both performance data and collective input from middle-level managers to improve operational response to enrollment and staffing issues. According to Taherdoost et al. (2024), structured decision-making frameworks improve organizational outcomes by offering clarity, consistency, and timely implementation.

Supporting this, Oluoha et al. (2022) argue that organizations that leverage clear decision-making processes supported by analytics are more agile and effective in adapting to dynamic challenges.

Among the items cited, “Decision-making Modes”, ranked first with a mean score of 3.18 and verbal interpretation of Agree. This implies that the respondents generally perceive decision-making styles in their institutions to be inclusive and appropriately designed to meet organizational goals. This is because a hybrid of top-down and bottom-up decision-making patterns is gradually being adopted in Chongqing's private colleges, balancing control and flexibility. From the local reality, the following scenarios exist. At Chongqing College of International Business and Economics, major policy adjustments involve consultation meetings where department heads and administrative officers co-evaluate proposed reforms. In Chongqing College of Mobile Communication, decision-making integrates data from student feedback and academic departments, especially on course evaluations and digital innovation initiatives. According to Wang et al. (2022), participative leadership enhances employees’ engagement in institutional decision-making, leading to higher operational efficiency and morale. Supporting this, Taherdoost et al. (2024) note that a participatory decision-making model empowers organizations to handle complexity through shared perspectives and diverse input.

The metric with the lowest weighted averages are “Decision-making Procedures” and “Decision-making Efficiency”, both with a mean of 3.14.

“Decision-making Procedures” with a mean score of 3.14 and verbal interpretation of Agree. This implies that respondents generally agree that the decision-making procedures in their institutions are structured, formalized, and reasonably transparent. This is because private colleges in Chongqing, while operating in a competitive and semi-marketized education environment, have developed internal governance frameworks with layered approval processes, standardized workflows, and documented protocols to ensure accountability and reduce arbitrariness. From the local reality, the following scenarios exist. In Chongqing College of Mobile Communication, administrative decision-making—such as funding allocation or staff deployment—follows a predefined hierarchical structure involving proposal writing, department vetting, and final executive approval. This structured path minimizes ambiguity in responsibilities. At Pass College of Chongqing Technology and Business University, formal procedures are used for decisions related to new academic programs, which require cross-functional meetings, written justifications, and evidence-based feasibility reports before being approved by the senior council. According to Taherdoost et al. (2024), effective decision-making procedures include clear stages—such as problem identification, evaluation of alternatives, and implementation planning—which collectively lead to more consistent and accountable outcomes. Canco et al. (2021) point out that the Analytic Hierarchy Process (AHP) and other structured decision-making models help organizations prioritize decisions through rational, transparent criteria, enhancing process integrity and legitimacy.

“Decision-making Efficiency”, also with a mean score of 3.14 and verbal interpretation of Agree. This implies that while the institutions recognize and implement efficient mechanisms, there may be occasional procedural delays or bottlenecks in executing timely decisions. This is because efficiency in decision-making often depends on coordination across units, and private colleges with relatively lean staffing structures may face internal communication lags. From the local reality, the following scenarios exist. In Pass College of Chongqing Technology and Business University, cross-departmental budget decisions sometimes encounter delays due to approval layering and the need for inter-college validation. In Chongqing College of Humanities, Science and Technology, infrastructure projects experience procedural slowdowns because of fragmented coordination between finance and facilities management teams. According to Oluoha et al. (2022), decision-making efficiency is enhanced when organizations adopt real-time analytics and reduce unnecessary bureaucratic steps through digital platforms. There is also research that emphasizes the need to align procedural steps with practical outcomes to avoid decision fatigue and executional lags (Taherdoost et al., 2024).

Table 4*Summary Table of Talent and Culture Practices*

Indicators	Weighted Mean	Verbal Interpretation	Rank
Performance Management and Incentives	3.17	Agree	1
Business and Operating Principles	3.16	Agree	2
Leadership and Development	3.15	Agree	3
Composite Mean	3.16	Agree	

Legend: 3.50-4.00=Strongly Agree; 2.50-3.49=Agree; 1.50-2.49=Disagree; 1.00-1.49=Strongly Disagree

Table 4 presents the assessment of the respondents on Talent and Culture in terms of Performance Management and Incentives, Business and Operating Principles, and Leadership and Development. The composite mean of 3.16 indicates that the respondents Agree in general. This implies that talent and cultural mechanisms are moderately present and accepted among administrative staff in private colleges in Chongqing. This is because these colleges, though private, are increasingly adopting structured governance and standardized management models, influenced by both market competition and regulatory pressures. From the local reality, the following scenarios exist. In Chongqing private institutions like Pass College or Chongqing College of International Business and Economics, the competition for enrollment has encouraged stronger internal governance and alignment of staff incentives with institutional performance. Administrative departments are under pressure to balance high service efficiency with limited resources, making performance-linked incentive schemes more common but not uniformly implemented. According to Maley et al. (2024), performance management is central to talent strategies in dynamic environments. There is also research that emphasizes the importance of aligning organizational culture with talent retention strategies, such as Urme (2023), who argues that employees are more likely to remain with institutions that acknowledge and reward their contributions effectively.

Among the items cited, the highest weighted average indicator is “Performance Management and Incentives”, with a mean score of 3.17 and verbal interpretation of Agree. This implies that private colleges are relatively consistent in offering performance-related incentives to administrative staff. This is because performance evaluation and related rewards are now being recognized as practical tools to improve productivity and morale among non-academic staff. From the local reality, the following scenarios exist. Many colleges have adopted KPIs (Key Performance Indicators) or performance appraisal systems for administrative staff, often tied to bonus distribution. Staff perceive tangible benefits—such as promotions or additional allowances—being linked to their annual performance reviews. According to Armstrong (2022), structured performance systems are essential for boosting individual accountability. A research that confirms this by Gumilang et al. (2025), who found that reward-linked development systems can reinforce goal alignment and institutional commitment.

“Business and Operating Principles”, with a mean score of 3.16, ranked second, having a verbal interpretation of Agree, indicating that respondents generally agree with the consistency and standardization of operational principles and business processes in their respective institutions. This may be attributed to the growing adoption of enterprise-style management models by private colleges in Chongqing in recent years. By clarifying organizational rules and regulations and optimizing internal procedures, these institutions aim to enhance administrative efficiency—particularly in key areas such as admissions, finance, and human resources. Such principles help ensure operational stability in the face of fluctuating educational policies and market conditions.

The metric with the lowest weighted average is “Leadership and Development”, with a mean score of 3.15 and verbal interpretation of Agree. This implies that although leadership training and career development exist, they are not as emphasized as performance or operational principles. This is because professional development opportunities for administrative staff may lack consistency, and leadership pipelines are not always clearly structured in private institutions. From the local reality, the following scenarios exist. In colleges like Chongqing College of Humanities, Science and Technology, most training resources are focused on teaching staff, leaving administrative personnel with limited leadership development channels. Promotions for administrative staff often follow tenure-based or relationship-driven patterns, rather than structured leadership development programs. According to Barkhuizen et al. (2022), a leadership talent mindset significantly boosts retention and performance

in public institutions. There is also research that highlights similar concerns in university settings, such as Nuraini (2023), who emphasized that employee performance is suboptimal without leadership development aligned with compensation strategies.

Table 5*Relationship Between Organizational Design and Decision-making Mechanism*

Variables	rho	p-value	Interpretation
Formalization			
Decision-making Modes	.768**	<.001	Highly Significant
Decision-making Procedures	.644**	<.001	Highly Significant
Decision-making Efficiency	.712**	<.001	Highly Significant
Specialization			
Decision-making Modes	.796**	<.001	Highly Significant
Decision-making Procedures	.649**	<.001	Highly Significant
Decision-making Efficiency	.764**	<.001	Highly Significant
Centralization			
Decision-making Modes	.799**	<.001	Highly Significant
Decision-making Procedures	.659**	<.001	Highly Significant
Decision-making Efficiency	.793**	<.001	Highly Significant

Legend: Significant at $p\text{-value} < 0.01$

Table 5 presents the relationship between key dimensions of organizational design—namely formalization, specialization, and centralization—and components of the decision-making mechanism, including decision-making modes, procedures, and efficiency. The results reveal highly significant positive correlations across all variable pairs, with all p-values below 0.001. This indicates a robust and consistent association between structural design elements and the quality and effectiveness of institutional decision-making processes.

Formalization exhibits strong positive correlations with decision-making modes ($\rho=.768$), procedures ($\rho=.644$), and efficiency ($\rho=.712$). These findings suggest that a higher degree of formalization—reflected in standardized procedures, clear documentation, and codified rules—enhances the consistency and reliability of decision-making practices. When decision boundaries are predefined and processes are routinized, organizations reduce discretionary variability and promote operational predictability. Formalization improves the transparency of decisions, facilitates organizational learning, and serves as a control mechanism to align decisions with institutional goals. As argued by Evanthi et al. (2021), formal structures reduce ambiguity and foster procedural discipline, while MacDonald et al. (2022) highlight the role of formal decision pathways in increasing accountability and stakeholder trust in multi-actor environments.

Specialization shows even stronger positive relationships with decision-making modes ($\rho=.796$), procedures ($\rho=.649$), and efficiency ($\rho=.764$). This underscores the critical role of differentiated roles and expertise in improving the quality and timeliness of decisions. Specialization allows for the distribution of decision authority to those with domain-specific knowledge, thereby improving the accuracy, speed, and relevance of decision outputs. It also minimizes redundancy and task overlap, contributing to better workflow integration and reduced decision delays. These outcomes are consistent with the insights of Joseph et al. (2025), who assert that functional specialization enhances both vertical and lateral coordination within organizations. Shang et al. (2024) emphasize that clearly delineated roles enable more responsive and strategically aligned decisions, particularly in complex institutional settings.

Centralization demonstrates the strongest correlations overall, with decision-making modes ($\rho=.799$), efficiency ($\rho=.793$), and procedures ($\rho=.659$) all showing highly significant and substantial associations. This implies that centralized authority structures contribute decisively to decision alignment, coherence, and control. Centralization concentrates decision rights at higher levels of the hierarchy, which, while potentially limiting responsiveness, can reduce interdepartmental conflict, eliminate decision duplication, and reinforce institutional strategy. Especially in environments where consistency and compliance are prioritized, centralized systems help ensure that decisions reflect overarching organizational values and risk preferences. Eriksson et al. (2025) note,

centralized decision-making improves strategic integration and reduces internal fragmentation. Settembre-Blundo et al. (2021) highlight its role in reinforcing resilience and continuity in contexts of institutional uncertainty.

In sum, the results confirm that organizational design exerts a profound influence on the configuration and effectiveness of decision-making mechanisms. All three structural dimensions contribute positively and significantly, but their relative impacts vary. While formalization strengthens rule-based and procedural alignment, specialization enhances technical and functional precision, and centralization maximizes strategic control and consistency. These findings reinforce the argument that robust organizational frameworks are a prerequisite for high-quality governance, especially in institutional contexts that demand both efficiency and accountability in decision-making.

Table 6

Relationship Between Organizational Design and Talent and Culture Practices

Variables	rho	p-value	Interpretation
Formalization			
Performance Management and Incentives	.684**	<.001	Highly Significant
Business and Operating Principles	.676**	<.001	Highly Significant
Leadership and Development	.663**	<.001	Highly Significant
Specialization			
Performance Management and Incentives	.745**	<.001	Highly Significant
Business and Operating Principles	.740**	<.001	Highly Significant
Leadership and Development	.692**	<.001	Highly Significant
Centralization			
Performance Management and Incentives	.780**	<.001	Highly Significant
Business and Operating Principles	.810**	<.001	Highly Significant
Leadership and Development	.748**	<.001	Highly Significant

Legend: Significant at p-value<0.01

Table 6 presents the relationship between three dimensions of organizational design—formalization, specialization, and centralization—and the components of talent and culture practices, including performance management and incentives, business and operating principles, and leadership and development. All relationships are statistically highly significant, demonstrating that structural characteristics of an organization exert a substantial influence on how talent and cultural practices are conceived, implemented, and sustained.

The correlation between formalization and all three aspects of talent and culture is strong and positive: performance management and incentives ($\rho=.684$), business and operating principles ($\rho=.676$), and leadership and development ($\rho=.663$). These results indicate that organizations with well-defined rules, procedures, and standardized workflows tend to have more consistent and coherent talent management practices. Formalization serves as a mechanism to institutionalize cultural values and expectations, reduce ambiguity in employee roles, and promote fair and objective performance assessment. From a theoretical standpoint, formalization supports the internal alignment of human resource practices by anchoring them in predictable frameworks. Saleh et al. (2021) emphasized that sustainable talent practices depend heavily on a stable organizational culture, which in turn is fostered by clear and codified structures. Setyawan et al. (2021) argue that formalization enhances knowledge sharing and supports the integration of human resource systems with strategic culture initiatives. Therefore, when procedures are formalized, talent-related programs are more likely to be implemented uniformly across departments and levels, enhancing transparency and organizational equity.

Specialization demonstrates even stronger correlations with talent and culture dimensions: performance management and incentives ($\rho=.745$), business and operating principles ($\rho=.740$), and leadership and development ($\rho=.692$). These findings suggest that a clear division of labor and role-specific responsibilities contribute to the effectiveness of talent initiatives, particularly in aligning individual competencies with organizational goals. Specialized structures allow employees to be evaluated and developed within their areas of expertise, ensuring that training, motivation, and rewards are contextually relevant and practically impactful. Scholars have widely recognized the benefits of specialization in talent systems. For instance, Jooss et al. (2024) argue that role clarity

and task specialization are fundamental for building strategic agility in talent deployment. Rožman et al. (2023) further note that aligning job design with employee strengths fosters engagement, accountability, and innovation. In this sense, specialization does not merely enhance operational efficiency—it also enables talent practices to be more personalized, measurable, and development-oriented, reinforcing the cultural infrastructure of the organization.

Among all three organizational design variables, centralization exhibits the strongest correlations: business and operating principles ($\rho=.810$), performance management and incentives ($\rho=.780$), and leadership and development ($\rho=.748$). These results highlight the critical role of centralized control in shaping and maintaining cohesive talent strategies and a unified organizational culture. When decision-making authority is concentrated at higher hierarchical levels, it allows for tighter control over policy enforcement, goal alignment, and the uniform application of cultural norms across the organization. Centralization, in this context, functions as a strategic enabler of cultural consistency and performance direction. Faugoo (2024) emphasizes that centralized talent management frameworks are crucial in organizations aiming for global competitiveness and internal cohesion. Bermeo et al. (2023) stress that an inclusive and strategically directed organizational culture can be more effectively developed when top leadership sets the tone and direction for talent practices. This top-down coherence fosters not only cultural uniformity but also supports the institutionalization of leadership development pathways aligned with organizational vision.

Overall, the results strongly suggest that organizational design plays a foundational role in enabling and shaping talent and culture practices. Formalization provides the structure for consistency and rule-based fairness, specialization ensures that practices are technically relevant and targeted, while centralization strengthens top-level alignment and strategic coherence. The statistically significant correlations across all dimensions support the view that without a deliberate and strategically crafted organizational design, talent and culture systems are unlikely to achieve sustainable impact. These findings are consistent with broader literature that emphasizes the interdependence between structure and culture in organizational development. As noted by Lazarević-Moravčević et al. (2023), both organizational structure and culture act as joint levers for driving innovation, cohesion, and performance. In designing governance frameworks for educational institutions, special attention must be given to the structural foundations that support and enhance talent cultivation and cultural resilience.

Table 7

Relationship Between Decision-making Mechanism and Talent and Culture Practices

Variables	rho	p-value	Interpretation
Decision-making Modes			
Performance Management and Incentives	.801**	<.001	Highly Significant
Business and Operating Principles	.781**	<.001	Highly Significant
Leadership and Development	.741**	<.001	Highly Significant
Decision-making Procedures			
Performance Management and Incentives	.756**	<.001	Highly Significant
Business and Operating Principles	.731**	<.001	Highly Significant
Leadership and Development	.711**	<.001	Highly Significant
Decision-making Efficiency			
Performance Management and Incentives	.782**	<.001	Highly Significant
Business and Operating Principles	.781**	<.001	Highly Significant
Leadership and Development	.716**	<.001	Highly Significant

Legend: Significant at p-value<0.01

Table 7 presents the relationship between decision-making mechanisms—comprising decision-making modes, procedures, and efficiency—and talent and culture practices, including performance management and incentives, business and operating principles, and leadership and development. All relationships are statistically highly significant at $p < 0.001$, indicating strong and reliable associations across variables.

Among the three dimensions of decision-making, decision-making modes exhibit the strongest correlations: performance management and incentives ($\rho=.801$), business and operating principles ($\rho=.781$), and leadership and

development ($\rho=.741$). These findings highlight the importance of how decisions are approached—whether participatory, top-down, or consensus-driven—in shaping and sustaining talent-related strategies and cultural norms. Inclusive or consultative decision-making fosters a sense of ownership among employees, which enhances their commitment to performance goals and organizational values. Decision modes that encourage dialogue and shared accountability contribute to a more adaptable and responsive talent management system. As Cai et al. (2023) observe, in dynamic organizational settings, talent strategies are most effective when embedded in participatory decision contexts. Patra et al. (2024) emphasize that decision models that align with the principles of learning organizations promote continuous talent development and innovation-friendly cultures. In sum, the decision-making style is not merely a governance issue but a strategic factor in how effectively an organization can engage, motivate, and retain talent.

Decision-making procedures are also positively and significantly correlated with all talent and culture variables: performance management and incentives ($\rho=.756$), business and operating principles ($\rho=.731$), and leadership and development ($\rho=.711$). This suggests that structured, formalized, and transparent decision making processes support the institutionalization and consistency of human resource and cultural practices. Organizations that establish clear procedures for planning, feedback, resource allocation, and evaluation are more likely to implement fair and coherent talent policies. Procedural clarity minimizes confusion and subjective interpretation, ensuring alignment across departments and levels. According to Sehatpour et al. (2022), procedural rationality is critical to overcoming implementation gaps in talent systems, especially in large or bureaucratic organizations. Ramachandran et al. (2023) note that robust decision procedures—potentially enabled by digital tools or frameworks—help eliminate bias, increase traceability, and support evidence-based HR decision-making. Therefore, decision-making procedures act as enablers of trust and legitimacy in both performance systems and cultural frameworks.

Decision-making efficiency also shows strong and significant correlations with performance management and incentives ($\rho=.782$), business and operating principles ($\rho=.781$), and leadership and development ($\rho=.716$). These results suggest that speed, responsiveness, and decisiveness in decision-making processes play a crucial role in maintaining an agile, aligned, and performance-driven organizational culture. Timely decisions are essential for addressing evolving talent needs, responding to employee feedback, and implementing developmental initiatives. Delays or inefficiencies in decision-making can demotivate staff, slow down performance appraisal cycles, and create disconnection between institutional values and everyday operations. As Pandita (2022) argues, responsiveness in organizational processes enhances employer branding and talent satisfaction, particularly for new-generation employees who value adaptability and clarity. Furthermore, Kwon et al. (2022) emphasize that high-performing organizations exhibit a dynamic decision rhythm that supports the timely execution of HR and cultural strategies.

In summary, the results affirm that decision-making mechanisms are integral to the success of talent and cultural practices. Decision-making modes influence the inclusiveness and alignment of people strategies; procedures ensure consistency and procedural justice; and efficiency guarantees responsiveness and agility. Collectively, these mechanisms create the governance infrastructure necessary for talent systems to thrive. These findings reinforce the view that talent management is not isolated from institutional governance—but embedded within it. As highlighted in the literature, strategic talent outcomes are best achieved in organizations where decision-making structures are not only clearly defined, but also agile, transparent, and inclusive. Therefore, optimizing the decision-making framework is a prerequisite for cultivating high-performance cultures and sustainable human capital systems.

Based on the analysis of data collected from 400 administrative personnel across five private colleges in Chongqing, the study revealed significant insights into the relationship between organizational design, decision-making mechanisms, and talent and culture practices.

The findings indicate that the respondents generally agreed that their institutions exhibit a moderate to high

level of formalization, specialization, and centralization. Among these, centralization yielded the highest composite means and strongest correlation values with the other variables, highlighting that clear hierarchical authority and concentrated decision power contribute to institutional order and strategic alignment. Formalization was also positively assessed, reflecting the importance of standardized rules and processes in administrative work. Results from the survey further showed that decision-making modes, particularly those that are participatory and consultative, were positively correlated with both performance outcomes and leadership development. Decision-making efficiency was another strong area, suggesting that respondents perceive decision implementation as timely and responsive to operational needs. Overall, the data confirm that structured and transparent decision processes support governance effectiveness in private educational institutions. The assessment of talent and culture practices shows general agreement among the respondents, with relatively high mean scores in areas such as performance management and incentives, business and operating principles, and leadership development. The strongest associations were found between decision-making modes and performance management, suggesting that inclusive and fair decision environments contribute to better staff engagement, retention, and productivity.

There is a strong and significant correlation between organizational design (especially centralization) and the structure of decision-making mechanisms. Decision-making mechanisms are closely linked to the effectiveness of talent and culture practices. The three dimensions—organizational design, decision-making, and talent systems—mutually reinforce one another, implying that an optimized governance framework should integrate structure, process, and people-centered strategies. These results are consistent with the objectives of the study and support the conceptual framework that emphasizes the interdependence between institutional structure and the quality of human capital management.

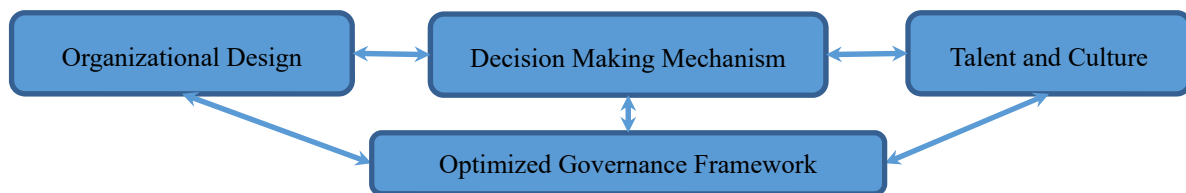


Figure 1. Proposed Framework for Optimized Governance

4. Conclusions and recommendations

The respondents moderately agreed on the organizational design in terms of formalization, specialization and centralization. The respondents moderately agreed on the decision-making mechanism in terms of decision-making modes, procedures and efficiency. The respondents moderately agreed on the talent and culture practices in terms of performance management and incentives, business and operating principles, and leadership and development; There is highly significant relationships among organizational design, decision making mechanism, and talent and culture practices. An optimized governance framework was developed that can be used by universities and colleges in China.

Private colleges may strengthen centralized governance structures to improve strategic alignment and ensure consistency in talent-related decisions and institutional values. Administrative processes may be further formalized, including clear guidelines for performance management, policy implementation, and leadership training programs, to support institutional standardization. Specialization may be enhanced in administrative departments, ensuring that roles and responsibilities are clearly defined and that personnel with relevant expertise are empowered to lead talent initiatives. A holistic governance framework may be adopted for long-term institutional sustainability and effectiveness. Future studies may compare multiple universities (e.g., public vs. private, local vs. international) to determine how governance practices differ by institutional type or location, thereby enriching the findings and enhancing the generalizability of the framework.

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