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Sociology of management

Tutorial

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Content

Unit 1. Sociology of management as a science

Management sociology, its concept and reasons for its appearance

1. Concept of sociology of management

The management sociology is the boundary synthetic science studying *sociological aspect of administrative activity*. This science was generated on a joint of two independent disciplines: sociology and management.

Sociology is a science about a society as complete system and about social institutions, processes, social groups, relations between a person and a society, laws of people mass behavior. It is well-known that the primary goal of sociology is an objective analysis of social human relations in order to reveal laws of management of a society.

The term "management" has several meanings. Management in all business areas and organizational activities are the acts of getting people together to accomplish desired goals and objectives efficiently and effectively. Management comprises planning, organizing, staffing, leading or directing, and controlling an organization (a group of one or more people or entities) or effort for the purpose of accomplishing a goal. Resourcing encompasses the deployment and manipulation of human resources, financial resources, technological resources, and natural resources.

Because organizations can be viewed as systems, management can also be defined as human action, including design, to facilitate the production of useful outcomes from a system. This view opens the opportunity to 'manage' oneself, a pre-requisite to attempting to manage others.

Management can also refer to the person or people who perform the acts of management.

The problems studied by sociology of management:

- ✓ Control systems as social systems from the point of view of their functioning;
- ✓ Selection, arrangement, education of the staff;
- ✓ The relations developing between people with administrative functions;
- ✓ Statement and realization of the social purposes of management;
- ✓ The analysis of social consequences of administrative decisions;
- ✓ Research and making system to consider interests and opinions of workers
- ✓ Purposeful influence on operated subsystems and connected with it issues of discipline, responsibility and sense of duty;
- ✓ Intragroup regulation and social self-organizing in groups and at the enterprise;
- ✓ Interrelation of management and a level of society development.

2. Object, subject and methods of sociology of management

Object of sociology of management is the administrative processes which take place in a society and considered here from the point of view of the system approach, as a set constantly co-operating and making influence on each other subsystems (political system, economic system, social system); or processes in the organization which can be considered and interpreted from the point of view of people's interaction, as all people participate in different groups (family, professional, territorial etc.) and are included in diverse processes of rivalry, competition, cooperation and etc.

Subject of sociology of management is the evaluation, studying, perfection of managerial processes in various types of social societies, the social organizations, the social institutes, all society, each of which represents specific system of social interactions of people and their groups.

According to A.V. Sergejchuk's opinion subject of sociology of management is social systems with a hierarchical characteristics of the organization[1]. Sociology of management allows us to see management with the eyes of the sociologist.

Methods of sociology of management combine approaches not only sociological research, but also campaigns of other sciences. All using methods can be divided into three basic groups (see table 1)

Table 1

Object, subject and methods of sociology of management

General scientific	Sociological	Specific
The dialectics considering processes and the phenomena in their interrelation and development	**Social - philosophical,** assuming all-round studying of a society as complete social system; **Structure functional analysis** according to it each social structure is understood through the analysis of carried out functions; **Gathering and processing of the information** characterizing social interrelations of a society (social polls, supervision, experiments, modeling, the analysis of documents)	**Structure organizational** (organization knowledge through its structure)**;**; **Technical** (through requirements of technology of its activity)**;** **Communication** (organization studying through system of communications formed between its members); **Innovative** (organization knowledge through its development)

Problems, functions and principles of sociology of management

The primary goals of sociology of management are:

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[1] A.V.Sergejchuk Sociology of management: Textbook. – Saint-Petersburg: "Business press", 2002. – p.240 .

1. Studying of the real facts making a live and constantly developing matter of administrative activity where we can see the interactions of the people belonging to different layers of an administrative pyramid.
2. Revealing of the most important, typical and irrational facts, and on this basis detection of tendencies of development of managerial processes depending on changes of conditions.
3. Explanation of appearance of innovations in the system and structure of administrative activity.
4. Working out of the directions and the most probable scenarios of development of administrative activity, forecasting of consequences of its realization either for the managing director or for operated managerial process subsystems.
5. Formulation of the scientific bases of recommendations about control system perfection and increasing of efficiency of administrative activity as a whole.

The basic functions of sociology of management as sciences are:

1. **_Informative._** Its main objective consists in studying of features of management as specific sphere of work activity. And also in definition of a role and value of this sphere in development of a society, its subsystems, organizations, groups.

2. **_Estimating_**. It estimates harmony and correlation between management system and basic tendencies of a society (for example: to social expectations, interests and requirements of the majority of the population). To estimate, whether the system is democratic, totalitarian or authoritative on the basis of a scientific substantiation of socially-ethical, sociopolitical, social and economic criteria, whether management system can develop individuals' initiative or not.

3. **_Prognostic_**. It is directed to reveal the most probable consequences in administrative activity within short-term, intermediate term and long-term prospects.

4. **_Educational._** Spreading of knowledge about the primary goals, functions and mechanisms of management of administrative systems on the basis of definition and an evaluation of the importance of various administrative concepts, tendencies of development of administrative activity.

The main principles of management sociology are following:

1. Systematic – perception of investigated object as systems of the elements, corresponded to each other and forming structure of the whole system;
2. Integrated approach – all-round coverage of the investigated phenomena taking into account tendencies of development and interaction with environment;
3. Objectivity – real display of the investigated phenomena;
4. Concreteness – consideration of investigated processes and the phenomena in a context of a concrete environment;
5. Historicism – object research in dynamics of its development;

6. Unity of the theory and practice – acknowledgement of theoretical positions in practice, as the theory without practice - a hypothesis.

Unit 2. Management as social relations

Definitions of the term "management".

The verb manage comes from the Italian maneggiare (to handle — especially tools), which in turn derives from the Latin manus (hand). The French word mesnagement (later ménagement) influenced the development in meaning of the English word management in the 17th and 18th centuries[1].

Organization and coordination of the activities of an enterprise in accordance with certain policies and in achievement of clearly defined objectives. Management is often included as a factor of production along with machines, materials, and money. According to the management guru Peter Drucker (1909–2005), the basic task of a management is twofold: marketing and innovation.

Directors and managers who have the power and responsibility to make decisions to manage an enterprise. As a discipline, management comprises the interlocking functions of formulating corporate policy and organizing, planning, controlling, and directing the firm's resources to achieve the policy's objectives. The size of management can range from one person in a small firm to hundreds or thousands of managers in multinational companies. In large firms the board of directors formulates the policy which is implemented by the chief executive officer.

Business management can be defined as the acquisition, allocation, and utilization of resources through planning, organizing, staffing, leading, and controlling. Management involves the coordination of human, financial, material, and information resources in order to realize company goals and operate a business efficiently. Managers are the employees charged with these responsibilities. Managers play a variety of roles in a company, summarized as interpersonal roles, information roles, and decision-making roles. Managing entails five functions: planning, organizing, staffing, leading, and controlling. The day-to-day tasks of management include: considering problems and making decisions in how to deal with them, implementing courses of action, and reviewing decisions and actions and making any necessary changes.

Background

The basic elements of modern management practices can be traced to ancient times. The Egyptians, for example, developed advanced management techniques related to labor division, hierarchy of authority, and teams. They developed complex bureaucracies to measure and forecast river levels and crop yields, distribute revenues within the government, manage trade, and complete massive construction projects such as the pyramids. The Babylonians, Greeks, Romans, Chinese, and other cultures made similar contributions to management science.

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[1] Oxford English Dictionary

Although management systems existed long before the modern era, it was not until the late 18th and 19th centuries that advanced business management techniques emerged in response to the Industrial Revolution. The Industrial Revolution resulted in the formation of extremely large organizations characterized by job specialization and the administration of large amounts of human resources. A new breed of middle-level managers were needed to plan and direct human efforts and to administer large pools of capital.

Among the most influential American contributors to management practice during the Industrial Revolution was Daniel C. McCallum (1815-1878), the superintendent of the Erie Railroad during the mid-1800s. To more efficiently manage the vast human and capital resources involved with construction of the railroad, he established a set of guiding management principles that emphasized: a specific division of labor and responsibilities, the empowerment of managers to make decisions in the field, compensation based on merit, a clearly delineated managerial hierarchy, and a detailed system of data gathering, analysis, and reporting that would foster individual accountability and improve decision making.

School approaches to management

The efforts of McCallum and other managers of his era were reflected in the first of five schools of management that emerged during the early and middle 1900s. The first of these schools was scientific management, which dominated management philosophy between the 1890s and the early 1920s. Scientific management concepts were heavily influenced by the ideas of American efficiency engineer Frederick W. Taylor (1856-1915). Taylor believed that organizational efficiency could be achieved by using statistics, logic, and detailed analysis to break jobs and responsibilities down into specific tasks. The chief contribution of scientific management was that it successfully applied modern techniques of science and engineering to the management of resources and organizational systems.

Scientific management principles were displaced during the 1920s by the classical management school of thought. Classical management theory is largely attributable to Henri Fayol, who is also known as the father of management. Classical management emphasized the identification of universal principles of management which, if adhered to, would lead to organizational success. Universal principles encompassed two broad areas. The first was identifying business functions and the second was structuring organizations and managing workers.

In essence, classical theory holds that management is a process consisting of several related functions, such as planning and organizing. Thus, by identifying specific business functions—including marketing, finance, production, and subfunctions within those and other major categories—companies can efficiently divide an organization into departments that work as a process. Furthermore, by carefully structuring chains of authority and responsibility, an entity can successfully facilitate the performance of individuals within departments to achieve company goals.

Importantly, Fayol is credited with identifying five basic management functions: planning, organizing, commanding, coordinating, and controlling. In addition, his 14 principles of management established a framework for management that continues to influence modern management theory. Those principles included: unity of command, meaning a worker should be responsible to only one superior; unity of direction, which implies that each group of activities having a single goal should be unified in a department or work group, or at least under one manager; centralization, or centralized control and decision making; and stability of tenure of personnel, which suggests that, for efficiency reasons, employee turnover should be kept to a minimum even if that means sacrificing quality for long-term loyalty.

The classical school of management remained dominant from the 1920s until the 1940s. It was gradually supplanted, however, by theories that focused on the importance of individual needs and group interaction in organizations. Human relations management arose in the 1930s, largely as a result of studies and experiments (including the classic Hawthorne experiments) conducted by Harvard University psychologist and researcher Elton Mayo (1880-1949) and his contemporaries. To the surprise of classical theorists, Mayo's research demonstrated that mechanistic, efficiently designed processes did not necessarily create more efficient organizations. Instead, the research demonstrated that success could be attained by showing more concern for workers' psychological needs. The human relations school advocated such techniques as employee counseling, feedback, and communication with coworkers, superiors, and subordinates.

Both the classical and human relations management ideologies were eclipsed during the 1950s by the behavioral management school of thought. It also emphasized the importance of the human psyche in management. It differed, however, from the human relations approach in that it stressed behavior over interaction. It sought to rationalize and predict behavior in the workplace through scientific analysis of social interaction, motivation, the use of power and influence, leadership qualities, and other factors. Behaviorists believed that a chief goal of managers should be to increase the effectiveness of workers through motivational techniques, such as empowerment and participation in decisions, and to redesign jobs to take advantage of individuals' strengths and weaknesses.

Demonstrating the gradual transition from mechanistic management theory to a more humanistic approach was the renowned Theory X and Theory Y, which American management theorist Douglas McGregor (1906-1964) posited in the 1950s. Theory X depicts the old, repressive, pessimistic view of workers. It assumes that people are lazy and have to be coerced to produce through tangible rewards. It also presumes that workers prefer to be directed, want to avoid responsibility, and treasure financial security above all else. In contrast, Theory Y postulates that: humans can learn to accept and seek responsibility; most people possess a high degree of imagination and problem-solving ability; employees will self-govern, or direct themselves toward goals to which they are committed; and, notably, satisfaction of ego and self-actualization are among the most important needs that organizations should address.

Coinciding with the behavioral management ideology, which gained acceptance throughout the 1950s (and remained relevant into the 1990s), was the fifth school of thought, quantitative management. Quantitative management theorists believe that, while the behavioral dimension of organizations merits attention, scientific and analytical techniques related to process and structure can help organizations be much more efficient. Quantitative management entails the application of statistical analyses, linear programming, and information systems to assist in making decisions, allocating resources, scheduling processes, and tracking money. Specifically, it advocates the substitution of verbal and descriptive analysis with models and symbols, particularly those that are computer-generated. In fact, it is because of advanced electronic information systems that quantitative management techniques were broadly applied in the 1980s and 1990s.

Complementary management approaches

In addition to the school approaches that dominated much of the 20th century are three other approaches to management theory and application: systems, contingency, and process. They emerged during the mid-1900s, gained widespread appeal during the latter part of the century, and continued to influence management thought and practice through the 1990s. These approaches differ from most of the schools of management thought in that they are not posited as a wrong or right ideology, but rather are complementary—they can exist and be applied simultaneously depending on the particular internal and external environment of individual organizations.

1. The systems approach

The systems management approach emphasizes the importance of educating managers to understand the overall system so that they will realize how actions in their department affect other units. An organization can be likened to a mobile: if you touch one part, the entire apparatus swings into motion. For example, the hiring of a single individual into a marketing department is bound to have some degree of impact on other divisions of the organization over time. Similarly, incorporating behaviorist theory, if managers are given more autonomy and responsibility they are likely to perform at a higher level. As a result, subordinates in their departments are likely to perform better, which may cause other departments to be more effective, and so on.

The systems approach to management recognizes both open and closed systems. A closed system, such as a clock, is self-contained and operates relatively free from outside influences. In contrast, most organizations are open systems and are thus highly dependent on outside resources, such as suppliers and buyers. Specifically, systems are impacted by four spheres of outside influence: education and skills (of workers), legal and political, economic, and cultural. Management processes must be designed to adapt to these influences. This acknowledgment of outside factors

represents a meaningful departure from the earliest school approaches that viewed management within the context of closed systems.

Importantly, the systems approach also recognizes that all large organizations are comprised of multiple subsystems, each of which receives inputs from other subsystems and turns them into outputs for use by other subsystems. At least five types of subsystems, according to systems theory, should be incorporated into management processes in larger organizations. Production subsystems are the components that transform inputs into outputs. In a manufacturing company this subsystem would be represented by activities related to production. In most business organizations all other subsystems are built around the production subsystem.

Supportive subsystems perform acquisition and distribution functions within an organization. Acquisition activities include securing resources, such as employees and raw materials, from the external environment. Human resources and purchasing divisions would typically be included in this group. Distribution (or disposal) activities encompass efforts to transfer the product or service outside of the organization. Supportive subsystems of this type include sales and marketing divisions, public relations departments, and lobbying efforts.

Maintenance subsystems maintain the social involvement of employees in an organization. Activities in this group include providing employee benefits and compensation that motivate workers, creating favorable work conditions, empowering employees, and other forms of satisfying human needs. Similarly, adaptive subsystems serve to gather information about problems and opportunities in the environment and then respond with innovations that allow the organization to adapt. A firm's research lab or a product development department would both be part of an adaptive subsystem. Finally, managerial subsystems direct the activities of other subsystems in the organization. These managerial functions set goals and policies, allocate resources, settle disputes, and generally work to facilitate the efficiency of the organization.

2. The contingency approach

Like the systems approach, the contingency approach to management views the organization as a set of interdependent units operating in an open system. It differs from all other management approaches, though, in that it is based on the idea that every organization and situation is unique. Its situational perspective implies that there is no single best way to manage. Therefore, specific techniques and managerial concepts must be applied in different ways and in different combinations to achieve organizational or departmental effectiveness. In fact, the contingency theory has been described as a sort of amalgam of all other ideologies. Its chief contribution to modern management theory is its identification of critical internal and external variables that affect management processes.

3. The process approach and the basic functions of management

Perhaps the most widely accepted organizational management theory is the process approach. It also serves as a descriptive overview of the various tasks and responsibilities management faces, and it draws on many of the theories contained in the five schools of management as well as the systems approach and contingency approach described above. For example, the process approach derives from Fayol's ideas, particularly his five management functions. And, like the systems approach and the later schools of management thought, the process approach emphasizes the point that management is an ongoing series of interrelated activities rather than a one-time act.

The process approach also recognizes other management theories that have gained acceptance in the late 1900s. Of import is the generally accepted management pyramid model, which is comprised of three hierarchies based on experience and education. At the top of the pyramid is top management, or the executive level that handles long-term strategy. At the center is middle management, which translates top management objectives into more specific goals for individual work units. Finally, line managers and supervisors fill the bottom of the pyramid. They handle the day-to-day management of employees and operations.

Adherents to the process approach have altered and elaborated on Fayol's original functions, usually in an attempt to incorporate behaviorist philosophies. Management theorists commonly recognize five management functions: planning, organizing, staffing, leading, and controlling. The five process management functions are linked together by communication and decision-making activities common to all of them.

PLANNING
Planning is the development of specific strategies designed to achieve organizational goals. Forward-looking managers use planning to develop strategies, policies, and methods for achieving company objectives. Moreover, managers who rely on planning can anticipate problems before they even arise and therefore can implement solutions quickly. In addition, planning serves as the foundation for the other management functions—organizing, staffing, leading, and controlling—by providing direction for a company; and increases a company's potential for success in accomplishing its goals.

Planning occurs at all three management levels: top, middle, and line. As indicated earlier, top managers are charged with making long-term plans that define the mission and policies of the organization while lower level managers implement them. In the planning process, top-level managers concentrate on the questions of what and how much. Middle managers implement mission and policy objectives, usually by focusing on the where and when. Finally, line managers effect the specific plans of the middle managers by addressing the pressing questions of who and how.

For example, top executives at a nail factory may decide that the company should become the most productive, highest-quality, largest-volume producer in the world. Middle managers in the production division may decide that accomplishment of this goal requires that over the next 12 months they cut costs by 20 percent, decrease

flaws to. 01 percent, and increase capacity 40 percent. Likewise, managers in the marketing department may decide that they need to increase sales by 80 percent during the next year. Finally, line managers would have to figure out how to achieve those goals and who would do the actual work. They might increase bonuses for salespeople who boosted volume, for instance, or lower profit margins (and prices) to increase sales. Or, production line managers might implement a new quality management program and increase investments in cost-saving automation.

Another way of viewing the planning process in an organization is by categorizing planning activities as strategic (top management), tactical (middle), or operational (bottom). The overall process usually entails at least six steps: setting goals, analyzing the external and internal environment to identify problems and opportunities, identifying and evaluating alternatives, choosing a plan, implementing the program, and controlling and judging the results of the implementation. Different stages of the process should ideally overlap management hierarchies, thus fostering organizational unity and informed planning.

In addition to the stages of the planning process and hierarchical responsibilities, most planning activities and responsibilities can be categorized, according to Corporate Planning: An Executive Viewpoint, into one of four planning roles: (1) resource allocation, (2) environmental adaptation, (3) internal coordination, (4) and organizational strategic awareness. Resource allocation entails decisions related to the distribution of funds, expertise, labor, and equipment. For instance, a chief executive officer (CEO) might decide to not pay shareholder dividends as a way to increase funds for new product development. Or, a production line manager may elect to shift laborers from one product line to another to better match fluctuating output requirements.

Environmental adaptation planning activities are those that serve to improve the company's relationship to its external environment, including such influences as governments, suppliers, customers, and public opinion. These activities address problems and opportunities that arise from such external factors. For example, gas station company managers that choose to attach point-of-sale (credit card) machines to their pumps are reacting to a public demand for convenience. Similarly, a CEO of a coal mining company might have to plan to reduce toxic emissions in an effort to satisfy government regulators or to appease public sentiment.

Internal coordination planning activities are those that respond to internal influences. They coordinate internal strengths and weaknesses in an effort to maximize profitability (in the case of for-profit companies). Finally, planning activities categorized as organizational strategic awareness strategies create systematic management development systems that allow an organization to evaluate the effects of past plans.

In order to be effective, plans and goals developed and executed at any level will generally exhibit basic characteristics. The plans should be specific and measurable, for example, meaning that they will have definite goals that can be measured against definite results. Plans should also be time-oriented, or should be devised with deadlines for accomplishing parts of the entire goal and a final deadline for completion. Plans should also be attainable. Insufficient resources or impossible

goals can thwart motivation and result in underperformance. Finally, plans should be mutually supportive, meaning that plans made in or for one part of an organization should complement other plans and objectives.

ORGANIZING

Organizing is the second major managerial function. It is the process of structuring a company's resources—its personnel and materials—in a way that will allow it to achieve its objectives. Specifically, organizing entails a fundamental three-step process: developing tasks, labor units, and positions. First of all, managers must determine the exact actions that have to be taken to implement plans and achieve objectives. Second, they must divide personnel into teams with areas of responsibility. Third, managers must delegate authority and responsibility to individuals and establish decision-making relationships. Once management accomplishes the first step, it can take a number of different routes to organize teams and delegate authority. Most organizations are arranged by either function or division.

The most common approach to organizing teams and delegating authority in organizations is by function. Under the functional approach, activities are broken down into primary business functions, such as finance, operations, and marketing. Within each major functional group are numerous subfunctions. In the marketing division, for example, might be the sales and promotions departments. The functional approach results in a comparatively efficient division of labor and an authority hierarchy that is easy for workers to understand. It may lead, however, to internal rivalries between departments or myopia because different divisions are not aware of the goals and actions of other parts of the company.

In addition to functions, many companies are organized by division. There are several different divisional approaches to structuring teams and delegating power to managers. For example, some companies take a product line approach, whereby the company is broken down into different product or service groups. For instance, an appliance producer may break its organization down into dishwashers, clothes washers and dryers, and vacuum cleaners. Other companies might use a customer approach—industrial products, consumer products, government products, etc. The advantage of both approaches is that they allow managers and the entire company to be focused on the product or customer rather than on support functions, such as marketing. This organizational approach may result, however, in an inefficient division of labor (i.e., overlap) because each group is forced to supply their own support functions.

Another common means of organizing a company by divisions is the geographic approach, whereby activities or groups are divided by region. For instance, a multinational bank may have three major divisions: North America, Asia, and Europe. Those divisions, then, might be divided into sub-regions, such as northeast, south, and west. The geographic approach is often used by companies that specialize in marketing, finance, or some other major business function and operate in a number of different geographic areas. It allows flexibility in relation to different laws, exchange rates, and cultures, and fosters a responsiveness to local markets not

attainable under other divisional approaches. The chief drawback of geographic organizations is that they can be relatively expensive to maintain.

A less conventional and increasingly popular approach to structuring organizations is known as the matrix system. In essence, a matrix system creates both functional and divisional groups to form multidisciplinary, integrated teams that combine staff and line authority. The main advantage of the matrix is that it reduces myopia in an organization, fosters cooperation, and promotes a free flow of information. But the matrix approach may also create an ambiguous power structure and may have limitations for many types of companies.

In addition to the basic structure, management authority and responsibility will also be dictated by the level of centralization in a company. In general, companies with more centralized management will be figuratively tall, meaning that power flows down through a chain of command. Decisions are made by a few people and handed down to the masses. In contrast, decentralized, or flat, organizations push management authority down. In flat organizations, many managers (and subordinates) are empowered to independently make decisions within their area of expertise in the company. Because of the trend toward flatter organizations during the 1980s and 1990s, traditional middle levels of management have become obsolete in many companies. Effectively, all workers become managers to some degree in the flattest organizations.

STAFFING

Staffing, the third major organizational function, encompasses activities related to finding and sustaining a labor force that is adequate to meet the organization's objectives. First, managers have to determine exactly what their labor needs are and then go into the labor force to try and recruit those skills and characteristics. Second, managers must train workers. Third, they have to devise a method of compensating and evaluating performance that complements objectives. This includes designing pay and benefits packages, conducting performance appraisals, and promoting employees. Finally, managers usually must devise a system of firing ineffective employees or reducing the workforce. In addition, management duties related to staffing often entail working with organized labor unions and meeting federal and state regulations.

LEADING

Leading, or motivating, is the fourth basic managerial function identified by the process approach to management. It is defined as the act of guiding and influencing other people to achieve goals. Leading involves leadership, communication, and motivation skills. In addition, the leadership role for most managers entails four primary duties: educating, evaluating, counseling, and representing. Educating includes teaching skills and showing workers how to function within the company and how to perform their assigned tasks. They do so through both formal and informal means. Examples of informal education are attitudes, work habits, and other behavior that sets an example for subordinates to follow.

Evaluating activities that are part of a manager's leadership responsibilities include settling disputes, creating and enforcing standards and policies, evaluating output, and dispensing rewards. In fact, much of the respect and esteem that a manager gets from subordinates is contingent upon the ability to evaluate effectively.

A manager's ability to counsel will also impact his or her effectiveness. Counseling involves giving advice, helping workers solve problems, soliciting feedback from subordinates, and listening to voluntary input or employee problems. Finally, managers lead through representation by voicing the concerns and suggestions of their subordinates to higher authorities. In other words, managers must show a willingness to back their workers and represent their needs and goals.

Numerous theories have been posited to explain the leadership function and to describe the traits of successful leaders. For example, John P. Kotter, author of The Leadership Factor, identified six traits considered necessary for managers in large organizations to be effective leaders: (1) motivation, (2) personal values, (3) ability, (4) reputation and track record, (5) relationships in the firm and industry, and (6) industry and organizational knowledge. Contrary to traditional beliefs about leadership, which hold that leadership ability is innate, these trait groups are acquired through combinations of early childhood experiences, education, and career experiences.

In addition to developing leadership traits, effective managers must adopt a style of leadership that complements their position, personality, and environment. In general, managers practice some combination of four recognized leadership styles: directive, political, participative, and charismatic. The directive leadership style emphasizes the use of facts, sound strategy, and assertiveness. This type of manager focuses on gathering information, establishing objectives through a careful assessment of data, devising strategies to accomplish goals, and then directing subordinates and coworkers to achieve those ends. Managers who subscribe to a directive leadership style are less concerned about building a consensus for their vision than they are about motivating others to achieve it. They are more likely to confront resistance to their goals and to have less patience in pursuing objectives than other types of leaders.

In contrast, managers who embrace a political leadership style believe that their ability to lead requires the power to manipulate forces within the entity toward common objectives. Importantly, they assume that the company is a political arena fraught with deception, in-fighting, and selfish goals. Therefore, they often must push, bargain, and manipulate to advance the interests of their departments and themselves. Although such leaders may be well-intentioned, honest, and acting in the best interests of the company, they may be willing to deceive others and act selfishly in order to achieve a desired result. Common tactics include keeping goals flexible or vague, advancing their agendas patiently, and manipulating channels of influence and authority.

The participative, or values-driven, style of leadership emphasizes joint decision making, decentralization, the sharing of power, and democratic management. Managers who are participative leaders assume that their subordinates are highly motivated by work that challenges them, builds skills, and is accomplished with

teams of people that they respect. Thus, unlike directive leadership, the participative style focuses on building a consensus during the decision-making process. It also stresses bottom-up management—information and expertise is gleaned from workers in lower levels of the organization and used to direct decisions and goals—and the empowerment of subordinates to make decisions.

The fourth basic managerial style of leadership, charismatic leadership, differs from the other three styles in that it is more suited to realizing radical visions or handling crises. It is less concerned with influencing behavior toward the attainment of long-term goals or day-to-day management activities. Charismatic leadership in business organizations is a style often used by entrepreneurs who are starting new companies, or by transformational managers seeking to revitalize established organizations.

CONTROLLING

The fifth major managerial function, controlling, is comprised of activities that measure and evaluate the outcome of planning, organizing, staffing, and leading efforts. Controlling is an essential part of management because it helps managers determine the fruitfulness of the other functions (planning, organizing, etc.); helps guides employee efforts towards company goals; and helps a company distribute its resources efficiently and effectively. Controlling is typically viewed as an ongoing management process that ensures that the organization is moving toward its goals. The process includes establishing performance standards, evaluating ongoing activities, and correcting performance that deviates from the standards.

Managers begin by establishing specific criteria outlining how they want a company's tasks performed. Based on company objectives, managers determine the performance standards in order for the company to attain its goals. Performance standards may take the form of qualitative and quantitative criteria. Examples of performance standards are budgets, projections, pro forma statements, and production, sales, or quality initiatives. Successful managers usually rely on a feedback system to see how employees are responding to performance standards; this allows managers to identify problems before they develop into crises.

During the second stage of the control process, evaluation, managers determine how closely their subordinates' or department's performance matched up with preset standards. Of import is the manager's acceptable range of deviation, or the degree to which actual performance can vary from the standard before corrective action is necessary. In addition, managers must factor into the performance comparison influences outside of the control of their unit. They must also devise a means of communicating results to subordinates in a constructive manner.

If measured results deviate outside of an acceptable range, the manager must take corrective action. Corrective action may mean simply readjusting the preset standards to reflect more realistic goals. Or, the manager may have to analyze the process that lead to the deviation and then act to make changes. For instance, if a production line fails to meet quality goals the manager may choose to rearrange work teams or change the financial incentive system to emphasize quality. The manager may also

determine that the departmental budget needs to be revised to increase spending on quality control.

To be effective, managers must design control systems that are based on meaningful and accepted standards. If standards are too high, subordinates are likely to lose motivation or become frustrated. Standards should also be based on the overall goals of the organization rather than on the narrow objectives of one department or division. The control process should emphasize two-way communication so that controls are understood by subordinates and managers are able to effectively set standards and evaluate performance, taking into account the workers' perspective. In addition, standards and controls should be flexible enough to accommodate emerging problems and opportunities. Most importantly, controls should be used only when necessary so that they don't unnecessarily obstruct creativity and drive.

4. Managerial roles and skills

In addition to the five basic managerial functions defined by the process approach, a number of ancillary roles can be identified (depending on the position and responsibilities of individual managers) that are necessary to perform the functions. These roles take the form of interpersonal roles, information roles, and decision maker roles. As part of their interpersonal roles, managers are generally expected to act as figureheads and leaders for their units or organizations, which entails performing ceremonial duties or entertaining associates. Managers also act as liaisons, working with peers in other departments or contacts outside of the organization. The liaison role requires managers to have contact with peers, customers, executives, and others.

As part of their information role, managers monitor the business environment and gather information that affects their departments. In addition to gathering information, managers also distribute it among their employees. Managers play the information role by acting as spokespersons by providing information about the company to the public. Furthermore, top-level managers often must interact with the government, consumer groups, industry associations, and other organizations.

As part of the decision maker role, managers constantly oversee and observe their units, resolving problems and disturbances, and developing a big picture of the department and its place in the organization. Likewise, managers must be negotiators to help secure resources for their team or group and to elicit cooperation from other groups or individuals inside and outside the company. As decision makers, managers also allocate resources, determining how to distribute limited resources within specific units to achieve maximum effectiveness. This role also involves entrepreneurial skills, because managers must generate ideas about improving their units' performance.

To succeed in their various roles, managers must possess a combination of skills from three broad groups: technical, conceptual, and relationship. Technical skills refer to knowledge of processes, tools, and techniques particular to a company or

industry. For instance, sales managers who have never worked as field representatives might lack knowledge that would be important in setting sales goals and compensations systems. Conceptual skills allow managers to view each unit as part of the entire organization, and the company as part of a larger industry. Conceptual skills are particularly important for developing long-range goals and solving problems. Finally, relationship skills are those that the manager uses to communicate effectively and work with others.

Effective managers at all levels typically possess an advanced set of relationship skills, particularly in management structures that stress communication and cooperation (e.g., matrix). In general, managers at the top of the management pyramid require a higher degree of conceptual skills. In fact, as managers assume more responsibility and become less involved with day-to-day activities, technical knowledge becomes secondary. Middle managers, on the other hand, usually must possess a roughly equal amount of conceptual and technical knowledge. Finally, line managers near the bottom of the pyramid depend primarily on technical, rather than conceptual, skills.

Multi-divisional management hierarchy

The management of a large organization may have about five levels:

1. Top-level management	Require an extensive knowledge of management roles and skills. They have to be very aware of external factors such as markets. Their decisions are generally of a long-term nature. Their decisions are made using analytic, directive, conceptual and/or behavioral/participative processes. They are responsible for strategic decisions. They have to chalk out the plan and see that plan may be effective in the future. They are executive in nature.
2. Middle management	Mid-level managers have a specialized understanding of certain managerial tasks. They are responsible for carrying out the decisions made by top-level management. Finance, marketing and etc. are comes under middle level management
3. Lower management	This level of management ensures that the decisions and plans taken by the other two are carried out. Lower-level managers' decisions are generally short-term ones.
4. Foreman / lead hand	They are people who have direct supervision over the working force in office factory, sales field or other workgroup or areas of activity.
5. Rank and File	The responsibilities of the persons belonging to this group are even more restricted and more specific than those of the foreman.

Unit 3. Leadership

Leadership has been described as the "process of social influence in which one person can enlist the aid and support of others in the accomplishment of a common task[1]." Definitions more inclusive of followers have also emerged. Alan Keith stated that, "Leadership is ultimately about creating a way for people to contribute to making something extraordinary happen[2]." Tom DeMarco says that leadership needs to be distinguished from posturing[3].

The following sections discuss several important aspects of leadership including a description of what leadership is and a description of several popular theories and styles of leadership. This article also discusses topics such as the role of emotions and vision, as well as leadership effectiveness and performance, leadership in different contexts, how it may differ from related concepts (i.e., management), and some critiques of leadership as generally conceived.

Group leadership

In contrast to individual leadership, some organizations have adopted group leadership. In this situation, more than one person provides direction to the group as a whole. Some organizations have taken this approach in hopes of increasing creativity, reducing costs, or downsizing. Others may see the traditional leadership of a boss as costing too much in team performance. In some situations, the maintenance of the boss becomes too expensive - either by draining the resources of the group as a whole, or by impeding the creativity within the team, even unintentionally.

A common example of group leadership involves cross-functional teams. A team of people with diverse skills and from all parts of an organization assembles to lead a project. A team structure can involve sharing power equally on all issues, but more commonly uses rotating leadership. The team member(s) best able to handle any given phase of the project become(s) the temporary leader(s). Additionally, as each team member has the opportunity to experience the elevated level of empowerment, it energizes staff and feeds the cycle of success[4].

Leaders who demonstrate persistence, tenacity, determination and synergistic communication skills will bring out the same qualities in their groups. Good leaders use their own inner mentors to energize their team and organizations and lead a team to achieve success[5].

According to the National School Boards Association (USA)[6] these Group Leadership or Leadership Teams have specific characteristics:

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[1] Chemers, M. M. (2002). Meta-cognitive, social, and emotional intelligence of transformational leadership: Efficacy and Effectiveness. In R. E. Riggio, S. E. Murphy, F. J. Pirozzolo (Eds.), Multiple Intelligences and Leadership.
[2] Kouzes, J., and Posner, B. (2007). The Leadership Challenge. CA: Jossey Bass.
[3] Slack: Getting Past Burnout, Busywork, and the Myth of Total Efficiency
[4] Ingrid Bens (2006). Facilitating to Lead. Jossey-Bass
[5] Dr. Bart Barthelemy (1997). The Sky Is Not The Limit - Breakthrough Leadership. St. Lucie Press.
[6] National School Boards Association

Characteristics of a Team:
- There must be an awareness of unity on the part of all its members.
- There must be interpersonal relationship. Members must have a chance to contribute, learn from and work with others.
- The member must have the ability to act together toward a common goal.

Ten characteristics of well-functioning teams:
1. Purpose: Members proudly share a sense of why the team exists and are invested in accomplishing its mission and goals.
2. Priorities: Members know what needs to be done next, by whom, and by when to achieve team goals.
3. Roles: Members know their roles in getting tasks done and when to allow a more skillful member to do a certain task.
4. Decisions: Authority and decision-making lines are clearly understood.
5. Conflict: Conflict is dealt with openly and is considered important to decision-making and personal growth.
6. Personal traits: members feel their unique personalities are appreciated and well utilized.
7. Norms: Group norms for working together are set and seen as standards for every one in the groups.
8. Effectiveness: Members find team meetings efficient and productive and look forward to this time together.
9. Success: Members know clearly when the team has met with success and share in this equally and proudly.
10. Training: Opportunities for feedback and updating skills are provided and taken advantage of by team members.

Styles

Leadership style refers to a leader's behaviour. It is the result of the philosophy, personality and experience of the leader.

Kurt Lewin and colleagues identified different styles of leadership[1]:
1. Autocratic
2. Participative
3. Laissez-Faire

Autocratic or authoritarian style

Under the autocratic leadership style, all decision-making powers are centralized in the leader, as with dictator leaders.

They do not entertain any suggestions or initiatives from subordinates. The autocratic management has been successful as it provides strong motivation to the manager. It permits quick decision-making, as only one person decides for the whole

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[1] Lewin, K.; Lippitt, R.; White, R.K. (1939). "Patterns of aggressive behavior in experimentally created social climates". Journal of Social Psychology 10: 271–301.

group and keeps each decision to himself until he feels it is needed to be shared with the rest of the group.

Participative or democratic style

The democratic leadership style favors decision-making by the group as shown, such as leader gives instruction after consulting the group.

They can win the cooperation of their group and can motivate them effectively and positively. The decisions of the democratic leader are not unilateral as with the autocrat because they arise from consultation with the group members and participation by them.

Laissez-faire or free rein style

A free rein leader does not lead, but leaves the group entirely to itself as shown; such a leader allows maximum freedom to subordinates, i.e., they are given a free hand in deciding their own policies and methods.

Different situations call for different leadership styles. In an emergency when there is little time to converge on an agreement and where a designated authority has significantly more experience or expertise than the rest of the team, an autocratic leadership style may be most effective; however, in a highly motivated and aligned team with a homogeneous level of expertise, a more democratic or laissez-faire style may be more effective. The style adopted should be the one that most effectively achieves the objectives of the group while balancing the interests of its individual members.

Unit 4. Team and group as the objects of management

Team size, composition, and formation

A team comprises a group of people linked in a common purpose. Teams are especially appropriate for conducting tasks that are high in complexity and have many interdependent subtasks.

A group in itself does not necessarily constitute a team. Teams normally have members with complementary skills and generate synergy through a coordinated effort which allows each member to maximize his or her strengths and minimize his or her weaknesses. Team members need to learn how to help one another, help other team members realize their true potential, and create an environment that allows everyone to go beyond their limitations[1].

Theorists in business in the late 20th century popularized the concept of constructing teams. Differing opinions exist on the efficacy of this new management fad. Some see "team" as a four-letter word: overused and under-useful. Others see it as a panacea that finally realizes the human relations movement's desire to integrate what that movement perceives as best for workers and as best for managers. Still others believe in the effectiveness of teams, but also see them as dangerous because of the potential for exploiting workers — in that team effectiveness can rely on peer pressure and peer surveillance.

Team size and composition affect the team processes and outcomes. The optimal size (and composition) of teams is debated and will vary depending on the task at hand. At least one study of problem-solving in groups showed an optimal size of groups at four members. Other works estimate the optimal size between 5-12 members. *Belbin* did extensive research on teams prior to 1990 in the UK. This clearly demonstrated that the optimum team size is 8 roles plus a specialist as needed. Fewer than 5 members results in decreased perspectives and diminished creativity. Membership in excess of 12 results in increased conflict and greater potential of sub-groups forming.

David Cooperrider suggests that the larger the group, the better. This is because a larger group is able to address concerns of the whole system. So while a large team may be ineffective at performing a given task, Cooperrider says that the relevance of that task should be considered, because determining whether the team is effective first requires identifying what needs to be accomplished.

Regarding composition, all teams will have an element of homogeneity and heterogeneity. The more homogeneous the group, the more cohesive it will be. The more heterogeneous the group, the greater the differences in perspective and increased potential for creativity, but also the greater potential for conflict.

Team members normally have different roles, like team leader and agents. Large teams can divide into sub-teams according to need.

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[1] Davis, Barbee. 97 Things Every Project Manager Should Know: Collective Wisdom from the Experts. Beijing: O'Reilly, 2009. Print."Build teams to Run Marathons, Not Sprints" By Naresh Jain pg 96

Many teams go through a life-cycle of stages, identified by Bruce Tuckman as: forming, storming, norming, performing and adjourning.

Types of teams

1. Independent and interdependent teams

Of particular importance is the concept of different types of teams. A distinction is usually drawn between "independent" and "interdependent" teams. For example, a rugby team is clearly an interdependent team:

- successful play requires co-operation between team members
- within that team members typically specialize in different tasks (running the ball, goal kicking & scrum feeding), and
- the success of every individual is inextricably bound to the success of the whole team. No Rugby player, no matter how talented, has ever won a game by playing alone.

On the other hand, a chess team is a classic example of an independent team:

- matches are played and won by individuals or partners,
- every person performs basically the same actions, and
- whether one player wins or loses has no direct effect on the performance of the next player.

If all team members each perform the same basic tasks, such as students working problems in a math class, or outside sales employees making phone calls, then it is likely that this team is an independent team. They may be able to help each other — perhaps by offering advice or practice time, by providing moral support, or by helping in the background during a busy time — but each individual's success is primarily due to each individual's own efforts. Chess players do not win their own matches merely because the rest of their teammates did, and math students do not pass tests merely because their neighbors know how to solve the equations.

Coaching an "interdependent" team like a football team necessarily requires a different approach from coaching an "independent" team because the costs and benefits to individual team members — and therefore the intrinsic incentives for positive team behaviors — are very different. An interdependent team benefits from getting to know the other team members socially, from developing trust in each other, and from conquering artificial challenges (such as offered in outdoors ropes courses).

Independent teams typically view these activities as unimportant, emotion-driven time wasters. They benefit from more intellectual, job-related training. The best way to start improving the functioning of an independent team is often a single question, "What does everyone need to do a better job?"

2. Self-managed teams

Normally, a manager acts as the team leader and is responsible for defining the goals, methods, and functioning of the team. However, inter-dependencies and conflicts between different parts of an organization may not be best addressed by

hierarchical models of control. Self-managed teams use clear boundaries to create the freedom and responsibility to accomplish tasks in an efficient manner[1].

The main idea of the self-managed team is that the leader does not operate with positional authority. In a traditional management role, the manager is responsible for providing instruction, conducting communication, developing plans, giving orders, and disciplining and rewarding employees, and making decisions by virtue of his or her position. In this organizational model, the manager delegates specific responsibility and decision-making authority to the team itself, in the hope that the group will make better decisions than any individual. Neither a manager nor the team leader make independent decisions in the delegated responsibility area. Decisions are typically made by consensus in successful self-managed teams, by voting in very large or formal teams, and by hectoring and bullying in unsuccessful teams. The team as a whole is accountable for the outcome of its decisions and actions.

Self-managed teams operate in many organizations to manage complex projects involving research, design, process improvement, and even systemic issue resolution, particularly for cross-department projects involving people of similar seniority levels. While the internal leadership style in a self-managed team is distinct from traditional leadership and operates to neutralize the issues often associated with traditional leadership models, a self-managed team still needs support from senior management to operate well.

Self-managed teams may be interdependent or independent. Of course, merely calling a group of people a self-managed team does not make them either a team or self-managed.

As a self-managed team develops successfully, more and more areas of responsibility can be delegated, and the team members can come to rely on each other in a meaningful way[2].

3. Project teams

A team used only for a defined period of time and for a separate, concretely definable purpose, often becomes known as a project team. Managers commonly label groups of people as a "team" based on having a common function. Members of these teams might belong to different groups, but receive assignment to activities for the same project, thereby allowing outsiders to view them as a single unit. In this way, setting up a team allegedly facilitates the creation, tracking and assignment of a group of people based on the project in hand. The use of the "team" label in this instance often has no relationship to whether the employees are working as a team.

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[1] Ken Blanchard. pg 7. "Go Team! Take your team to the Next Level." Beret-Koestler publishing Inc. San-Francisco, CA. 2005
[2] Davis, Barbee. 97 Things Every Project Manager Should Know: Collective Wisdom from the Experts. Beijing: O'Reilly, 2009. Print."Build teams to Run Marathons, Not Sprints" By Naresh Jain pg 96

4. Sports teams

A sports team is a group of people which play a sport together. Members include all players (even those who are waiting their turn to play) as well as support members such as a team manager or coach.

5. Virtual teams

Developments in communications technologies have seen the emergence of the virtual work team. A virtual team is a group of people who work interdependently and with shared purpose across space, time, and organization boundaries using technology to communicate and collaborate. Virtual team members can be located across a country or across the world, rarely meet face-to-face, and include members from different cultures[1]. Many virtual teams are cross-functional and emphasis solving customer problems or generating new work processes. The United States Lab our Department reported that in 2001, 19 million people worked from home online or from another location, and that by the end of 2002, over 100 million people world-wide would be working outside traditional offices (Pearson & Sounders, 2001).

6. Interdisciplinary and multidisciplinary teams

Teams, such as in medical fields, may be interdisciplinary or multidisciplinary[2]. Multidisciplinary teams involve several professionals who independently treat various issues a patient may have, focusing on the issues in which they specialize. The problems that are being treated may or may not relate to other issues being addressed by individual team members. Interdisciplinary team approach involves all members of the team working together towards the same goal. In an interdisciplinary team approach, there can often be role blending by members of the core team, who may take on tasks usually filled by other team members[3].

7. Not all groups are teams

Some people also use the word "team" when they mean "employees." A "sales team" is a common example of this loose or perhaps euphemistic usage, though inter dependencies exist in organizations, and a sales team can be let down by poor performance on other parts of the organization upon which sales depend, like delivery, after-sales service, etc.. However "sales staff" is a more precise description of the typical arrangement.

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[1] Kimble et al. (2000) Effective Virtual Teams through Communities of Practice (Department of Management Science Research Paper Series, 00/9), University of Strategical, Strategical, UK, 2000.
[2] Ferrell, Betty; Nessa Coyle (2006). Textbook of Palliative Nursing (2 ed.). Oxford University Press US. p. 35. ISBN 0195175492.
[3] The same

8. From Groups to Teams

Groups develop into teams in four stages. The four stages are: dependency and inclusion, counter dependency and fighting, trust and structure, and work. In the first stage, group development is characterized by members' dependency on the designated leader. In the second stage, the group seeks to free itself from its dependence on the leader and groups have conflicts about goals and procedures. In the third stage, the group manages to work through the conflicts. And in the last stage, groups focus on team productivity[1].

Group development

The goal of most research on group development is to learn why and how small groups change over time. To do this, researchers examine patterns of change and continuity in groups over time. Aspects of a group that might be studied include the quality of the output produced by a group, the type and frequency of its activities, its cohesiveness, the existence of conflict, etc.

A number of theoretical models have been developed to explain how certain groups change over time. Listed below are some of the most common models. In some cases, the type of group being considered influenced the model of group development proposed as in the case of therapy groups. In general, some of these models view group change as regular movement through a series of "stages," while others view them as "phases" that groups may or may not go through and which might occur at different points of a group's history. Attention to group development over time has been one of the differentiating factors between the study of ad hoc groups and the study of teams such as those commonly used in the workplace, the military, sports and many other contexts.

1. Theories and Models

In the early seventies, Hill and Grunner (1973) reported that more than 100 theories of group development existed. Since then, other theories have emerged as well as attempts at contrasting and synthesizing them. As a result, a number of typologies of group change theories have been proposed. A typology advanced by George Smith (2001) based on the work of Mennecke and his colleagues (1992) classifies theories based on whether they perceive change to occur in a linear fashion, through cycles of activities, or through processes that combine both paths of change, or which are completely non-phasic. Other typologies are based on whether the primary forces promoting change and stability in a group are internal or external to the group. A third framework advanced by Andrew Van de Ven and Marshall Scott Poole (1995), differentiates theories based on four distinct "motors" for generating change. According to this framework, the following four types of group development models exist:

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[1] Wheel an, S. (2010). Creating Effective Teams: a Guide for Members and Leaders. Los Angles: SAGE. Print.

Life cycle models: Describe the process of change as the unfolding of a prescribed and linear sequence of stages following a program that is prefigured at the beginning of the cycle (decided within the group or imposed on it).

Teleological models: Describe change as a purposeful movement toward one or more goals, with adjustments based on feedback from the environment.

Dialectical models: Describe change as emerging from conflict between opposing entities and eventual synthesis leading to the next cycle of conflict

Evolutionary models: Describe change as emerging from a repeated cycle of variation, selection and retention and generally apply to change in a population rather than change within an entity over time.

Below are descriptions of the central elements of some of the most common models of group development.

2. Kurt Lewin's Individual Change Process

The first systematic study of group development was carried out by Kurt Lewin, who introduced the term "group dynamics" (Arrow et al., 2005). His ideas about mutual, cross-level influence and quasi-stationary equilibria, although uncommon in the traditional empirical research on group development, have resurged recently. His early model of individual change, which has served as the basis of many models of group development, described change as a three-stage process: unfreezing, change, and freezing[1].

Unfreezing: This phase involves overcoming inertia and dismantling the existing "mind set". Defense mechanisms have to be bypassed.

Change: In the second stage change occurs. This is typically a period of confusion and transition. One is aware that the old ways are being challenged but does not have a clear picture to replace them with yet.

Freezing: In the third stage the new mindset is crystallizing and one's comfort level is returning to previous levels. This is often misquoted as "refreezing" (Lewin, 1947).

3. Tuckman's Stages model

Bruce Tuckman reviewed about fifty studies of group development (including Bales' model) in the mid-sixties and synthesized their commonalities in one of the most frequently cited models of group development (Tuckman, 1965). The model describes four linear stages (forming, storming, norming, and performing) that a group will go through in its unitary sequence of decision making. A fifth stage (adjourning) was added in 1977 when a new set of studies were reviewed (Tuckman & Jensen, 1977).

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[1] Lewin, K. (1947). Frontiers in group dynamics: Concept, method and reality in social science; social equilibria and social change. Human Relations, 1 (1), 5-41.

Forming: Group members learn about each other and the task at hand. Indicators of this stage might include: Unclear objectives, Uninvolvement, Uncommitted members, Confusion, Low morale, Hidden feelings, Poor listening, etc.

Storming: As group members continue to work, they will engage each other in arguments about the structure of the group which often are significantly emotional and illustrate a struggle for status in the group. These activities mark the storming phase: Lack of cohesion, Subjectivity, Hidden agendas, Conflicts, Confrontation, Volatility, Resentment, anger, Inconsistency, Failure.

Norming: Group members establish implicit or explicit rules about how they will achieve their goal. They address the types of communication that will or will not help with the task. Indicators include: Questioning performance, Reviewing/clarify objective, Changing/confirming roles, Opening risky issues, Assertiveness, Listening, Testing new ground, Identifying strengths and weaknesses.

Performing: Groups reach a conclusion and implement the solution to their issue. Indicators include: Creativity, Initiative, Flexibility, Open relationships, Pride, Concern for people, Learning, Confidence, High morale, Success, etc.

Adjourning: As the group project ends, the group disbands in the adjournment phase. This phase was added when Tuckman and Jensen's updated their original review of the literature in 1977.

Each of the five stages in the Forming-storming-norming-performing-adjourning model proposed by Tuckman involves two aspects: interpersonal relationships and task behaviors. Such a distinction is similar to Bales' (1950) equilibrium model which states that a group continuously divides its attention between instrumental (task-related) needs and expressive (socioemotional).

As Gersick (1988) has pointed out, some later models followed similar sequential patterns. Examples include: define the situation, develop new skills, develop appropriate roles, carry out the work (Hare, 1976); orientation, dissatisfaction, resolution, production, termination (LaCoursiere, 1980); and generate plans, ideas, and goals; choose&agree on alternatives, goals, and policies; resolve conflicts and develop norms; perform action tasks and maintain cohesion (McGrath, 1984).

4. Tubbs' Systems model

Stewart Tubbs "systems" approach to studying small group interaction led him to the creation of a four-phase model of group development:

Orientation: In this stage, group members get to know each other, they start to talk about the problem, and they examine the limitations and opportunities of the project.

Conflict: Conflict is a necessary part of a group's development. Conflict allows the group to evaluate ideas and it helps the group avoid conformity and groupthink

Consensus: Conflict ends in the consensus stage, when group members compromise, select ideas, and agree on alternatives.

Closure: In this stage, the final result is announced and group members reaffirm their support of the decision.

5. Fisher's theory of decision emergence in groups

Fisher outlines four phases through which task groups tend to proceed when engaged in decision making. By observing the distribution of act-response pairs (a.k.a. "interacts") across different moments of the group process, Fisher noted how the interaction changed as the group decision was formulated and solidified. His method pays special attention to the "content" dimension of interactions by classifying statements in terms of how they respond to a decision proposal (e.g. agreement, disagreement, etc.).

Orientation: During the orientation phase, group members get to know each other and they experience a primary tension: the awkward feeling people have before communication rules and expectations are established. Groups should take time to learn about each other and feel comfortable communicating around new people.

Conflict: The conflict phase is marked by secondary tension, or tension surrounding the task at hand. Group members will disagree with each other and debate ideas. Here conflict is viewed as positive, because it helps the group achieve positive results.

Emergence: In the emergence phase, the outcome of the group's task and its social structure become apparent. Group members soften their positions and undergo and attitudinal change that makes them less tenacious in defending their individual viewpoint.

Reinforcement: In this stage, group members bolster their final decision by using supportive verbal and nonverbal communication.

Based on this categorization, Fisher created his "Decision Proposal Coding System" that identifies act-response pairs associated with each decision-making phase. Interestingly, Fisher observed that the group decision making process tended to be more cyclical and, in some cases, almost erratic. He hypothesized that the interpersonal demands of discussion require "breaks" from task work. In particular, Fisher observed that there are a number of contingencies that might explain some of the decision paths taken by some groups. For instance, in modifying proposals, groups tend to follow one of two patterns. If conflict is low, the group will reintroduce proposals in less abstract, more specific language. When conflict is higher, the group might not attempt to make a proposal more specific but, instead, because disagreement lies on the basic idea, the group introduces substitute proposals of the same level of abstraction as the original.

Group dynamics

Group dynamics is the study of groups, and also a general term for group processes. Relevant to the fields of psychology, sociology, and communication studies, a group is two or more individuals who are connected to each other by social relationships[1]. Because they interact and influence each other, groups develop a number of dynamic processes that separate them from a random collection of

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[1] Forsyth, D.R. (2006) Group Dynamics

individuals. These processes include norms, roles, relations, development, need to belong, social influence, and effects on behavior. The field of group dynamics is primarily concerned with small group behavior. Groups may be classified as aggregate, primary, secondary and category groups.

In organizational development (OD), or group dynamics, the phrase "group process" refers to the understanding of the behavior of people in groups, such as task groups, that are trying to solve a problem or make a decision. An individual with expertise in 'group process, such as a trained facilitator, can assist a group in accomplishing its objective by diagnosing how well the group is functioning as a problem-solving or decision-making entity and intervening to alter the group's operating behaviour.

Because people gather in groups for reasons other than task accomplishment, group process occurs in other types of groups such as personal growth groups (e.g. encounter groups, study groups, prayer groups). In such cases, an individual with expertise in group process can be helpful in the role of facilitator.

Well researched but rarely mentioned by professional group workers, is the social status of people within the group (i.e., senior or junior). The group leader (or facilitator) will usually have a strong influence on the group due to his or her role of shaping the group's outcomes. This influence will also be affected by the leader's sex, race, relative age, income, appearance, and personality, as well as organizational structures and many other factors.

1. Dimensions of group process

Aspects of group process include:
- Patterns of communication and coordination
- Patterns of influence
- Roles / relationship
- Patterns of dominance (e.g. who leads, who defers)
- Balance of task focus vs social focus
- Level of group effectiveness
- How conflict is handled
- Emotional state of the group as a whole, what Wilfred Bion called basic assumptions[1].

Groups of individuals gathered together to achieve a goal or objective, either as a committee or some other grouping, go through several predictable stages before useful work can be done. These stages are a function of a number of variables, not the least of which is the self-identification of the role each member will tend to play, and the emergence of natural leaders and individuals who will serve as sources of information. Any individual in a leadership position whose responsibilities involve getting groups of individuals to work together should both be conversant with the

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[1] Irvin D. Yalom, The Theory and Practice of Group Psychotherapy, third edition, Basic Books (1985), hardback, page 194 to 196, ISBN 0-465-08447-8

phases of the group process and possess the skills necessary to capitalize on these stages to accomplish the objective of forming a productive, cohesive team.

Various theories of group development exist. The model below combines elements of theories by Jones (1973), Tuckman (1965), and Banet (1976). In this model, each phase of group development is looked at with respect to group members' concerns with task and personal relations (process) functions[1].

Phase	Task Functions	Personal Relations Functions
1	Orientation	Testing and Dependence
2	Organizing to Get Work Done	Intragroup Conflict
3	Information-flow	Group Cohesion
4	Problem-solving	Interdependence

Group dynamics is a critical factor in group performance. Understanding how the group works and if and how it is developing will help the team leader to lead the team better. In organizational development context, the need for managing or improving the group dynamics will lead to an intervention based consulting project, where tools such as team building or Sociomapping are used.

Group communication

The first important research study of small group communication was performed by social psychologist Robert Bales and published in a series of books and articles in the early and mid 1950s[2]. This research entailed the content analysis of discussions within groups making decisions about "human relations" problems (i.e., vignettes about relationship difficulties within families or organizations). Bales made a series of important discoveries.

1. Group discussion tends to shift back and forth relatively quickly between the discussion of the group task and discussion relevant to the relationship among the members. He believed that this shifting was the product of an implicit attempt to balance the demands of task completion and group cohesion, under the presumption that conflict generated during task discussion causes stress among members, which must be released through positive relational talk.

2. Task group discussion shifts from an emphasis on opinion exchange, through an attentiveness to values underlying the decision, to making the decision. This implication that group discussion goes through the same series of stages in the same order for any decision-making group is known as the linear phase model.

3. The most talkative member of a group tends to make between 40 and 50 percent of the comments and the second most talkative member between 25

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[1] The CEDA Meta-Profession Project. Group Process. Retrieved on: September 27, 2008.
[2] Bales, R. F. (1950). Interaction process analysis. Page 33. Cambridge, MA: Addison-Wesley.

and 30, no matter the size of the group. As a consequence, large groups tend to be dominated by one or two members to the detriment of the others.

1. Linear phase model

The most influential of these discoveries has been the latter; the linear phase model. The idea that all groups performing a given type of task go through the same series of stages in the same order was replicated through the 1950s, 1960s and 1970s; with most finding four phases of discussion.

For example, communication researcher B. Aubrey Fisher showed groups going sequentially through an orientation stage, a conflict stage, a stage in which a decision emerges and a stage in which that decision is reinforced[1]. Much of this research (although not necessarily Fisher's) had two fundamental flaws.

First, all group data was combined before analysis, making it impossible to determine whether there were differences among groups in their sequence of discussion.

Second, group discussion content was compared across the same number of stages as the researcher hypothesized, such that if the researcher believed there were four stages to discussion, there was no way to find out if there actually were five or more.

In the 1980s, communication researcher Marshall Scott Poole examined a sample of groups without making these errors and noted substantial differences among them in the number and order of stages[2]. He hypothesized that groups finding themselves in some difficulty due to task complexity, an unclear leadership structure or poor cohesion act as if they feel the need to conduct a "complete" discussion and thus are more likely to pass through all stages as the linear phase model implies, whereas groups feeling confident due to task simplicity, a clear leadership structure and cohesion are more likely to skip stages apparently deemed unnecessary.

2. Social influence in groups

Work relevant to social influence in groups has a long history. Two early examples of social psychological research have been particularly influential. The first of these was by Muzafer Sherif in 1935 using the autokinetic effect. Sherif asked participants to voice their judgments of light movement in the presence of others and noted that these judgments tended to converge[3]. The second of these was a series of studies by Solomon Asch, in which naive participants were asked to voice their judgments of the similarity of the length of lines after hearing the "judgments" of several confederates (research assistants posing as participants) who purposely voiced the same obviously wrong judgment. On about 1/3 of the cases, participants voiced the obviously wrong judgment. When asked why, many of these participants reported

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[1] Bales, R. F., and Strodtbeck, F. L. (1951). Phases in group problem-solving. Journal of Abnormal and Social Psychology, 46, 485-495.

[2] Poole, M. S., & Roth, J. (1989). Decision development in small groups IV: A typology of group decision paths. Human Communication Research, 15, 323-356.

[3] Sherif, M. (1935). A study of some social factors in perception. Archives of Psychology, 27(187).

that they had originally made the correct judgment but after hearing the confederates, decided the judgments of several others (the confederates) should be trusted over theirs[1].

As a consequence of these and other studies, social psychologists have come to distinguish between two types of social influence; informational and normative. Informational influence occurs when group members are persuaded by the content of what they read or hear to accept an opinion; Sherif's study appears to be an example. Normative influence occurs when group members are persuaded by the knowledge that a majority of group members have a view. Normative influence should not be confused with compliance, which occurs when group members are not persuaded but voice the opinions of the group majority. Although some of the participants in the Asch studies who conformed admitted that they had complied, the ones mentioned above who believed the majority to be correct are best considered to have been persuaded through normative influence.

3. Group decisions

By the end of the 1950s, studies such as Sherif's led to the reasonable conclusion that social influence in groups leads group members to converge on the average judgment of the individual members. As a consequence, it was a surprise to many social psychologists when in the early 1960s, evidence appeared that group decisions often became more extreme than the average of the individual predisposed judgment[2].

This was originally thought to be a tendency for groups to be riskier than their members would be alone (the risky shift), but later found to be a tendency for extremity in any direction based on which way the members individually tended to lean before discussion (group polarization). Research has clearly demonstrated that group polarization is primarily a product of persuasion not compliance. Two theoretical explanations for group polarization have come to predominate. One is based on social comparison theory, claiming that members look to one another for the "socially correct" side of the issue and if they find themselves deviant in this regard, shift their opinion toward the extreme of the socially correct position[3]. This would be an example of normative influence.

The other 'persuasive arguments theory' (PAT), begins with the notion that each group member enters discussion aware of a set of items of information favoring both sides of the issue but lean toward that side that boasts the greater amount of information. Some of these items are shared among the members (all are aware of them), others are unshared (only one member is aware of each). Assuming most or all group members lean in the same direction, during discussion, items of unshared

[1] Asch, S. E. (1956). Studies of independence and conformity: 1. A minority of one against a unanimous majority. Psychological Monographs, 70(9), Whole #416.

[2] Wallach, M. A., Kogan, N., & Bem, D. J. (1962). Group influence on individual risk taking. Journal of Abnormal and Social Psychology, 65, 75-86.

[3] Baron, R. S., Dion, K. L., Baron, P. H., & Miller, N. (1971). Group consensus and cultural values as determinants of risk taking. Journal of Personality and Social Psychology, 20, 446-455.

information supporting that direction are voiced, giving members previously unaware of them more reason to lean in that direction[1].

PAT is an example of informational influence. Although PAT has strong empirical support, it would imply that unshared items of information on the opposite side of the favored position would also come up in discussion, canceling the tendency to polarize. Research has shown that when group members all lean in one direction, discussion content is biased toward the side favored by the group, inconsistent with PAT. This finding is consistent with social comparison notions; upon discovering where the group stands, members only voice items of information on the socially correct side. It follows that an explanation for group polarization must include information influence and normative influence.

The possibility exists that the majority of information known to all group members combined, supports one side of an issue but that the majority of information known to each member individually, supports the other side of the issue. For example, imagine that each member of a 4-person group was aware of 3 items of information supporting job candidate A that were only known to that member and 6 items of information supporting job candidate B that were known to all members. There would be 12 items of information supporting candidate A and 6 supporting candidate B but each member would be aware of more information supporting B. Persuasive arguments theory implies that the items of information favoring A should also come up, leading to each member changing their mind but research has indicated that this does not occur. Rather, as predicted by the merging of PAT and social comparison theory, each member would come into discussion favoring B, that discussion would be heavily biased toward B and that the group would choose B for the job. This circumstance, first studied by Stasser and Titus, is known as a "hidden profile" and is more likely to occur as group size increases and as the proportion of shared versus unshared items of information increases[2].

4. Nonverbal Communication

Body language is a form of nonverbal communication, consisting of body pose, gestures, eye movements and paralinguistic cues (i.e. tone of voice and rate of speech). Humans send and interpret such signals unconsciously.

It is often said that human communication consists of 93% body language and paralinguistic cues, while only 7% of communication consists of words themselves[3]. Others assert that "Research has suggested that between 60 and 70 percent of all meaning is derived from nonverbal behavior[4]."

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[1] Vinokur, A., & Burnstein, E. (1974). Effects of partially shared persuasive arguments on group induced shifts: A group problem-solving approach. Journal of Personality and Social Psychology, 29, 305-315.
[2] Stasser, G., & Titus, W. (1985). Pooling of unshared information in group decision making: Biased information sampling during discussion. Journal of Personality and Social Psychology, 53, 81-93.
[3] Borg, John. Body Language: 7 Easy Lessons to Master the Silent Language. Prentice Hall life, 2008
[4] Engleberg,Isa N. Working in Groups: Communication Principles and Strategies. My Communication Kit Series, 2006. page 133

Physical Expression

Physical expressions like waving, pointing, touching and slouching are all forms of nonverbal communication. The study of body movement and expression is known as kinesics. Humans move their bodies when communicating because as research has shown, it helps "ease the mental effort when communication is difficult." Physical expressions reveal many things about the person using them for example, gestures can emphasize a point or relay a message, posture can reveal boredom or great interest, and touch can convey encouragement or caution[1].

Examples list[2]:
- Hands on knees: indicates readiness.
- Hands on hips: indicates impatience.
- Lock your hands behind your back: indicates self-control.
- Locked hands behind head: states confidence.
- Sitting with a leg over the arm of the chair: suggests indifference.
- Legs and feet pointed in a particular direction: the direction where more interest is felt
- Crossed arms: indicates submissiveness.

Body language is a form of non-verbal communication involving the use of stylized gestures, postures, and physiologic signs which act as cues to other people. Humans, sometimes unconsciously, send and receive non-verbal signals all the time.

Body Language and Space

Interpersonal space refers to the psychological "bubble" that we can imagine exists when someone is standing way too close to us. Research has revealed that in North America there are four different zones of interpersonal space.

The first zone is called intimate distance and ranges from touching to about eighteen inches apart. Intimate distance is the space around us that we reserve for lovers, children, as well as close family members and friends.

The second zone is called personal distance and begins about an arm's length away; starting around eighteen inches from our person and ending about four feet away. We use personal distance in conversations with friends, to chat with associates, and in group discussions.

The third zone of interpersonal space is called social distance and is the area that ranges from four to eight feet away from you. Social distance is reserved for strangers, newly formed groups, and new acquaintances.

The fourth identified zone of space is public distance and includes anything more than eight feet away from you. This zone is used for speeches, lectures, and theater; essentially, public distance is that range reserved for larger audiences[1]

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[1] Engleberg,Isa N. Working in Groups: Communication Principles and Strategies. My Communication Kit Series, 2006. page 137

[2] Matthew McKay, Martha Davis, Patrick Fanning [1983] (1995) Messages: The Communication Skills Book, Second Edition, New Harbinger Publications, ISBN 1-57224-592-1, 9781572245921, pp.56-57

5. Language Difficulties

Misunderstandings in communication are common because of the many different ways people use language. Though there is no right or wrong way to communicate, avoiding language barriers such as jargon, bypassing, and offensive language may prevent misunderstandings in group or interpersonal discussions. One of the more common barriers in communication is the inappropriate use of jargon. Jargon is a fictive language invented by and for the group as a verbal shorthand. It also syllabifies group membership when used properly. The problem with jargon is that it can make words confusing and can be used to conceal the truth. Another barrier to language is bypassing. Bypassing occurs when group members have different meanings for different words and phrases and thus miss each others meanings. To overcome the risk of bypassing it is important to look to what the speaker wants and not always at what the speaker says. The third most common language barrier is offensive language. Offensive language is "any terminology that demeans, excludes, or stereotypes people for any reason. Avoiding sexist, discriminating, or labeling talk will greatly reduce chances of miscommunication. Remember, there is no right or wrong way to communicate. Though language difficulties are common, avoiding barriers like jargon, bypassing, and offensive language, will greatly reduce your chances of being misunderstood. Only through habitual awareness can one begin to truly understand and then be understood[2].

Conflict management

For any organisation to be effective and efficient in achieving its goals, the people in the organisation need to have a shared vision of what they are striving to achieve, as well as clear objectives for each team / department and individual. You also need ways of recognising and resolving conflict amongst people, so that conflict does not become so serious that co-operation is impossible. All members of any organisation need to have ways of keeping conflict to a minimum - and of solving problems caused by conflict, before conflict becomes a major obstacle to your work. This could happen to any organisation, whether it is a political party, a business or a government.

Conflict management is the process of planning to avoid conflict where possible and organising to resolve conflict where it does happen, as rapidly and smoothly as possible.

The differences between "competition" and "conflict"

"Competition" usually brings out the best in people, as they strive to be top in their field, whether in sport, community affairs, politics or work. In fact, fair and friendly competition often leads to new sporting achievements, scientific inventions or outstanding effort in solving a community problem. When competition becomes

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[1] Engleberg,Isa N. Working in Groups: Communication Principles and Strategies. My Communication Kit Series, 2006. page 140-141

[2] Engleberg,Isa N. Working in Groups: Communication Principles and Strategies. My Communication Kit Series, 2006. page 126-129

unfriendly or bitter, though, conflict can begin - and this can bring out the worst in people.

1. Common causes of conflict

Causes or sources of organisational conflict can be many and varied. The most common causes are the following:

- scarcity of resources (finance, equipment, facilities, etc)
- different attitudes, values or perceptions
- disagreements about needs, goals, priorities and interests
- poor communication
- poor or inadequate organisational structure
- lack of teamwork
- lack of clarity in roles and responsibilities

Conflict between individual

People have differing styles of communication, ambitions, political or religious views and different cultural backgrounds. In our diverse society, the possibility of these differences leading to conflict between individuals is always there, and we must be alert to preventing and resolving situations where conflict arises.

Conflict between groups of people

Whenever people form groups, they tend to emphasise the things that make their group "better than" or "different from" other groups. This happens in the fields of sport, culture, religion and the workplace and can sometimes change from healthy competition to destructive conflict.

Conflict within a group of people

Even within one organisation or team, conflict can arise from the individual differences or ambitions mentioned earlier; or from rivalry between sub-groups or factions. All leaders and members of the organisation need to be alert to group dynamics that can spill over into conflict.

2. Signs and stages of conflict

- ### "Disputes of right" and "disputes of interest"

Especially in the workplace, two main types of disputes have been noted (although these two types may also happen in other situations). These are:

- **"disputes of right",** where people or groups are entitled by law, by contract, by previous agreement or by established practice to certain rights. Disputes of right will focus on conflict issues such as employment contracts, legally enforceable matters or unilateral changes in accepted or

customary practices. A dispute of rights is, therefore, usually settled by legal decision or arbitration and not by negotiation.

- **"disputes of interest",** where the conflict may be a matter of opinion, such as where a person or group is entitled to some resources or privileges (such as access to property, better working conditions, etc). Because there is no established law or right, a dispute of interest will usually be solved through collective bargaining or negotiation.

3. Stages of conflict

The handling of conflict requires awareness of its various developmental stages. If leaders in the situation can identify the conflict issue and how far it has developed, they can sometimes solve it before it becomes much more serious.

Typical stages include:

1. where potential for conflict exists - in other words where people recognise that lack of resources, diversity of language or culture may possible result in conflict if people are not sensitive to the diversity.
2. latent conflict where a competitive situation could easily spill over into conflict - e.g. at a political rally or in the workplace where there are obvious differences between groups of people.
3. open conflict - which can be triggered by an incident and suddenly become real conflict.
4. aftermath conflict - the situation where a particular problem may have been resolved but the potential for conflict still exists. In fact the potential may be even greater than before, if one person or group perceives itself as being involved in a win-loose situation.

Signs of conflict between individuals

In the organisation leaders and members should be alert to signs of conflict between colleagues, so that they can be proactive in reducing or resolving the conflict by getting to the root of the issue. Typical signs may include:

- colleagues not speaking to each other or ignoring each other
- contradicting and bad-mouthing one another
- deliberately undermining or not co-operating with each other, to the downfall of the team

Signs of conflict between groups of people

Similarly, leaders and members can identify latent conflict between groups of people in the organisation or the community and plan action before the conflict becomes open and destructive:

- cliques or factions meeting to discuss issues separately, when they affect the whole organisation
- one group being left out of organising an event which should include everybody

- groups using threatening slogans or symbols to show that their group is right and the others are wrong

Teamwork and co-operation are essential in an organisation which aims to be effective and efficient, and not likely to be divided by conflicting factions. The best teamwork usually comes from having a shared vision or goal, so that leaders and members are all committed to the same objectives and understand their roles in achieving those objectives. Important behaviours in achieving teamwork and minimising potential conflict include a commitment by team members to:

- share information by keeping people in the group up-to-date with current issues
- express positive expectations about each other
- empower each other - publicly crediting colleagues who have performed well and encouraging each other to achieve results
- team-build - by promoting good morale and protecting the group's reputation with outsiders
- resolve potential conflict - by bringing differences of opinion into the open and facilitating resolution of conflicts

4. Managing and resolving conflict situations

Collective bargaining

Especially in workplace situations, it is necessary to have agreed mechanisms in place for groups of people who may be antagonistic (e.g. management and workers) to collectively discuss and resolve issues. This process is often called "collective bargaining", because representatives of each group come together with a mandate to work out a solution collectively. Experience has shown that this is far better than avoidance or withdrawal, and puts democratic processes in place to achieve "integrative problem solving", where people or groups who must find ways of co-operating in the same organisation, do so within their own agreed rules and procedures.

Conciliation

The dictionary defines conciliation as "the act of procuring good will or inducing a friendly feeling". South African labour relations legislation provides for the process of conciliation in the workplace, whereby groups who are in conflict and who have failed to reach agreement, can come together once again to attempt to settle their differences. This is usually attempted before the more serious step of a strike by workers or a lock-out by management is taken; and it has been found useful to involve a facilitator in the conciliation process. Similarly, any other organisation (e.g. sports club, youth group or community organisation) could try conciliation as a first step.

5. Negotiation, mediation, and arbitration

Three methods of resolving situations that have reached the stage of open conflict are often used by many different organisations. It is important to understand these methods, so that people can decide which methods will work best for them in their specific conflict situation:

Negotiation: this is the process where mandated representatives of groups in a conflict situation meet together in order to resolve their differences and to reach agreement. It is a deliberate process, conducted by representatives of groups, designed to reconcile differences and to reach agreements by consensus. The outcome is often dependent on the power relationship between the groups. Negotiations often involve compromise - one group may win one of their demands and give in on another. In workplaces Unions and management representative usually sue negotiations to solve conflicts. Political and community groups also often use this method.

Mediation: when negotiations fail or get stuck, parties often call in and independent mediator. This person or group will try to facilitate settlement of the conflict. The mediator plays an active part in the process, advises both or all groups, acts as intermediary and suggests possible solutions. In contrast to arbitration (see below) mediators act only in an advisory capacity - they have no decision-making powers and cannot impose a settlement on the conflicting parties. Skilled mediators are able to gain trust and confidence from the conflicting groups or individuals.

Arbitration: means the appointment of an independent person to act as an adjudicator (or judge) in a dispute, to decide on the terms of a settlement. Both parties in a conflict have to agree about who the arbitrator should be, and that the decision of the arbitrator will be binding on them all. Arbitration differs from mediation and negotiation in that it does not promote the continuation of collective bargaining: the arbitrator listens to and investigates the demands and counter-demands and takes over the role of decision-maker. People or organisations can agree on having either a single arbitrator or a panel of arbitrators whom they respect and whose decision they will accept as final, in order to resolve the conflict

Unit 5. Social organization

Organization

1. Definition of the term "organization".

An organization is a social arrangement which pursues collective goals, controls its own performance, and has a boundary separating it from its environment. The word itself is derived from the Greek word "organon", itself derived from the better-known word "ergon".

There are a variety of legal types of organizations, including: corporations, governments, non-governmental organizations, international organizations, armed forces, charities, not-for-profit corporations, partnerships, cooperatives, and universities. A hybrid organization is a body that operates in both the public sector and the private sector, simultaneously fulfilling public duties and developing commercial market activities. As a result the hybrid organization becomes a mixture of both a part of government and a private corporation.

In the social sciences, organizations are the object of analysis for a number of disciplines, such as sociology, economics, political science, psychology, management, and organizational communication. The broader analysis of organizations is commonly referred to as organizational studies, organizational behavior or organization analysis. A number of different perspectives exist, some of which are compatible:

From a process-related perspective, an organization is viewed as an entity is being (re-)organized, and the focus is on the organization as a set of tasks or actions.

From a functional perspective, the focus is on how entities like businesses or state authorities are used.

From an institutional perspective, an organization is viewed as a purposeful structure within a social context.

2. Organization in different sciences

Organization in management and organizational studies

Management is interested in organization mainly from an instrumental point of view. For a company, organization is a means to an end to achieve its goals, which are to create value for its stakeholders (stockholders, employees, customers, suppliers, community).

Organization in sociology

Sociology can be defined as the science of the institutions of modernity; specific institutions serve a function, akin to the individual organs of a coherent body. In the social and political sciences in general, an "organization" may be more loosely understood as the planned, coordinated and purposeful action of human beings working through collective action to reach a common goal or construct a tangible product. This action is usually framed by formal membership and form (institutional rules). Sociology distinguishes the term organization into planned formal and

unplanned informal (i.e. spontaneously formed) organizations. Sociology analyzes organizations in the first line from an institutional perspective. In this sense, organization is a permanent arrangement of elements. These elements and their actions are determined by rules so that a certain task can be fulfilled through a system of coordinated division of labor.

An organization is defined by the elements that are part of it (who belongs to the organization and who does not?), its communication (which elements communicate and how do they communicate?), its autonomy (which changes are executed autonomously by the organization or its elements?), and its rules of action compared to outside events (what causes an organization to act as a collective actor?).

By coordinated and planned cooperation of the elements, the organization is able to solve tasks that lie beyond the abilities of the single elements. The price paid by the elements is the limitation of the degrees of freedom of the elements. Advantages of organizations are enhancement (more of the same), addition (combination of different features) and extension. Disadvantages can be inertness (through co-ordination) and loss of interaction.

Organizational structure

An organizational structure is a description of the types of coordination used to organize the actions of individuals and departments that contribute to achieving a common aim. Many organizations have hierarchical structures, but not all.

Organizations are a variant of clustered entities. An organization can be structured in many different ways, depending on their objectives. The structure of an organization will determine the modes in which it operates and performs.

Organizational structure allows the expressed allocation of responsibilities for different functions and processes to different entities such as the branch, department, workgroup and individual. Individuals in an organizational structure are normally hired under time-limited work contracts or work orders, or under permanent employment contracts or program orders.

1. Operational organizations and informal organizations

The set organizational structure may not coincide with facts, evolving in operational action. Such divergence decreases performance, when growing. E.g. a wrong organizational structure may hamper cooperation and thus hinder the completion of orders in due time and within limits of resources and budgets. Organizational structures shall be adaptive to process requirements, aiming to optimize the ratio of effort and input to output.

An effective organizational structure shall facilitate working relationships between various entities in the organization and may improve the working efficiency within the organizational units. Organization shall retain a set order and control to enable monitoring the processes. Organization shall support command for coping with a mix of orders and a change of conditions while performing work. Organization shall allow for application of individual skills to enable high flexibility and apply

creativity. When a business expands, the chain of command will lengthen and the spans of control will widen. When an organization comes to age, the flexibility will decrease and the creativity will fatigue. Therefore organizational structures shall be altered from time to time to enable recovery. If such alteration is prevented internally, the final escape is to turn down the organization to prepare for a re-launch in an entirely new set up.

Success factors

Common success criteria for organizational structures are:

- Decentralized reporting
- Flat hierarchy
- High transient speed
- High transparency
- Low residual mass
- Permanent monitoring
- Rapid response
- Shared reliability
- Matrix hierarchy

Organizational structure types

1. Pre-bureaucratic structures

Pre-bureaucratic (entrepreneurial) structures lack standardization of tasks. This structure is most common in smaller organizations and is best used to solve simple tasks. The structure is totally centralized. The strategic leader makes all key decisions and most communication is done by one on one conversations. It is particularly useful for new (entrepreneurial) business as it enables the founder to control growth and development.

They are usually based on traditional domination or charismatic domination in the sense of Max Weber's tripartite classification of authority.

2. Bureaucratic structures

Bureaucratic structures have a certain degree of standardization. They are better suited for more complex or larger scale organizations. They usually adopt a tall structure. Then tension between bureaucratic structures and non-bureaucratic is echoed in Burns and Stalker[1] distinction between mechanistic and organic structures. It is not the entire thing about bureaucratic structure. It is very much complex and useful for hierarchical structures organization, mostly in tall organizations.

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[1] Burns, T. and G. Stalker. (1961) The Management of Innovation. London: Tavistock.

3. Post-bureaucratic

The term of post bureaucratic is used in two senses in the organizational literature: one generic and one much more specific[1]. In the generic sense the term post bureaucratic is often used to describe a range of ideas developed since the 1980s that specifically contrast themselves with Weber's ideal type bureaucracy. This may include total quality management, culture management and matrix management, amongst others. None of these however has left behind the core tenets of Bureaucracy. Hierarchies still exist, authority is still Weber's rational, legal type, and the organization is still rule bound. Heckscher, arguing along these lines, describes them as cleaned up bureaucracies[2], rather than a fundamental shift away from bureaucracy. Gideon Kunda, in his classic study of culture management at 'Tech' argued that 'the essence of bureaucratic control - the formalisation, codification and enforcement of rules and regulations - does not change in principle.....it shifts focus from organizational structure to the organization's culture'.

Another smaller group of theorists have developed the theory of the Post-Bureaucratic Organization[3]. They provide a detailed discussion which attempts to describe an organization that is fundamentally not bureaucratic. Charles Heckscher has developed an ideal type, the post-bureaucratic organization, in which decisions are based on dialogue and consensus rather than authority and command, the organization is a network rather than a hierarchy, open at the boundaries (in direct contrast to culture management); there is an emphasis on meta-decision making rules rather than decision making rules. This sort of horizontal decision making by consensus model is often used in housing cooperatives, other cooperatives and when running a non-profit or community organization. It is used in order to encourage participation and help to empower people who normally experience oppression in groups.

Still other theorists are developing a resurgence of interest in complexity theory and organizations, and have focused on how simple structures can be used to engender organizational adaptations. For instance, Miner et al. (2000) studied how simple structures could be used to generate improvisational outcomes in product development. Their study makes links to simple structures and improvise al learning.

4. Functional structure

Employees within the functional divisions of an organization tend to perform a specialized set of tasks, for instance the engineering department would be staffed only with software engineers. This leads to operational efficiencies within that group. However it could also lead to a lack of communication between the functional groups within an organization, making the organization slow and inflexible.

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[1] Grey C., Garsten C., 2001, Trust, Control and Post-Bureaucracy, Sage Publishing)
[2] Heckscher C. (Editor), Donnellon A. (Editor), 1994, The Post-Bureaucratic Organization: New Perspectives on Organizational Change, Sage Publications
[3] Heckscher C. (Editor), Donnellon A. (Editor), 1994, The Post-Bureaucratic Organization: New Perspectives on Organizational Change, Sage Publications

As a whole, a functional organization is best suited as a producer of standardized goods and services at large volume and low cost. Coordination and specialization of tasks are centralized in a functional structure, which makes producing a limited amount of products or services efficient and predictable. Moreover, efficiencies can further be realized as functional organizations integrate their activities vertically so that products are sold and distributed quickly and at low cost[1]. For instance, a small business could start making the components it requires for production of its products instead of procuring it from an external organization. But not only beneficial for organization but also for employees faiths.

5. Divisional structure

Also called a "product structure", the divisional structure groups each organizational function into a division. Each division within a divisional structure contains all the necessary resources and functions within it. Divisions can be categorized from different points of view. There can be made a distinction on geographical basis (a US division and an EU division) or on product/service basis (different products for different customers: households or companies). Another example, an automobile company with a divisional structure might have one division for SUVs, another division for subcompact cars, and another division for sedans. Each division would have its own sales, engineering and marketing departments.

6. Matrix structure

The matrix structure groups employees by both function and product. This structure can combine the best of both separate structures. A matrix organization frequently uses teams of employees to accomplish work, in order to take advantage of the strengths, as well as make up for the weaknesses, of functional and decentralized forms. An example would be a company that produces two products, "product a" and "product b". Using the matrix structure, this company would organize functions within the company as follows: "product a" sales department, "product a" customer service department, "product a" accounting, "product b" sales department, "product b" customer service department, "product b" accounting department. Matrix structure is amongst the purest of organizational structures, a simple lattice emulating order and regularity demonstrated in nature.

Weak/Functional Matrix: A project manager with only limited authority is assigned to oversee the cross- functional aspects of the project. The functional managers maintain control over their resources and project areas.

Balanced/Functional Matrix: A project manager is assigned to oversee the project. Power is shared equally between the project manager and the functional managers. It brings the best aspects of functional and projected organizations. However, this is the most difficult system to maintain as the sharing power is delicate proposition.

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[1] Raymond E. Miles, Charles C. Snow, Causes of Failure in Network Organizations, California Management Review, Summer 1992

<u>Strong/Project Matrix</u>: A project manager is primarily responsible for the project. Functional managers provide technical expertise and assign resources as needed.

Among these matrixes, there is no best format; implementation success always depends on organization's purpose and function.

7. Organizational circle: moving back to flat

The flat structure is common in entrepreneurial start-ups, university spin offs or small companies in general. As the company grows, however, it becomes more complex and hierarchical, which leads to an expanded structure, with more levels and departments.

Often, it would result in bureaucracy, the most prevalent structure in the past. It is still, however, relevant in former Soviet Republics and China, as well as in most governmental organizations all over the world. Shell Group used to represent the typical bureaucracy: top-heavy and hierarchical. It featured multiple levels of command and duplicate service companies existing in different regions. All this made Shell apprehensive to market changes[1], leading to its incapacity to grow and develop further. The failure of this structure became the main reason for the company restructuring into a matrix.

Starbucks is one of the numerous large organizations that successfully developed the matrix structure supporting their focused strategy. Its design combines functional and product based divisions, with employees reporting to two heads[2]. Creating a team spirit, the company empowers employees to make their own decisions and train them to develop both hard and soft skills. That makes Starbucks one of the best at customer service.

Some experts also mention the multinational design[3], common in global companies, such as Procter & Gamble, Toyota and Unilever. This structure can be seen as a complex form of the matrix, as it maintains coordination among products, functions and geographic areas.

In general, over the last decade, it has become increasingly clear that through the forces of globalization, competition and more demanding customers, the structure of many companies has become flatter, less hierarchical, more fluid and even virtual[4].

8. Team

One of the newest organizational structures developed in the 20th century is team. In small businesses, the team structure can define the entire organization[5]. Teams can be both horizontal and vertical[6]. While an organization is constituted as a set of people who synergize individual competencies to achieve newer dimensions, the

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[1] Grant, R.M. (2008). History of the Royal Dutch/Shell Group. Available at:
http://www.blackwellpublishing.com/grant/docs/07Shell.pdf (accessed 20/10/08)
[2] (Starbucks.com (2008). Starbucks Coffee International. Available at:
http://www.starbucks.com/aboutus/international.asp (accessed 20/10/08))
[3] Robbins, S.F., Judge, T.A. (2007). Organizational Behaviour. 12th edition. Pearson Education Inc., p. 551-557.
[4] Gratton, L. (2004). The Democratic Enterprise, Financial Times Prentice Hall, pp. xii-xiv.
[5] Robbins, S.F., Judge, T.A. (2007). Organizational Behaviour. 12th edition. Pearson Education Inc., p. 551-557.
[6] Thareja P(2008), "Total Quality Organization Thru' People,(Part 16), Each one is Capable",FOUNDRY, Vol. XX, No. 4, July/Aug 2008

quality of organizational structure revolves around the competencies of teams in totality[1]. For example, every one of the Whole Foods Market stores, the largest natural-foods grocer in the US developing a focused strategy, is an autonomous profit centre composed of an average of 10 self-managed teams, while team leaders in each store and each region are also a team. Larger bureaucratic organizations can benefit from the flexibility of teams as well. Xerox, Motorola, and DaimlerChrysler are all among the companies that actively use teams to perform tasks.

9. Network

Another modern structure is network. While business giants risk becoming too clumsy to proact (such as), act and react efficiently[2], the new network organizations contract out any business function that can be done better or cheaper. In essence, managers in network structures spend most of their time coordinating and controlling external relations, usually by electronic means. H&M is outsourcing its clothing to a network of 700 suppliers, more than two-thirds of which are based in low-cost Asian countries. Not owning any factories, H&M can be more flexible than many other retailers in lowering its costs, which aligns with its low-cost strategy[3] . The potential management opportunities offered by recent advances in complex networks theory have been demonstrated[4] including applications to product design and development[5], and innovation problem in markets and industries[6].

10. Virtual

A special form of boundaryless organization is virtual. It works in a network of external alliances, using the Internet. This means while the core of the organization can be small but still the company can operate globally by a market leader in its niche. According to Anderson, because of the unlimited shelf space of the Web, the cost of reaching niche goods is falling dramatically. Although none sell in huge numbers, there are so many niche products that collectively they make a significant profit, and that is what made highly innovative Amazon.com so successful[7].

Organizational culture

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[1] Thareja P(2007). A Total Quality Organisation thru'People Each One is Capable. Available at: http://www.foundry-planet.com

[2] Gummesson, E. (2002). Total Marketing Control. Butterworth-Heinemann, p. 266.

[3] Capell, K. H&M Defies Retail Gloom. Available at:
http://www.businessweek.com/globalbiz/content/sep2008/gb2008093_150758.htm (accessed 20/10/08).

[4] Amaral, L.A.N. and B. Uzzi. (2007) Complex Systems—A New Paradigm for the Integrative Study of Management, Physical, and Technological Systems. Management Science, 53, 7: 1033–1035.

[5] Braha, D. and Y. Bar-Yam. (2007) The Statistical Mechanics of Complex Product Development: Empirical and Analytical Results. Management Science, 53, 7: 1127–1145.

[6] Kogut, B., P. Urso, and G. Walker. (2007) Emergent Properties of a New Financial Market: American Venture Capital Syndication, 1960–2005. Management Science, 53, 7: 1181-1198.

[7] Anderson, C. (2007). The Long Tail. Random House Business Books, pp. 23, 53.

Organizational culture is an idea in the field of Organizational studies and management which describes the psychology, attitudes, experiences, beliefs and values (personal and cultural values) of an organization. It has been defined as "the specific collection of values and norms that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders outside the organization[1]."

This definition continues to explain organizational values, also known as "beliefs and ideas about what kinds of goals members of an organization should pursue and ideas about the appropriate kinds or standards of behavior organisational members should use to achieve these goals. From organisational values develop organizational norms, guidelines, or expectations that prescribe appropriate kinds of behavior by employees in particular situations and control the behavior of organisational members towards one another[2]."

Organizational culture and corporate culture are often used interchangeably but it is a mistake to state that they are different concepts. All corporations are also organizations but not all organizations are corporations. Organizations include religious institutions, not-for-profit groups, and government agencies. There is even the Canadian Criminal Code definition of "organized crime" as meaning "a group comprised of three or more persons which has, as one of its primary activities or purposes, the commission of serious offences which likely results in financial gain." Corporations are organizations and are also legal entities. As Schein (2009), Deal & Kennedy (2000), Kotter (1992) and many others state, organizations often have very differing cultures as well as subcultures. Corporate culture is the total sum of the values, customs, traditions, and meanings that make a company unique. Corporate culture is often called "the character of an organization", since it embodies the vision of the company's founders. The values of a corporate culture influence the ethical standards within a corporation, as well as managerial behavior[3].

Senior management may try to determine a corporate culture. They may wish to impose corporate values and standards of behavior that specifically reflect the objectives of the organization. In addition, there will also be an extant internal culture within the workforce. Work-groups within the organization have their own behavioral quirks and interactions which, to an extent, affect the whole system. Roger Harrison's four-culture typology, and adapted by Charles Handy, suggests that unlike organizational culture, corporate culture can be 'imported'. For example, computer technicians will have expertise, language and behaviors gained independently of the organization, but their presence can influence the culture of the organization as a whole.

1. Strong/weak cultures

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[1] Charles W. L. Hill, and Gareth R. Jones, (2001) Strategic Management. Houghton Mifflin.
[2] Charles W. L. Hill, and Gareth R. Jones, (2001) Strategic Management. Houghton Mifflin.
[3] Montana, P., and Charnov, B. (2008) Management (4th ed.), Barrons Educational Series, Hauppauge:NY

Strong culture is said to exist where staff respond to stimulus because of their alignment to organizational values. In such environments, strong cultures help firms operate like well-oiled machines, cruising along with outstanding execution and perhaps minor tweaking of existing procedures here and there.

Conversely, there is weak culture where there is little alignment with organizational values and control must be exercised through extensive procedures and bureaucracy.

Where culture is strong—people do things because they believe it is the right thing to do—there is a risk of another phenomenon, Groupthink. "Groupthink" was described by Irving L. Janis. He defined it as "...a quick and easy way to refer to a mode of thinking that people engage when they are deeply involved in a cohesive in group, when members' strivings for unanimity override their motivation to realistically appraise alternatives of action." This is a state where people, even if they have different ideas, do not challenge organizational thinking, and therefore there is a reduced capacity for innovative thoughts. This could occur, for example, where there is heavy reliance on a central charismatic figure in the organization, or where there is an evangelical belief in the organization's values, or also in groups where a friendly climate is at the base of their identity (avoidance of conflict). In fact group think is very common, it happens all the time, in almost every group. Members that are defiant are often turned down or seen as a negative influence by the rest of the group, because they bring conflict.

Innovative organizations need individuals who are prepared to challenge the status quo—be it groupthink or bureaucracy, and also need procedures to implement new ideas effectively.

2. Typologies of organizational cultures

Several methods have been used to classify organizational culture. Some are described below:

Hofstede (1980[1]) demonstrated that there are national and regional cultural groupings that affect the behavior of organizations. He looked for national differences between over 100,000 of IBM's employees in different parts of the world, in an attempt to find aspects of culture that might influence business behavior.

Hofstede identified five dimensions of culture in his study of national influences:

Power distance - The degree to which a society expects there to be differences in the levels of power. A high score suggests that there is an expectation that some individuals wield larger amounts of power than others. A low score reflects the view that all people should have equal rights.

Uncertainty avoidance reflects the extent to which a society accepts uncertainty and risk.

Individualism vs. collectivism - individualism is contrasted with collectivism, and refers to the extent to which people are expected to stand up for themselves, or

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[1] Hofstede, G. (1980) Culture's Consequences: International Differences in Work Related Values, Beverly Hills, CA, Sage Publications

alternatively act predominantly as a member of the group or organization. However, recent researches have shown that high individualism may not necessarily mean low collectivism, and vice versa[citation needed]. Research indicates that the two concepts are actually unrelated. Some people and cultures might have both high individualism and high collectivism, for example. Someone who highly values duty to his or her group does not necessarily give a low priority to personal freedom and self-sufficiency

Masculinity vs. femininity - refers to the value placed on traditionally male or female values. Male values for example include competitiveness, assertiveness, ambition, and the accumulation of wealth and material possessions.

Deal and Kennedy [1][4] defined organizational culture as the way things get done around here. They measured organizations in respect of:

Feedback - quick feedback means an instant response. This could be in monetary terms, but could also be seen in other ways, such as the impact of a great save in a soccer match.

Risk - represents the degree of uncertainty in the organization's activities.

Using these parameters, they were able to suggest four classifications of organizational culture:

The Tough-Guy Macho Culture. Feedback is quick and the rewards are high. This often applies to fast moving financial activities such as brokerage, but could also apply to a police force, or athletes competing in team sports. This can be a very stressful culture in which to operate.

The Work Hard/Play Hard Culture is characterized by few risks being taken, all with rapid feedback. This is typical in large organizations, which strive for high quality customer service. It is often characterized by team meetings, jargon and buzzwords.

The Bet your Company Culture, where big stakes decisions are taken, but it may be years before the results are known. Typically, these might involve development or exploration projects, which take years to come to fruition, such as oil prospecting or military aviation.

The Process Culture occurs in organizations where there is little or no feedback. People become bogged down with how things are done not with what is to be achieved. This is often associated with bureaucracies. While it is easy to criticize these cultures for being overly cautious or bogged down in red tape, they do produce consistent results, which is ideal in, for example, public services.

Charles Handy[2] (1985) popularized the 1972 work of Roger Harrison of looking at culture which some scholars have used to link organizational structure to organizational culture. He describes Harrison's four types thus:

a *Power Culture* which concentrates power among a few. Control radiates from the center like a web. Power and influence spread out from a central figure or group.

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[1] Deal T. E. and Kennedy, A. A. (1982) Corporate Cultures: The Rites and Rituals of Corporate Life, Harmondsworth, Penguin Books.
[2] Handy, C.B. (1985) Understanding Organizations, 3rd Edn, Harmondsworth, Penguin Books

Power desires from the top person and personal relationships with that individual matters more than any formal title of position. Power Cultures have few rules and little bureaucracy; swift decisions can ensue.

In a *Role Culture*, people have clearly delegated authorities within a highly defined structure. Typically, these organizations form hierarchical bureaucracies. Power derives from a person's position and little scope exists for expert power. Controlled by procedures, roles descriptions and authority definitions. Predictable and consistent systems and procedures are highly valued.

By contrast, in a *Task Culture*, teams are formed to solve particular problems. Power derives from expertise as long as a team requires expertise. These cultures often feature the multiple reporting lines of a matrix structure. It is all a small team approach, who are highly skilled and specialist in their own markets of experience.

A *Person Culture* exists where all individuals believe themselves superior to the organization. Survival can become difficult for such organizations, since the concept of an organization suggests that a group of like-minded individuals pursue the organizational goals. Some professional partnerships can operate as person cultures, because each partner brings a particular expertise and clientele to the firm.

Edgar Schein[1], an MIT Sloan School of Management professor, defines organizational culture as:

"A pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way you perceive, think, and feel in relation to those problems".

According to Schein, culture is the most difficult organizational attribute to change, outlasting organizational products, services, founders and leadership and all other physical attributes of the organization. His organizational model illuminates culture from the standpoint of the observer, described by three cognitive levels of organizational culture.

At the first and most cursory level of Schein's model is organizational attributes that can be seen, felt and heard by the uninitiated observer - collectively known as artifacts. Included are the facilities, offices, furnishings, visible awards and recognition, the way that its members dress, how each person visibly interacts with each other and with organizational outsiders, and even company slogans, mission statements and other operational creeds.

The next level deals with the professed culture of an organization's members - the values. At this level, local and personal values are widely expressed within the organization. Organizational behavior at this level usually can be studied by interviewing the organization's membership and using questionnaires to gather attitudes about organizational membership.

At the third and deepest level, the organization's tacit assumptions are found. These are the elements of culture that are unseen and not cognitively identified in everyday interactions between organizational members. Additionally, these are the

[1] Schein, E.H. (1985-2005) Organizational Culture and Leadership, 3rd Ed., Jossey-Bass ISBN 0-7879-7597-4

elements of culture which are often taboo to discuss inside the organization. Many of these 'unspoken rules' exist without the conscious knowledge of the membership. Those with sufficient experience to understand this deepest level of organizational culture usually become acclimatized to its attributes over time, thus reinforcing the invisibility of their existence. Surveys and casual interviews with organizational members cannot draw out these attributes—rather much more in-depth means is required to first identify then understand organizational culture at this level. Notably, culture at this level is the underlying and driving element often missed by organizational behaviorists.

Using Schein's model, understanding paradoxical organizational behaviors becomes more apparent. For instance, an organization can profess highly aesthetic and moral standards at the second level of Schein's model while simultaneously displaying curiously opposing behavior at the third and deepest level of culture. Superficially, organizational rewards can imply one organizational norm but at the deepest level imply something completely different. This insight offers an understanding of the difficulty that organizational newcomers have in assimilating organizational culture and why it takes time to become acclimatized. It also explains why organizational change agents usually fail to achieve their goals: underlying tacit cultural norms are generally not understood before would-be change agents begin their actions. Merely understanding culture at the deepest level may be insufficient to institute cultural change because the dynamics of interpersonal relationships (often under threatening conditions) are added to the dynamics of organizational culture while attempts are made to institute desired change.

Arthur F. Carmazzi[1]

The Blame culture

This culture cultivates distrust and fear, people blame each other to avoid being reprimanded or put down, this results in no new ideas or personal initiative because people don't want to risk being wrong.

Multi-directional culture

This culture cultivates minimized cross-department communication and cooperation. Loyalty is only to specific groups (departments). Each department becomes a clique and is often critical of other departments which in turn creates lots of gossip. The lack of cooperation and Multi-Direction is manifested in the organization's inefficiency.

Live and let live culture

This culture is Complacency, it manifests Mental Stagnation and Low Creativity. People here have little future vision and have given up their passion. There is average cooperation and communication, and things do work, but they do not grow. People have developed their personal relationships and decided who to stay away from, there is not much left to learn.

Brand congruent culture

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[1] Arthur F. Carmazzi "Lessons from the Monkey King - Leading Change to Create Gorilla Sized Results" — Veritas Publishing, 2007

People in this culture believe in the product or service of the organization, they feel good about what their company is trying to achieve and cooperate to achieve it. People here are passionate and seem to have similar goals in the organisation. They use personal resources to actively solve problems and while they don't always accept the actions of management or others around them, they see their job as important. Most everyone in this culture is operating at the level of Group.

Leadership enriched culture

People view the organization as an extension of themselves, they feel good about what they personally achieve through the organization and have exceptional Cooperation. Individual goals are aligned with the goals of the organization and people will do what it takes to make things happen. As a group, the organization is more like family providing personal fulfillment which often transcends ego so people are consistently bringing out the best in each other. In this culture, Leaders do not develop followers, but develop other leaders. Most everyone in this culture is operating at the level of Organization.

Carmazzi's model requires application of his Directive Communication psychology to evolve the culture. While the idea of having a Leadership Enriched organization is inspirational, it would require substantial Leadership resources to develop. The concept of Evolving the culture assumes that "Every Individual in the organization wants to do a good job", and the behaviors that result in poor performance are manifestations of psychology the group or organization has created through policies, leadership and poor communication.

Robert A. Cooke, PhD, defines culture as the behaviors that members believe are required to fit in and meet expectations within their organization. The Organizational Culture Inventory measures twelve behavioral of norms that are grouped into three general types of cultures:

•Constructive Cultures, in which members are encouraged to interact with people and approach tasks in ways that help them meet their higher-order satisfaction needs.

•Passive/Defensive Cultures, in which members believe they must interact with people in ways that will not threaten their own security.

•Aggressive/Defensive Cultures, in which members are expected to approach tasks in forceful ways to protect their status and security.

The Constructive Cluster

The Constructive Cluster includes cultural norms that reflect expectations for members to interact with others and approach tasks in ways that will help them meet their higher order satisfaction needs for affiliation, esteem, and self-actualization.

The four cultural norms in this cluster are:
- Achievement
- Self-Actualizing
- Humanistic-Encouraging
- Affiliative

Organizations with Constructive cultures encourage members to work to their full potential, resulting in high levels of motivation, satisfaction, teamwork, service quality, and sales growth. Constructive norms are evident in environments where

quality is valued over quantity, creativity is valued over conformity, cooperation is believed to lead to better results than competition, and effectiveness is judged at the system level rather than the component level. These types of cultural norms are consistent with (and supportive of) the objectives behind empowerment, total quality management, transformational leadership, continuous improvement, reengineering, and learning organizations.

The Passive/Defensive Cluster

Norms that reflect expectations for members to interact with people in ways that will not threaten their own security are in the Passive/Defensive Cluster.

The four Passive/Defensive cultural norms are:

- Approval
- Conventional
- Dependent
- Avoidance

In organizations with Passive/Defensive cultures, members feel pressured to think and behave in ways that are inconsistent with the way they believe they should in order to be effective. People are expected to please others (particularly superiors) and avoid interpersonal conflict. Rules, procedures, and orders are more important than personal beliefs, ideas, and judgment. Passive/Defensive cultures experience a lot of unresolved conflict and turnover, and organizational members report lower levels of motivation and satisfaction.

The Aggressive/Defensive Cluster

The Aggressive/Defensive Cluster includes cultural norms that reflect expectations for members to approach tasks in ways that protect their status and security.

The Aggressive/Defensive cultural norms are:

- Oppositional
- Power
- Competitive
- Perfectionistic

Organizations with Aggressive/Defensive cultures encourage or require members to appear competent, controlled, and superior. Members who seek assistance, admit shortcomings, or concede their position are viewed as incompetent or weak. These organizations emphasize finding errors, weeding out "mistakes," and encouraging members to compete against each other rather than competitors. The short-term gains associated with these strategies are often at the expense of long-term growth.

G. Johnson[1] described a cultural web, identifying a number of elements that can be used to describe or influence Organizational Culture:

The Paradigm: What the organization is about; what it does; its mission; its values.

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[1] Johnson, G. (1988) "Rethinking Incrementalism", Strategic Management Journal Vol 9 pp75-91

Control Systems: The processes in place to monitor what is going on. Role cultures would have vast rulebooks. There would be more reliance on individualism in a power culture.

Organizational Structures: Reporting lines, hierarchies, and the way that work flows through the business.

Power Structures: Who makes the decisions, how widely spread is power, and on what is power based?

Symbols: These include organizational logos and designs, but also extend to symbols of power such as parking spaces and executive washrooms.

Rituals and Routines: Management meetings, board reports and so on may become more habitual than necessary.

Stories and Myths: build up about people and events, and convey a message about what is valued within the organization.

These elements may overlap. Power structures may depend on control systems, which may exploit the very rituals that generate stories which may not be true.

3. Organizational culture and change

There are a number of methodologies specifically dedicated to organizational culture change such as Peter Senge's Fifth Discipline and Arthur F Carmazzi's Directive Communication. These are also a variety of psychological approaches that have been developed into a system for specific outcomes such as the Fifth Discipline's "learning organization" or Directive Communication's "corporate culture evolution." Ideas and strategies, on the other hand, seem to vary according to particular influences that affect culture.

Burman and Evans (2008) argue that it is 'leadership' that affects culture rather than 'management', and describe the difference[1]. When one wants to change an aspect of the culture of an organization one has to keep in consideration that this is a long term project. Corporate culture is something that is very hard to change and employees need time to get used to the new way of organizing. For companies with a very strong and specific culture it will be even harder to change.

Cummings & Worley give the following six guidelines for cultural change, these changes are in line with the eight distinct stages mentioned by Kotter[2]:

1. Formulate a clear strategic vision

In order to make a cultural change effective a clear vision of the firm's new strategy, shared values and behaviors is needed. This vision provides the intention and direction for the culture change.

2. Display Top-management commitment

It is very important to keep in mind that culture change must be managed from the top of the organization, as willingness to change of the senior management is an important indicator. The top of the organization should be very much in favour of the change in order to actually implement the change in the rest of the organization. De

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[1] Burman, R. & Evans, A.J. (2008) Target Zero: A Culture of safety, Defence Aviation Safety Centre Journal 2008, 22-27. http://www.mod.uk/NR/rdonlyres/849892B2-D6D2-4DFD-B5BD-9A4F288A9B18/0/DASCJournal2008.pdf

[2] Cummings, Thomas G. & Worley, Christopher G. (2005), Organization Development and Change, 8th Ed., Thomson South-Western, USA, ISBN 0324260601, 2005, p. 491 – 492

Caluwé & Vermaak provide a framework with five different ways of thinking about change.

3. Model culture change at the highest level

In order to show that the management team is in favor of the change, the change has to be notable at first at this level. The behaviour of the management needs to symbolize the kinds of values and behaviours that should be realized in the rest of the company. It is important that the management shows the strengths of the current culture as well, it must be made clear that the current organizational does not need radical changes, but just a few adjustments

4. Modify the organization to support organizational change

The fourth step is to modify the organization to support organizational change.

5.Select and socialize newcomers and terminate deviants

A way to implement a culture is to connect it to organizational membership, people can be selected and terminate in terms of their fit with the new culture.

6. Develop ethical and legal sensitivity

Changes in culture can lead to tensions between organizational and individual interests, which can result in ethical and legal problems for practitioners. This is particularly relevant for changes in employee integrity, control, equitable treatment and job security.

Change of culture in the organizations is very important and inevitable. Culture innovations is bound to be because it entails introducing something new and substantially different from what prevails in existing cultures. Cultural innovation[1] is bound to be more difficult than cultural maintenance. People often resist changes hence it is the duty of the management to convince people that likely gain will outweigh the losses. Besides institutionalization, deification is another process that tends to occur in strongly developed organizational cultures. The organization itself may come to be regarded as precious in itself, as a source of pride, and in some sense unique. Organizational members begin to feel a strong bond with it that transcends material returns given by the organization, and they begin to identify with in. The organization turns into a sort of clan.

4. Entrepreneurial culture

Stephen McGuire[2] defined and validated a model of organizational culture that predicts revenue from new sources. An Entrepreneurial Organizational Culture (EOC) is a system of shared values, beliefs and norms of members of an organization, including valuing creativity and tolerance of creative people, believing that innovating and seizing market opportunities are appropriate behaviors to deal with problems of survival and prosperity, environmental uncertainty, and competitors' threats, and expecting organizational members to behave accordingly.

Elements of Entrepreneurial Culture

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[1] http://www.oracle.com/oramag/profit/07-feb/p17andrew.html

[2] McGuire, Stephen J.J. (2003). Entrepreneurial Organizational Culture: Construct Definition and Instrument Development and Validation, Ph.D. Dissertation, The George Washington University, Washington, DC.

- People and empowerment focused
- Value creation through innovation and change
- Attention to the basics
- Hands-on management
- Doing the right thing
- Freedom to grow and to fail
- Commitment and personal responsibility
- Emphasis on the future[1]

Critical views

Writers from Critical management studies have tended to express skepticism about the functionalist and unitary views of culture put forward by mainstream management thinkers. Whilst not necessarily denying that organizations are cultural phenomena, they would stress the ways in which cultural assumptions can stifle dissent and reproduce management propaganda and ideology. After all, it would be naive to believe that a single culture exists in all organizations, or that cultural engineering will reflect the interests of all stakeholders within an organization. In any case, Parker[2] has suggested that many of the assumptions of those putting forward theories of organizational culture are not new. They reflect a long-standing tension between cultural and structural (or informal and formal) versions of what organizations are. Further, it is perfectly reasonable to suggest that complex organizations might have many cultures, and that such sub-cultures might overlap and contradict each other. The neat typologies of cultural forms found in textbooks rarely acknowledge such complexities, or the various economic contradictions that exist in capitalist organizations.

One of the strongest and widely recognised criticisms of theories that attempt to categorize or 'pigeonhole' organizational culture is that put forward by Linda Smircich. She uses the metaphor of a plant root to represent culture, describing that it drives organizations rather than vice versa. Organizations are the product of organizational culture, we are unaware of how it shapes behaviour and interaction (also recognised through Scheins (2002) underlying assumptions) and so how can we categorize it and define what it is?

Organizational communication perspective on culture

The organizational communication perspective on culture is divided into three areas:

Traditionalism: Views culture through objective things such as stories, rituals, and symbols

Interpretivism: Views culture through a network of shared meanings (organization members sharing subjective meanings)

Critical-Interpretivism: Views culture through a network of shared meanings as well as the power struggles created by a similar network of competing meanings

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[1]http://www.csus.edu/indiv/h/hattonl/MGMT%20196/Entrepreneurial%20Culture%20%E2%80%93%20Chapter%2013 .ppt#261,6,Elements of an Entrepreneurial Culture
[2] Parker, M. (2000) Organizational Culture and Identity, London: Sage

There are many different types of communication that contribute in creating an organizational culture:

- Metaphors such as comparing an organization to a machine or a family reveal employees' shared meanings of experiences at the organization.
- Stories can provide examples for employees of how to or not to act in certain situations.
- Rites and ceremonies combine stories, metaphors, and symbols into one. Several different kinds of rites that affect organizational culture:
- Rites of passage: employees move into new roles
- Rites of degradation: employees have power taken away from them
- Rites of enhancement: public recognition for an employee's accomplishments
- Rites of renewal: improve existing social structures
- Rites of conflict reduction: resolve arguments between certain members or groups
- Rites of integration: reawaken feelings of membership in the organization
- Reflexive comments are explanations, justifications, and criticisms of our own actions. This includes:
- Plans: comments about anticipated actions
- Commentaries: comments about action in the present
- Accounts: comments about an action or event that has already occurred
- Such comments reveal interpretive meanings held by the speaker as well as the social rules they follow.
- Fantasy Themes are common creative interpretations of events that reflect beliefs, values, and goals of the organization. They lead to rhetorical visions, or views of the organization and its environment held by organization members.

5. Schema

Schemata (plural of schema) are knowledge structures a person forms from past experiences, allowing the person to respond to similar events more efficiently in the future by guiding the processing of information. A person's schemata are created through interaction with others, and thus inherently involve communication.

Stanley G. Harris argues that five categories of in-organization schemata are necessary for organizational culture:

Self-in-organization schemata: a person's concept of themselves within the context of the organization, including her/his personality, roles, and behavior.

Person-in-organization schemata: a person's memories, impressions. and expectations of other individuals within the organization.

Organization schemata: subset of person schemata, a person's generalized perspective on others as a whole in the organization.

Object/concept-in-organization schemata: knowledge an individual has of organization aspects other than of other persons.

Event-in-organization schemata: a person's knowledge of social events within an organization.

All of these categories together represent a person's knowledge of an organization. Organizational culture is created when the schematas (schematic structures) of differing individuals across and within an organization come to resemble each other (when any one person's schemata come to resemble by other person's schemata because of mutual organizational involvement). This is primarily done through organizational communication, as individuals directly or indirectly share knowledge and meanings.

Mergers, organizational culture, and cultural leadership

One of the biggest obstacles in the way of the merging of two organizations is organizational culture. Each organization has its own unique culture and most often, when brought together, these cultures clash. When mergers fail employees point to issues such as identity, communication problems, human resources problems, ego clashes, and inter-group conflicts, which all fall under the category of "cultural differences". One way to combat such difficulties is through cultural leadership. Organizational leaders must also be cultural leaders and help facilitate the change from the two old cultures into the one new culture. This is done through cultural innovation followed by cultural maintenance.

- Cultural innovation includes:
- Creating a new culture: recognizing past cultural differences and setting realistic expectations for change
- Changing the culture: weakening and replacing the old cultures
- Cultural maintenance includes:
- Integrating the new culture: reconciling the differences between the old cultures and the new one
- Embodying the new culture: Establishing, affirming, and keeping the new culture.

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