

Organizations as Political Systems





Organizations as Political Systems

- Is it possible to focus on the different sets of interests, conflicts and powerplays that shape organizational activities?
- Organizations can then be explored as systems of government based on various political principles through which different kinds of rule are legitimized.

Burns and Stalker (1966)



- Study of firms in electronics industry
- ‘political structure’ a key factor in effective management
 - i.e. “the balance of competing pressure from each group recognizing a common interest for a larger share of all or some benefits or resources”
- Key findings
 - The form and function of an organization depends on internal politics and not just external environmental conditions
 - Organizations have 3 levels of social systems
 - Formal authority structure
 - Covert co-operative systems based on negotiation and bargaining
 - Political system



Politics is Inevitable

- Politics is an inevitable feature of corporate life. Effective managers are said to be skilled political actors. Aware of competing interests they use conflict as a positive force.
- For the worker there is a conflict between self-determination as a democratic right and in the extreme, total subjugation as an employee. Thus, organizations are inevitably political systems involving the activities of rulers and the ruled.



Systematic

- We can analyze organizational politics in a systematic way by focussing on relations among **interests, conflict and power**. When alternative paths of action are possible people have different ideas about how to go about things. Choices hinge on the power relations between those involved.
- Hence coalition building is an important dimension of almost all organizational life. There is also a need to understand conflict that arises whenever interests collide.



Morgan Asks

- "How is it that there can be so many sources of power, yet so many feelings of powerlessness?"
- One answer he suggests rests in the "pluralist" view that access to power is so open, wide and varied that to a large extent power relations become more or less balanced. Another explanation he suggests rests in the "deep structural" view, that the power play is defined by economics, race, class relations, and other deep-structural factors that shape the social epoch in which we live.



Conflict Management

- Management is focused on balancing and coordinating interests so that people can work together within the constraints set by the organization's formal goals.
- Conflict can encourage self-evaluation and challenge conventional wisdom. It can also stimulate learning and change and help an organization to keep abreast of a changing environment and be a source of constant innovation.



Rationality is Always Political

- No one is neutral in the management of organizations—even managers.
- They like others, use the organizations as a legitimizing umbrella under which to pursue a variety of **task, career and personal interests.**



Organizational Integration

- Organization theory has been built on the assumption that organizations, like machines or organisms, are unified systems that bind part and whole in a quest for survival.
- The political metaphor suggests otherwise. Interaction ultimately depends on the degree to which people really need each other. It is much better to think about the organization as a coalition of changing interests and manage it that way than to pretend that it has more integrated properties.



Types of Organizations

- Autocracy: Absolute control held by one person or small group supported by control of the crucial resources, or tradition or charisma or other claim
- Bureaucracy: Rule exercised through the rule of the written word..rule of law and of formal organization
- Technocracy: Rule exercised by those with knowledge or expert power and the ability to solve relevant problems
- Codetermination: Where opposing parties combine in joint management of mutual interests. Coalition or corporatism for example



Types of Organizations

- Representative Democracy: Rule through the election of officials who act for the electorate. Specific terms of office and some form or accountability usually included.
- Direct Democracy: Everyone has an equal right to rule and is involved in all decision making.



Classical (unitary) tradition

- Focus on the formal structure of the organization
- Concern to identify the right formal organization
- Belief in the existence of one best form of organization
- Seeking to describe organizational rules, often called principles
- Belief that organizational principles are applicable to all types of formal organization
- Keenness to identify the best way of dividing up the task to be done
- Stress on the need for clarity in role specification and performance
- Placing emphasis on hierarchical control and similarities between members
- Insufficient attention paid to the diversity of problems experienced in different types of organizations



Unitary Organizations

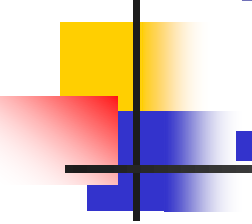
- Place emphasis on common objectives and interests
- Conflict is rare and transient and can be removed by appropriate managerial action.
- Uses authority, leadership and control to guide the organization toward achievement of common interests



Unitary Management

- Unitary managers view the organization as a team and adopt an “All for one, one for all” view of the organization.
- They view conflict as a distraction that must be avoided. They see formal authority as the only legitimate source of power and thus rarely acknowledge the right or ability of others to influence the management process.

Pluralist Organizations

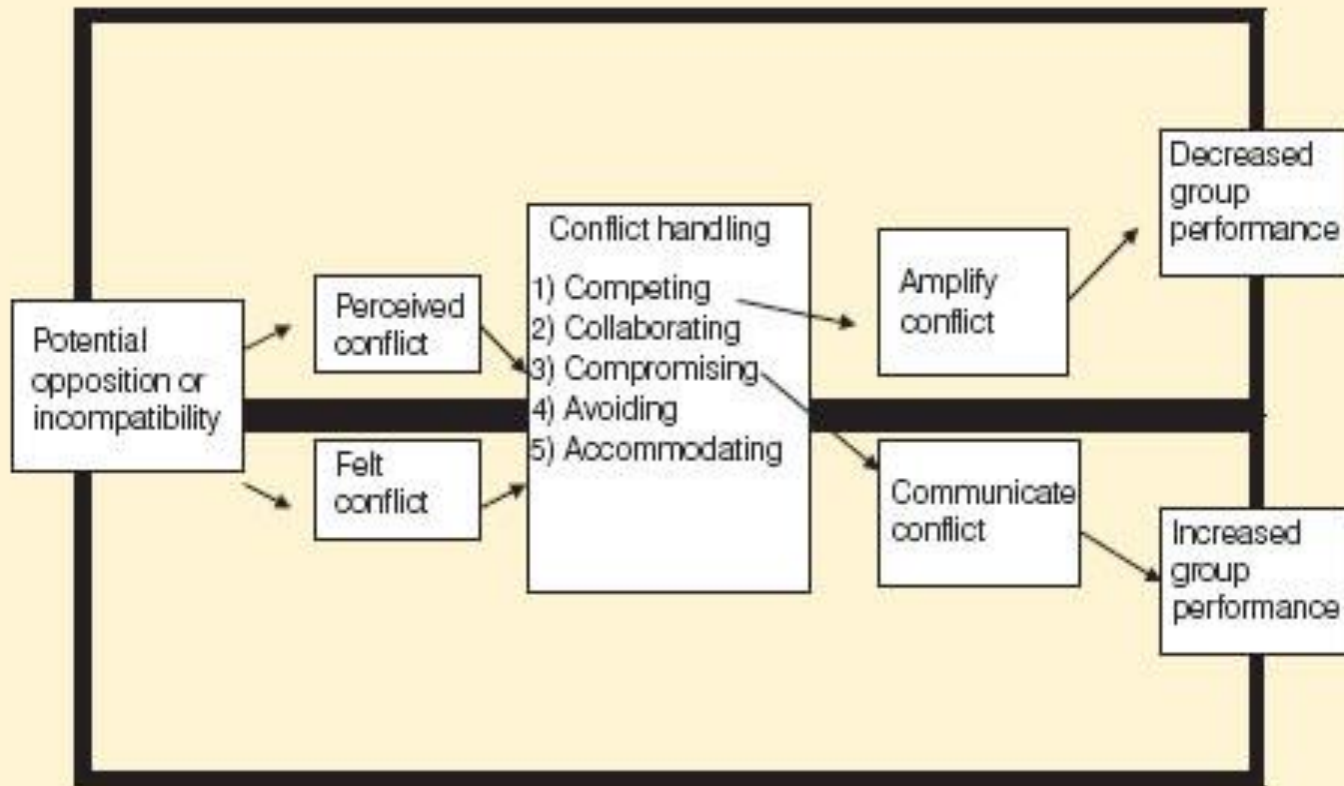
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- Emphasis placed on the diversity of the group and individual interests.
Organization as a coalition
 - Conflict is inherent and can be positive
 - Power is the crucial variable.
Organizational activities decided by a plurality. “the most “votes”



Pluralist Management

- Management is focused on balancing and coordinating the interests of organizational members so that they can work together within the constraints set by the organization's formal goals, which really reflect the interests of shareholders and others with ultimate control over the fate of the organization.
- They believe conflict and power plays can serve both positive and negative functions and try to manage conflict for the benefit of the organization.

Conflict Process in Mainstream Pluralist Theory



Radical Organization



- Emphasis on oppositional nature of interests. Organization is a battleground where rivals seek to meet ends.
- Conflict recognized as inevitable whether latent or pronounced.
- Power relationships are key.



Radical Management

- Organizations that rely on this type of management philosophy are constantly at war. There are no “win-win” solutions and everything results in head-to-head clashes between members of the organization.

Phases



- Organizations can go through each of these phases in the course of history
- A takeover, or change in leadership may lead to movement from pluralist to unitary.

Sources of Power



- Formal Authority
- Control of Resources
- Use of Organizational Rules and Structure
- Control of Decision Process
- Control of Boundaries
- Ability to Cope with Uncertainty
- Control of Technology
- Interpersonal Alliances Networks and control of the Informal Organization
- Control of Counterorganizations
- Symbolism and meaning
- Gender and the management of gender relations



Power Bases Within an Organization

- Boundary Spanners – These individuals have power in that they can control the organization's interaction with the environment, determining what information gets in and what gets out.
- Ability to Cope with Uncertainty – Organizations experience varying degrees of uncertainty, and those that are able to cope will represent a force of power within the organization.



Power Bases within an Organization

- Control of Technology – Technology plays a part in every organization, where it's information technology or mechanical technology, those who control technology have a secure place in any organization's power base.
- Interpersonal alliances, networks, and control of "informal organization" – Coalitions exist within organizations as different people are linked by different likes, needs, and wants both within the organization and in the external, social environment.



Power Bases within an Organization

- Control of Counterorganizations – Trade unions are the most common form of counterorganizations, which typically form to oppose formal power bases.
- Symbolism and the Management of Meaning – Leaders engage in this power base when they persuade others to enact realities that further the interests one wishes to pursue by taking the goals and ideas of others and using them to accomplish their own agenda.



Power Bases within an Organization

- Gender and the Management of Gender Relations – The “glass-ceiling” effect occurs when male and female roles, defined by culture, clash with organizational attitudes and behaviours. In a corporate world that promotes aggressive, cut-throat practices, women are perceived to be inferior, even though they may be as good as or better than male counterparts in these areas.



A Critical Approach to Power

- Seeks to question existing structure of power relations
- Sees politics as necessary to secure compliance/consent
- Perceives power as a relationship, where its use is dependent on compliance/consent



Strengths and Limitations

- The metaphor should be used with caution, otherwise its use may generate cynicism and mistrust in situations where there were none before.
- The political metaphor may overstate the power and importance of the individual and underplay the system dynamics that determine what becomes political and how politics occurs.



Strengths and Limitations

- Sheds light on the motives in organizational behaviour and reminds us to consider *all* organizational activity is interest based.
- Organizational goals may be rational for some people's interests, but not for others. In viewing an organization through the political metaphor lens, one must understand that a tendency to become cynical exists. Soon everything is viewed as political. The tool should be used to create new insights and understandings, not to advance our personal interests.



Strengths

- Encourages us to see how all organizational activity is interest based and to evaluate organizational functioning with this in mind.
- Power is a central consideration, previous metaphors have tended to underplay the relation between power and organization.