
The organisation. Analytical approaches regarding the organization

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Abstract: The organisation may be understood as an entity dominating every area of society, a structure in which “collective action is combined with cumulated abilities for the realisation of a large selection of categories of economic goods” (Vlăsceanu, 2002). The accelerated pace of the development and integration of today’s society, the technological progress, the flow of information and the dynamics of globalisation have concurred in such a way that, more and more, entities have become complex structures that are hard to define and difficult to classify in certain theoretical typologies, since they represent veritable “points of convergence for structures, technologies, human resources, groups, policies, etc.” (Hințea, 2007). Therefore, in the light of the above, and having consulted the literature, we may conclude that a consensus regarding the definition of the organisation cannot be reached, most theoreticians opting to highlight certain significations or act implications of the concept. (M100)

Key Words: organisation; analysis; epistemological; objectives; system.

JEL Classification: L22, L25.

Introduction

This paper performs a conceptual analysis of the term economic organization highlighting the bibliographic elements that constitute the theoretical axis of the science of organization management.

Analytic approaches of the concept of organisation

Following his research regarding the basis of analyses of the concept of organisation, Richard W Scott (1998) establishes and postulates three definitions that highlight and synthesize the fundamental specifics of organisations, elements that could differentiate them from other types of associative structures, while at the same time underlining a series of presumptions and opinions regarding the particularities of

the entities. These definitions are established while also taking into account their emergence and dynamics from a historical perspective in order to enable the foregrounding of critical approaches as regards the limits and oversights that characterize previous approaches. In this sense, the identified analytic approaches that define and analyse the concept of organisation are as follows:

- The analytic rational system according to which organisations represent “collectives oriented to the pursuit of relatively specific goals and exhibiting relatively high formalized social structures” (Scott, 1998);
- The natural analytic system that perceives organisations as groups of individuals pursuing various interests but who are also aware of the importance of the development of the organisation. Therefore, the informal mechanisms and structures pertaining to relationships between individuals may offer informative elements with a high degree of precision as regards the understanding of the behaviour of the organisation as opposed to the one assumed by the formal structure (Scott, 1988);
- The open analytic system according to which organisations constitute ensembles of relational activities ensuring the bonding between changing coalitions of individuals; in this way, the respective systems are marked in the culture of the community as influenced by the environment in which they are operating (Scott, 1998).

The three aforementioned categories represent a solid starting point for the identification and establishment of the epistemological framework of the analysis, and we therefore consider a short incursion in each of these categories necessary.

As we have previously highlighted, the first modern attempts to analyse the organisation are recorded in the beginning of the 20th century along with the publication of the works of the great theoreticians of management, Frederick Taylor and Max Weber. Through different analyses, resulting from the cultural differences imposed at the level of the systems of reference, they both imagined and argued for a well-defined and articulated entity. One of the founders of scientific management, Frederick Taylor recommended a rational approach to activities related to decision-making and executive processes mainly through a scientific structuring of work and management (Taylor, 1947). In Europe, Max Weber theorized the concept of bureaucracy as a new form of organisation that was based on systems of well-established rules and regulations and a structuring of the authoritative function regarding each organisational function, while keeping full impersonality and impartiality (Weber, 1958). According to Weber, entities may be perceived as “ways of coordinating the activities of human beings or the goods they produce, in a stable way in space and time. The development of organizations depends on the control of information, which requires written rules to function, and systems that store its memory.” (Weber, 1979).

According to the conceptual model specific to the rationalist school of thought, the organisation represents a means to a goal, it benefits from a series of specific and clear objectives and its internal structure is designed so as to facilitate the realization of the objectives (Vlăsceanu, 2002). Following this view, there emerged two distinct branches within the rationalist school of thought. The classical one that was theorized by Frederick Taylor, Max Weber and Henri Fayol, whose analysis aimed at discovering the optimal mechanisms for achieving objectives and, accordingly, the specific actions that contribute to

efficiency and the neoclassical one, represented by Henry Simon and James March, which was based on the identification and the underlining of the limits of human reason, emphasizing the need for orienting decision-making processes towards the identification and selection of optimal alternatives. Accordingly, the acknowledgement of the rational limits of decision-makers within the organisation aims at the establishing and discerning of concrete objectives related to the hierarchical levels, a model that is considered to be a goal in itself at every organisational level and one that has a quantifiable aim from the perspective of lower structural levels and an instrument of realization from the point of view of higher levels. Following the analysts' points of view, the fundamental objective can only offer a few elements of identification that may influence the behaviour of the individuals involved in these processes, but, at the same time, this objective may also evolve into a viable starting-point for the establishing of tools-goals relations and connections, an approach involving:

- the relating to the general objective that must be reached;
- the establishing of means and tools to reach the objective;
- the assimilating of each of these means as intermediary objectives and the establishing of a different set of tools for reaching them, accordingly (March, Simon, 1958).

Nevertheless, regardless of the elements individualizing the theories and exemplifying models given us by the rationalist school of thought for the analysis of the organisation, we may identify and develop sets of common specifications of the characteristic endeavours of this philosophy:

- the structuring and organizing of activities must contribute directly to the streamlining of social activities;
- streamlining as a result is influenced by strictly, scientifically organized tools and mechanisms by an efficient, advanced management;
- the structure of entities may represent a tool consciously developed in order to achieve certain goals;
- the highlighting of the idiosyncrasies of the normative structure, i.e., the individuality of objectives, the clarity with which rules or principles are formulated and implemented and the formalization of individual behaviour (Vlăsceanu, 2002).

The dynamics of society as presented by Daniel Bell in the middle of the 1900s, the departure from a production-based, industrial economy to a service-based one that relies on the flow of information or the transition from the modern to the post-modern society also influenced the ways in which we approach and understand the organisation. More precisely, this evolution has led to a shift in the paradigm, from the stricter, rationalist view to a more applied, flexible approach that takes into account the lesser-known structural components such as the one based on the internal structure of organisations and their relation to the external environment.

The analysis of management theory highlights the fact that one of the defining elements that individualizes the analysis of organisations as natural structures by the rationalist analysis regards the treatment by different schools of thought of the similar and the differentiating components of the organisation as a structure as opposed to other social groups (Vlăsceanu, 2002).

As a reaction to the rationalist perspective, the theoreticians of natural systems underline the role and necessity of analysing the organisation as a formal social collective, as a structural component of social behaviours. This analytic option leads to the transgression of the scientific interest from the inquiry

into the formal elements of the organisation or of the relationship between its objective, its organisation and its efficiency towards questions involving the behaviour of individuals within the entity, its informal components, its values and culture. According to the mechanisms of natural thinking, the informal elements do not represent a result of formal structures, but have their own dynamics and autonomous existence, surpassing the artificial limits established by formalism. Reality has provided undeniable proof that every organisation is based on two structural components, a formal one, that is established by the internal normative system, and an informal one, emerging through the direct involvement of individuals, that is based on affinities and on the sharing of value systems so that collectives within formal organisations, seen as vectors that are directly involved in the functioning and dynamics of the entity, enforce informal systems of regulation and behavioural models that are based on systems of power and relations, channels of communication, sociometric structures, and working conditions (Scott, 1998).

As per the rational system, the formal organisation is founded on reasoning that takes into account the cost-efficiency ratio, while the informal structure relates to the logic of feelings and needs (Roethlisberger, 1941), with a view towards a series of positive developments that contribute to the streamlining of communicative processes, to the raising of the degree of trust, to the realization and preservation of unity and even to the reaching of goals in conditions of high performance.

Taking these into account, contrary to the rationalist view, the natural systems approach is based on the identification and analysis of specific elements of social structures and collectives, elements that are largely based on the establishing of social needs that must be met for the proper functioning of the system. The approach taking into account the reconciling of and the relationship between the needs of individuals and those of the organisation represented a fundamental analysis that informed the development of a whole series of studies dealing with the mechanisms involved in the fulfilling of needs, the place and role of informal components within the formal organisation, the rethinking of work processes, and the means of management.

However, the development of management as a science, the relationship and connections with various other areas, the integrated analyses that have influenced these theoretical dynamics have highlighted the fact that certain aspects of functionality within a system may become relevant not only through the focus on their internal components and mechanisms, but through the taking into account of external elements that contribute to an organisation's activity. Therefore, the studying of the organisation as an open structure, involving the need to analyse the connections between entities and their environment has truly been a theoretical challenge, given the traditional analyses that overwhelmingly dealt with the internal framework of the organisation.

While the rational approach sees the organisation as a matrix with very few components that may escape bureaucratic patterns, and while the natural analysis perspective is an organic one, the typologies of the open system of thinking suggest the analogy of an organisation seen as a living organism that comes into contact with the environment, reacting to its demands and limitations and attempting, in its turn, to quantitatively and qualitatively influence the demands of environmental factors. Therefore, the great number and variety of relationships established between structures, their components and the external environment foreground a problem that, according to management theory analysis, has led to a series of ambiguities and arguments related to the solutions for the identification and determination of the characteristics of various systems (Vlăsceanu, 2002). According to these theories, organisations may be

regarded as open systems receiving information and processes from the external environment, from other components or systems and which, through a series of internal processes, modify these inputs, turning them into tools that are meant to help it reach its own objectives or into outputs for other systems in the external environment (fig. 1.1).

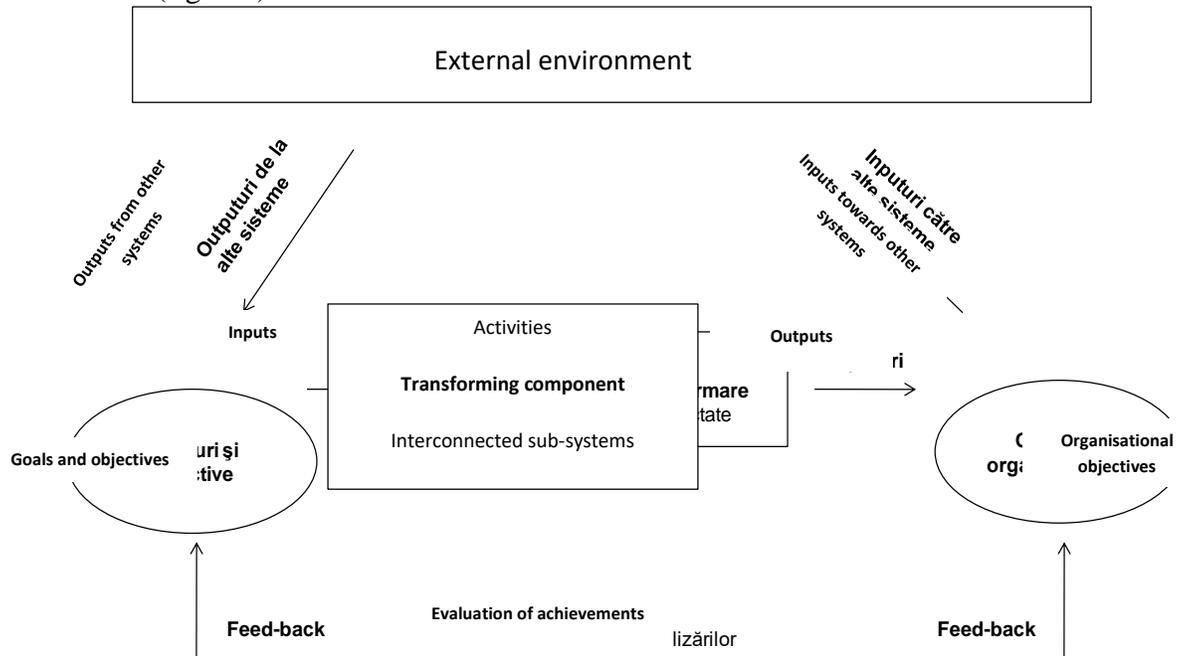


Figure 1.1 – The organisation according to the open system

Keeping in line with the literature, the limits of a component may be established by relating it to the activities of the organisation and the collective behaviour within it, while admitting the fact that distinct individuals are not greatly influenced by the formalist character of the structure (Pfeffer, Salancick, 1978). A slightly different view is that of the theoretical analysis claiming that the defining of a system as a closed or open one is influenced by the role of the dynamics of the external environment within the system. By adopting the environmental component with which it interacts into the system, the system turns into a closed one (Hall, Fagen, 1956).

Conclusions

As maintained by the open systems approach, we cannot claim to have an ideal, universal organisational structure, it being necessary that the means of building the structuring of entities, those of reaching goals and of managing organisational developments should be adapted according to the requirements of concrete situations, to a series of processes, to individuals or to the environment in which the structure is operating.

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