**Theme:** 3.

**Reading:** The Effective Organisation: Forces and Forms.

**Author:** H. Mintzberg.

*Effective organisations are formed both by achieving a configuration but also by building their own unique solutions to problems.*

***A System of Forces***

*-Direction -Innovation*

*-Efficiency*

*-Proficiency -Cooperation*

*-Concentration -Competition*

**Configuration:**

-Occurs when one single force dominates.

-Refers to an organisation that is consistent and highly integrated.

***A Portfolio of Forms***

Dominant Force → Configuration

*Direction Entrepreneurial*

*Efficiency* *Machine*

*Proficiency* *Professional*

*Innovation* *Adhocracy*

*Concentration* *Diversified*

*Direction* *Entrepreneurial*

*Cooperation* *Ideological*

*Competition* *Political*

-Configurations are models of realistic organisations, none fit exactly, but some come close. If an organisation is suitable to a configuration it is best advised to use it to create a sense of order.

-Configuration is effective for classification, comprehension, diagnosis and design, provided all else remains the same. As things change, the same configuration will become ineffective.

***Contamination by Configuration***

-Contamination is when the one force that dominates to give configuration, dominates to the point at which it undermines all other forces. e.g. Drive for efficiency removes innovation.

-Configuration is a culture as well as a structure and power system.

***Configuration out of Control***

-When the need for change arises the dominating force may try hold the organisation in place. Other forces must come into play to enact change but due to contamination they are too weak and thus the organisation goes out of control.

***Containment of Configuration***

-What keeps a configuration effective is the dominance of one force but also the constraining effects of the other forces - *Containment.*

**Combination**

-An organisation that balances between certain forces and takes a shape between two or more different configurations.

***Kinds of Combinations***

-A *hybrid* combination occurs when two forces are roughly balanced.

-Combinations may balance two or more, directly and/or indirectly, opposing forces.

-A balance may be steady or can oscillate back and forth over time.

-Different configurations may exist together in different aspects of the business without actually conflicting. e.g. newspapers: professional, editorial department hands over finished copy to machine, printing department.

***Cleavage in Combinations***

-*Cleavage* is when two forces confront each other and eventually paralyse the organisation. A natural fault line exists between any two opposing forces and when pushed to the limit, fissures begin to open up.

**Conversion**

-*Conversion* occurs when a firm must change one configuration or combination for another.

Conversion can occur for any number of external reasons. Some are long term and some are only temporary: e.g. adhocracy turns to machine when it rolls out a new invention that requires efficiency. e.g. machine turns to entrepreneurial when a turnaround is needed.

***Cycles of Conversion***

Young → Old

*Entrepreneurial* → *Machine* → *Diversified* → *Adhocracy*

**Ideological**  **→** **Political**

***Cleavage in Conversion***

-Two sides may conflict when change is needed: old executive backs the status quo and ‘upstarts’ back change.

**Contradiction**

-Organisations have to reconcile the two contradictory forces: *Ideological* and *Political*.

-Both can stop or bring about change.

-Both can be rendered less or more effective.

***Cooperation Through Ideology***

-Ideology infuses an entire organisation.

-It helps reconcile differences between employees, different departments, management etc.

-It can change the way a certain configuration is run. A company that strives for efficiency can still be innovative and achieve high quality. e.g. Toyota.

*-It helps organisations smooth out contradiction and manage change.*

***Limits to Cooperation***

-Effective ideologies are built slowly.

-They are difficult to build in old organisations.

-They are difficult to maintain, as one political storm washes them away.

*-Ideologies are incredibly difficult to change thus can destroy an organisation.*

-Change of a fundamental nature that doesn’t fit inside the prevailing ideology, is fought against by the ideology.

-Ideology represents the status quo, those for change must challenge the ideology. Thus, *Ideology begins to breed Politics!*

-Ideology comes to be interpreted in terms of an outdated system of beliefs which cause the company to *implode*.

***Competition Through Politics***

-Force that causes people to take any opportunity for confrontation about direction or pursue their own objectives.

-It exacerbates contamination or cleavage.

-It goes out control and *explodes* - nothing left at centre: no ideology, direction, directed effort towards efficiency or innovation etc.

***Benefits of Competition***

-Politics can challenge an entrenched ideology when change is needed.

-This can stop ideology causing an implosion.

***Combining Cooperation and Competition***

-Ideology and politics must be reconciled for long term effectiveness.

-Pulling together ideologically infuses life into an organisation, while pulling apart politically challenges the status quo.

**Conclusion**

-Attain configuration if possible, but beware contamination: don’t neglect other forces.

-Ensure that occasional needs for conversion are met but beware of cleavage.

-Manage contradiction carefully. Infuse company with ideology but empower competition and politics to avoid an ideology that engenders complacency.