

Organizational Theory

CRJU/POSC 320 | Module 4-1 | Organizational Theory

Organizational Studies

Organizational theory is the study of the structures of organizations and how they function.

Organizational behavior is the study of the behavior of individuals and groups within organizations.

Architectural Elements of Public Service Organizations

Mission	Size	Structure
Workforce Characteristics	Partisan Politics	Coordinating Mechanisms
Financial Resources	Public Trust	Organizational Culture
Time Horizon	Public Scrutiny	Decision Making Processes
Information Technology	Policies and Procedures	Incentive Systems

Historical Development

- Classical School (early 1900s): focus on structure and process
 - Weber, Taylor, Fayol
- Human Relations School (1930s-1950s): focus on behavior
 - Mayo, Maslow, McGregor
- Modern Organizational Theory (1960s-present): focus on structure, process, and behavior
 - Systems Theory, Contingency Theory, New Public Management

Classical School: Six PA Principles

1. Bases of Organization: structural strategies relate to purpose, process, clientele, and place.
2. Mutually exclusive alternatives: policymakers must decide which values to emphasize and which problems to accept.
3. Focus on purpose at the top: problem solving through organizing at the executive level by purpose and bringing together the activities that contribute to that purpose.
4. Span of control: the number of subordinates a manager can effectively supervise.
5. Unity of command: each employee should have only one supervisor.
6. Separate line and staff: line managers are responsible for achieving organizational goals; staff managers provide advice and support.

Weber's Bureaucratic Theory

- Max Weber (1864-1920) was a German sociologist and political economist.
- His work on bureaucracy was published posthumously in 1922.
- Bureaucracy is a formal organization with a hierarchy of authority and a clear division of labor.

Weber's Bureaucratic Theory

- Bureaucracy is a formal organization with a hierarchy of authority and a clear division of labor.
 - Hierarchy is a system of ranking individuals in an organization.
 - Division of labor is the assignment of different tasks to different people.
 - Formal rules are written guidelines for behavior.
 - Impersonality is the separation of personal and official lives.
 - Qualification-based hiring is the selection of employees based on merit.
 - Career orientation is the expectation of long-term employment.
 - Separation of work and ownership is the distinction between public and private property.

Taylor's Scientific Management

- Frederick Taylor (1856-1915) was an American mechanical engineer.
- His work on scientific management was published in 1911.
- Scientific management is the application of scientific principles to management of work and workers.
- Taylor's approach emphasized efficiency and "one best way" of doing tasks.
- His work had a significant impact on administrative practices.
- Taylor's approach was criticized for being too mechanistic and dehumanizing.
- His work was also criticized for being too simplistic and ignoring the social context of work.
- Taylor's approach is still used in some organizations today.

Human Relations Movement

- The Human Relations Movement emerged in the 1930s and 1940s.
- It was a response to the mechanistic approach of the classical school.
- The movement emphasized the importance of human needs and relationships in the workplace.
- The movement was influenced by the Hawthorne Studies conducted by Elton Mayo and his colleagues.
- The Hawthorne Studies found that productivity increased when workers were given special attention.

Modern Organizational Theories

- Systems Theory (1960s): organizations are complex systems with interdependent parts.
- Contingency Theory (1960s): there is no one best way to organize; the best approach depends on the situation.
- New Public Management (1980s): public organizations should be managed like private businesses.

Organizational Structure

- Organizational structure is the formal system of task and authority relationships.
- Organizational design is the process of creating or changing an organization's structure.

Types Organizational Structure

- Hierarchical structure is the most common type of organizational structure.
- Matrix structure is a combination of functional and project-based structures.
- Flat structure has few levels of hierarchy.
- Boundaryless structure has few internal or external barriers.
- Virtual structure is a network of independent organizations.
- Team-based structure is a network of teams that coordinate their work.
- Learning structure is a network of teams that learn from each other.

Organizational Culture

- Organizational culture is the shared values and beliefs that shape employee behavior and performance.
- Organizational climate is the shared perceptions of employees about their work environment.
- Organizational socialization is the process of learning about an organization's culture.
- Organizational assimilation is the process of adapting to an organization's culture.

Leadership in Organizations

- Leadership is the process of influencing others to achieve organizational goals.
- Leaders are individuals who influence others to achieve organizational goals.
- Managers are individuals who plan, organize, and control organizational resources.

Leadership Styles

- Leadership styles are the different ways that leaders influence others.
- Trait theories of leadership focus on the personal characteristics of leaders.
- Behavioral theories of leadership focus on the actions of leaders.
- Contingency theories of leadership focus on the situation in which leadership occurs.
- Transformational leadership is a style of leadership that inspires followers to achieve organizational goals.
- Transactional leadership is a style of leadership that motivates followers through rewards and punishments.
- Servant leadership is a style of leadership that focuses on the needs of followers.
- Authentic leadership is a style of leadership that emphasizes honesty and integrity.
- Distributed leadership is a style of leadership that is shared among members of a group.

Decision Making in Public Organizations

- Decision making is the process of choosing among alternatives.
- Rational decision making is the process of choosing the best alternative.
- Bounded rationality is the process of choosing the first alternative that meets minimum criteria.
- Incrementalism is the process of making decisions by making small changes to existing policies.
- Garbage can model is the process of making decisions in a chaotic environment.

Policy Making in Public Organizations

- Policy formulation is the process of deciding what to do.
- Policy implementation is the process of putting policy into action.
- Policy evaluation is the process of determining whether policy is achieving its goals.

Challenges of Public Administration

- Common challenges in public administration include:
 - Complexity: public organizations are complex systems.
 - Uncertainty: operate in an uncertain environment.
 - Conflict: must balance competing interests.
 - Change: must adapt to changing conditions.
- Other challenges include:
 - Bureaucracy: excessive rules and procedures.
 - Accountability: must be accountable to the public.
 - Ethical dilemmas: must make difficult ethical decisions.

Organizational Theory Summary

- Organizational Theory: Studies organizational structures and functions.
 - Classical School: Emphasizes structure and process.
 - Human Relations Movement: Focuses on behavior.
 - Modern Approach: Integrates structure, process, and behavior.
- Organizational Structure & Culture:
 - Structure: Formal task and authority relationships.
 - Culture: Shared values and beliefs influencing employee behavior.
- Key Processes:
 - Leadership: Influencing others to achieve goals.

