

Introduction to Organizational Management

Organizations are either the business corporation to maximize profits in operations or all levels of governments, schools, hospitals, churches, and some others to maximize services for welfare of the people. The former deals with Business management for profit organizations, and the latter deals with Public Administration for not-for-profit organizations. Business Management is based on economics pursuing efficiency, and Public Administration is based on politics pursuing equality: political equality and economic efficiency often create conflict of interest because of tradeoff relations between them.¹ However, managerial theories are commonly applied for business and public affairs despite the difference of goals and values, because **management itself tries to maximize the goals and objectives** by developing appropriate strategies and policies.

Performance (Output) = f (Input = ability, effort, opportunity)

Average Productivity = Real Output / Real Input

Management is defined as the act of getting people together to accomplish desired goals and objectives using available resources efficiently and effectively. Management comprises planning, organizing, staffing, leading or directing, and controlling an organization (a group of one or more people or entities). Resourcing encompasses the deployment and manipulation of human resources, financial resources, technological resources, and natural resources.²

I. A System's Approach to Management

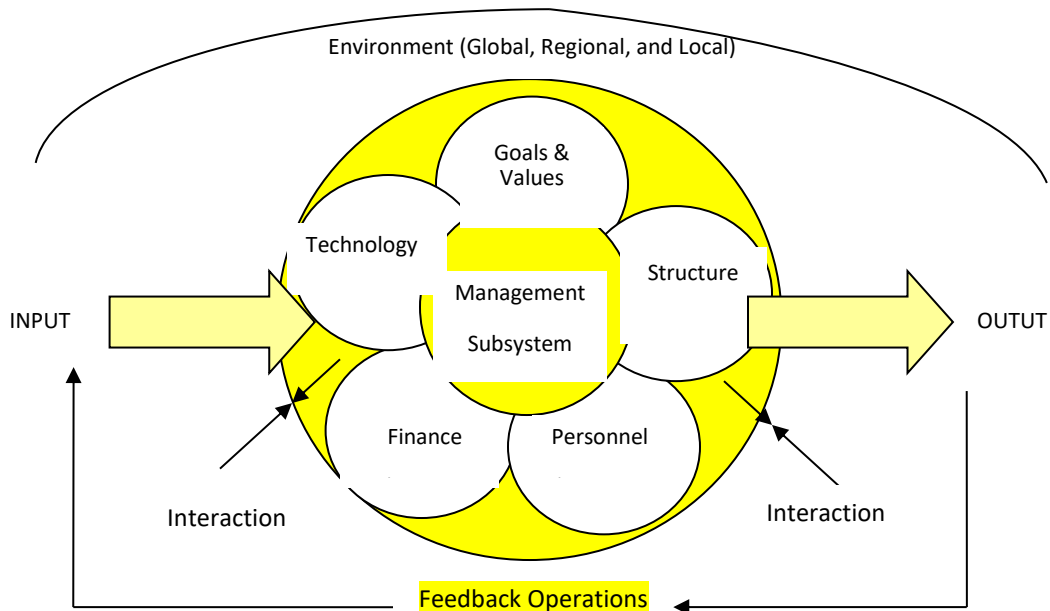
The system's approach analyzes organization management as shown in Figure 1. **The system** appears in the largest circle, which consists of six subsystems including goals and values, organizational structure, behavior, finance, supply chain, technology and information, and managerial subsystem such as control and coordination. The system has a clear boundary separating itself from the environment and other organizations. It interacts with **the supra-system** - global, regional, and local environments, which are usually more powerful than the system, although the system itself maintains a leadership in many cases. **The subsystems** interact with each other within the system (interactions) due to external and internal stimuli such as environmental changes or the change of various inputs. A new input enters the system and produces an output, which reenters the system by feedback operations. This process continues until the output adjusts to the goals and objectives of the system (See the figure below - a simplified feedback model). It is essential to identify missions and objectives based on goals and values although they are modified or adjusted from time to time according to changes of internal capability and external environment.³ One of the most important elements in management lies in vertical communications between the supra-system, system, and subsystems as well as horizontal communications between its subsystems by timely exchanges of necessary information, since better communications can minimize the cost arising from possible errors.

¹ Arthur M. Okun, *Equality and Efficiency: The Big Tradeoff*, Washington, DC: The Brookings Institution, 1975; Vito Tanzi, Ke-young Chu, and Sanjeev Gupta, *Economic Policy and Equity*, Washington, DC: IMF, 1999.

² Accessed to <http://en.wikipedia.org/wiki/Management> on May 28, 2012.

³ Hugo W. Kim, "A Korean American Heritage Foundation," *The Korea Times* (a Korean American Daily Newspapers published in Washington, DC), July 21-26, 2001, a four-day series

Figure 1. A System's Approach to Management⁴



Note: (a) The system is an organization which is the largest circle. (b) The subsystems include six smaller circles within the largest circle: goals and values, structure, personnel, finance, marketing, and command-control and coordination. (c) The supra-system is global, national, regional, and local environments, which interact with the system. (d) The output is judged by the goals and values: if output differs from the goals, which difference enters the system as a new input. The feedback process continues until the output is consistent with the goals through adjustment of either goals or output.

Contingency Views of Management

The contingency view of organizations and their management suggests that an organization is a system composed of subsystems and delineated by identifiable boundaries from its supra-system. The contingency view seeks to understand the interrelationships within and among subsystems as well as between the organization and its environment, and to define patterns of relationships or configurations of variables. It emphasizes the multivariate nature of organizations and attempts to understand how organizations operate under varying conditions and in specific circumstances. Contingency views are ultimately directed toward suggesting organizational designs and managerial actions for situations.

An Example: Let's assume that two hypothetical corporations - the Virginia Food, Inc. as a profit-making business and the KA College, Inc. as a not-for-profit organization - operate business in Virginia State; that the United States is under war against terrorism around the world particularly in the Middle East, but the U.S. majority voters are favorable to end this war; and that U.S. economy is threatened by both budget and trade deficits, inflation by high oil prices, and credit crunch from numerous defaults of home loans. The supra-system of political and economic environments affects the system: the rise of food prices (both wholesale and retail), and the fall of consumption because of expected reduced income. The subsystems accordingly respond as follows.

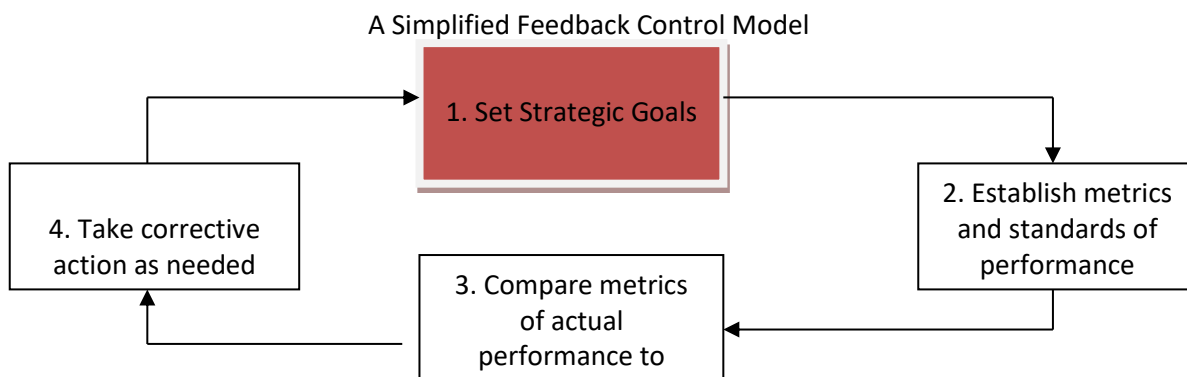
⁴ Hugo W. Kim, *Korean Americans and Inter-Korean Relations*, Washington, DC: East-West Research, Inc., 2003, 39. The figure is partially modified by the same author. It deals with a system's approach for "Korean Americans and Integration of Community Resources" to encourage political participation of Asian and Pacific Americans.

Table 1. *Interactions between Supra-System and Subsystems*

Subsystems	Virginia Food, Inc. (Retail)	KA College, Inc. (Education)
Goals and Values	Reduced revenue and profit margin	No change
Organizational Structure	A certain percent of downsizing	No change
Personnel	A certain percent of Layoff	No change
Finance	Reduced budget / contraction policy	No change
Marketing & Tech.	The change of sales strategy	More aggressive strategy
Command & Cooperation	Speedy response and cooperation	Speedy response and cooperation

Notes: Table 1 explains that the Virginia Food, Inc. (a grocery retail business) responds more sensitively than the KA College, Inc. (high education). The grocery business is very sensitive to high inflation as well as recession, but the college education in the Korean American community largely depends on the rise or the fall of the number of new immigrants and students coming from Korea.

Feedback operations are an important process for proper and timely adjustment, either by the change of goals or by the change of output. Let's assume that the Virginia Food, Inc. set the revenue to one hundred million dollars per year, which is an average achieved in the past decade. If the revenue declines by thirty percent in this recession, the feedback operations may be in two ways: either to reduce the goal to seventy million or to raise sales by reducing prices or by other promotions; or the third way by taking a middle way – reduced goal with increased sales. On the other hand, let's assume that the KA College sets the goal at 100 admissions and 100 MBA graduates. If admissions remain unchanged but MBA graduates declined by thirty percent, the feedback operations include two ways: first, the fall of Korean American income made students more difficult to get jobs than before, so that they could not provide tuitions and fees to continue their studies; second, the quality of teachings could not attract students in classes, so that some students transferred their studies to other institutions. The tuition matter is not simple, but the school can more actively provide scholarship funds and student loan programs. The quality of teaching is the real matter of high education, which is related to compensation: that is a complicated issue for the newly established institutions such as in the Korean American communities. Above is an overview of part of Management, which will be further discussed in the following lecture.



II. CURRENT CHALLENGES

The world is changing more rapidly than ever before, and managers are responsible for positioning their organizations to adapt to new needs as follows:

1 Globalization: With the rapid advances in technology and communications, the time it takes has been reduced. Markets, technologies, and organizations are becoming increasingly interconnected. So companies can locate different parts of the organization throughout the world: top leadership in one country, technical brainpower and production in other locales. Related trends are global *outsourcing*, or contracting out some functions to organization in other countries, and *strategic partnering* with foreign firms to gain a global advantage.

2 Intense Competition: This growing global interdependence creates new advantages, but it also means that the environment for companies had become extremely competitive. Therefore, whether how many market leaders of today will still be the market leaders five years now is questionable. In today's weak economy, companies in all industries are feeling pressure to drive down costs and keep prices low, yet at the same time they are compelled to invest in research and development or get left behind in the global drive for innovation.

3 Ethics and Sustainability: The government and the public require corporates and their employees to hold high ethical and professional standards. Following widespread moral lapses and corporate financial scandals, organizations are under scrutiny as never before. Moreover, people are demanding a stronger commitment by organizations to social responsibility, particularly when it comes to protecting the natural environment. Many companies are embracing the philosophy of sustainability, which refers to economic development that generates wealth and meets the needs of the current generation, while saving the environment so future generations can meet their needs as well.

4 Speed and Responsiveness: It becomes important to respond quickly and decisively to environmental changes, organization crises, or shifting customer expectations. Today, globalization and advancing technology have accelerated the pace at which organizations in all industries must roll out new products and services to stay competitive. Today's customers want products and services tailored to their exact needs and they want them now. Moreover, crisis management has moved to the forefront in light of devastating natural disaster and terrorist attacks all over the world; weak global economy, sovereign debt crises, growing unemployment, and weakening consumer confidence; widespread ethical scandals; and in general, an environment that may sift dramatically at a moments' notice.

5 The Digital World: Today's realm of the Internet, social networking like Facebook and Twitter, Blogs, online collaboration, Web-based communities, broadcasting, mobile device, You Tube-ing and Skype-ing caused the digital revolution, that changed everything in organizational design and operations. Emerging digital tools enable many employees to perform much of their work on computers, perhaps working in virtual teams and connected electronically to colleagues around the world.

6 Diversity: As organizations increasingly operate on a global playing field, the workforce – as well as the customer base – grows increasingly diverse. Many of today's leading organizations have an inter-national face. Moreover, managers in the United States realize the nation's domestic population is changing dramatically. About a third of current population growth in the United States is due to immigration, and immigration is expected to continue being a positive element in coming decades.

III. BRIEF HISTORY OF ORGANIZATION THEORY

Mary Jo Hatch and Ann L. Cunliffe, *Organization Theory: Modern, Symbolic, and Postmodern Perspectives* (New York: Oxford University Press, 2006), 25-60.

As a new science appeared in the academic world, many commoners may have questions about its origin and related branches of science. Until the rise of medieval universities, major subjects of education was limited to *trivium* or *quadrivium* in the Western Europe: the former included grammar, logic, and rhetoric; and the latter included arithmetic, geometry, astronomy, and music; which started in the fifth century. Around 1200, medieval universities appeared at Bologna in Italy, Paris in France, and Oxford in England; and the church and the states in Europe founded universities based on the models of student-centered Bologna or teacher-centered Paris: The number of universities increased from 28 by 1378 to 63 schools by 1500.⁵ There were four faculties of learning at those universities: liberal arts, law, medicine, and theology. In the beginning the liberal arts dealt with traditional seven subjects, and three philosophies (natural, moral, and metaphysical) were added in the mid thirteenth century. The Copernican theory of 1543 revolutionized the scientific world as Galileo (d. 1642) joined the club, so that textbooks of most sciences were rewritten and new sciences were created by the universities, while there had been continuous conflict between science and religion as well as between reason and faith.⁶ Economics were part of political philosophy until early eighteenth century, although there were partial studies for economic policies. Similarly, management science had remained part of economics until early twentieth century when industries needed efficient operations.

Table 2. Sources of Inspiration for Organization Theory

Classification	Sources of Inspiration	Based Science
Prehistory 1900-1950s	Smith 1776; Max 1867; Durkheim 1893; Taylor 1911; Follett 1918; Fayol 1919; Weber 1924; Gulic 1937; Barnard 1938	Economics Engineering Sociology
Modern 1960s-1970s	Von Bertalanffy 1950; Trist and Bamforth 1951; Boulding 1656; March and Simon 1958; Emery 1960; Burns and Stalker 1961; Woodward 1965; Lawrence and Lorsch 1967; Thompson 1967	Political Science Biology-Ecology Social Psychology
Symbolic-Interpretive 1980s	Schutz 1932; Whyte 1943; Selznick 1949; Goffman 1959; Gadamer 1960; Berger and Luckmann 1966; Weick 1969; Geertz 1973; Cliford and Marcus 1986	Cultural Anthropology Folklore Studies Semiotics and Hermeneutics Linguistics
Post-Modern 1990s	Saussure 1959; Foucault 1972; Bell 1973; Jencks 1977; Derrida 1978; Lyotard 1979; Rorty 1980; Lash and Ury 1987; Baudrillard 1988	Post-modern Architecture Post-structural Philosophy Literary Theory Cultural Studies

Source: Mary Jo Hatch and Ann L. Cunliffe, *Organization Theory: Modern*, 6.

⁵ H. De Ridder-Symoens, ed., *A History of the University in Europe*, vol.1, New York: Cambridge University Press, 2003.

⁶ Richard G. Olson, *Science and Religion, 1450-1900*, Baltimore, MD: Johns Hopkins University, 2004.

A. Organization Theory at its Inception: Principles, Typologies and the One Best Way

1. Adam Smith, Political Economist (1723-1790)

An Inquiry into the Nature and Causes of the Wealth of Nations (1776)

The division of labor, including the differentiation of work tasks and the specialization of laborers, is central to the concept of social structure in organization theory.

2. Karl Marx, Philosopher-Economist and Revolutionary (1818-1883)

Communist Manifesto (1848), Das Capital (1867, 1885, 1894) - materialist conception of history
Co-founder of Marxism, surplus value, alienation and exploitation of the worker.

Having narrowed the explanation of society and culture to economic order, Marx then argued that capitalism rests upon a fundamental **antagonism** between the interests of capital and those of labor. The antagonism, in part, arises over how to divide the excess profits generated when products or services are exchanged on a market at a price that is higher than their costs. According to Marx, since profit is generated by a combination of labor and capital, each side, naturally, can reasonably claim that the surplus should belong to them. The laborers think that a large share should be theirs because they did the work, while capitalists argue that, without the investment their capital makes possible, there would be no work to do and therefore the larger share should be theirs. Thus is the capitalist system forever conflicted by the never-ending struggle between the interests of capital and those of labor.

Antagonism between labor and capital also arises from the necessity to ensure profitability. Without profitability, the survival of the individual firm and the entire capitalist economy would be jeopardy. Profitability depends upon the organization and control of work activity. This is because competition from other firms puts downward pressure on the prices for a firm's products and services. This pressure translates into a need to reduce the costs of production. Since labor is a large component of the costs of production, capitalists pressure laborers to work more efficiently, which is achieved by continuously imposing new forms of **managerial control** on work processes.

Alienation refers to the disenfranchising of workers from the product of their work efforts. Because, in the drive for efficiency, labor is defined as a cost of production, rather than a means to achieve a collective purpose for the good of society, labor comes to be defined as a commodity to be bought and sold on an exchange market. This concept of labor gives humans a purely instrumental relationship with one another based on the economic value of their potential to do work. When managers accept this alienating assumption they are encouraged to treat labor like any other raw material, this is, to exploit it for its economic value. Unless workers organize their resistance (e.g., via unions) to such managerial exploitation, the disempowerment and alienation of workers will grow unabated. Thus, according to Marx, the result of antagonism between capital and labor is a continual build up of institutionalized forms of mutual control and resistance (e.g., **management versus unions**) held in place by the dynamics of a capitalist economy.

Critical organization theorists are particularly concerned to challenge the rights claimed by owners and managers to suppress conflicting interests and control the lives of others for the purpose of generating profit. In addition, they offer theories to explain the dehumanizing effects of managerial control based on Marx's theory of alienation. Their theory focuses on the structural, economic and social system determinants of the distribution of power in organizations, and is concerned with the emancipation of workers and with establishing more democratic structures and forms of corporate governance. **Postmodernists** tend to disagree with emancipation, arguing it merely replaces one form of privilege with another; however, they build on critical organization theory when they study ideology and the various forms of domination that it produces in the workplace.

3. Emile Durkheim, Sociologist (1858-1917, French)

The Division of Labor in Society (1893) and *The Rules of Sociological Method* (1895)

Division of labor is the specialization of cooperative labor in specific, circumscribed tasks and like roles. Historically an increasingly complex division of labor is closely associated with the growth of total output and trade, the rise of capitalism, and of the complexity of industrialization processes. He not only emphasized increases in specialization but also hierarchy and the interdependence of work tasks. Early modernists organization theorists regarded these concepts as key dimensions for defining and describing complex organizations.

He also proposed the distinction between **informal and formal organization** that placed attention on workers' social needs in addition to the demands of formally organizing work.

4. Karl Emil Maximilian (Max) Weber, Sociologist (1864-1920, German)

The Theory of Social and Economic Organization (1924 in German and 1947 in English)

According to him, before industrialization societies organize themselves either around traditional or charismatic forms of authority. **Traditional authority** is an inherited status defined and maintained by the ways of the past (like inheritance of property from father to son). In **charismatic authority** the rights of leadership fall to individuals whose marginal powers of attraction for others justify their authority with little need for any other legitimization (like religious leaders - Christ or Mohammed).

Weber believed that industrialization created a third form of authority and he considered the emergence of bureaucratic authority structures as superior to both charismatic and traditional authority because, in bureaucracies the choice of who should be given authority is rationally determined by rules and legally binding procedures. Using **rational-legal authority** allows a society to avoid both the succession problems of finding another charismatic person when a leader is lost, and the problem of ceding authority through inheritance to those who are ill-fit or unwilling to lead. Under rational-legal authority, a society has an endless supply of people to whom it can give authority because it can make rational choices on the basis of superior leadership or technical abilities. At least this was the ideal Weber saw as rising from the industrial system and its norms for technical efficiency. In his imagination rational social systems would replace cults of personality and nepotism with merit-based selection of those who would have authority over others.

In his above book, Weber proposed that **bureaucracy could rationalize the social order in a manner similar to technology's rationalizing influence on the economic order**. This association led modernist organization theorists of the 1950s and 1960s to believe that bureaucratic rationalization would promote technical efficiency. This belief persists in the minds of many modernist organization theorists, some whom have devoted their research to studying the relationship between organizational structure and technology.

Weber himself recognized that the uses of rationalization rest upon value-based criteria - in his distinction between formal and substantive rationality. **Formal rationality** involves techniques of calculation, while **substantive rationality** refers to the desired ends of action that direct the use of calculative techniques. Different desired ends will lead to different uses of formal rationality. Weber warned that formal rationality without conscious consideration of substantive rationality would lead, in his colorful phrase, to an 'iron cage' capable of imprisoning humanity and making every human being a 'cog in an ever-moving mechanism.' Such sentiment position Weber close to those who criticize modernist organization theory and attempt to free humankind from the often restrictive practices of management. His interest in how cultural rules, beliefs, customs and morality influence social behavior is carried on by symbolic-interpretive researchers who study organizational culture and sense-making.

5. Frederick Winslow Taylor, Founder of Scientific Management (1856-1915, American)

The Principles of Scientific Management (1911)

Taylor conducted experiments in such matters as the handling of raw material, the use of machines and other tools and worker motivation. These studies prompted Taylor to develop work standards (a target rate of performance generally set higher than the average at which workers had produced prior to being exposed to scientific management), uniform work methods to guarantee workers could achieve the standards set for them (including instruction cards, order-of-work sequences, materials specifications, inventory control systems, etc.), skill-based job placement methods, methods of supervision and incentive schemes. His work inspired an international efficiency movement.

Strict work methods alienated most workers who lose control over their labor practices through the scientific management, but he was a promoter of rationalization in organizations. His belief in the powers of objective measurement and the discovery of laws governing work efficiency carry over into the modernist perspective where scientific management techniques lay the groundwork for management control systems.

6. Mary Parker Follett, Scholar, Social Reformer, Government and Management Consultant (1868*1933, American)

The New State: Group Organization and the Solution of Popular Government (1911)

Creative Experience (1924)

She envisioned **self-governing organizations**, suggesting that organizations within a democratic society should embrace **democratic ideals**, and that power should be **power with not power over people**.

7. Henri Fayol, Engineer, CEO, and Administrative Theorists (1841-1925, French)

General Industrial Management (1919)

His administrative principles involved issues such as

- *the span of control (the maximum number of subordinates per one manager);
 - *exceptions to routine (subordinates should handle routine matters, leaving managers free to handle exceptions to rules and standard operating procedures);
 - *departmentalization (departments formed around the grouping of similar activities);
 - *unity of command (each subordinate should report to only one boss); and
 - *hierarchy (the scalar principle links all organizational members into a control structure resembling a pyramid).
- **the importance of esprit de corps among organizational members.
**the manager is responsible for planning, organizing, commanding, coordination, and control.

8. Luther H. Gulick, Administrator Theorist (1892-1992, American)

Papers on the Science of Administration (1937)

Organizational efficiency could be increased by dividing work into small, specialized segments, allotting the work to those skilled in that specific segment, and coordinating the work through supervision, clear task definition, instruction, and direction.

9. Chester Barnard, Executive and Management Theorist (1886-1961, American)

The Functions of the Executive (1938)

Barnard emphasized the ways in which executives might develop their organizations into **cooperative social systems** by focusing on the **integration of work efforts** through communication of goals and attention to worker motivation, ideas that echo those of Mary Parker Follett.

B. Modern Influences on Organization Theory

Modernism is rooted in the Enlightenment of the eighteenth century - the age of reason. It is believed that rationality would free humankind from slavery and the fear that superstition brings and would allow humans to control their environment through scientific knowledge and its application via technological means. Modern organization theorists believe that complete knowledge means understanding who and why organizations function the way they do and how their functioning is influenced by different environmental conditions. They develop ways of diagnosing organizational problems so as to manage in more effective and efficient ways that create competitive advantage and profitability. Specifically, from a modernist perspective, **effective organizations are able to** balance internal and external pressures, develop core competencies, increase efficiency and adapt to change.

1. General Systems Theory

In the 1950s, the biologist Ludwig von Bertalanffy introduced his vision general systems theory. A system is a thing with mutually interrelated parts called subsystems. Each subsystem affects the others, and each in turn depends upon the whole. Systems are highly differentiated, that is, each subsystem performs (specializes in) a particular function or activity. **Differentiation** provides the system with the benefits of **specialization**, for example, having an efficient and optimal fuel system. Of course, specialization at the subsystem level eventually creates a need for **integration and coordination** at the system level (the organization itself).

Kenneth Boulding, an American economist, outlined a hierarchy of systems ordered from the simplest to the most complex. Each level of hierarchy has its own unique characteristics but also incorporates the characteristics of lower levels. This means that if you look only at a lower level system, you will be blind to the uniqueness that the higher level system manifests.

2. Socio-technical Systems Theory

Erick Trist and Ken Bamforth of the Tavistock Institute of Human Relation in the United Kingdom examined the impact of technology on worker productivity, motivation, morale and stress in a British coalmine in the early 1950s. One Durham mine had adopted a short-wall method in which multi-skilled work groups were responsible for the whole cycle of coal mining on their shift. These **autonomous work groups** allowed the miners to control their task assignment. They found that although the methods developed by the autonomous work groups were technically not as efficient as those designed by the engineers, more work was accomplished and workers were much more satisfied with their jobs. Fred Emily, another Tavistock researcher, conceptualized socio-technical systems theory. He mapped the impact of the technical and social systems on **the psychological needs of individuals**, and suggested that production systems be redesigned to allow for teamwork, multi-skilling and self-management.

3. Contingency Theory

The most appropriate way of designing and managing an organization depends upon the characteristics of the situation in which the organization find itself. In other words, organizational design is **contingent upon many factors** - the environment, goals, technology, and people; and effective organizations are those in which these various elements are aligned. The system's approach to management, that we apply in this course belongs to the contingency theory.

C. Symbolic-Interpretive Influences Theory

Anthropologists experienced the crisis of representation in the **interpretation of culture**. The logic of symbolic-interpretivism is based on the belief that organizational realities are socially produced as members interact, negotiate and make sense of their experience, and symbolic-interpretivists study how people make and communicate meaning in particular situations. Because meaning is embedded in human interactions and in symbols and artifacts that may be interpreted differently by different people, we need to address multiple interpretations and the role context plays in shaping how situations and events are interpreted by those who experience them. In doing so, we need to be particularly sensitive to language because it is through language (both verbal and written forms) that we construct, modify, make sense of and communicate reality. Symbolic-interpretive organization theorists therefore focus on common sense and experiential understandings, often reflecting on their own understandings and interpretations as they study those of their subjects. In particular, they study:

- *How people (including researchers) create meanings in organizations through their interpretations of utterances, stories, rituals, symbols, actions, interactions and so on.

- *How different individuals and groups (subcultures) produce multiple meanings and interpret them from within their own cultural contexts.

- *How the multiple interpretations of individuals and subcultures blend to socially construct organizational reality.

1. Social Construction Theory

The Social Construction of Reality (1966)

Peter Berger and Thomas Luckmann, German **sociologists**, proposed that our social world is negotiated, organized, and constructed by our interpretations of what is happening around us. They argued that interpretations are based on implicit understanding found in our inter-subjectivity (i.e., built between our subjective understandings) via shared experience that is influenced by shared history. They also emphasized that symbolism (language and conversation) - not structure - creates and maintains social reality because it forms the domain within which inter-subjective meaning is constructed.

Social construction works like this: humans and their social world interact with each other in ways that produce both individual identity and experienced reality. There are three components to the process of social construction: **externalization**, **objectification**, and **internalization**.

- *Externalization: Human social activity then constructs the world and in the process humans externalize their meanings as both personal and shared realities.

- *Objectification: Inter-subjectively produced realities are then taken as objective (i.e., objectified), in the perceptions of those who externalize it.

- *Internalization: It becomes possible for a group's participants to socialize new members (e.g., children, foreigners), causing them to internalize the group's social constructions by taking on some of its roles and accepting most of its meanings.

Once internalization occurs, **new members will externalize and objectivize** right along with other group members, thus sustaining shared social constructions of reality. In these ways, humans act and interpret action within socio-cultural contexts of their own collective making.

2. Sense-making Theory and Enactment

The Social Psychology of Organizing (1979), Karl Weick, American social psychologist

Organizational realities are socially constructed by organizational members as they try to make sense of what is happening both as it occurs and in retrospect, and then act on that understanding.

He used the term **enactment** - manager construct, rearrange, single out, and demolish many objective features of their surroundings. When people act they un-randomize variables, insert vestiges of orderliness, and literally create their own constraints.

3. Institutionalization

The Tennessee Valley Authority (TVA) and the Grass Roots (1949), Philip Selznick⁷

Selznick introduced the concept of **institutionalization** - the TVA for allowing itself to be co-opted by various interests including land grant colleges, county extension agents and political and business leaders. Co-optation transformed the organization from efficient distributor and coordinator of tasks into a unique and distinctive American institution.

4. Reflexivity

Writing Culture: The Poetics and Politics of Ethnography (1986), James Clifford and George Marcus

Reflexivity is part of both social constructionist and postmodernist ways of thinking. Reflexive approaches to organization theory have been influenced by work in cultural anthropology and sociology, and more recently by post-modernism and post-structuralism. Clifford meant that the interpretive community of which the researcher is a member has its own interests and ways of talking about the world that influence what and how researchers describe and interpret their phenomena. A reflexive manager recognizes that **social realities and our explanations of those realities** are accomplishments, that is, they are incomplete and continually negotiated accounts **open to multiple interpretations** and meanings, our own being but one among many.

D. Some Postmodern Influences Theory

Postmodernists believe that **there is no objectively definable social reality**; that everything you or I know is relative to the moment of our experience; and that since language has no fixed meaning, there can be no accurate accounts of our world not can we make definitive statements about it or ourselves.

1. Lang and Language Games;
2. Grand Narratives and Giving Voice;
3. Discourse and Discursive Practices;
4. Deconstruction;
5. Simulacra and Hyper-reality

(End of Lecture #1)

⁷ http://www.amazon.com/Writing-Culture-Poetics-Politics-Ethnography/dp/0520057295#reader_0520057295 to which accessed on May 29, 2012.