

McGRAW-HILL SERIES IN MANAGEMENT

8466165



E8466165

Changing Organizations

**ESSAYS ON THE DEVELOPMENT AND EVOLUTION
OF HUMAN ORGANIZATION**



WARREN G. BENNIS

Provost, State University
of New York at Buffalo

McGRAW-HILL BOOK COMPANY

New York St. Louis San Francisco
Toronto London Sydney

Property of
Honeywell EDP

B68 0428-1

CHANGING ORGANIZATIONS

Copyright © 1966 by McGraw-Hill, Inc. All Rights Reserved. Printed in the United States of America. This book, or parts thereof, may not be reproduced in any form without permission of the publishers.

Library of Congress Catalog Card Number 65-25915

04700

6789-MP-98

Changing Organizations

McGRAW-HILL SERIES IN MANAGEMENT

Keith Davis, *Consulting Editor*

ALLEN: *Management and Organization*

ALLEN: *The Management Profession*

BENNIS: *Changing Organizations*

BERGEN AND HANEY: *Organizational Relations and Management Action*

BLOUGH: *International Business: Environment and Adaptation*

BOWMAN: *Management: Organization and Planning*

BROWN: *Judgment in Administration*

DAVIS: *Human Relations at Work*

DAVIS AND BLOMSTROM: *Business and Its Environment*

DAVIS AND SCOTT: *Readings in Human Relations*

FIEDLER: *A Theory of Leadership Effectiveness*

FLIPPO: *Principles of Personnel Management*

GOLEMBIEWSKI: *Men, Management, and Morality*

HARBISON AND MYERS: *Management in the Industrial World*

HICKS: *The Management of Organizations*

JOHNSON, KAST, AND ROSENZWEIG: *The Theory and Management of Systems*

KEITH AND GUBELLINI: *Business Management*

KOONTZ: *Toward a Unified Theory of Management*

KOONTZ AND O'DONNELL: *Principles of Management*

KOONTZ AND O'DONNELL: *Readings in Management*

MAIER: *Problem-solving Discussions and Conferences: Leadership Methods and Skills*

MAYER: *Production Management*

MC DONOUGH: *Information Economics and Management Systems*

MC NICHOLS: *Policy Making and Executive Action*

MINER: *The Management of Ineffective Performance*

MUNDEL: *A Conceptual Framework for the Management Sciences*

PETIT: *The Moral Crisis in Management*

PIGORS AND PIGORS: *Case Method in Human Relations*

READY: *The Administrator's Job*

SALTONSTALL: *Human Relations in Administration*

SARTAIN AND BAKER: *The Supervisor and His Job*

SCHRIEBER, JOHNSON, MEIER, FISCHER, AND NEWELL: *Cases in Manufacturing Management*

STEINER: *Managerial Long-range Planning*

SUTERMEISTER: *People and Productivity*

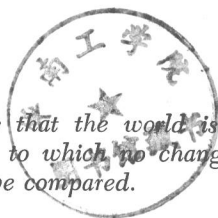
TANNENBAUM, WESCHLER, AND MASSARIK: *Leadership and Organization*

VANCE: *Industrial Administration*

VANCE: *Management Decision Simulation*

*To Clurie and Katie:
my living links with evolution*

preface



It so happens that the world is undergoing a transformation to which no change that has yet occurred can be compared.

Charles de Gaulle

One thing that is new is the prevalence of newness, the changing scale and scope of change itself, so that the world alters as we walk on it, so that the years of man's life measure not some small growth or rearrangement or moderation of what he learned in childhood, but a great upheaval.

Robert Oppenheimer

"Everything nailed down is coming loose," a historian said recently, and it seems that no exaggeration, no hyperbole, no outrage can realistically describe the extent and pace of change which modernization involves. In fact, only the exaggerations appear to be true. And it is to our credit that the pseudo horror stories and futuristic fantasies about *increases* in the rate of change (rate of obsolescence of workers, growth of technology and science, and the number of "vanishing stories"—the vanishing salesman, the vanishing host, the vanishing adolescent, the vanishing village, etc.) fail to deter our compulsive desire to invent, to overthrow, to upset inherited patterns. As Ecclesiastes glumly observes, men persist in disordering their settled ways and beliefs by seeking out many inventions.

This book of essays approaches the problem of change from many different angles, all of which focus on the cause and consequences of change in *organizational* behavior. In a way, I suppose, these essays reveal my favorite intellectual preoccupations: (1) the

problems of change, (2) how they affect human organizations, and (3) what the behavioral sciences can do about directing the rate, shape, and consequences of change. Man's fate today, as never before, is to understand this "prevalence of newness" so that we can welcome and even predict the force of change without a guarded frozenness or a heightened susceptibility. Justice Holmes's remark that "science has made major contributions to minor needs" no longer holds in my view. It seems to me that the behavioral sciences can contribute a good deal to an understanding of our contemporary crises.

The book is divided into two parts. Part 1 identifies some important evolutionary trends in organizational development. Part 2 focuses on the ways behavioral scientists can illuminate and direct processes of change. In other words, Part 1 discusses some developments and certain "natural" tendencies, for example, toward democracy and science. Part 2, on the other hand, shows how action based on knowledge and self-determination can change the nature of organizational life.

To use the language of child psychology, evolutionary tendencies are basic regularities of growth in certain directions, toward *maturation*, while planned change involves human or cultural interventions, toward *acculturation*. Of course, it is sometimes difficult or even meaningless to distinguish between the two. Illness, for example, can slow down the growth of long bones and delay the appearance of ossification centers, so that the natural process is retarded. At the same time, recent progress on bone and cartilage surgery has affected significantly the natural process of bone maturation. I would wager that as science progresses, the relationship between *evolutionary* and *directed* change will blur, just as so-called natural childbirth is damned unnatural for most.

In any case, while I forecast the structure and value coordinates for organizations of the future and contend that they are inevitable, it should not bar any of us from giving a little push here and there to that inevitability. And while the French moralist may be right when he says that there are no delightful marriages, just good ones, it is possible that if practitioners and students of organizations get their heads together, they will develop delightful organizations—just possibly.

If there is a strain of optimism in these essays, I hope it is not of the Pollyanna or ostrich kind. While I am by nature a "yea-sayer"

(and this trait may become more pronounced as I work in India, where malaria has been wiped out in five years, where family planning is expected to curb the birthrate within five years and the absolute growth within twenty years, and where even the Himalayas are growing 2 inches a year), I do not think I am a "nature faker." Of course, I have tried to prophesy, and that is always risky. This reminds me of the story of the Polish visionary who claimed that he could see the synagogue burning to the ground in the town of Lwów (45 miles away). Late the next day, a visitor from Lwów appeared on the scene and discounted the whole story. The local villagers were still proud of their visionary: *so what* if he was wrong. Look how far he could see!

WARREN G. BENNIS

contents

Preface vii

PART ONE *EVOLUTIONARY TRENDS IN ORGANIZATIONAL DEVELOPMENT* 1

- 1 The Decline of Bureaucracy and Organizations of the Future 3
- 2 Democracy Is Inevitable 16
- 3 Toward a "Truly" Scientific Management: The Concept of Organization Health 34
- 4 Changing Patterns of Leadership 64

PART TWO *PLANNING AND CONTROLLING ORGANIZATIONAL CHANGE* 79

- 5 Applying Behavioral Sciences to Planned Organizational Change 81
- 6 Planned Organizational Change in Perspective 95
- 7 Change-agents, Change Programs, and Strategies 113
- 8 Principles and Strategies of Directing Organizational Change via Laboratory Training 131
- 9 Some Questions and Generalizations about Planned Organizational Change 167

Epilogue Behavioral Sciences Perspective in Organizational Studies 179

Index 213

part one

evolutionary trends in organizational development

Man is the animal that can direct and control his own evolution. Our species is probably a million years old. Homo sapiens emerged with twice the cortical capacity only 100,000 years ago. With cortical development came the ability to symbolize which enables us to transmit information from generation to generation. Agriculture was invented roughly 10,000 years ago and city-states about 5,000 years ago. Science, only recently institutionalized (say within the past 75 to 100 years), has accelerated the psycho-cultural evolution a thousand times faster than biological evolution has.

All the essays in Part One reflect a particular bias which is a belief that certain ideas, generated and maintained by institutions, are not only more appropriate for our times but irresistible to them. Henry Murray has coined the word "idene" to relate to social evolution as gene does to biological evolution. Some idenes accelerate evolution; others, like Nazism or apartheid or slavery, may be as dangerous as hemophilia.

The idenes revived in the following essays are inevitable, within plus or minus 50 years, and they are captivating as well. They have been enshrined, idolized, and monotonously enunciated at least since the American Revolution was exported via France. They are the values of (1) choice and freedom, (2) collaboration, and (3) science, i.e., an ethic of testing and predicting reality. Although these concepts are familiar, their radical and accelerating effects can probably

only be recognized in historical perspective. The first value is called by the political term "democracy" and is codified under certain constitutional guarantees of individual rights. The third dimly emerged about 300 years ago; ours is really the first and only "scientific age," and 90 per cent of the people who call themselves scientists are alive today. The second, collaboration, is the most recent value and the most ancient necessity, and it must surely preempt Darwin's emphasis on "competition." The price of competition, seen in Herman Kahn's *Doomsday Machine* and "Dr. Strangelove," is costly; we are committed to living together.

I see democracy, collaboration, and science as three broad streams moving steadily toward a confluence in the twentieth century. When I wrote Chapter 3 in 1961 I was convinced that democracy is a political twin of science and that their moral life is parallel. Collaboration is more implicit in science where there is an ethic of cooperation than in democracy which is fixated on independence rather than interdependence.

In any case, these essays suggest that when the true content of these three idenes surfaces and invades the institutional juglars we shall have not only coped with the tasks of our time but progressed further along the course of social evolution.

If these ideas sound ethnocentric and absolute, I must confess to a current revulsion from my collegiate belief in political and cultural relativism. I do believe that the values and moral imperatives of science and democracy are appropriate and necessary everywhere today. I do believe that they are the most civilized and advanced systems available. I do feel impatient with their visible alternatives: unskeptical and unquestioning faith in authority and totalitarianism.

Man, before Darwin, was elevated as the "darling of the gods." This Victorian fiction has been dissolved by too many wars, too much poverty, and too many diseased. But we remain a moral and ethical animal; our survival and security depend on the exploitation of moral and ethical systems.

1

*the decline of bureaucracy and organizations of the future**

Most of us spend all of our working day and a great deal of our non-working day in a unique and extremely durable social arrangement called "bureaucracy." I use the term "bureaucracy" descriptively, not as an epithet about "those guys in Washington" or as a metaphor *à la* Kafka's *Castle*, which conjures up an image of red tape, faceless masses standing in endless lines, and despair. Bureaucracy, as I shall use the term here, is a social invention, perfected during the Industrial Revolution to organize and direct the activities of the firm. To paraphrase Churchill's ironic remark about democracy, we can say of bureaucracy that it is the worst possible theory of organization—apart from all the others that have so far been tried.

* Adapted from an Invited Address presented to the Division of Industrial and Business Psychology at the American Psychological Association meeting, Los Angeles, Calif., Sept. 5, 1964. Reprinted by permission from *Trans-action*, where it was originally published in July, 1965.

The burden of this book rests upon the premise that this form of organization is becoming less and less effective, that it is hopelessly out of joint with contemporary realities, and that new shapes, patterns, and models—currently recessive—are emerging which promise drastic changes in the conduct of the corporation and in managerial practices in general. So within the next twenty-five to fifty years, we should all be witness to, and participate in, the end of bureaucracy and the rise of new social systems better able to cope with twentieth-century demands.*

The argument will be presented in the following sequence:

- 1 A quick look at bureaucracy: what it is and what its problems are;
- 2 A brief survey of how behavioral scientists and practitioners have attempted to modify and alter the bureaucratic mechanism so that it would respond more appropriately to changing times (in this section I shall show how these emergency remedies have been only stopgap measures and how more basic changes are required);
- 3 A general forecast of how most organizations of the future will operate.

BUREAUCRACY AND ITS DISCONTENTS

Corsica, according to Gibbon, is much easier to deplore than to describe. The same holds true for bureaucracy. Basically, though, it is simple: bureaucracy is a social invention which relies exclusively on the power to influence through reason and law. Max Weber, the German sociologist who conceptualized the idea of bureaucracy around the turn of the century, once likened the bureaucratic mechanism to a judge qua computer: "Bureaucracy is like a modern judge who is a vending machine into which the pleadings are inserted together with the fee and which then disgorges the judgment together with its reasons mechanically derived from the code."¹

The bureaucratic "machine model" Weber outlined was devel-

* The number of years necessary for this transition is, of course estimated from forecasts for the prospects of industrialization. Sociological evolutionists are substantially agreed that within a twenty-five- to fifty-year period, most of the people in the world will be living in industrialized societies. And it is this type of society that concerns me here, not the so-called underadvanced, semiadvanced, or partially advanced societies.

oped as a reaction against the personal subjugation, nepotism, cruelty, emotional vicissitudes, and subjective judgment which passed for managerial practices in the early days of the Industrial Revolution. Man's true hope, it was thought, was his ability to rationalize and calculate—to use his head as well as his hands and heart. Thus, in this system roles are institutionalized and reinforced by legal tradition rather than by the “cult of personality”; rationality and predictability were sought for in order to eliminate chaos and unanticipated consequences; technical competence rather than arbitrary or “iron” whims was emphasized. These are oversimplifications, to be sure, but contemporary students of organizations would tend to agree with them. In fact, there is a general consensus that bureaucracy can be dimensionalized in the following way:

- 1 A division of labor based on functional specialization
- 2 A well-defined hierarchy of authority
- 3 A system of rules covering the rights and duties of employees
- 4 A system of procedures for dealing with work situations
- 5 Impersonality of interpersonal relations
- 6 Promotion and selection based on technical competence²

These six dimensions describe the basic underpinnings of bureaucracy, the pyramidal organization which dominates so much of our thinking and planning related to organizational behavior.

It does not take a great critical imagination to detect the flaws and problems in the bureaucratic model. We have all *experienced* them: bosses without technical competence and underlings with it; arbitrary and zany rules; an underworld (or informal) organization which subverts or even replaces the formal apparatus; confusion and conflict among roles; and cruel treatment of subordinates, based not upon rational or legal grounds, but upon inhumane grounds. Unanticipated consequences abound and provide a mine of material for those comics, like Chaplin or Tati, who can capture with a smile or a shrug the absurdity of authority systems based on pseudologic and inappropriate rules.

Almost everybody, including many students of organizational behavior, approaches bureaucracy with a chip on his shoulder. It has been criticized for its theoretical confusion and contradictions, for moral and ethical reasons, on practical grounds such as its inefficiency, for its methodological weaknesses, and for containing too many im-

licit values or for containing too few. I have recently cataloged the criticisms of bureaucracy, and they outnumber and outdo the Ninety-five Theses tacked on the church door at Wittenberg in attacking another bureaucracy.³ For example:

- 1 Bureaucracy does not adequately allow for personal growth and the development of mature personalities.
- 2 It develops conformity and "group-think."
- 3 It does not take into account the "informal organization" and the emergent and unanticipated problems.
- 4 Its systems of control and authority are hopelessly outdated.
- 5 It has no adequate juridical process.
- 6 It does not possess adequate means for resolving differences and conflicts among ranks and, most particularly, among functional groups.
- 7 Communication (and innovative ideas) are thwarted or distorted because of hierarchical divisions.
- 8 The full human resources of bureaucracy are not being utilized because of mistrust, fear of reprisals, etc.
- 9 It cannot assimilate the influx of new technology or scientists entering the organization.
- 10 It will modify the personality structure such that man will become and reflect the dull, gray, conditioned "organization man."

Max Weber himself, the developer of the theory of bureaucracy, came around to condemning the apparatus he helped immortalize. While he felt that bureaucracy was inescapable, he also thought it might strangle the spirit of capitalism or the enterprenuerial attitude, a theme which Schumpeter later on developed. And in a debate on bureaucracy he once said, more in sorrow than in anger:

It is horrible to think that the world could one day be filled with nothing but those little cogs, little men clinging to little jobs and striving towards bigger ones—a state of affairs which is to be seen once more, as in the Egyptian records, playing an ever-increasing part in the spirit of our present administrative system, and especially of its offspring, the students. This passion for bureaucracy . . . is enough to drive one to despair. It is as if in politics . . . we were deliberately to become men who need "order" and nothing but order, who become nervous and cowardly if for one moment this order wavers, and helpless if they are torn away from their total incorporation in it. That the world should know no men but these: it is such an evolution

that we are already caught up in, and the great question is therefore not how we can promote and hasten it, but what can we oppose to this machinery in order to keep a portion of mankind free from this parcelling-out of the soul from this supreme mastery of the bureaucratic way of life.⁴

I think it would be fair to say that a good deal of the work on organizational behavior over the past two decades has been a footnote to the bureaucratic “backlash” which aroused Weber’s passion: saving mankind’s soul “from the supreme mastery of the bureaucratic way of life.” At least, very few of us have been indifferent to the fact that the bureaucratic mechanism is a social instrument in the service of repression; that it treats man’s ego and social needs as a constant, or as nonexistent or inert; that these confined and constricted needs insinuate themselves into the social processes of organizations in strange, unintended ways; and that those very matters which Weber claimed escaped calculation—love, power, hate—not only are calculable and powerful in their effects but must be reckoned with.

MODIFICATIONS OF BUREAUCRACY

In what ways has the system of bureaucracy been modified in order that it may cope more successfully with the problems that beset it? Before answering that, we have to say something about the nature of organizations, *all* organizations, from mass-production leviathans all the way to service industries such as the university or hospital. Organizations are primarily complex goal-seeking units. In order to survive, they must also accomplish the secondary tasks of (1) maintaining the internal system and coordinating the “human side of enterprise”—a process of mutual compliance here called “reciprocity”—and (2) adapting to and shaping the external environment—here called “adaptability.” These two organizational dilemmas can help us organize the pivotal ways the bureaucratic mechanism has been altered—and found wanting.

Resolutions of the Reciprocity Dilemma

Reciprocity has to do primarily with the processes which can mediate conflict between the goals of management and the individual goals of the workers. Over the past several decades, a number of interesting theoretical and practical resolutions have been made which