

WORK *Organisations*
resistance & control

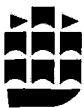


GRAEME SALAMAN

Work Organisations

Resistance and control

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Preface

This book grew out of my work on two Open University courses, and while it differs in many important ways from my contributions to the two courses in question – *People and Organisations* (DT 352), and *People and Work* (DE 351) – nevertheless my involvement in those courses was of enormous importance in raising my interest in the subject matter of the book, and in establishing the general direction that interest would take. This makes the conventional procedure of academic acknowledgement rather difficult, since many people were involved in the two course teams, all of whom contributed ideas, insights, criticisms and suggestions which, directly or indirectly, explicitly or implicitly, have influenced or coloured this work. My first acknowledgement, then, must be to all members of the course teams of *People and Organisations* and *People and Work*. Only those with any experience of Open University course teams at their best will be able to appreciate what stimulating and exciting experiences they can be.

Although to single out individual members of the course teams whose influence was of particular importance is difficult, it remains true that this book, and its subject matter, orientation, and theoretical position was influenced by contact and discussion with certain individual members of the course teams who might well be surprised at the final direction and form my thoughts have taken. The majority of these people have not seen this book prior to publication. Clearly, they can have no responsibility for it. Nevertheless, in important ways, the book grew from contact – through the course teams – with Charles Perrow, David Hickson, Martin Albrow, David Silverman, Ken Thompson, Dave Elliott, Geoff Esland, Alan Fox, Theo Nichols, John Child, Terry Johnson, and Richard Hyman. It was, as can be imagined, a stimulating and valuable experience to work with such company.

Once the book was in draft, it benefited enormously from the criticisms, suggestions and support of four people: Richard Brown, David Dunkerley, Alan Fox, and Alan Waton. Again, the final responsibility must be mine, of course, but the encouragement and kind criticism these four offered played a significant part in shaping the structure and content of the book.

Finally, my thanks to Frances Kelly of Curtis Brown for all her

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To Rena, Alexandra and Sophia

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The sociology of organisations

1. Introduction

1.1 The sociology of organisations is the study of the social structures and processes that shape the behaviour of individuals and groups within organisations.

1.2 The sociology of organisations is a multidisciplinary field that draws on theories and methods from sociology, psychology, and management studies.

1.3 The sociology of organisations is concerned with the relationship between the individual and the organisation, and the role of the organisation in society.

1.4 The sociology of organisations is a dynamic field that is constantly evolving as new theories and methods are developed.

1.5 The sociology of organisations is a field that is essential for understanding the social structures and processes that shape the behaviour of individuals and groups within organisations.

The importance of organisations

This book is about work organisations in capitalist societies – mainly the UK and the USA, for these two countries supply most of the examples discussed in the book, and the generalisations presented here are particularly applicable to these two countries. The book is about the internal, structural features of these organisations, especially the design of work and control, since these structural features are of most significance to organisational employees, and are most revealing about the nature and priorities of modern organisations.

The focus of this book is on work organisations. Much organisational theory and research is concerned with organisations in general, including charities, voluntary organisations, churches, political parties, etc. This is a perfectly proper delineation of the field, but it is not one which is used here. This book is about work organisations, the common features and processes of such organisations, the determinants of those features and processes and their relationship to the society within which the organisations occur. Such an interest would not be best served by including other non-work types of organisation: the book is not about organisations *per se*, but about the large-scale organisation, design and control of work.

It is usual for books on organisations to begin with some statement of the urgent need for a sociological understanding of these phenomena which, increasingly, dominate the lives of citizens of modern industrial societies. What, after all, could be more necessary than an understanding of the factories, governments, political parties, multi-national organisations and universities that determine so much of our everyday lives? Peter Blau is one of a number of writers on organisations who have argued for the importance of the study of 'the efficient structure of modern organisations, which enables the giant ones and their combinations to dominate our lives, our fortunes, and our honour. To restore the liberty of men, we must free them from the domination of powerful organisations' (Blau and Schoenherr, 1971, p.357).

But what does it mean to say that organisations are important? What is it that the sociologist interested in organisations should study? Organisations matter in all sorts of different ways to many

different groups and interests. As members of the public we tend to be affected by organisations in numerous different ways, and to hold various – and sometimes conflicting – expectations of them. Sometimes organisations are blamed for being too efficient, too cold, impersonal and procedure-bound. Other times, we complain of ‘feather-bedding’, nepotism, inefficiency and bias. Sometimes we complain, as Perrow (1972) has noted, that ‘there ought to be a rule’ covering this or that excess or incompetence. Other times we find supportive audiences for stories of ‘red-tape’ and bureaucracy.

Organisations are important both for what they do, and for what they fail to do. And this importance takes a variety of forms for different groups at different times. But this general, lay, or public assessment of the importance or problems of organisations is not itself sufficient to inform a sociological approach to organisations. Of course, the sociologist must take account of such frustrations and experiences. But a sociological approach to organisations must not, if it is to be useful or perceptive, accept available common-sense conceptions of the problems of organisations. Such a confusion of sociological issues and interests with what are presented as obvious, common-sense, practical organisational problems carries a number of dangers.

First, it can result in the sociologist developing or employing an ill-considered conception of organisations, and an approach to them, which reflects, and derives from, these issues and priorities. So, for example, a sociologist concerned with organisational efficiency (a common-sense issue) might define organisations as phenomena which are striving to achieve certain goals, where structure and technology etc. are derived from this prime goal. He would then attempt to uncover the factors which obstruct or confuse the harmonious cooperation of all members of the organisation in playing their interrelated parts in their achievement of the goal. His approach to organisations follows from his acceptance of common-sense issues and priorities. The problem with this, of course, is that common-sense is not necessarily a good basis for academic study. An understanding of the most pressing practical problems is not likely to be gained by conceptualising organisations in terms of the problem, but by rigorous attempts to improve our understanding of basic organisational issues and matters of definition and conceptualisation – which may frequently seem far removed from questions of, say, efficiency.

Ironically, then, one of the deficiencies of assuming that sociological interest in organisations is synonymous with what is taken to be general, societal interest in them, is that an understanding of these general issues may well be hindered by an approach which relies upon inadequate, unrealistic conceptualisation in terms of the issues themselves, rather than on the available body of sociological theorising and discussion.

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A second danger which accompanies the confusion of sociological problems of organisations with social problems lies in the identification of the social problems themselves. Although we are frequently reminded of the enormous personal and societal significance of large-scale modern organisations, of their threats to liberty, fortunes, honour; it appears that, despite the rhetoric of concern for the implications of organisations for employees' health and well-being, or for the survival of democratic processes etc., the most pressing practical problem (from the point of view of the organisational researcher) is one of organisational efficiency. Too often, sociologists have committed themselves – and their analyses – to the study of practical organisational problems as these are seen and defined by one group: senior members of organisations. What is presented as an issue of general interest and concern can be seen as a sectional priority.

This leads to the third danger – that by incorporating sectional priorities and problems in their analyses, the sociologists accept and legitimise the significance of this sectional issue (for example, efficiency) and, if their conceptualisations follow their choice of issues, serve also to legitimise existing organisational structures. So, for example, most studies of organisational structure (which frequently take as their point of departure the conviction of the inevitability and necessity of existing organisational forms, and focus on the determinants of inter-organisational variations) justify and de-politicise organisational inequalities and deprivations. These are seen as cruel consequences of the need for efficiency. They are only of importance when it can be demonstrated that they stand in the way of efficiency. Then the liberal's plea for 'humane' work practices will be given attention.

All this is not to argue for a sociology for sociology's sake. The best sociology, as will be discussed later in this chapter, has always had a major interest in the impact of social structures and processes on the individual. Indeed one sociologist has very sensibly defined the subject matter of sociology as the relationship between history and biography. But such a venture will not be assisted by a facile commitment to ill-considered notions of (frequently partial and sectional definitions of) 'common-sense' practical problems and the ramshackle conceptual structures which accompany them. Such a commitment results in questionable findings and recommendations and the perpetuation and justification of current organisational forms.

To say this is not to deny any interest in the social consequences of organisations, the nature and origins of organisational structure, or any other issue of obvious social importance. As we shall see, a genuine sociology of organisations has very definite societal and organisational relevance and significance. What, however, are these proper areas of sociological interest? What are the sociological

problems of organisations? Broadly speaking there are two – the nature, origins and consequences of organisational structure, and the relationship between organisational structure and society. As the next chapter will show, these are the issues around which the early sociological theorists – notably Marx and Weber – built their theories of organisations.

A sociological approach to organisations centres on the concept of organisational structure. This concept is used to describe the regular, patterned nature of organisational activities and processes. Obviously, organisations are composed of people, but the regularities displayed by members of an organisation are the result not of their personal preferences or psychologies, but of their exposure to various organisational controls, which more or less successfully limit, influence or determine their behaviour. From the active interplay of organisational members and organisational controls, organisational structure is produced – the regular ways in which activities, responsibilities and authority are distributed, jobs specified and described, and activities bound by rules, procedures and expectations.

Not only are organisations structured, they are structured in different ways. Some organisations have numerous levels of authority and responsibility, some have few; some organisations contain elaborate and specific rules and procedures, others have few, and so on. The sociologist, as we shall see, is interested in the nature of organisational structure, and its variations and consequences. This topic constitutes the main theme of this book.

Organisation and society

The second sociological problem of organisations concerns the relationship between organisations and society, what Benson has described as ‘the connection of organisations to the larger set of structural arrangements in the society’ (Benson, 1977a, p.14). Under this heading the sociologist seeks to understand the relationship between organisational activity and societal stability or instability; the societal implications and determinants of organisational structure, the role of extra-organisational forces and groups in buttressing, or threatening, organisational structure and process; the implications of organisational activities and ideologies, for society at large, and the relationship between societal structures, groups and interests and organisations.

Although such an interest might seem obviously important and necessary, there have been few ostensibly sociological accounts of organisations which have taken such issues seriously. One exception is the American sociologist, Talcott Parsons, whose analysis of the relationship between organisations and society is worth discussing not only because of its rarity, but because it clearly and explicitly

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articulates some highly prevalent (but usually implicit) misconceptions about the nature and functions of organisations in modern society.

Parsons has adopted a common-sense approach to types of organisations and classified them by the sort of *output* they supply to the larger society. He argues that 'An organisation is a system which, as the attainment of its goal, "produces" an identifiable something which can be utilized in some way by another system' (Parsons, 1970, p.75). He goes on to add that organisations can be classified in terms of the sort of goals which are achieved by the production of various goods or products. He remarks that what from the organisational point of view is a goal, 'is, from the point of view of the larger system of which it is a differentiated part or sub-system, a specialized or differentiated *function*' (p.76, my emphasis). Now this sort of conception and classification of organisations – in terms of the sorts of goods or services they produce for the society within which they exist – may seem plausible, at least at first sight. After all, it retains many of the attributes of common-sense, lay, theorising about organisations that talks of educational organisations, military organisations, industrial organisations and so on. And Parsons' categories reflect such distinctions. He suggests a four-fold classification of organisations into: organisations oriented to economic production, organisations oriented to political goals, pattern-maintenance organisations (i.e. those with 'cultural', 'educational' and 'expressive' functions) and integrative organisations which include those that handle the adjustment of conflicts, like the law, or that achieve social control like political parties.

But this classification, and the 'common-sense' that it reflects, is based upon and reveals a serious and common misconception in lay and sociological thinking about organisations: that their importance is restricted to the 'obvious' functional contribution they make to the social system of which they are a part. To see, say, economic organisations simply in terms of their production of various goods and materials is to ignore their political importance. To classify an organisation as concerned with pattern maintenance is to miss the critically important point that such organisations play a significant role in perpetuating a particular form of social and economic arrangement. It is nonsense to suggest that only 'political' organisations (in Parsons' sense) play a political role. All large organisations in modern industrial societies play political roles, either directly through the exploitation of labour, or, more insidiously, through educating people to develop 'appropriate' and 'responsible' attitudes, or in disseminating ideological conceptions of health, sickness, madness, criminality, entertainment and so on.

Parsons claims that he wishes to 'define an organisation by locating it systematically in the structure of the society in relation to

other categories of social structure' (Parsons, 1970, p.81). But his insistence on restricting his interest to classifying organisational 'outputs' and relating these to society's 'needs' leads him to ignore, as many other organisational researchers have done, the relationship between organisations and the pattern of interests and domination within their host society. The crucial point to appreciate is that organisations not only produce certain goods and services, they also constitute the modern means of exploitation, domination, distraction, and knowledge construction.

A view of, say, the Ford Motor Company, as an organisation which has been granted a societal mandate to supply society with a very necessary commodity – cars – would seem somewhat inadequate sociologically. And yet this is the equivalent of the sort of analysis suggested by Parsons and executed by other organisational researchers.

Perrow's comments on the relationship between society and organisations serves as a useful antidote to the blandness of this sort of thinking. Rather than seeing organisations as essential and valuable institutions oriented to achieve 'what society needs', Perrow reminds us that organisations play a massive part in shaping the world we live in. Perrow notes that organisations are tools that some few people use to impose their 'definition of the proper affairs of men upon other men. The man who controls an organisation has power that goes far beyond that of those that do not have such control. The power of the rich lies not in their ability to buy goods and services, but in their capacity to control the ends towards which the vast resources of large organisations are directed' (Perrow, 1972, p.14).

Organisations are tools. The question that must then be asked is whose purposes are being served by these tools? Whose interests are dominant? Strangely, such questions are rarely asked in that subspeciality described as organisation theory or the sociology of organisations. It is true that one influential work argues that organisations should be classified on the basis of *cui bono* – who benefits? And this work, which delineates four basic categories of persons who might benefit from any organisation: members, owners, clients and the public at large (Blau and Scott, 1963, p.42), goes some way towards facilitating an understanding of the relationship between organisations and these groups. But it still fails to illuminate the relationship between organisations and the overall societal structure of interest and domination. Blau and Scott, like many organisational analysts, are worried that organisations might corrupt and distort democratic processes. It is for this reason, at least, that they feel a sociology of organisations to be important. They remark:

'The centralisation of power in the hands of management that

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organisational giants make possible, . . . poses a challenge to democracies. An efficient administrative machinery vests tremendous power in the hands of the few – be they corporation managers, government officials, military officers, party bosses or union leaders – and thereby undermines the sovereignty of the many to whom the few in a democracy are expected to be responsible. Acquiring knowledge about bureaucratic organisations is an important first step in meeting the threat they pose for democratic institutions (Blau and Scott, 1963, p.15).

But such a view of the importance of organisations will not be presented here. For this writer, the importance of organisations lies not simply in the threat they pose for democracy (as defined in terms of modern mixed-economy societies with parliamentary systems). It is the relationship between organisational activities, processes and 'outputs' and the perpetuation and construction of a particular form of social and economic domination that constitutes the importance of organisations. It is odd that such a view of organisations should require emphasis. In many other subdivisions of sociology and the other social sciences there is increasing interest in the ways in which particular occupations, professions, and organisations serve class interests. With industrial and commercial organisations of course such an evaluation is more obvious (though, even here, some organisation theorists would argue that industrial organisations are merely supplying societally necessary 'outputs'). But Baran and Sweezy suggest a more direct and relevant approach to industrial organisations when they write:

One can no longer today speak of either industrialists or bankers as the leading echelon of the dominant capitalist classes. The big monopolistic corporations, which were formed and, in their early years, controlled by bankers, proved to be enormously profitable and in due course, through paying off their debts and plowing back their earnings, achieved financial independence and indeed, in many cases, acquired substantial control over banks and other financial institutions. These giant corporations are the basic units of monopoly capitalism in its present stage; their (big) owners and functionaries constitute the leading echelon of the ruling classes (Barab and Sweezy, 1972, p.435–6).

Such a view of organisations, and their relationship to capitalism, is not, of course, new, indeed it is almost the received wisdom in some branches of sociology. But, oddly, it is rare within organisational sociology, where concepts like capitalism are rarely employed and where, if moral concern is expressed, it is about the survival of liberal values and institutions, not for any sort of radical social change of organisational structures.

Recently, however, a number of analyses of such ostensibly

apolitical organisations as social welfare organisations, schools and hospitals, have argued for their essentially political role in disposing of troublesome social problems, preparing children for their future positions within an inegalitarian social order, developing notions of health, mental illness etc. Broadly speaking these organisations are seen as buttressing and legitimating existing societal patterns of domination and exploitation, reflecting class-based values, assumptions and interests, dealing with, or disposing of, the casualties of class society, developing ideologies, etc. (See, for example, Bowles and Gintis, 1976).

Clearly, such accounts of non-industrial organisations constitute an extension of the argument more usually applied to industrial organisations: that it is misleading to regard their activities as they are defined by senior members of the organisation (as supplying various necessary goods or services to society as a whole), and that they must be seen in terms of their *political* role in maintaining certain structures of privilege and deprivation, self-fulfilment and frustration, domination and subordination, within class society.

To say this is not to exhaust the possible links between organisations and society. The political significance of organisations is not limited simply to the nature of the goods, services, ideas or 'outputs' they produce. There are also close links between the internal structures of organisations and the society within which they operate. These links will be explored in subsequent chapters. Particular attention will be paid to the relationship between organisational inequalities and inequalities in society at large. The point to stress can be put this way – to what extent are organisational structures with their usual features of hierarchy and extreme inequality in the distribution of rewards, risks, delights and deprivations, determined by interests, values and philosophies of senior organisational members? This question will be considered in Section II.

It must of course be noted that most writers on organisations pay some attention to the social context of the organisations they study. But the relationship between organisation and society is usually conceptualised in terms of system (the organisation) and environment (the larger society), with the 'environment' supplying 'inputs' (personnel, materials, technologies, legal conditions, political pressures, etc.) to the organisation, and the organisation supplying a variety of 'outputs' to feed its societal context. The relationship is seen in highly specific and neutral terms. The nature of the society that is defined as the environment, and the part played by organisations in general in maintaining this form of society, is not considered relevant. The 'environment' is seen *in terms of the organisation*, as a source of needs, pressures, markets. It is conceptualised in terms similar to those used by senior organisational members in their planning and deliberations.

Most writers would agree, then, that 'the environment is very important to organisations' (Hall, 1972a, p.297). And, like Hall, they would probably define this 'importance' in terms of 'the range of (environmental) conditions that appear to have important influences on organisations' (Hall, 1972a, p.297). But, in their concern to establish 'the relative strength and direction of the influence of each factor (technological conditions, legal conditions, political conditions, economic conditions, demographic conditions, ecological conditions and cultural conditions)' (Hall, 1972a, p.306), they demonstrate that their focus on the organisation as the unit of analysis, and the theoretical perspectives they employ, coupled with their concern for practical outcomes, distracts them from any genuine sociological interest in the relationship between the nature of society and the contribution of organisations to its maintenance and development. This trivialises their analysis.