

REVIEW OF THE WEAKNESSES IN THE CLASSICAL MODEL OF FORMAL ORGANIZATION

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SINOPSIS

Kertas ini membincangkan sebahagian dari kritik-kritik terhadap model organisasi formal. Walaupun model ini telah mengalami tentangan yang hebat berhubung dengan batasan-batasannya, kesimpulan akhir masih menyanjung tinggi prinsip-prinsipnya. Ini adalah kerana prinsip-prinsip yang terkandung dalam model ini adalah stabil dari aspek-aspek inteleknya.

SYNOPSIS

This paper discusses some of the criticisms of the classical model of formal organisations. While the model has been subjected to severe attack on its limitations, the final verdict remains favorable because the principles outlined in the model are intellectually stable.

Having weathered many critics' onslaughts, the classical model of formal organization continues to be passed along yearly to new generations of business students by textbook writers and teachers. Operating executives readily recognize the principles and terminology of the model, and accept it as reflections of the realities of their own organizations. Perhaps the classical model's persistence stems from the accuracy of its description. More likely, the model's survival reflects its simplicity. Having verbally mastered a few simple

"principles", the individual is armed to impress others with his knowledge of organization behavior. This article summarized some of the major attacks on the classical model. These criticisms collectively reveal the limitations of the model and place it into its proper perspective and use.

The classical model was formulated by several writers. Among the more outstanding authors were Weber, Fayol, Mooney and Reiley, and Urwich. Despite some divergencies the authors of the classical model were remarkably similar in their thinking. Among the classical model's principles are standardization, impersonality, interchangeability of membership (i.e., the concept of the "position"), principle of selection and promotion based on merit, the unity of command principle, the exception principle, the chain of command principle (i.e., the 'scalar' principle), the principle of departmentalization around either product, function or territory, the distinction between line and staff, the span of control principle, the principle that responsibilities must be equal to authority even though authority is surrendered while responsibilities are multiplied through the process of delegation.

CRITICISMS OF THE CLASSICAL MODEL

Society's "Dust Heap"

An early attack on the classical model was

made by Elton Mayo, one of the founders of the human relations movement. Mayo felt that reality reflected only too well the rationalistic task-oriented classical model. Management generally ignored the non-rational emotive and social needs of employees. Furthermore, the classical model wrongly presumes a harmony of interests and goals between individuals and their organizations based on rational self-interested behavior. The apparent rationality of the classical model appeared to be irrational in Mayo's eyes since its consequences were the generation of dissatisfactions, conflict and the lowering of levels of production.

In fairness to the classical model, it must be admitted that Mayo's criticisms has its own shortcomings. In a rationalistic task oriented organization individuals most likely have been conditioned not to expect the organization to provide high measures of satisfaction for their emotive and social needs. The introduction of more participative, democratic and human relations oriented management would tend to alter employee expectations. Once convinced that they have *legitimate* rights to expect management to take into account their emotive and social needs, employees might expect even more human relations attention than this enlightened management would be willing to give. Thus, the shift from rationalistic task-oriented management to human relations oriented management might be met with the same or possibly even higher levels of employee alienation, conflict and withholding of productivity.

Furthermore, Mayo overlook non-economic and non-rationalistic rewards implicit in the classical model. "Alienation" is to some extent, just a nasty word for personal freedom. In an impersonalized milieu even the social deviant is equal to the conformist in terms of his rights to claim the privileges of position and material rewards. In an environment that emphasizes human relations and non-task harmonious group stability the social deviant is penalized merely for being a deviant. Considering that the innovator and pioneer is very frequently a social deviant, the increased pressures toward social conformity implied by the human re-

lations model may impair the growth of productivity as well as harm the non-conformist deviant.

Social conformists might also find their self worth and dignity enhanced in an impersonalized milieu such as that implied by the classical model. No personal obligation attends the receipt of material gains in an impersonalized environment. By contrast, in a human relations oriented work environment innumerable opportunities exist for experiencing discomforting status reducing dependency feelings of gratitude and obligation.

Every promotion or salary increase may involve more personal act of being "recognized" by the superior. If a superior treats his subordinates with more deference and familiarity than their formal positions would necessitate, the subordinates may have additional cause for experiencing the dependency that comes with gratitude and obligation. In short, the classical model has equivalent claim to satisfying nonrational and noneconomic needs as does Mayo's alternative of human relations. The two models of organization, however, are not equally capable of satisfying the same assortment of human needs.

"One Best Way" Philosophy

The list of principles constituting the classical model represent a relatively high definition of appropriate organizational behavior with very limited opportunities for variation. In other words, the classical model constitutes a prescription for a "One Best Way" to organize and manage. Implicit in this prescription are highly questionable assumptions that organization structure and behavior are independent of variations in the environment, and that it is management rather than the material conditions of the organization's environment that determines the appropriateness of the organizational system employed.

The most elaborate criticism of the singularity of the classical model came from P. R. Lawrence and J. W. Lorsch. Their empirically

tested contingency model of organizational behavior is founded on the proposition that the appropriateness of an organizational system varies with the degree of uncertainty in the organization's environment, and even sub-systems within the same organizational entity will differ depending on the nature of the sub-environments each sub-system faces. The classical model was approximated only in relatively certain environments where the organization could predictively operate in a relatively routinized fashion. Thus, not only is the classical model particular rather than general, but it is most appropriate to environment conditions that are usually deemed less than desirable by many business managers, no or low growth and low challenge environments. Managements frequently tend to migrate their organizations into less predictable growth environments. This was dramatically the case, for example, in the U.S.A. during the conglomerate merger era of the 1960's, and this has been the case throughout modern business history as many firms have chosen to diversify into newer markets and products. In fact, one modern author, Warren G. Bennis, predicts the demise of bureaucratically structured organizations reflective of the classical model. He claims that bureaucracy of the classical model variety thrived during the simpler times of the industrial revolution, but the accelerated pace of intellectual and scientific change in the modern era as well as the growth of large scale business and nonbusiness countervailing organizations destabilize the modern environment. The continual need for reorientation of individuals and their organizations to the modern dynamic environment renders traditional bureaucracy ineffectual and anachronistic.

Logical Consistency

If the classical model is presumed to be effective regardless of its environment, then there must be some inherent logical consistency in the model, since inconsistency would imply a range of possible outcomes some of which might be ineffective. H. Simon (20-44), A. W. Gouldner (20-24) and A. Etzioni (20-31) have attacked the logical consistency of the classical model's principles.

Some principles are inherently self-contradictory. For example, gaining the advantages presumed by departmentalizing around function automatically implies sacrificing the advantages implied by departmentalizing around task or geography, and vice-versa. Some principles exist that merely hinge on verbalizations which lose concrete meaning when operationalized. For example, can a manager meaningfully surrender authority through delegation while multiplying responsibility when the subordinate knows that the superior can immediately seize the authority back instantaneously from his subordinate and when it is hard to hold a distant superior responsible for the act of a subordinate several links down the chain of command if the superior could not humanly know all that the distant subordinate is doing? In similar fashion, the distinction between "line" and "staff" hinges on verbalizations of management's value judgements as to what constitutes primary and auxiliary activities. Ultimately, the principle reduces to saying that "line" is whatever management desires to call "line" and "staff" is whatever management desires to call "staff". Some principles are inconsistent with other principles. For example, reducing the span of control to a reasonably controllable number necessitates violating the chain of command principles by proliferating the number of hierarchical layers in the organization. Similarly the principle of unity of command is inconsistent with the principle of specialization and division of labor, since hierarchy presumes competence to make decisions despite the fact that the hierarch is a generalist rather than a specialist.

The attack on the classical model's logical consistency implicitly alters our understanding of the model. The classical model has been incorrectly identified by its originators as a body of principles. It would better be described as a body of precepts. "Principles" infer some immutable description of the way the world *is*, while precepts are value judgements to guide people in thinking about how they would like to see their world *become* (i.e., how things *ought* to be). Viewed in this light, even the criticism that the classical model infers a "One Best Way" loses some of its bite.

Most precepts are cast in absolutist terms. The absolutist mode of expression merely reinforced the moral force of the precept.

Classical Model as an Ideological Statement

Several writers have directly or obliquely criticised the classical theory as being merely an ideological argument justifying the power positions of the managerial elites. Anarchists and syndicalists like Peter Kropotkin and William Haywood challenged the notion that economic life necessitates any capitalist or managerial groups with legitimate powers to control or command others. J. P. Burnham as well as J. K. Galbraith pointed out that managerial power elites were growing in importance and their social positions are reinforced by some sanctioning ideology such as that provided by the classical model. The ideology is used by the ruling elites to control and manipulate the motivation and acceptance levels of the masses.

V.A. Thompson's analysis of conflict potentials between managerial hierarchs and specialists gave a different twist to this argument of the ideological impacts of the classical model. The unity of command principle, the chain of command principle, and authority equals responsibility principle, and the principle of promotion based on merit not only provide a socially accepted ideological defence of management's power position, but also constitute a prod to induce management to disruptively exert its power prerogatives over subordinate specialists to the detriment of the organization.

M. Crozier (175-78) allude to the ideological elements of the classical model and related it to presumption of a "One Best Way". If, as the classical model presumes, there is rationally only "One Best Way", then management is free of the charge that it exerts arbitrary power of its own. Rational members whose personal goals are linked to the attainment of organizational goals would have no reason to challenge management if management expertise merely leads to the single optimal solution.

Culture Specific Aspects of the Classical Model

The intellectual originators of the classical model generally presumed that the model was culturally neutral. Actually, the classical model is quite culture specific both historically and geographically.

H.M. McLuhan argues that any given communication medium impacts on society in unique ways. A new medium creates two types of impacts. One is casual, such as the impact of a railroad on a village that formally had no two way bulk movement access to the outside. The other type of impact is society's analogous adaptation to the medium. Society models itself into an analogue of the structure and communicative process of the medium.

The classical model was formulated in a society dominated by the book and the printing press media. A book is composed of standardized interchangeable parts of printed letters and words that are built up into sentences, paragraphs, chapters and totality of the book. Thus lower orders of specialised parts are ordered into a linear progression (i.e., the "History line") that runs continuously from the beginning to the end. This reminds us of an organization chart reflecting the classical model, composed of interchangeable incumbents of standardized positions which are linked through the process of departmentalization to higher orders of units and ultimately to the total organization.

A book is relatively permanent and storable medium, and one of the presumed advantages of the classical model is that it endows human undertakings with a relatively stable permanency. Certainly this was Max Weber's observation when he described the process of transformation from Charismatic to Bureaucratic organization. That shift raises the spirit and prestige of the office above that of the perishable individual incumbent. Even Weber's reflection on the importance of permanent record keeping in bureaucratic organization suggests the durability of organizations based on the classical model.

It is characteristic of the book that it is a relatively unemotional medium when compared to other media. It easily lends itself to contemplative analysis. Similarly, the classical model of organization focuses on unemotional rational task-oriented problem solving.

Since the turn of this century other media have come into dominance. Radio, motion pictures, television, duplicating equipment, computers, automatic and robotics as well as other forms of media all have their own characteristics. However, they all tend to provide us with temporary information and juxtaposition rather than linear information. Variability rather than standardization characterises modern information. The same story may be reported in innumerable different ways. Even the same reproduction appears differently at midnight when seen on a new television set with a five inch screen than when seen at noon on a used television set with a thirty inch screen. The book is a medium we can only observe in a meaningful fashion privately, while most modern electronic media permit and encourage communal viewing and communication.

Since the 1930's we have heard about more communal nonrational styles of organization in the forms of human relations, linking-pin theory of leadership, democratic participative management, etc. W. G. Bennis and P. E. Slater believe that we are moving into the era of temporary organizations and temporary people who will constantly have to be retooled and redesigned. Lawrence and Lorsh's contingency management model focuses on the variability of organizations and their environments. Automation, with its characteristic qualities of variability and integration, has delivered a major blow to the principles of specialized division of labour, unity of command, line-staff separation, authority equals responsibility. Newer conceptualization of organization seem much more appropriate to the modern media and less appropriate to the earlier culture of the book medium.

The classical model was formulated in the United States and Western Europe. This raises the suspicion that the model actually may be

more appropriate to western industrialized nations than to the cultures of other societies. If this be the case, then the danger exists that the teaching propagation of the virtues of the classical model in non-western societies will generate organizational structures that are less than optimally adapted to non-western nations, but familiar and well adapted to the needs of western multinational corporations operating in non-western countries. In other words, the teaching of the classical model could constitute a special form of cultural imperialism.

E. T. Hall distinguished between "high context" and "low context" cultures. High context societies are culturally more integrated and less fragmented than low societies. The individual in the high context society is less able to differentiate between activities and obligations in different organizational settings. He lives in an intricate web of life. Family life, work life, religious life, leisure life and community obligation are intimately woven together in all his endeavors rather than being fragmented into the *exclusive* realms of specialized organizations and institutions. High context man is less mobile in life and more regulated by custom and tradition than is the case of low context man. Time is less a matter of mechanical clocks and more a matter of natural processes like the phasing of the moon to high context man.

Western Europe and North America would serve as example of low context societies, while much of the rest of the world would tend to be high context societies. The classical model of formal organization is more appropriate to a low context society than to a high context society. Low context man is better trained to set aside "emotional" and "nontask" concern, life, friendship, family and religion. While he is serving on the job, low context man is more mobile. Being mobile and less bound by customs and traditions, he is in greater need of standardized written guides to define his task, his position and his relations to others in strange settings.

The remarkable success of the relatively

high context Japanese style of management since World War II, lends credence to the supposition that the classical model is culturally specific to low context societies. After unsuccessful attempts to mimic American management the Japanese abandoned the attempt in order to articulate a management style more comfortable culturally. Their organizations are characterised by low definition. Job descriptions, formalized employee evaluations, working rules, excessive division of labor and high definition of departmental responsibilities are either not highly articulated or are absent from Japanese organization. The "ringi" system of group decision making allows relatively low level members to coordinate and communicate in the formulation of decisions rather than being required to move all communication and control through vertical hierarchical channels. The ringi also diffuses responsibilities through a group that is not clearly delineated. It does not define and pin down responsibilities.

CONCLUSION

Criticisms of the classical model greatly reduce its significance. The model appears appropriate only to relatively stable, predictable environments in low context societies. At best it is a bundle of advisory precepts rather than a consistent and coherent system of principles. At worst, it is a mere ideological defence of the power position of the ruling managerial elite and a tool to be used in cultural imperialism. Still, whatever the criticisms accomplish in reducing the stature of the classical model, when the final verdict is in, they do not entirely eliminate the model as an intellectually important construct.

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