Approaches to Organization Theory

Lars Groth

"Large organization is loose organization. Nay, it would be almost as true to say that organization is always disorganization."
    G. K. Chesterton, *The Bluff of the Big Shops,* in *Outline of Sanity,* 1926.

Proliferation of Theories

The One Best Way

Accounts of the growth of organizational theory usually start with Taylor and Weber, but, as Scott (1987) remarks, organizations were present in the old civilizations. Even if we did not find the type of public or private formal organization that dominates our societies today, organization was nevertheless a theme for discussion several thousand years ago as well – as I have tried to illustrate by the following quotation from "The Republic" by Plato. In the section where the quotation is taken from, Socrates has just started on his elaborate explanation of how a state comes into being, and how it should be organized in order to create just citizens. He is speaking to Glaucon and Adeimantus, two young men puzzled by the then current doctrine that justice is a mere matter of social convention, imposed from without, and eager to discuss this with Socrates, who is of another opinion. Let us indulge ourselves by following Socrates for a few more paragraphs (the person replying here is Adeimantus)[1]:

> "My notion is, I said, that a state comes into existence because no individual is self-suffing; we all have many needs. But perhaps you can suggest some different origin for the foundation of a community?
> No, I agree with you.

---

[1] The quote is from II.368-9, on pp. 54-55 in F. M. Cornford's translation (Oxford University Press, London).

> So, having all these needs, we call in one another's help to satisfy our various requirements; and when we have collected a number of helpers and associates to live together in one place, we call that settlement a state.
>
> Yes.
>
> So if one man gives another what he has in exchange for what he can get, it is because each finds that to do so is for his own advantage.
>
> Certainly.
>
> Very well, said I. Now let us build up our imaginary state from the beginning. Apparently, it will owe its existence to our needs, the first and greatest need being the provision of food to keep us alive. Next we shall want a house; and thirdly, such things as clothing.
>
> True.
>
> How will our state be able to supply all these demands? We shall need at least one man to be a farmer, another a builder, and a third a weaver. Will that do, or shall we add a shoemaker, and one or two more to provide for our personal wants?
>
> By all means.
>
> The minimum state, then, will consist of four to five men.
>
> Apparently.
>
> Now there is a further point. Is each one of them to bring the product of this work into a common stock? Should our farmer, for example, provide food enough for four people and spend the whole of his working time in producing corn, so as to share with the rest; or should he take no notice of them and spend only a quarter of his time on growing just enough corn for himself, and divide the other three-quarters between building his house, weaving his clothes, and making his shoes, so as to save the trouble of sharing with others and attend himself to all his own concerns?
>
> The first plan might be the easier, replied Adeimantus.
>
> That way very well be so, said I; for, as you spoke, it occurred to me, for one thing, that no two people are born exactly alike. There are innate differences which fit them for different occupations.
>
> I agree.
>
> And will a man do better working at many trades, or keeping only to one?
>
> Keeping to one."

We need not go any further to sense the conviction underlying the text in "The Republic": that there is a best way to organize, and that men are more or less preordained for their different occupations. In "The Laws", Plato expressed this view even more clearly, giving a very strong statement on the one best way to organize a city-state. The notion that there is a "best way" to organize, and that humans were destined for their eventual positions, held sway (more or less) for almost 2,500 years, to the extent that it was a conscious conception at all. It is probably more accurate to say that both nations as well as public and private enterprises were organized according to tradition and tacit knowledge, and that the structures and methods employed were viewed as "natural" or even ordained by God.

Classical Theory

The explicit theory of the one best way to organize is normally ascribed to the "classical" theorists, notably Frederick Taylor ("The Principles of Scientific Management", 1913) and Max Weber (his theory of bureaucracy in "Wirtschaft und Gesellschaft", 1922), but it is, as we have seen, much older, even if it then only concerned social organization.

Taylor's model sprang from factory production and Weber's from the offices of public administration, but they had a lot in common – notably a reliance on standardization of work, control of quality, fine-grained division of labor and a strict hierarchy. They both strongly believed that the organizational models they proposed would prevail and eventually supplant all others because they were the most efficient.

Weber's interest was not in organization per se, but in the role it played in politics and economics in general. His discussion of bureaucracy therefore centered on its legal and political ramifications, as well as its part in the general *rationalization* of society – a result of the growing hegemony of rational means-ends relations. Weber viewed bureaucracy as an epitome of this development, working with supreme efficiency, and believed it would supersede all other organization forms. In Weber's eyes, this was not necessarily in man's interest – on the contrary, the efficiency of bureaucracy had a frightening potential to lock man into an "Iron Cage" of machine-like existence.

With Weber's own definition of sociology in mind, it is difficult to understand that he could be so sure of the inevitable and total domination of a single organizational structure. In that definition, he bases sociology squarely of an understanding of individual action and interaction, based on the individuals' subjective understanding of their situation and the purpose of their own actions (Fivelsdal 1971). Supra-individual concepts like structure, function and system are rejected as causes. One should think that human variation would make room for more than one structural form, and at least that its grim advances could be blocked by a pervasive tendency among disgruntled individuals to choose (for subjective reasons) other solutions.

However, even if we take into account Weber's inclination to discuss institutional features by representing them in their ideal-type form, in order to make the analysis clearer (and thus ending up looking more dogmatic that he really was), there is little doubt that he believed in the technical superiority of bureaucracy as an organizational form, and in its eventual triumph.

Henri Fayol and later Luther Gulick and Lyndall Urwick ("Papers on the Science of Administration", 1937) emphasized formal authority and the role of direct supervision (Mintzberg, 1979), but the spirit of their work was the same as in Taylor's. You might even say, as Koolhaas (1982) does, that they were not really presenting theories of organization at all, but recipes – indicating the best solution for every type of activity, just like Plato did in the meticulous details of "The Laws."

The early theorists' belief in the existence of final, superior solutions and their inescapable triumph can be viewed as an expression of their times – of the rapid progress of science and technology, the immense success of the mass-producing factory, the general increase in rational attitudes, and a rather naive belief in the simpleness of human affairs, and their resemblance to physical systems.

Buckley (1967) has suggested that such theories represented a continuation of the "Social Physics" which (according to Sorokin, 1928), arose in the seventeenth century. Its central notion was that man was a physical object, a kind of advanced machine; that behavior and social relations were subject to natural laws of the same kind as the laws of physics; and that man and society could be analyzed and managed

accordingly. In politics and history, the Marxian visions of inevitable social transformations embodied much of the same spirit, even if the underlying analysis was more sophisticated.

The belief in the rationality and inevitability of things was thus a reflection of the contemporary beliefs in progress and technology, and the notion of the one best solution also appeals to our natural thirst for simplification – a faith in a "one best way" is much more reassuring than the acknowledgment of a bewildering array of optional solutions. As such, this view lingers on even today – both in the minds of managers and in the offerings of consultants[2].

Implied in this view is also a notion of technological determinism – if there is a one best way of organizing, there must also be a one best way to utilize any new tool. Such a one-to-one relationship between a tool and its optimal use means that the tool itself will by necessity have strong bearings on organizational design.

It is quite obvious that Taylor included tools and machinery in his designs for factory organization, and that the properties of those tools and machines were important determinants for the design of jobs and the relationships between them. The connection may not seem just as plain when we look at Weber and his theories of bureaucracy – there do not seem to be so many tools in use. However, the most important organizational tool in history (at least before the computer) has probably been the art of writing, and Weber's bureaucracy is explicitly based on written procedures and written information. In other words, if bureaucracy is the one best way to organize administrative work in a literate society, and it presupposes the use of writing, the properties of writing (as a tool) must be regarded as one of the most important determinants of bureaucratic organization – may be even *the* most important.

In Scott's (1987) classification of theoretical schools, both Scientific Management and Weber's theory of bureaucracy are closed, rational system models. They presuppose that organizational actors are fully rational in all their decisions, that they always strive to achieve the organization's expressed goals, and that the structure and functions of an organization are independent of its environment.

The Adequate Way

Simon's Bounded Rationality

In the development of organization theory, the belief in the "one best way" and the closed, rational model of organizations (Scott 1987) gradually came under attack after World War II. One of the early attackers was Herbert A. Simon, who developed a

---

[2]In the realm of consulting, it sometimes amounts to a tacit play: the consultant knows that the issue at hand is more complicated than acknowledged in his proposed solution; but he cannot emphasis the complexities, since he will then probably loose to a more "streamlined" competitor. The prospective customer knows that the consultant's method is less than foolproof, and that the project is very likely to encounter problems and cost overruns. However, he dare not choose an offer acknowledging the uncertainties, since he will then in all probability be criticized by others in his organization for choosing an inferior offer (not guaranteeing a painless process). The strategy in such projects is to have a project definition that is as narrow as possible, giving both parties the opportunity to treat the complications as extensions and additions, to be negotiated separately. Thus both parties can save face, and appear rational throughout.

new theory of decision making, opposing the reigning concept of unbounded rationality in organizational and economic matters.

In his *Administrative Behavior*, first published in 1945, he attacked both the economists' image of "economic man" and the "rational manager" of the earlier management theorists. While he seemed to accept the notion that there indeed was an objective, theoretical "best way"[3] in a given set of circumstances, he denied the possibility of finding this solution in practice (except perhaps, in some rare instances, by chance).

Simon's great, common sense realization was that man operates with limited information and wits in an exceedingly complex world, and has no choice but to simplify, to operate with a bounded rationality, to *satisfice* – not maximize. In the beginning of chapter V, the second of the two core chapters in the book, he says (1976 p. 79):

> "The argument of the present chapter can be stated very simply. It is impossible for the behavior of a single, isolated individual to reach any high degree of rationality. The number of alternatives he must explore is so great, the information he would need to evaluate them so vast that even an approximation to objective rationality is hard to conceive. Individual choices take place in an environment of 'givens' – premises that are accepted by the subject as bases for his choice; and behavior is adaptive only within the limits set by these 'givens'."

In his introduction to the third edition of *Administrative Behavior*, he puts it even more strongly (1976 p. xxvi-xxvii):

> ".... the economists attribute to economic man a preposterously omniscient rationality. Economic man has a complete and consistent system of preferences that allows him always to choose among the alternatives open to him; he is always completely aware of what these alternatives are; there are no limits on the complexity of the computations he can perform in order to determine which alternatives are best; probability calculations are neither frightening nor mysterious to him. Within the past generation, in its extension to competitive game situations and to decision making under uncertainty, this body of theory has reached a state of Thomistic refinement having great intellectual and esthetic appeal but little discernible relation to the actual or possible behavior of flesh-and-blood human beings."

And, a little later (1976 p. xxviii, italics in original):

> "Administrative theory is peculiarly the theory of intended and bounded rationality – of the behavior of human beings who *satisfice* because they have not the wits to *maximize*."

It follows from this that the realization of an objective "best way" is not a practical possibility, even if it may exist in theory. The objective, practical goal of organizational members is therefore never to find the optimal solution (even if they

---

[3]In chapter II of *Administrative Behavior* he says (1976 p. 38): "Two persons, given the same skills, the same objectives and values, the same knowledge and information, can rationally decide only upon the same course of action."

may think so themselves), but one that is *good enough* for their ends – which usually also means good enough for the organization to survive. It also follows that there must be many such solutions, and that different people and different organizations will more often than not choose different solutions.

In the original edition of *Administrative Behavior*, Simon does not discuss tools or technology. In the light of his attitude towards decisions and organizing, however, it seems reasonable to infer a similar attitude to tools: In theory, there is always a one best way to use a tool in a given set of circumstances, but we can never hope to achieve in real life more than an approximation to this solution. In the added chapters in the third edition (1976), two are about information technology. He there discusses the effects it will have on organization, but there are no deterministic prophecies, apart from the contention that computers will bring more automation and allow us to probe the alternatives more deeply when facing decisions.

The theme of bounded rationality in decision making was further developed in collaboration with James March (March & Simon 1958) to cover the organization in general. In this work, the organizations dependence and interplay with its environment, which had been peripheral to the discussions in *Administrative Behavior,* was recognized as a critical feature. The central theme was that because of the limits in human decision making, organizations will never be fully rational – although managers will strive toward that goal. Organizations will also never be able to adapt completely to their environments, since the bounded rationality of their members will make both their understanding of their environments incomplete and their adaptive behavior imperfect. The more rapid the changes in the environment, the greater will their problems be. To help in this process, a repertory of short term, adaptive responses are developed in organizations, to cope with the more common variations in the environment without the great cost of developing new responses for each change. In highly volatile environments, adaptive change must be institutionalized as far as possible – although this is almost a contradiction in terms, and it will always be difficult to prevent adaptive structures from becoming rigid over time.

Scott (1987) also classifies the theory presented in *Administrative Behavior* as belonging to the closed, rational system model. This seems a bit unjust, as several passages in the book discuss interactions with the environment (for instance, the discussions in chapter VI, *The Equilibrium of the Organization*), and fully documents that Simon does not believe that an organization is an island all to itself. However, the theory of decision making that is developed in the book, largely treats organizational decisions as something internal to the organization, and this may perhaps merit Scott's classification. As the environmental connection is more pronounced in the book co-authored with March (March & Simon 1958), the theory presented there is classified by Scott as belonging to the open rational system models. These models represent organizations as predominantly rational systems, but recognize that they are continuously dependent on exchanges with their environment and must adapt to it to survive.

Transaction Costs Analysis

Another approach in the open, rational systems category is the transaction cost analysis developed by Williamson (1975, 1985). However, Williamson's interest in organizational structure centers on questions of organization size and the degree of vertical integration. He argues that the cost of exchanging goods or services between people, departments or organizations will decide whether a function will be incorporated into the organization or not.

The primeval, "natural" state of business activities can be seen as a situation with individual producers exchanging goods and services through the market. If markets or tasks (or both) grow so complex that the cognitive limits of the producers become over overloaded, or the transaction costs increase for other reasons, there will be a pressure to increase the level of organization in order to overcome these difficulties. Applied on the current situation, this implies that existing organizations will try to internalize transactions if they believe they can execute them more efficiently than the market, or if they become so complex that market-based solutions become intractable. For instance, an auto manufacturer will develop or buy its own dealer network if it believes it can sell more cars or fetch a bigger profit that way, or an aluminum producer will buy into bauxite mines if it believes that this will shield it from dangerous price fluctuations.

If, on the other hand, an organization (generally assumed to be a hierarchy) becomes too inefficient in its internal coordination, and market transactions become cheaper, it will tend to either crumble, shed functions or split up. The transactions will then flow back into the market, like when a PC-manufacturer decides to stop making its own motherboards because state-of-the art boards can be bought cheaper and more conveniently on the OEM market.

Technology has a part in transaction theory in so far as it changes transaction costs, either in the market, inside the organizations or both. Since information technology has a great potential for changing the conditions for coordination, both internal in organizations and between them, it should be of great interest to the transaction cost perspective.

Williamson clearly believes that there is an optimum balance between internal and external transactions in any given situation, but he concedes that the ideal can not normally be realized, due to the bounded rationality of human actors.

The Several Best Ways

The Human Relations Movement

In his attack on the classical school of theorists, Simon was joined by the initiators of the human relations school of organizational thinking. The foundations for their arguments were laid down even before the war, in the report from the Hawthorne studies by Roethlisberger and Dickson (1939), but, according to Scott (1987), it was Elton Mayo who gave the most influential interpretation.

The human relations school brought the individual and the social relations between individuals into focus. People in organizations were no longer seen only – not even mainly – as rational beings working to achieve the goals of the organization. It was discovered that they were just as much driven by feelings, sentiments and their own particular interests – which could be quite different from what classical

theory presupposed. Moreover, the new studies also showed that there was an informal structure in every organization, growing from the unofficial contacts people in the organization had with each other. This informal structure could be just as important as the formal one for predicting the outcome of decision making processes – sometimes even more important.

According to Scott (1987), there were a number of main themes investigated by the different approaches within the human relations school, and most of them are still actively pursued by researchers. The most basic is the insistence on the importance of individual characteristics and behaviors in understanding organizational behavior. This easily leads to an interest in the effects of different leadership styles, as well as in the effects of race, class and cultural background. Formalization in work is strongly repudiated on the grounds that it is detrimental both to worker commitment and psychological well-being, and participative management, job enlargement or at least job rotation is prescribed.

In fact, human relations theorists have always been eager to promote changes in organizations to produce what they see as more humane places to work, and claim that the less formal, more participative organization will also be the most productive. It is not unreasonable, therefore, to criticize at least the most ardent proponents of these views for prescribing "one best way" solutions just as much as the classical theorists (Mohr 1971). Mohr specifically mentions Likert, and groups him with Fayol, Gulick and Urwick in this respect. Mintzberg (1979) is especially harsh in his criticism, also referring to Likert. Scott (1987) notes that several decades of research has failed to substantiate most of the claims of the human relations theorists, and that they have also been criticized on ideological grounds for advocating a manipulative attitude toward workers on the part of management.

With their emphasis on humans and their psychological and social properties, tools and technology were of course not a subject of great interest to the human relations theorists, except as a source of repressive formalization. However, even if we might say that they inherited a belief in optimal solutions from the classical theorists, their theories implied that it was human needs and qualities, and not technology, that dictated the optimal organizational forms. In other words, it was in their view possible to design and operate organizations principally on the basis of human characteristics, and thus thwart what others viewed as technological imperatives.

In Scott's (1987) classification, the human relations school belongs to the closed, natural system model. In contrast to the rational model, the natural model refuses that organizations are rational instruments to achieve goals. On the contrary, they are first and foremost collectives of human beings, quite like social organizations like families, neighborhoods and societies. Their rational goals are often undermined by more personal or group goals, and the chief *real* goal of any organization tends to be survival at any cost. The informal structures are seen as the most the important ones, with the formal structures as little more than a stage set. Since the focus of the human relations theorists was clearly on the internal situation in organizations, it is not unreasonable to label them closed system theorists, although there was also some concern for the effects of worker's organizational membership on their situation outside the organization.

Woodward

Whatever the specific merits of the human relations movement, there is no doubt that it constituted a major intellectual shift in the thinking about organizations (Scott 1987, Hollway 1991). It largely created organizational studies as sociological and psychological disciplines, and the research on organizations increased rapidly. Among the new research projects were Woodward's path breaking studies of a number of manufacturing companies in the south-east of England in the 1950s (Mintzberg 1979, Clegg 1990), where she showed how three basic production technologies strongly correlated with a corresponding number of organization structures: bureaucratization increased as one went from unit or small batch production via large batch or mass production to continuous-process production.

First, this discovery led to renewed faith in technological determinism: there now seemed to be not one best way to organize, but rather a best way for each class of production technology – in Woodward's case, unit production, mass production and process industry.

The Multitude of Ways

Socio-Technics

In England, a group of researchers at the Tavistock Institute of Human Relations developed a distinct framework of their own. In addition to their "action" approach (seeking to induce change as part of their research), they also proposed that "the distinguishing feature of organizations is that they are both social and technical systems" (Scott 1987 p. 108). in their view, the core of the organization represented so to speak an interface between a technical system and a human (social) system. This implied that in order to achieve maximum performance in an organization, it did not suffice to optimize only the technical or the social system, nor to search for the best match between existing technological and organizational elements. The goal should be a joint optimization of both – creating a synergy that yielded more than could be achieved simply by adding the two together. Their preferred organizational solutions emphasized co-determination, internalized regulation, and work-group autonomy.

They also discovered that changes at the work group level did not survive for long without compatible changes in the overlying structures – a discovery that was also made in a series of experiments with autonomous work-groups in Norwegian industry in the 1960s, inspired by the Tavistock group and directed by the newly founded Work Research Institute in Oslo (Thorsrud & Emery 1970).

During their projects, they also learned that the environment impinged on intra-organizational activities to a much larger degree than they had anticipated. Scott quotes Trist[4] thus (Scott 1987 p. 108):

> "In our action research projects at that time, we and our organizational clients were baffled by the extent to which the wider societal environment was moving in on their more immediate concerns, upsetting plans, preventing the achievement of operational goals, and causing additional stress and severe internal conflict."

---

[4]Eric L. Trist: *The Evolution of Sociotechnical Systems as a Conceptual Framework and as an Action Research Program*, in *Perspectives on Organization Design and Behavior*, edited by Andrew H. Van de Ven and William F. Joyce (New York: John Wiley, 1981), p. 50.

Scott (1987) classifies socio-technical theory as belonging to the open, natural system models. An interesting aspect of the theory is the belief that there may be many optimal solutions to a specific problem – the "joint optimization" of a particular technical and human system can be implemented in different ways that can be equally efficient. From this follows that socio-technical theory completely dispels the notion of technological determinism, a conclusion supported by Eason (1988). It also follows that there is an intimate interdependence between technology, the social system, and individual roles.

In my view, socio-technics is here taking a position that is particularly relevant for information technology, even if socio-technics was established as a theoretical framework before computers started to make themselves felt to any significant degree. When working with information technology in organizations, it is of utmost importance to be aware of the intimate interdependence there are between the computer-based systems, the individuals using them, the manual routines, and the organizational structure. Any serious attempt to optimize the use of information technology must acknowledge this reciprocity.

It is therefore quite remarkable that socio-technical theory has remained so much out of fashion for the last decade (or even two), just the period when the use of computers has really exploded. One reason may be the general lack of interest in information technology that has plagued the social sciences overall (which could well be the main reason for the lack of socio-technical revival in Norway and the rest of Scandinavia), another that those who were interested within the socio-technical tradition tended to be drawn toward research on the cognitive aspects of computer use, especially the (literal) user interfaces of computer systems, neglecting the overlying (and much more important) question of the broader interaction of humans and computer systems in structural terms. A notable exception is the book *Information Technology and Organizational Change* by Ken Eason of the HUSAT[5] center in England, which discusses the design and implementation of computer-based systems in organizations, broadly based on the principles of socio-technical analysis and design, and with due concern for organizational matters.

Marxist Theory

Another theoretical approach with strong normative foundations is Marxist theory, which traditionally have approached Western organizations, both business and public, as first and foremost instruments for control, domination and appropriation of surplus value. This is of course a consequence of the broader political analysis that forms the basis of Marxism, which will lie behind a Marxist approach in any field. The normative aspect of Marxist theory usually manifests itself in a critical approach to existing practices, and there is much less emphasis on prescriptions for alternative arrangements, except on a societal level. Most suggestions have been centered around models for collective ownership.

Since Marxist theory is explicitly political in its outlook, it will generally hold that investigators cannot remain neutral, but will have to choose whether to legitimate

---

[5]HUSAT: *Human Sciences and Advanced Technology Research Centre*, a part of the Department of the Human Sciences at Loughborough University of Technology.

and support existing practices, or to transform them in ways that serves the interests of the people employed in them. Most other theories are seen as – consciously or not – legitimizing exploitation and serving to maintain existing organizational forms. The dialogue between Marxists and people working within other approaches has therefore at times been quite strained.

Focus has, quite naturally, been on organizations as power systems, and the objective has generally been to reveal the nature of the suppression they represent, especially as instruments for capitalists and capitalist society. Braverman (1974) is an example of this.

Marxist approaches insist that the political and economic context will strongly affect organizational structure and functioning, and also advocates the necessity of historical analyses. They therefore clearly view organizations as open systems. In addition, they also maintain that the internal structure and functioning of organizations to a large part is a consequence of the specific interests of persons or groups of persons, both within the organization and outside it – that is, they are definitely constructed, and not only a consequence of more or less neutral contingencies. Scott (1987) therefore classifies them as belonging to the open, natural systems category.

Marxist theory's attitude to technology has been varied. Often, it seems like it espouses technological determinism. Braverman discusses this tendency, but argues vigorously that it is not grounded in Marx's writings (1974 p. 20):

> "Within the historical and analytical limits of capitalism, according to Marx's analysis, technology, instead of simply *producing* social relations, *is produced* by the social relation represented by capital."

If we follow Braverman, therefore, his approach to technology resembles the action and constructivist approaches described below. However, Braverman's conception is more narrow, as he seems to think that the "capitalist property relations" dictate both the form of social relations and the labor process within the enterprise. Instead of technological determinism, we therefore get a kind of social determinism, where one subset of relations – the property relations – determines the rest, and thereby indirectly also determines the way technology is employed.

Contingency Theory

Woodward's technologically based modifications of the "one best way" approach were soon supplemented by other studies, which refuted even the modified determinism she proposed (Clegg 1990 or Mintzberg 1979). The Aston studies, for instance, pointed to size as the determining factor, others to age, product diversification, the degree of stability in the environment, cultural factors and so on. This new diversity was also corroborated on a more general basis by open systems theory, which showed that both *equifinality* (same result from different starting conditions) and *multifinality* (different result from same starting conditions) are facts of the systems world (Bertalanffy 1973). The emerging central theme for the theory building on these findings was that design decisions depend on environmental conditions, and that those organizations whose design and internal arrangements best match the challenges they meet in the environment will be the most successful

(Scott 1987). The term *contingency theory*, which has since been used to designate this body of theory, was coined by Lawrence and Lorsch in their (1967) book *Organization and Environment: Managing Differentiation and Integration*.

Since then, the studies of contingencies have made up the main body of organization research (see Mintzberg 1979 and Clegg 1990 for thorough discussions), and variations of systems approaches have dominated. Scott (1987) classifies the "classical" contingency theory of Lawrence and Lorsch as belonging to open, rational system theory – open because of its emphasis on the decisive dependencies between organizational structure and the environment, rational because it still views organizations as predominantly rational instruments for achieving specific goals.

Scott also identifies a direction he calls the strategic contingency approach. It shares the main tenets of contingency theory – that organizations are open systems which differentiate structurally in order to respond to challenges and opportunities in their environment. In addition, it acknowledges that both individual organization members and organization departments vary in their interests, motives and power, which means that organizations must be viewed as coalitions, and not monolithic actors. A primary source of power is the extent to which an individual or group is vital in dealing with uncertainty posed by the environment. According to Scott, a seminal work in this tradition was Crozier's *The Bureaucratic Phenomenon* (1964).

For contingency theory, technology is just one of many contingencies (although one of the most important ones) that shape organizational structure and behavior. Although different production technologies are viewed as conducive to different organizational structures, the relationship is not seen as deterministic – contingency theory recognizes that there are generally too many variables that have bearing on organizational structure, both external and internal to the organization, for a single one of them to dominate completely. The diversity in real-life combinations will also make it unlikely that the same technology always produce the same organizational impetus.

Technology is, however, as far as I have been able to ascertain, generally perceived as production technology. It is therefore looked upon as something external to the organizational efforts themselves, a given factor that organizations must adapt to – not a tool that may change the possibilities or modes of organizational adaptation in itself, as socio-technical theory implies and information technology promises.

Organization as Patterns of Action

The fact that organizational members and departments vary in their interest, motives and power have been developed further to what Scott (1987) calls theories of negotiated order, covering both the symbolic interactionism of Goffman (1959, 1970, 1974) and the action approach of Silverman (1970). Their central theme is that people do not behave, they *act* – only inanimate matter "behaves", and only its behavior can be understood through an observation of the behavior itself. People always interpret both the situations they are in and their own actions, and they attribute meanings to them. To understand the logic of human actions, we can therefore not rely on observation alone, we must also understand their subjective meanings for the people involved. As Silverman says (1970 pp. 128-29):

> "In order to make sense of an act, the observer must place it within a category he can comprehend. He might distinguish, for instance, between an act associated with work and, say, an act of friendship. At the same time, however, the act will have a certain meaning to the person who carries it out and to the people at whom it is directed. What the observer takes to be merely the repetition of the same physical action may imply totally different meanings to those concerned according to the way in which they define each situation. By concentrating on the behavior itself, it is possible to miss totally its significance to the people involved and, therefore, to be unable to predict with any accuracy the way in which those at whom it is directed will react to it."

Theories based on behaviorist views are therefore rejected – organizations cannot be seen as behavioral systems reacting to external and internal stimuli in order to adapt and secure survival. Processes cannot be treated as objective facts, something external to the individual actors (Silverman 1970 p. 130):

> "People assign meanings to situations and to the actions of others and react in terms of the interpretation suggested by these meanings. Thus they may respond differently to the same objectively-defined stimulus: the same supervisory behavior may be interpreted as a friendly act by one group of workers (who, because they also desire supervision of this nature, react in a favourable way), or as an illegitimate attempt to win their sympathy in order to accomplish objectives opposed to their own. The same individual even may, at different times or in different situations, assign varying meanings to what appears to an observer to be the same act."

Meanings are given to us through the social environment we grow up in; they grow from the history and present structure of society and especially the part of it that we belong to. They are sustained through our everyday actions, through our compliance with role-expectations – when we believe we are acting "naturally", in the only possible way, we are in fact only reinforcing prevailing meanings. From this follows that meanings are also socially changeable, and changes can occur both through disruptive actions and through gradual developments, since we never comply completely with expectations, and new expectations may appear.

Organizations are therefore (just as society itself) social constructs, which exist because their members as well as their outside contacts continue to act according to sets of role-expectations, both sets common to society, to peer and other groups, as well as sets peculiar to the organization. Therefore, Silverman argues (1970 p. 153):

> "... the relationship between organisational structure and a changing environment will not be mechanical but will be governed by the definitions of the situation used by the participants. For instance, whether a technical innovation is incorporated into an organisation will be determined not by an impersonal process whereby the organisation 'itself' acts to maximise efficiency but by the relevant structure of social relations and orientations."

Scott (1987) classifies this approach as belonging to the open, natural system models. Silverman (1970) himself viewed action and systems explanations as conflicting, since he perceived their views of the nature and consequences of social order as very

different. Indeed, he did not consider the action approach as a theory at all, but more as a method, a "frame of reference" for the analysis of organizations.

Weick (1979) describes organizations as accomplished by processes, and those processes in turn contain "individual behaviors that are interlocked among two or more people" (p. 89). When the behavior of one person is thus contingent on the behavior of others, these contingencies are labeled *interacts*. When the interaction is reciprocal, so that both parties' actions are contingent on the other, it is called a *double interact*. Regular patterns of interlocked behavior produce the organizational structure.

By and large, the writers in this tradition from the beginning considered technology as part of the environment, something that organizational members relate to with reference to the meanings they attribute to it and to their own situation. At least for Silverman, this is quite evident from the passage quoted above.

Some of the writers that inspired Silverman (notably Peter Berger and Thomas Luckmann) have also been foundational for similar approach, called institutional theory (Scott 1987). They maintain, like Silverman, that social reality is a human construction, continuously recreated through social interaction. In this interaction, there will be recurring patterns, and certain actions will acquire a commonly understood meaning. This process is defined as institutionalization (Berger and Luckmann 1967 p. 54, italics in original):

> "Institutionalization occurs whenever there is a reciprocal typification of habitualized actions by types of actors. Put differently, any such typification is an institution. What must be stressed is the reciprocity of institutional typifications and the typicality not only of the actions but also the actors in institutions. The typifications of habitualized actions that constitute institutions are always shared ones. They are *available* to all members of the particular social group in question, and the institution itself typifies individual actors as well as individual actions."

This approach has also been adapted to organizations, and Scott points to Meyer and Rowan (1977) as a prominent example. While they do recognize that many organizations are structured mainly according to the demands made by their technology and work activities, Meyer and Rowan argue that a large number of organizations "reflects the myths of their institutional environments instead" (p. 341). Norms of formal rationality have not only become sufficiently pervasive in modern societies to be institutionalized, they have become so entrenched that they have acquired the status of myths – beliefs so widely held that they are beyond objective testing, beliefs that are true precisely because they are believed. These myths of rationality will then not only present a compelling pattern for organization, but also provide the organization with legitimacy in the wider, societal context.

More recently, theorists belonging to the tradition of social constructivism (like Trevor Pinch, Wiebe Bijker and John Law) have also turned to the subject of technology. They argue that technology is not a pure phenomenon extraneous to society, developing according to its own internal laws of scientific logic or technological necessity. On the contrary, even technology is socially constructed, under the influence of a wide range of heterogeneous factors – concrete technologies always represent compromises between human actors with specific interests. And,

accordingly, they might always have been different. As Bijker and Law say (Bijker and Law 1992 p. 3, italics in original):

> "Our technologies mirror our societies. They reproduce and embody the complex interplay of professional, technical, economic, and political factors. In saying this, we are not trying to lodge a complaint. We are not proposing some kind of technological witch hunt. We are not trying to say, 'If only technologies were purely technological, then all would be well.' Rather, we are saying that *all* technologies are shaped by and mirror the complex trade-offs that make up our societies; technologies that work well are no different in this respect from those that fail. The idea of a 'pure' technology is nonsense. Technologies always embody compromise. Politics, economics, theories of the strength of materials, notions about what is beautiful or worthwhile, professional preferences, prejudices and skills, design tools, available raw materials, theories about the behavior of the natural environment – all of these are thrown into the melting pot whenever an artifact is designed or built."

Technologies cannot therefore provide their own explanations, and technological determinism cannot be valid. Technologies can only be understood as part of a greater social context. There is no last instance, no single "driving force" behind change. And, like the social structure itself, technology is always an emergent phenomenon – a given technology or product must be sustained through recurring patterns of interaction, otherwise it will fall into disuse and disappear from the scene. Social structures and technologies are therefore parts of the same continuum, all shaped by human action, and developed, sustained or obviated by the actions of innumerable individuals.

Postmodern Approaches

There are a number of other "traditional" approaches to organization theory as well – like the population ecologists, who study selection processes among populations of organizations with concepts and methods adapted from biology (Hannan and Freeman 1977). However, I will wind up this section with some organizational aspects of what has been termed postmodern theory.

While the 60s and 70s were dominated by the development of the various versions of contingency theory, the last fifteen years has witnessed a rapid proliferation of a bewildering array of theoretical perspectives, moving far beyond the modest pluralism of the original contingency theories. As Reed says (Reed 1992, p.1):

> "... there is general agreement that the 1970s and 1980s were a period of considerable intellectual instability, not to say upheaval, within the field of organization studies."

Not only have factors like size, production technology, environment and age come into focus, but also power arrangements, politics, culture and history. A number of organization researchers have left what they see as drab, constrictive old paradigms for the exiting turbulence of postmodernism, chiefly inspired by developments in philosophy and literary criticism, with the main illumination coming from the works of Jean Baudrillard, Jaques Derrida and Jean-François Lyotard (Hassard 1993). Parker

(1992), Hassard (1993) and Thompson (1993) see two main schools of thought in postmodern theory, which also apply to postmodern organization theory: one epistemological, presenting postmodernism as a theory of knowledge, a way of seeing the world, the other ontological, presenting it as a description of a historical epoch. The difference between the two is quite substantial, indeed, as Parker (1992) and Thompson (1993) notes, it is difficult to understand that the two approaches are at all compatible.

Postmodernism as Epistemology

The epistemological approach is by far the one that constitute the most decisive break with "conventional" science – according to Hassard, its defining feature is its insistence that there cannot be unequivocal relations between forms of representation (symbols, like words and images) and an objective, external world. This means that we cannot ever really discuss "real", external phenomena, like nature or even social structure – all such discussion becomes just a ("serious") play with words, which meanings are impossible to ascertain. Theory formation the way we know it is therefore also impossible. Consider for instance Gergen's position on organization theory (Gergen 1992 p. 210):

> "In my view the value of organization theory does not lie in its accuracy, how well it matches or reflects the way things are. (In what way can words be matched against visual images, sounds, and the like?) Theory cannot be evaluated by its capacity to predict, for words in themselves are simply sounds or markings, lifeless and inert; words in themselves do not predict. Rather, theory gains its importance from the activities which it enables, which essentially means, by the way in which it figures in ongoing patterns of relationships."

The method for revealing this lack of correspondence is Derrida's *deconstruction* – a tool for exposing the inherent contradictions in any text. The term "text" is here given a wide interpretation, including both written and verbal communication, as well as the social context in which the communication and the deconstruction itself takes place (Hassard 1993). Derrida argues against the notion that language is just a medium for the communication of thoughts ("logocentrism"). If words cannot truly represent an objective, external world, it is equally impossible to have them represent "objective" aspects of the soul, mind or reason. Deconstruction, meaning simply the opposite of construction, is a method for revealing the way text is constructed as well as the contradictions and dynamics inherent in it. Central here is the concept of *différance*, a word coined by Derrida to combine the two meanings of the French words "différer" – to differ and defer. Gergen exemplifies (1992 p. 219, italics in original):

> "The postmodern drama begins, however, with the realization that the 'rational sayings' available to the individual are of indeterminate meaning. Derrida's (1974[6]) concept of *différance* is most applicable here for, as Derrida proposes, the meaning of any word or phrase is derived from a process of *deferral* to other words or phrases that *differ* from itself (with the single concept, *différance*, representing the

---

[6]Derrida, J (1974): *Of Grammatology*. Baltimore, John Hopkins University Press.

simultaneous and conflated processes). Thus, for example, a bit of corporate rationality embodied in the words 'Let's be logical about this; the bottom line would be the closing of the Portsmouth division' does not carry with it a transparent meaning. Rather, its meaning depends on what we make of words like 'logical' 'bottom line' 'closing' and the like. These meanings require that we defer to still other words. What does the speaker mean by the term 'logical' for example? To answer we must defer to other words, like 'rational' 'systematic', or 'coherent'.

   But now the plot thickens, for at the outset it is clear that there are multiple meanings for such terms as 'logical', 'bottom line' and the like. Or, as it is said, they are *polysymous*, they have been used in many contexts, and thus bear 'the trace' (in Derrida's terms) of many other terms. For example, 'logical' can also mean 'right thinking', 'conventional', or 'superior'. Which of these does the speaker really intend? Yet, again, convolutions of complexity; for, as we find, each term employed for clarifying the initial statement is itself opaque until the process of *différance* is again set in motion. 'Right thinking' can also mean 'morally correct', 'conventional' can also mean 'banal', and so on. And in turn, these terms bear the traces of numerous others in an ever-expanding network of significations. What seemed on the surface to be a simple, straightforward piece of advice, on closer inspection can mean virtually anything."

Différance is one of the five concepts emphasized by Hassard (1993) as the key elements of the postmodern approach to knowledge. The other four are *representation* (the genuine order of things cannot be discovered), *reflexivity* (one must be critical to one's own assumptions), *writing* (language does not represent concepts with independent existence in the object world), and *de-centering the subject* (the deconstruction of subjective awareness as an artifact of language).

Postmodernism as Ontology

The epistemological approach to postmodernism is not easy to understand, and may be even harder to accept – it has altogether left what more "traditional" researchers are ready to accept as serious science. The ontological approach, however, is more accessible. The central notion here is that society is moving into a new era, which differ from the previous "modern" age in significant ways (Hassard 1993 p. 3):

   "... the social and economic structures reproduced since the industrial revolution are now fragmenting into diverse networks held together by information technology and underpinned by what Lash and Urry (1987[7]calls a 'postmodernist sensibility'. The emphasis is placed upon 'disorganization, untidiness and flexibility'."

The goal for this strain of postmodern research will therefore be to identify the features in the external world which supports this hypothesis (Hassard 1993). A part of this tradition is also the use of other post- combinations, like post-Fordism, post-capitalism or post-industrialism, which all signify a break with the "modern". Within the field of organization research, Hassard points to Clegg's *Modern Organizations* (1990) as a "work which reflects the 'epoch' orientation". Clegg is also an example of a postmodernist with a definite link to "conventional" theory and methods, and a comparison between Clegg and Gergen supports Parker (1992) and Thompson's

---

[7]Lash, S. and Urry, J. (1987): *The End of Organised Capitalism*. Oxford, Polity.

(1993) contention that the epistemological and ontological approaches within postmodernism cannot be accommodated under one roof. Clegg would probably disagree, but he acknowledges the distinction between the epistemological and ontological approach.

Clegg's purpose with *Modern Organizations* is twofold: to present empirical evidence for the emergence and growth of postmodern organizational forms, and through the concomitant discussions to tap into "important debates about the nature of modernity and postmodernity" (1990 p. 1). To highlight the main focus of his book, and also what he believes to be the defining quality of postmodernity, he continues (1990 p.1):

> "Rather than reflect all of the nuances of this complexity the discussion attempts to steer a simple and direct path through the debates linking modernity with postmodernity. It will do so by focusing on a common core component: that of the direction and the degree of 'differentiation' or division which characterize a period. Postmodernity, it is suggested, may be distinguished from modernity by its reversal of earlier tendencies to increasing differentiation."

The core, then, of modernity is differentiation – in organizations, especially the increasingly fine-grained and rigid division of labor. The core of postmodernity is de-differentiation – the gradual integration of jobs, the blurring of areas of responsibility, the increasing overlap of functions, the increasing flexibility, the team attitudes.

To Clegg, Weber is the fountainhead of modernity; the great creator of rational order, who casts his shadow over the whole field of organizational analysis. "Of course, it in is the nature of a colossus to cast a large shadow," says Clegg, and goes on, "The shadow will be given a name: modernism" (1990 p. 3). However, this modernity has no singular appearance, "organizations have been represented in various modernist terms" (1990 p. 3), as the ones that have been presented on the preceding pages of this dissertation. Clegg views them all as competing hypotheses, "capable of adjudication" – but argues that they are insufficient to explain the postmodern phenomena (Clegg 1990 p. 5):

> "... these theories are inadequate because even in their own terms they are not capable of dealing with the empirical variety of organizational realities which this text re-presents. Empirical realities are neither imaginary or whimsical: they cannot be side-stepped. They serve as an embarrassment to certain generalizing and universalistic tendencies in organization analysis."

Rather than what he sees as the over-arching frameworks of modern organizational theories, Clegg suggests the use of something he calls "modes of rationality," where the focus is "on what agents actually do in accomplishing the constitutive work involved in organization" (1990 p. 13).

An agent can be either a person, an organization or a sub-part of an organization. Agents act under a subjective rationality: they attempt to accomplish projects "which make sense in terms of the calculation which agents have available to them" (1990 p. 7), and they are "knowledgeable actors with a healthy regard for self-conceptions of their own and other's interests" (1990 p.13). However, subjective rationalities can

differ widely, as any agent will be heavily influenced by the cultural and institutional values of their national frameworks, which of course wary considerably. Therefore, organizational forms and practices cannot be universal, they will vary greatly from setting to setting, both across nations and indeed within them, as agents develop their strategies in accordance with their perceived interests and the constraints of their local environments. Clegg refers here to Granovetter's (1985) concept of the social "embeddedness" of organizations.

These frameworks do not constrain agents absolutely, and they are not immutable, as they themselves are socially constructed phenomena. However, they change only slowly, and represent the most important determinant both for how organizations are structured and for how the work. To substantiate this, and to counter what he perceives as a long-standing tendency to place excessive emphasis on empirical evidence from the Anglo-American sphere, Clegg draws his examples from other parts of the world, both in Europe and (especially) Asia.

Clegg, then, views organizations as assemblages of agents on different levels, all acting under their respective local modes of rationality. They are significantly (although not totally) constrained by the cultural and institutional frameworks within which they are embedded, but they use their wits and whatever tools and methods they can muster to achieve their purposes (Clegg 1990 p. 153):

> "Organizations are human fabrications. They are made out of whatever materials come to hand and can be modified or adopted. Organizations are concocted out of whatever recipe-knowledge is locally available."

Around the world, Clegg argues, no discernible convergence toward a dominant organizational form can be found, as contingency theory in his opinion would expect. Rather, we find a considerable range of functional alternatives.

Increasingly, he argues, organizations around the world, each in tune with their local environments, are assuming postmodern forms, breaking with the strongly regulated and highly differentiated form of modern organizations. Their characteristics include niche-based marketing strategies, multiskilled workforces with overlapping responsibilities and a craft-like attitude, and (if manufacturing companies) flexible manufacturing, most likely supported by information technology.

Do We Really Know Something?

After this tour of the craggy landscape of organizational theory, a newcomer to the field must feel inclined to ask if there is any help to get here at all – and a more veteran traveler may indeed question the possibility of establishing a sound platform for further inquiries. Organizations seem to be a little bit of everything. Perhaps Gareth Morgan (1986) has struck a chord by presenting eight striking *metaphors* – eight different outlooks on human organization, portraying organizations successively as machines, as organisms, as brains, as cultures, as political systems, as psychic prisons, as flux and transformation, and as instruments of domination. By bringing forth this bewildering array of facts, theories and conjectures, Morgan aptly

illustrates the diversity in contemporary organization theory. Both his book and especially some of the essays in Reed and Hughes (1992) force the question if there are any commonly acknowledged, defining features of organization left at all. Are they all lost in the diversity (or even *anomie,* as Reed (1992) suggests) of the theorizing of recent years?

To me, the answer is a clear **no**. That is: there may not be any *commonly acknowledged* defining features anymore, but in my view, this is more a consequence of the theoretical debates at this point in time than of the nature of organizations and the people who make them up. If you discard the idea that it is possible to accumulate at least a base of common theory about organizations, if you draw the conclusion that any perspective is just as valid as any other; then you do not pursue different perspectives, you pursue a rather sterile *perspectivism.* You may amuse yourself and a number of others, notably people without any practical responsibility for organizations, but you will end up without influence on how organizations are actually built and run.

I do not dispute the value of different perspectives – on the contrary, they are mandatory for illuminating the rich texture of actual organizations, which is indeed Morgan's (1986) main purpose with the book. I therefore think some of the criticism, like Thompson (1993), is a bit unjust. Morgan's stated purpose (in the introduction) is not primarily to build theory, but to explore and develop "the art of reading and understanding organizations." Organizations – or at least managers – use metaphors themselves, often quite consciously, to focus on certain interpretations. The slogan "Marketing is War," which was quite popular some years ago, is an example of this.

However, the acceptance of different perspectives as useful tools for understanding organizations must not degenerate into the theoretical anomie that I feel is dangerously close to Gergen's (1992) point of view. To me, the most basic proof for the possibility of building theory is the simple fact that experience makes you better equipped both to understand organizations and to operate inside them. We know that most people who work their way through a number of organizations develop a "feeling" for organization that makes it possible for them to understand the nature and peculiarities of a new exemplar both faster and better than people without such experience. If, in addition, they have special talent (sensibility) for understanding human affairs, they can become very adept, even in the absence of formal training or knowledge about organization theory. If organizations had nothing in common, if there were no basic rules that applied to how people behave in them, it would be simply impossible to learn from experience in this way – you would be back to square one every time you encountered a new specimen.

If practitioners, then, can develop such theories-in-use (Argyris 1980), theories they work by even if they do not make them explicit (or are even aware of them), there must be regularities and common traits in organizations that can be made subject for explicit theories as well. And I think that existing theory, research findings, practical experience and common human sense taken together makes it possible to build such theories.

However, accepting the viability of theory and the view that all perspectives are not equally important, it is just as vital not to fall in the other ditch – to select one narrow perspective and explain everything within its bounds, like classical theory,

Marxist theory and transaction cost theory do. Theories built within one perspective are not necessarily wrong, but they are doomed to cover only a part of reality. With that in mind, however, we can accept them as valid for their field, and use them when they are relevant for our particular problems. Perhaps this is as far as we will ever get – organizations are exceedingly complex, and our wits are indeed limited. May be, however, that exactly this proposition of Simon's is an example that we may find valid general propositions after all!

References

Argyris, Chris (1980): *Inner Contradictions of Rigorous Research*, New York, Academic Press.

Berger, Peter and Luckmann, Thomas (1967): "The Social construction of Reality," London, The Penguin Press.

Bertalanffy, Ludwig von (1973): "General Systems Theory," Harmondsworth, Penguin Books.

Bijker, Wiebe E. and Law, John (1992): "Shaping Technology/Building Society. Studies in Sociotechnical Change," Cambridge, The MIT Press.

Braverman, Harry (1974): "Labor and monopoly Capital. The Degradation of Work in the Twentieth Century," New York, Monthly Review Press.

Buckley, Walter (1967): "Sociology and Modern Systems Theory," Englewood Cliffs, Prentice-Hall.

Clegg, Stewart R. (1990): "Modern Organizations. Organization Studies in the Postmodern World." London, Sage Publications.

Crozier, Michel (1964): "The Bureaucratic Phenomenon," Chicago, The University of Chicago Press.

Eason, Ken (1988): "Information Technology and Organizational Change," London, Taylor and Francis.

Fivelsdal, Egil (ed.): "Max Weber. Makt og byråkrati," Oslo, Gyldendal Norsk Forlag, 1971.

Gergen, Kenneth J. (1992): "Organization Theory in the Postmodern Era," in Reed, Michael and Hughes, Michael: "Rethinking Organization: New Directions in Organization Theory and Analysis," London, Sage Publications.

Goffman, Erving (1959): "The Presentation of Self in Everyday Life," New York, Doubleday & Co.

Goffman, Erving (1970): "Strategic Interaction," Oxford, Basil Blackwell.

Goffman, Erving (1974): "Frame Analysis," Cambridge, Massachusetts, Harvard University Press.

Granovetter, Mark (1985): "Economic Action and Social Structure: The Problem of Embeddedness," *American Journal of Sociology,* 91 (3).

Hannan, Michael T. and Freeman, John (1977): "The Population Ecology of Organizations," American Journal of Sociology, 82-5.

Hassard, John (1993): "Postmodernism and Organizational Analysis: an Overview," in Hassard, John and Parker, Martin: "Postmodernism and Organizations," London, Sage Publications.

Hollway, Wendy (1991): "Work Psychology and Organizational Behaviour – Managing the Individual at Work," London, Sage Publications.

Koolhaas, Jan (1982): "Organization Dissonance and Change," Chichester, John Wiley & Sons.

March, James G. and Simon, Herbert A (1958): "Organizations," New York, John Wiley & Sons.

Meyer, John W. and Rowan, Brian (1977): "Institutionalized Organizations: Formal Structure as Myth and Ceremony," American Journal of Sociology, 83-2.

Mintzberg, Henry (1979): "The Structuring of Organizations," Englewood Cliffs, Prentice-Hall Inc.

Mohr, Lawrence B. (1971): "Organizational Technology and Organizational Structure," Administrative Science Quarterly, 16, pp. 444-59.

Morgan, Gareth (1986): "Images of Organization," Beverly Hills, Sage Publications.

Parker, Martin (1992): "Post-Modern Organizations or Postmodern Organization Theory?", Organization Studies, 13 (1), p. 1.

Reed, Michael (1992): "Introduction," in Reed, Michael and Hughes, Michael: "Rethinking Organization: New Directions in Organization Theory and Analysis," London, Sage Publications.

Reed, Michael and Hughes, Michael (1992): "Rethinking Organization: New Directions in Organization Theory and Analysis," London, Sage Publications.

Roethlisberger, F. J. and Dickson, W. J. (1939): "Management and the Worker," Cambridge, Mass., Harvard University Press.

Scott, Richard W. (1987): "Organizations: Rational, Natural and Open Systems," Englewood Cliffs, , Prentice-Hall.

Silverman, David (1970): "The Theory of Organisations," London, Heineman Educational Books.

Simon, Herbert A. (1976): "Administrative Behavior," third edition, New York, The Free Press (first published in 1945).

Sorokin, Pitirim A. (1928): "Contemporary Sociological Theories," New York, Harper & Row.

Thompson, Paul (1993): "Postmodernism: Fatal Distraction," in Hassard, John and Parker, Martin: "Postmodernism and Organizations," London, Sage Publications.

Thorsrud, Einar and Emery, Fred (1970) "Mot en ny bedriftsorganisasjon," Oslo, Tanum Forlag.

Weick, Karl E. (1979): "The Social Psychology of Organizing," Reading Mass., Addison-Wesley Publishing Company.

Williamson, Oliver E. (1975): "Markets and Hierarchies: Analysis and Antitrust Implications," New York, The Free Press.

Williamson, Oliver E. (1985): "The Economic Institutions of Capitalism," New York, The Free Press.