

# SOCI 425

# Industrial Sociology I

Session Eight: Organizational Theory Part I: Weber  
and Gouldner

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# Lecture Overview

- **Overview**
- In modern industry, production has been organized in a very formal manner unlike pre-industrial societies. This has resulted in the emergence of various theories which deals with the structure of organizations. This session discusses three classical organizational theorist namely on Weber, Gouldner.
- **Objective:** At the end of the lecture, the student will be able to
- Define Organizational theory;
- Discuss Max Weber's Bureaucratic Theory;
- Examine Alvin Gouldner's Beaucratic Theory

# Session Outline

The key topics to be covered in this session are as follows:

- Topic One: Organizational Theory: Definition
- Topic Two: Max Weber's Bureaucracy
- Topic Three: Alvin Gouldner's Bureaucracy

# Topic One: Organizational Theory: An Introduction

- In modern industry, production has been organized in a very formal manner unlike pre-industrial societies;
- This has resulted in the emergence of various theories which deals with the structure of organizations,
- Their performance and how the various groups and individuals within them behave;
- Organizational theory can therefore be defined as the section of the literature on the structure of organizations;
- Their performance and how the various groups and individuals within them behave.

# Organization: Introduction

## Cont.

- Organizations are therefore central part of modern society and as human beings living in a society;
- We are shaped by organizations and by the constraints they impose on us through the processes they develop, the interest they articulate and the goals they realize;
- The modern man is therefore a man in organization hence the study of organization is important;
- Notably Organizational classical theorists include Max Weber, Amitai Etzioni, Alvin Gouldner among others.

# Topic Two: Max Weber's Bureaucracy

- Weber is considered the pioneer or father of organizational theory with this discussion of bureaucracy as an ideal type of formal organizations;
- He described formal organization in his discussion of authority structure;
- According to Weber, there are three types of authority namely Traditional, Charismatic and Legal-rational authority;

# Max Weber's Bureaucracy Cont.

- To be effective and efficient as an organization, a modern organizational structure according to Weber requires bureaucratic authority;
- Weber found charismatic authority lacking systematic division of labour and specialization;
- He also found that organizations acting on traditional systems are not sufficiently immune;
- From kinship consideration hence, production and administrative processes are affected.

# Max Weber's Bureaucracy Cont.

- With the above limitations with traditional and charismatic authorities;
- Weber preferred legal-rational authority based on bureaucracy as the most efficient form of organization;
- According to Weber, bureaucracy is the most rational and efficient form of organization
- Because it is characterized by speed, precision, un-ambiguity, continuity, discretion, unity and strict subordination;
- It is also efficient because it is not burdened by the personal will of the leader whether charismatic or traditional type.



# Max Weber's Bureaucracy Cont.

## □ Features of Bureaucracy

- D – Division of Labour
- R – Rules and Regulations
- H – Hierarchy of Authority
- I – Impersonality of interpersonal relations
- P – Promotions and Employment based on competence
- Ps – Payment of fixed salaries and keeping of Records

# Max Weber's Bureaucracy Cont.

## ❑ Criticisms against Weber's Bureaucracy

- There are two main criticisms levelled against Weber's bureaucracy:
  - The Human Relations School have criticized Weber for only mentioning the functional aspect of bureaucracy and neglecting the dysfunctional aspects, only on how bureaucracy functions;
  - The Human Relations School also criticized Weber for not discussing informal relations in bureaucratic organizations as he focused only on formal aspects of bureaucracy;

# Max Weber's Bureaucracy Cont.

- However, experience and research reveal that in every formal organization, informal relations develop;
- However, the other criticisms are not against the structure of bureaucracy in theory but against the individuals who work in the system;
- These include delays in decision-making, red tapeism, refusal to embark upon experiment among others.

# Topic Three: Alvin Gouldner's Bureaucratic Theory

- Alvin Gouldner is one of the major contributors to organizational theory especially his work on bureaucracy;
- Even though Max Weber initiated the study on bureaucracy with **major emphasis on importance of rules**, Gouldner on the contrary felt that Weber should have gone a step further by **indicating how the rules are made or initiated**;
- He therefore conducted studies to find out how bureaucratic rules are initiated and how they function;

# Alvin Gouldner's Bureaucratic Theory Cont.

- Gouldner studied as American an American Mine and discovered many patterns which do not conform to Weber's theory of bureaucratic rules;
- In the mining organization, he realized there were differences in the behaviour between men in the mines and those working on the surface;
- According to him, the surface resembled a bureaucratic organization but due to the eminent danger those underground were facing,
- As a result, they did not pay attention to bureaucratic rules in formal organizations;

# Alvin Gouldner's Theory of Bureaucracy Cont.

- He therefore recognized that even though Weber gave much attention to rules and regulations, he failed to discuss how rules are initiated in an organization;
- Gouldner therefore identified three patterns of bureaucratic behavior which can be distinguished on the basis of how rules are initiated;
- He therefore identified three patterns of bureaucratic rules namely:
  - Mock Bureaucracy;
  - Representative Bureaucracy; and
  - Punishment-Centred Bureaucracy.

# Alvin Gouldner's Theory of Bureaucracy Cont.

## □ Mock Bureaucracy:

- Rules are imposed by an outside agency because neither workers nor management identifies with rules or participate its establishment;
- As a result, they do not view the rules as their own and because of this, the rules are not enforced and both superior and subordinates violates them;
- For instance the “No Smoking” sign always displayed at the work place was imposed by the insurance company;
- Hence it is easy to find workers and management smoking despite the existence of this rule.

# Alvin Gouldner's Theory of Bureaucracy Cont.

## □ Representative Bureaucracy:

- Both management and workers initiate the making of the rules and they view the rules as their own;
- Both can decide that something is happening in the organization which is not helping it to achieve its objectives;
- Hence a rule should be established to check these phenomena;
- As a result, the rules are enforced by superiors and obeyed by subordinates;



# Alvin Gouldner's Theory of Bureaucracy Cont.

## □ Punishment-Centred Bureaucracy:

- Rules arise in response to the pressure either from management or workers;
- In this situation, rules are not jointly initiated by both parties but it is only one side that brings pressure for the initiation of the rules;
- For instance, management could introduce clock-in procedures while workers on the other hand may put a ban on overtime.

# Alvin Gouldner's Theory of Bureaucracy Cont.

- Gouldner further distinguished six functions performed by bureaucratic rules including;
  - **Explication Function**
  - **Screening Functions**
  - **Remote Control Functions**
  - **Lee-Way Functions**
  - **Punishment Legitimizing Functions**
  - **Apathy Preserving Functions:**

# Alvin Gouldner's Theory of Bureaucracy Cont.

## □ Explication Function

- Here rules serve as a means of communication by avoiding direct personally given orders;
- The rules specify the duties, obligations and responsibilities of the worker by telling him what particular things he is supposed to do in a definite way;
- Therefore, it is not always necessary for the supervisor to be there to tell the worker what he is supposed to do at a particular time.

# Alvin Gouldner's Theory of Bureaucracy Cont.

## □ Screening Functions

- This provides a substitute for the personal repetition of orders by a supervisor hence once the rules are made;
- A worker cannot give an excuse that he did not do a specific thing because the supervisor did not tell him or her;
- The rules therefore have been instituted so that the supervisors do not have direct contact with the worker;

# Alvin Gouldner's Theory of Bureaucracy Cont.

## ❑ Remote Control Functions

- The existence of general rules facilitates control from a distance by those in higher and more remote regions of the organization;

## ❑ Punishment Legitimizing Functions

- Bureaucratic rules serve to legitimate the utilization of punishment because the rules constitute statement in advance of expectation;
- In other words, the rules serve as a warning concerning the kind of behaviour that will provoke punishment.

# Alvin Gouldner's Theory of Bureaucracy Cont.

## □ Lee-Way Functions

- Rules are enforced occasionally within organizations; sometimes demands for rigorous or rigid obedience to rules will be made;
- But these will later elapse into periods of disinterest when the rules are ignored or when productivity is high;

# Alvin Gouldner's Theory of Bureaucracy Cont.

## □ Apathy Preserving Functions:

- Bureaucratic rules can contribute to the preservation of workers apathy because the rules define the behaviour which can allow an individual not to be punished;
- The rules therefore specify the minimum level of performance which is acceptable;
- It is therefore possible for workers to remain apathetic knowing how little they can do to avoid punishment even though they could do more.

# Reading List

- Refer to students to relevant text/chapter or reading materials you will make available on Sakai
- Hodson, R and Sullivan, T (1995). **The Social Organization of Work**. New York: Wadsworth Publishing Company (Chapters 16,17; Pages 143-459).
- Gouldner W.A (1964). **Pattern of Industrial Bureaucracy**. New York: Free Press.



# Activity/Assignment

- Why is bureaucracy considered the most efficient way of organizing formal organizations in modern societies?