KILLING ME SOFTLY WITH STRUCTURE:
AN OUTLINE OF THE INFLUENCE OF VARYING
ORGANIZATION STRUCTURE AND PROCEDURE UPON
ORGANIZATION CLIMATE

R.D.J. Allen
KILLING ME SOFTLY WITH STRUCTURE:
AN OUTLINE OF THE INFLUENCE OF VARYING
ORGANIZATION STRUCTURE AND PROCEDURE UPON
ORGANIZATION CLIMATE

R.D.J. Allen

September 1982.

Centre for Applied Social Sciences
University of Natal
Durban
Until recently, the shifting sands of practitioner judgment were the major if not the only source of knowledge about how to organize and run an enterprise. Now, research on leadership, management, and organization, undertaken by social scientists, provides a more stable body of knowledge than has been available in the past. The art of management can be based on verifiable information derived from rigorous, quantitative research. Independent investigators can repeat the research and test the validity of the findings. Not only is the body of knowledge more stable and accurate, but it is likely to grow continuously as the results of additional research on management are accumulated. Quantitative research anywhere in the world can add to this body of knowledge. Its rate of growth can be accelerated by increasing the expenditures for social science research focused on organizations.

Rensis Likert
The Human Organization

In the average company the boys in the mailroom, the president, the vice-presidents, and the girls in the steno pool have three things in common: they are docile, they are bored, and they are dull. Trapped in the pigeonholes of organizational charts, they've been made slaves to the rules of private and public hierarchies that run mindlessly on and on because nobody can change them.

There's nothing fundamentally wrong with our country except that the leaders of all our major organizations are operating on the wrong assumptions. We're in this mess because for the last two hundred years we've been using the Catholic Church and Caesar's legions as our patterns for creating organizations.

Get to know your people. What they do well, what they enjoy doing, what their weaknesses and strengths are, and what they want and need to get from their job. And then try to create an organization around your people, not jam your people into those organization-chart rectangles. The only excuse for organization is to maximize the chance that each one, working with others, will get for growth in his job. You can't motivate people. That door is locked from the inside. You can create a climate in which most of your people will motivate themselves to help the company to reach its objectives.

Robert Townsend
Up the Organization
## CONTENTS

<table>
<thead>
<tr>
<th>INTRODUCTION</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>The nature of organization science concepts</td>
<td>1</td>
</tr>
<tr>
<td>The nature of organizations</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ORGANIZATION STRUCTURE</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>TYPES OF ORGANIZATION STRUCTURE</td>
<td>3</td>
</tr>
<tr>
<td>The Bureaucratic or Mechanistic structure</td>
<td>5</td>
</tr>
<tr>
<td>The Organic structure</td>
<td>6</td>
</tr>
<tr>
<td>Contrasting characteristics of Mechanistic and Organic structures</td>
<td>8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ORGANIZATION PROCEDURES</th>
<th>PAGE</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>ORGANIZATION CLIMATE</th>
<th>PAGE</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>THE INFLUENCE OF STRUCTURE AND PROCEDURE ON CLIMATE</th>
<th>PAGE</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>MORE DETAILED ELEMENTS OF ORGANIZATION CLIMATE</th>
<th>PAGE</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>MECHANISMS BY WHICH PERVERSIVE ORGANIZATION CHARACTERISTICS EXERT A &quot;CLIMATE&quot; UPON THE INDIVIDUAL</th>
<th>PAGE</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>SOME CONCLUSIONS : THE SIGNIFICANCE OF ORGANIZATION CLIMATE</th>
<th>PAGE</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>BIBLIOGRAPHY</th>
<th>PAGE</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>APPENDIX A</th>
<th></th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>APPENDIX B</th>
<th></th>
</tr>
</thead>
</table>
INTRODUCTION.

In this paper the concepts of organization structure and organization climate are introduced, variability in the form, structure, and other characteristics of whole organizations demonstrated, and the influences of these parameters upon individual organization members considered. A more detailed examination of organization climate then briefly indicates the utility of characterizations and assessments of organizations from the individual members' perspective (in addition to those made in system terms) in understanding the functioning of organizations.

The nature of organization science concepts.

Most of the concepts used in organization science and management theory have come from the behavioural sciences. The behavioural sciences are still young, in the sense that no universal agreement as to paradigms has been reached, and their subject matter tends to be abstract.

Like many constructs used in the behavioural sciences, the idea of "organization climate" is still diffuse, and is, moreover, a recently discerned concept. It is still in the process of being debated, defined and developed. Any discussion, therefore, of organization climate, the significance of the concept and its role in organization science in general, will be discursive and open-ended rather than clear-cut. Notwithstanding these conditions, the utility of the concept can be demonstrated.

The nature of organizations.

An organization is a method of arranging individuals and resources in order to pursue some large scale objective or series of objectives. Organization is needed as the efforts of more and more people must be co-ordinated. Setting up an organization means, for example, allocating and delegating authority to some individuals, dispersing functions to others, and establishing procedures for instrumental activities to be
consistently performed and co-ordinated.

Organizations exist to perform tasks on a larger scale than the individual is capable of. They arise in response to the human need for co-operation at this scale of activity. In a large organization collective work needs to be done, and the resultant complexity leads to "orchestration needs". Often, division of labour also brings about the assigning of separated or fragmented work tasks to different individuals, who become specialists.

An organization is therefore something deliberately designed and formed in order to "orchestrate" the efforts of many diverse individuals, possibly performing diverse tasks, in the performance of an overall task, or a "common goal".

Although ostensibly composed of little more than its individual members, an organization in fact acquires characteristics and effects of its own, pertaining to its particular scale of events, processes and phenomena. Many of these are discerned by an examination of its structure.

Before the influence of organization structure and procedures upon organization climate can be discussed, it is first necessary to consider the factors comprising organization structures, the composition and nature of the structures, and how they can vary. It will also be necessary to consider procedure as an aspect of organization, and the different ways in which it, too, can be approached.

In addition, some introductory comments need to be made at this point concerning the nature and in particular the "locus" of the organization phenomena that are here being focussed on. In contrast to the idea of organization "climate", structure and procedure are both aspects of the formal constituted organization per se. From the point of view of the individual the formally constituted organization is relatively permanent, and can be called a relatively objective reality — intangible perhaps, but readily identifiable. Structure and procedure are thus aspects of a phenomenon which is "bigger"
than the individual, which constitutes an environment for the individual, and in this sense exists at a higher level than the individual.

The "climate" of the organization, on the other hand, is the individual's subjective perception and experience of the organization, as he functions within it. We have to go down to the level of an individual organization member and look through his eyes, his feelings, to find the climate of the organization. Climate is not formally fixed, or "real", or objectively evident, but is something subjectively perceived. If, for example, the climate of an organization had to be empirically discerned or investigated, this would be done not by consulting the organization chart or manuals of procedure, but by interviewing individual organization members in depth. Organization climate is examined in more detail shortly.

ORGANIZATION STRUCTURE.

Because organizations are instrumental, man-made devices ("enacted institutions" in the terms of William Sumner) one of their defining characteristics is that they are in principle formally constituted — they have a relatively persistent and discernible structure.

What specifically is meant when we refer to the "structure" of an organization? We are firstly referring implicitly to a relatively permanent set of recognisable relationships between a number of differentiated tasks. The pattern of relationships between the tasks is determined naturally and logically by the way they contribute functionally toward the overall task of the organization. This could be called the task structure of the organization (Mintzberg, pp. 1-3, 35-40).

In principle, each task is performed by an individual and because these individuals have to communicate and co-operate in order to link their tasks together, social relationships are necessary between them. Approximately, for each component task, there is a component person who performs it. Thus, the set of functional relations between tasks generates a corresponding set of social relations between the individuals performing them.

We are referring to this relatively permanent set of recognisable social
relationships between individual members when we speak of the "social structure" of an organization. Corresponding to each person's task in the task structure is his role in the social structure. Where any form of co-operation or co-ordination is necessary for the pursual of the overall organization objectives, what might have been in principle a purely technical activity by the individual becomes a socio-technical activity (Brown, p. 131). Given that the organization is composed of persons, these socio-technical activities, and the social structure they generate, would be necessary irrespective of who actually performs them. Indeed, a structural analysis refers, first and foremost, to properties and processes of organizations that exist without regard to the particular human component of the system. Structural features of an organization may determine some of the behaviour that occurs within that organization but it is not necessary to examine human behaviour in order to describe an organization's structure.

Perhaps the two most fundamental underlying principles at work in the emergence of an organization structure are those of differentiation, the product of specialisation accompanying growth; and integration, the means by which co-ordination/control of disparate functions is achieved (Lievegoed, Ch. 4).

It is worth noting here that once an administrator or decision-maker has designed the task structure, the bulk of his efforts tend to be directed to managing and co-ordinating the social structure, which is unpredictable and difficult to administer because its units are independent persons. By contrast, the task structure is relatively inanimate and once designed logically should function relatively automatically. For this reason, and perhaps also because it is social transactions which are most apparent to us, we tend to regard an organization as consisting first and foremost of a social structure. In fact, numerous other aspects of organizations can be discerned which affect their utility in the overall task for which they were established, and which affect the experiences, satisfactions and performance of the individuals who staff them.

Detailed characteristics of organizations can be discerned by first considering the contrast between whole types of organizations. This is briefly undertaken under the following heading.
5.

TYPES OF ORGANIZATION STRUCTURE.

Variations in organization structure can be demonstrated and discussed in terms of ideal models of whole organizations. Very generally speaking, two different types or organization structure can be distinguished. The two essential types are commonly known as the Bureaucratic or Mechanistic structure, and the Organic structure (French and Bell, pp. 216-9). In their pure and extreme forms these two can be imagined at opposite poles of a continuum. In reality, various organizations would be classified at different points between these extreme poles and might also move back and forth along the continuum depending upon circumstances.

The Bureaucratic or Mechanistic structure.

Still the most common structure is the classic hierarchical organization. In this type of structure a manager determines work activities, writes job descriptions, organizes people into groups and assigns them to superiors. He establishes objectives and determines the standard of performance. The Bureaucratic manager, in other words, generally has tight control and authority over his personnel.

People and departments are ranked one above the other and the resultant stratified structure, with its hierarchy of authority, is commonly illustrated as a triangle with the highest official at the apex and authority flowing downward to the other parts. Historically, authority in organizations has as a rule been thus centralised in the primary administrator. Decision-making is of an autocratic nature and emphasis is placed on hierarchy and strictly-defined roles.

Conventionally, the classic or Bureaucratic structure is seen as an easy way of coping with complexity and suitable for stable environments. It is, however, mechanistic in nature and tends to overlook the nature and needs of people. It is highly formal, and its fixed procedures hinder full communication. Because of this rigidity it also cannot always accommodate the frequent internal and environmental changes afflicting modern organizations.
6.

The mechanistic structure tends to be adopted in organizations which are large, which pursue a fixed and routine set of goals, which employ persons of lower skills or of narrowly specialized skills, whose staff work in close association with a determining technology, or whose leaders simply favour an autocratic style of management.

An example of a mechanistically structured organization would be a state posts and telecommunications administration.

---

**The Organic structure.**

In ideal form this structure is made up of more informal interrelations between people. One of its main features is therefore that less emphasis is placed on authority. It is considered more important to get the tasks done, than to stick to fixed roles. Correspondingly, less specialization, a heightened awareness of overall goals and of the individual's ongoing contribution to them, tend to characterise this form of organization.
There is little hierarchy in an organic structure. More authority and initiative is delegated downward to those places within the organization where the actual need for decisions first arises. This can enable subordinates to perform responsible tasks more effectively. With this decentralization of authority responsibilities and decision-making are shared more equally among all members of the organization. Communication is open and more advice-giving, and decision-making is often by consensus. The structure of the whole organization is less rigid and strict and in terms of "shape" it is shallow and broad compared to the deep and narrow Bureaucratic pyramid.

In an Organic structure people tend to be regarded as more important than procedures, which makes this organization people-structured, rather than task-structured, and therefore less mechanistic in character. It is a more "developed" structure and depends to a certain extent on a corresponding development of the individuals within the organization (Lievegoed, p. 41,42). With care and skill, however, a manager can make an Organic structure work very effectively — both in terms of overall output and individual satisfactions.

The Organic structure is more likely to be adopted in organizations which are small, which employ highly qualified staff, who tend to be generalists rather than specialists, which pursue overall goals that are novel, changing and challenging, and in which authority can be accepted or legitimized on the basis of technical expertise rather than rank. An example of an organically-structured organization would be an advertising agency or a research department.

Characteristic Pattern of Leadership in an Organic System

\[\text{Diagram}\]
Important aspects of the contrast between Mechanistic and Organic structures, and its implications, particularly in terms of management policies and supervisory styles, are well expressed by Likert's typology of approaches to administration within organizations. The types of **administrative style** discerned by Likert correspond to different sets of **assumptions** made by managers about their human resources (McGregor: "Theory X" and "Theory Y"), and appropriate organizational procedures adopted. What Likert terms a "System 1" type of administration arises out of "Theory X" assumptions and corresponds to a Mechanistic organization structure, while what he terms a "System 4" type of administration arises out of "Theory Y" assumptions and corresponds to an Organic organization structure. (Pugh, *et al.* pp. 146-151) (Likert, Ch. 2, Appendix II.)

The dichotomised typology of the Mechanistic-Organic contrast is highly idealised, and in fact other whole organization types can be discerned (Handy, pp. 176-184; Mintzberg, Part IV). However, the basic dichotomy serves to illustrate some of the most essential features of an organization that can be varied, including by implication the organization culture and the work values of its members.

The circumstances, or contingencies, favouring the adoption of one or the other type of organization structure have been investigated in some detail (Mintzberg, pp. 11, 12; French and Bell, pp. 219-224; Gibson, *et al.* pp. 175, 176, 179-190; Luthans, pp. 119-127; Handy pp. 185-195). Factors such as size of organization, technology, nature of goals, skills and commitment of individuals, and others, determine the appropriateness of a specific structure for a particular organization.

**Contrasting characteristics of Mechanistic and Organic structures.**

So far the Mechanistic and Organic structures have been presented as opposite poles in a typology of whole organization types in order to enable us to describe variation in the amount of flexibility within an organization. Each of these ideal types has its own typical characteristics, but by now taking a closer look at these characteristics, it becomes apparent that they can be regarded as independently variable elements of all organization structures. Litterer (p. 339) offers the
following Table summarizing major characteristics of Mechanistic and Organic structures. This exercise isolates variables which could be used to describe any organization, and demonstrates the range of each variable.

**Characteristics of mechanistic and organic organizations.**

<table>
<thead>
<tr>
<th>Mechanistic</th>
<th>Organic</th>
</tr>
</thead>
<tbody>
<tr>
<td>High, many and sharp differentiations</td>
<td>SPECIALIZATION</td>
</tr>
<tr>
<td>High, methods spelled out</td>
<td>STANDARDIZATION</td>
</tr>
<tr>
<td>Means</td>
<td>ORIENTATION OF MEMBERS</td>
</tr>
<tr>
<td>By superior</td>
<td>CONFLICT RESOLUTION</td>
</tr>
<tr>
<td>Hierarchical based on implied contractual relation</td>
<td>PATTERN OF AUTHORITY CONTROL AND COMMUNICATION</td>
</tr>
<tr>
<td>At top of organization</td>
<td>LOCUS OF SUPERIOR COMPETENCE</td>
</tr>
<tr>
<td>Vertical</td>
<td>INTERACTION</td>
</tr>
<tr>
<td>Directions, orders</td>
<td>COMMUNICATION CONTENT</td>
</tr>
<tr>
<td>To organization</td>
<td>LOYALTY</td>
</tr>
<tr>
<td>From organizational position</td>
<td>PRESTIGE</td>
</tr>
</tbody>
</table>

**RELATED DIMENSIONS:**

**FORMALIZATION:** extent to which rules/procedures, instructions/communication are written.

**CENTRALIZATION:** locus of decision-making authority.

**HIERARCHISATION:** number of levels of authority.

**CONFIGURATION:** ratio of administrative/senior jobs to substantive/junior jobs.

It will be seen that some of the distinguishing dimensions given in the Table directly describe basic characteristics of organizations, while others are elaborations of a single dimension.

A further dimension which might be added to the Table could be termed "Work Ethic" or "Orientation to Work". Generalising broadly, members of Organic organizations tend to be more committed to the work itself and the organization as a whole. They tend to have a more "professional"
attitude towards their work. In Mechanistic organizations, however, the task and the length of the working day are likely to be explicitly defined. This tends to generate a more "Bureaucratic", rule oriented, bargaining attitude to work.

ORGANIZATION PROCEDURES.

The operating procedures by which an organization functions are manifested in specific roles and specific responsibilities. Among these procedures may be distinguished job procedures and organization procedures. Job procedures, such as the ways of classifying and displaying commodities or information, or the best way to assemble a motor car engine, have in principle no direct relationship to the organization procedures.

By organization procedures we mean the standardized approaches of individuals to their organization roles as formally laid down in structural charts and manuals of procedure. "Procedures", in organization terms, are concerned with determining the way personal interactions are to be handled; with prescribing the approach to individual "organization activities" such as decision-making, exercising or delegating authority, communicating information, or motivating and sanctioning others. In fact, procedures need not be formally recorded.

As must by now be apparent to the reader, it is virtually impossible to describe the structure of an organization without at least implying certain corresponding procedures. The effect of organization procedures on the organization climate, therefore, need not be separately discussed in very great detail. It may be repeated, however, that Likert's typology of organizations has the interest of being expressed primarily in terms of administrative procedures rather than structures.

ORGANIZATION CLIMATE.

The climate of an organization represents the perception of its operation by organization members. Climate is phenomenologically external to the individual, yet the concept tries to describe the
organization very much from the individual's point of view. The climate of an organization thus represents its characteristics and scope as a working environment for the individual organization member. Similarly, the organization climate can be seen as an evaluation or characterization of the organization by the criteria of individual needs (in contrast to the organization needs). It is no surprise, therefore, that climate includes a number of relatively "informal" phenomena within the organization.

Because of its subjective and perceptual nature, climate may vary not only from organization to organization, but to some degree from individual to individual. Different people will perceive climate differently in terms of whether they, for example, accept or reject the rules of the organization, and how they view their social environment. One employee may see his superior as autocratic while another may regard him as more demographic. Nevertheless, climate has connotations of continuity and describes something external to the organization member. Tagiuri (1968) suggests that organization climate is capable of being shared, although individuals may differ regarding certain aspects of an organization, that it cannot be a common delusion, that it can be specified in terms of responses, and that it has behavioural consequences.

Organization climate is clearly an aspect, at least, of what in Organization Development terminology is called organization culture.

From the description of the differences between the two polar organization types outlined earlier, there may immediately be discerned elements of contrast which clearly contribute toward the mood or climate within an organization, insofar as it bears upon the individual. Clearly, the mood and approach to work adopted within the constraints of a mechanistic structure differ from those possible under the terms of an organic structure.

The structure of an organization plays a key role in determining the interactions between particular individuals, and between individuals and the organization, and as such is an important variable affecting individual and group behaviour, and therefore the operating climate.
In particular, the type of leadership in the organization is a major factor which can influence climate, and make it possible to distinguish between different working climates. Highly directive leadership, for example, can lend to a rigid structure which influences trust and respect in a negative way. Likert's typology of managerial styles, and hence organization climates, is derived from initial variations in the degree of faith that administrators/managers have in their staff.

Any comprehensive attempts to manipulate the climate in an organization would have to take into account the principal influencing factors of: Organization structure, and allied procedures; Leadership style; Staffing and recruitment policy; Characteristics of members; and Communication patterns.

THE INFLUENCE OF STRUCTURE AND PROCEDURE ON CLIMATE.

Although climate is an organization attribute, we have seen that it actually is something experienced or felt by individual members. A graphic example in more specific terms of how the individual's own experience of participation within an organization is influenced by the structure and procedure of that organization is furnished by what has become a classic experiment conducted by Lewin, Lippit and White at the University of Iowa.

These group-dynamics researchers set out to investigate the effects of social structure upon individual behaviour in work groups. In a controlled experiment, volunteer schoolboys were organized into groups for the purpose of model-building and similar hobby activities. The adults running the experiment organized the groups by means of three different procedures, distinguishable in particular by leadership style, which generated within the groups three corresponding different types of social structure.

As will become clear from the following description of the experiment (Brown, Ch. 8) the three different leadership procedures and hence the three corresponding types of social structure, created different moods or climates within the groups. There seems little doubt that the different group climates were largely responsible for the dramatic
differences in behaviour subsequently observed in the three types of group.

What primarily distinguished the three types of group? To start the experiment, the different types of group were established by three clearly distinguishable initial leadership procedures or "styles":

"The schoolboys were divided into groups, some of which were autocratic, some democratic, and some laissez-faire. In the democratic groups the leader discussed the work with the boys. He made suggestions and offered further information. The final decision was always left to them. They decided what to do, worked out a plan and arranged which members should work together. The leader acted throughout as a member of the group."

"The autocratic leaders imposed the decisions made in the democratic groups on their own autocratic ones so that both groups were doing the same work, the first from choice and by general agreement, the second by orders from above. The autocratic leader told the boys what to do, revealing only one step of the information at a time. He assigned boys to work together regardless of their own preferences. Apart from directing them, he remained aloof from the group and was friendly but impersonal."

"Finally, the laissez-faire groups were allowed to do just as they pleased. The boys were supplied with material and were told that they could ask for information. The leader offered no help, did not participate unless asked to do so, and neither praised nor blamed anyone."

What were the essential differences in procedure adopted by the different types of leaders?

In the democratic groups the leader acted as a catalyst which speeded up the natural processes of the group and helped it to attain the structure most suitable in the circumstances. The autocratic leader imposed a structure on the group which reflected his own wishes, and the laissez-faire leader was not a leader at all."

The democratic leadership style is among other things, sensitive to, and respects, the processes of the "informal organization."
What were the effects of the three different types of arrangement (or organization) upon group-members? Essentially, the autocratically-organized groups produced behaviour that was either aggressive or apathetic; the laissez-faire groups produced chaotic behaviour; and the democratically-organized groups produced behaviour that was constructive, resourceful, motivated and co-operative.

"Autocratic leadership produced two different types of behaviour within the groups. In some instances there was a marked increase of aggressiveness towards the leader, other members and even inanimate objects, while in other cases the response was apathy. The aggressive groups resented their leader because he restrained them but they were also afraid of him and showed their resentment by means of indirect forms of aggression. They would pretend that they had not heard when they were spoken to, they would break rules "by mistake", leave before time was up, and damage materials. The boys were not only aggressive towards their leader, but were equally aggressive towards other members. They disparaged each other's work and refused to co-operate. When they were told at the end that they could keep the models, many started to destroy them."

"The apathetic group under an autocratic leader disclosed during interviews the same dislikes the hatreds. But they did not voice them either openly against the leader or displace them against scape-goats. The boys were dull, tense, submissive and apathetic; they did not smile, joke or play freely together. But when the leader left the room, they dropped their work, ran about, shouted and showed all the signs of released tension."

"The laissez-faire groups were chaotic. The members showed a great deal of aggressiveness, but without the tension in the authoritarian groups. Practically no work was done and they were completely uncontrolled whether or not the leader was present."

"In contrast the boys in the democratic groups behaved entirely differently. They thought highly of their leader, he was described as 'a good sort who works with us, he never tried to be boss but we always had plenty to do'. They looked forward to meetings and worked well together. The work was described as 'our models', they referred to 'our' group and what 'we' do. The work of the more skilful members was looked on with admiration rather than jealousy as was the case in the other groups, since the skilful workers were considered a group asset. Criticism of each other's work was fair and when they were told to keep the
models, many presented them to their leader. When the leader left the room, work went on as before and the actual work was better done than that of the other groups."

The independent, and hence potentially confusing, effects of group organization on the one hand and the character of particular group members on the other, were carefully controlled by the experimenters:

"As a second experiment, the group members were changed about; those who had been in an autocratic group being placed in a democratic or laissez-faire group and vice-versa. The results were quite independent of personalities. Each group produced behaviour which was dependent on its structure rather than on who was in it, or who was its leader."

The behaviours and effects demonstrated by this experiment are very striking, and it seems reasonable to extrapolate these findings from group level to organization level. In other words, the relatively small primary groups set up in the experiment, can be regarded as small scale 'models' of corresponding types of larger organization structures.

A manager, for example, in assembling and administering meetings of his Heads of departments, could adopt a variety of approaches corresponding in principle to those adopted at the beginning of the experiment, and hence create a variety of climates tending to percolate downward and affect the whole organization.

Similarly, the democratic leader clearly makes assumptions which are distinguishable from those of an autocratic leader; for example, that it is valuable to share information with the group (or organization members), to invite participation of the group (organization members) in goal-setting and planning, and to be sensitive to the needs of team work, group harmony and group cohesion. Clearly, similar differences in initial assumptions could just as well be adopted by the leaders of whole organizations with correspondingly different consequences for procedure, structure, climate and behaviour in the organization at large.
Equally striking is the analogy between the negative, destructive and malicious behaviour of the autocratically-organized groups in the experiment and the similar behaviour so often complained of by the managers of comparable groups in occupational organizations - where a similar autocratic approach to management is conventionally adopted.

In a study by Litwin and Stringer, 45 students were divided into three simulated business firms with an "authoritarian-structured" business, a "democratic-friendly" business, and an "achieving" business represented. A researcher member of each group established different climates by employing the requisite leadership styles. The essential findings were that subjects in the achieving business gave the best performance, while subjects in the democratic-friendly groups were more satisfied with their jobs than those in any of the other groups. Here again, organization climate was an important intervening variable in the experiment, serving to influence motivation and hence organization effectiveness.

MORE DETAILED ELEMENTS OF ORGANIZATION CLIMATE.

Having looked at some of the implications for the worker of different organization structures, we now look more closely at the notion of climate itself — in particular, its manifestations in operational terms.

As we have seen, climate is something subjectively perceived, at individual level. In spite of controversy as to the reality of the construct, in formal studies of "organization climate" attempts have been made to isolate and define specific dimensions of climate. A relatively small number of factors have been suggested as comprising the essential elements of climate. The most prominent of these are set out below. It must be conceded that there is a faintly circular flavour about this factoring exercise. In a sense, a description of elements of organization climate is merely an account of various familiar organization characteristics, but described now as they appear to, or affect, an individual embedded within that organization.
Nevertheless, common to most studies are the following suggested components of perceived organization climate - representing, in effect, ways in which the organization impinges on the individual's activity. The terms used to name the dimensions are those commonly adopted in the literature.

1. Individual Autonomy.

Even though studies have varied in their approach this aspect of climate seems to be the clearest one which appears most commonly in all fields of study. The variable refers to degree of individual responsibility and independence and the exercising of individual initiative. The key element of this dimension is the individual's freedom to be his own master and to have a significant amount of authority to make his own decisions. He does not constantly have to account to higher management.

Another way of expressing this variation in constraint is to refer to the degree of discretion, as against prescription, given by a job-description to the incumbent of a post. Closely related to this element is the degree of trust (particularly in relationships comprising the "line organization") implicit in the organization arrangements, sometimes referred to as high or low trust in the "organization culture". Note that we are here referring to the trust implicit in the formal organization arrangements.

1a. Closely related to "Individual Autonomy" can be discerned the factor Risk and Risk-Taking, describing the degree of opportunity presented by the organization arrangements for taking calculated risks in response to new challenges in the work situation. Depending upon individual dispositions, the presentation of risk can be either alarming to organization members or a significant precondition for evoking an achievement orientation - a potential motivator.
2. The Degree of Structure Imposed Upon the Position.

This variable refers to the freedom, or otherwise, of the individual to manoeuvre:
— in terms of his interactions with others, and his plans insofar as they involve accessing and collaborating with others
— within the formal organization, as constrained by rules, regulations and structure.
For example, is the individual highly circumscribed or even paralysed by a highly procedural organization culture — perhaps aggravated by a built-in functional dependence on others?

This factor is essentially structural and should not be confused with the prescribed-vs.-discretionary content of the individual's task itself.

3. Reward Orientation.

This element would perhaps be better termed the "Sanctions System" of the organization. It refers in particular to what sorts of positive or negative sanctions the organization possesses for responding to individual performance, and how closely these sanctions are applied or administered. It also refers to the degree to which sanctions are predictably and appropriately administered, and the individual's consequent confidence in this. This factor is not as coherent as the first two mentioned.


This is not a particularly clearly defined dimension. It seems to refer, however, to the amount of support and stimulation received from primarily, one's superior, but also one's peers. Other manifestations of this factor would seem to be the degree of trust prevailing in the informal organization, and the degree of co-operation between organization member.
4a. Closely related to "Consideration, Warmth and Support" we would also suggest a factor which could be termed Quality of Communication, referring in particular to the degree to which communication within the organization is open (i.e. not restricted or censored), honest, moves freely in all directions, and conveys feelings as well as ideas. Fostering "good" communication invariably means being aware of and fostering the various manifestations of the informal organization.

5. Tolerance of Conflict.

This element of climate expresses the degree to which differences of opinion are accepted as normal and legitimate within the organization, and the degree of social skills available for accommodating differences or for conflict-resolution.

The elements of organization climate just outlined should not be imagined as acting in isolation. Rather, as all these factors, and possibly others, interact in different proportions and within different situations the number of resultant net organization climates could be infinite.

MECHANISMS BY WHICH PERVERSIVE ORGANIZATION CHARACTERISTICS EXERT A "CLIMATE" UPON THE INDIVIDUAL.

This process has been introduced in detailed experimental examples above. Now, mention must briefly be made of some discernible mechanisms in terms of which climate actually impinges upon organization member.

The perceived organization climate can be seen as an effect of the way in which features in the organizational environment of the individual influence or constrain his behaviour. In very general terms, Forehand and Gilmer point out three distinguishable mechanisms by which this constraining or determining process is effected — that is, how in
essence organization parameters influence the individual.

1. Influence by "Definition of Stimuli".

   Circumstances influence the individual by limiting the initial
definition of the very situation, and resources, in the organiza­
tion setting which require the attention and action of the
individual. Factors such as organization structure, job­
definitions, available resources, and the assumptions of superiors,
influence the individual's initial perceptions of the demands on
him and the tasks he should attend to.

2. Influence by "Constraints upon Freedom".

   The scope for subsequent action by the individual, and the types
of actions possible or permitted, tend to be limited or defined
by factors such as
— quality of communication and social or psychological distance
attributable to structure,
— procedural regulations, or
— the allocation or delegation of "organizing resources" such as
  authority or decision-making — as well as other resources and
  facilities.

3. Influence by "Reward and Punishment".

   The conditioning of repeated work behaviour of the individual is
assisted by sanctioning and evaluating processes within the organiza­
tion, usually directed from positions of authority. The way these
processes reinforce or discourage certain types of behaviour con­
stitute palpable aspects of the organization climate.

To these three mechanisms must be added the "micro-social" mechanism, the
profound influence of group forces and related motivational forces
exerted by the less formal social formations within the organization,
demonstrated by the research of Mayo (Miller and Form, pp. 660-681, 677;
Brown, Ch. 3, Ch. 5) and Lewin.
SOME CONCLUSIONS: THE SIGNIFICANCE OF ORGANIZATION CLIMATE.

It is difficult to articulate a highly formal definition of climate that is not either trivial or of limited use because of its generality. Nevertheless, an understanding of the concept of organizational climate can be valuable to administrators. Studies of organization climate such as those of Litwin and Stringer have indicated that managers are able to influence the climates of their organizations, and that climate in turn may influence motivation, performance and the satisfaction of organization members. The "fit" between organization and individual significantly affects individual performance and satisfaction in an organization context. This "fit" can be fruitfully viewed as the reaction of individual personality to organization climate. Correspondingly, in the development of organization theory, organization climate provides a conceptual linkage between analysis at the organizational and individual level.

In spite of criticism and controversy as to the reality of the construct, the concept of organization climate is undoubtedly useful, particularly in situations where administrators wish to be sensitive to the accommodation of individual needs and organization needs — in that case probably inclining toward a more organic model for their organization.

Organization Development can be seen as a set of diagnostic, planning and review procedures by means of which organization members jointly participate in the building of, initially, the organization climate or culture, and, finally, the structure and goals of their organization.
BIBLIOGRAPHY.


GRAY, H.L. (1978) Staff Development. Article in ERIC Data Bank on Educational Administration, University of Oregon, Eugene, Oregon, U.S.A.


MINTZBERG, H. (1979)  
The Structuring of Organizations.  
Englewood Cliffs : Prentice-Hall.

MORGAN, C. and PRITCHARD, G.  
(1976)  
Organization Development (O.D.): The  
Case of Sheldon High School.  
Milton Keynes : The Open University Press.

PUGH, D.S., HICKSON, D.J. and  
HININGS, C.N. (1971)  
Writers on Organizations.  

ROBERTS, K.H., HULIN AND  
ROUSSEAU (1978)  
Developing an Interdisciplinary Science  
of Organizations.  
San Francisco; Jossey-Bass.

SUTERMEISTER, R.A. (1976)  
People and Productivity.  
N.Y. : McGraw-Hill.

TAGIURI, R. (1968)  
The concept of organizational climate.  
In: R. Tagiuri and G. Litwin eds.  
Organizational climate : exploration of  
a concept.  
Boston : Division of Research, Harvard  

TOWNSEND, R. (1970)  
Up the Organization : How to stop the  
company stifling people and strangling  
profits.  
London : Hodder-Fawcett Ltd.
APPENDIX A.

TYPOLOGY OF ORGANIZATIONS
IN TERMS OF ADMINISTRATIVE PROCEDURES

(Reproduced from Likert, R. (1967) The Human Organization, Table 2-1, pp. 4-10)
### Table of Organizational and Performance Characteristics of Different Management Systems

<table>
<thead>
<tr>
<th>Organizational variable</th>
<th>System 1</th>
<th>System 2</th>
<th>System 3</th>
<th>System 4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Leadership processes</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extent to which superiors have confidence and trust in subordinates</td>
<td>Have no confidence and trust in subordinates</td>
<td>Have condescending confidence and trust, such as master has to servant</td>
<td>Substantial but not complete confidence and trust; still wishes to keep control of decisions</td>
<td>Complete confidence and trust in all matters</td>
</tr>
<tr>
<td>Extent to which subordinates do not feel at all free to discuss important things about their jobs with their immediate superior</td>
<td>Subordinates do not feel at all free to discuss things about the job with their superior</td>
<td>Subordinates do not feel very free to discuss things about the job with their superior</td>
<td>Subordinates feel rather free to discuss things about the job with their superior</td>
<td>Subordinates feel completely free to discuss things about the job with their superior</td>
</tr>
<tr>
<td>Extent to which immediate superior in solving job problems generally tries to get subordinates' ideas and opinions and make constructive use of them</td>
<td>Seldom gets ideas and opinions of subordinates in solving job problems</td>
<td>Sometimes gets ideas and opinions of subordinates in solving job problems</td>
<td>Usually gets ideas and opinions and usually tries to make constructive use of them</td>
<td>Always gets ideas and opinions and always tries to make constructive use of them</td>
</tr>
</tbody>
</table>

| **2. Character of motivational forces** |          |          |          |          |
| Manner in which motives are used |          |          |          |          |
| Fear, threats, punishment, and occasional rewards | Rewards and some actual or potential punishment | Rewards, occasional punishment, and some involvement | Economic rewards based on compensation system developed through participation; group participation and involvement in setting goals, improving methods, appraising progress toward goals, etc. |

| Amount of responsibility felt by each member of organization for achieving organization's goals |          |          |          |          |
| High levels of management feel responsibility; lower levels feel less; rank and file feel little and often welcome opportunity to behave in ways to defeat organization's goals | Managerial personnel usually feel responsibility; rank and file usually feel relatively little responsibility for achieving organization's goals | Substantial proportion of personnel, especially at high levels, feel responsibility and generally behave in ways to achieve the organization's goals | Personnel at all levels feel real responsibility for organization's goals and behave in ways to implement them |

<p>| <strong>3. Character of communication process</strong> |          |          |          |          |
| Amount of interaction and communication aimed at achieving organization's objectives |          |          |          |          |
| Very little | Little | Quite a bit | Much with both individuals and groups |</p>
<table>
<thead>
<tr>
<th>Organizational variable</th>
<th>System 1</th>
<th>System 2</th>
<th>System 3</th>
<th>System 4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direction of information flow</strong></td>
<td>Downward</td>
<td>Mostly downward</td>
<td>Down and up</td>
<td>Down, up, and with peers</td>
</tr>
<tr>
<td>Extent to which downward communications are accepted by subordinates</td>
<td>Viewed with great suspicion</td>
<td>May or may not be viewed with suspicion</td>
<td>Often accepted but at times viewed with suspicion, may or may not be openly questioned</td>
<td>Generally accepted, but if not, openly and candidly questioned</td>
</tr>
<tr>
<td>Accuracy of upward communication via line</td>
<td>Tends to be inaccurate</td>
<td>Information that boss wants to hear flows; other information is restricted and filtered</td>
<td>Information that boss wants to hear flows; other information may be limited or cautiously given</td>
<td>Accurate</td>
</tr>
<tr>
<td>Psychological closeness of superiors to subordinates (i.e., how well does superior know and understand problems faced by subordinates?)</td>
<td>Has no knowledge or understanding of problems of subordinates</td>
<td>Has some knowledge and understanding of problems of subordinates</td>
<td>Knows and understands problems of subordinates quite well</td>
<td>Knows and understands problems of subordinates very well</td>
</tr>
</tbody>
</table>

4. Character of interaction-influence process
   Amount and character of interaction
   Little interaction and always with fear and distrust
   Little interaction and usually with some condescension by superiors; fear and caution by subordinates
   Moderate interaction, often with fair amount of confidence and trust
   Extensive, friendly interaction with high degree of confidence and trust

   Amount of cooperative teamwork present
   None
   Relatively little
   A moderate amount
   Very substantial amount throughout the organization

5. Character of decision-making process
   At what level in organization are decisions formally made?
   Bulk of decisions at top of organization
   Policy at top, many decisions within prescribed framework made at lower levels
   Broad policy and general decisions at top, more specific decisions at lower levels
   Decision making widely done throughout organization, although well integrated through linking process provided by overlapping groups

   To what extent are decision makers aware of problems, particularly those at lower levels in the organization?
   Often are unaware or only partially aware
   Aware of some, unaware of others
   Moderately aware of problems
   Generally quite well aware of problems
Table 2-1 (Continued)

**Table of Organizational and Performance Characteristics of Different Management Systems**

<table>
<thead>
<tr>
<th>Organizational variable</th>
<th>System 1</th>
<th>System 2</th>
<th>System 3</th>
<th>System 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extent to which technical and professional knowledge is used in decision making</td>
<td>Used only if possessed at higher levels</td>
<td>Much of what is available in higher and middle levels is used</td>
<td>Much of what is available in higher, middle, and lower levels is used</td>
<td>Most of what is available anywhere within the organization is used</td>
</tr>
<tr>
<td>To what extent are subordinates involved in decisions related to their work?</td>
<td>Not at all</td>
<td>Never involved in decisions; occasionally consulted</td>
<td>Usually are consulted but ordinarily not involved in the decision making</td>
<td>Are involved fully in all decisions related to their work</td>
</tr>
<tr>
<td>Are decisions made at the best level in the organization so far as the motivational consequences (i.e., does the decision-making process help to create the necessary motivations in those persons who have to carry out the decisions?)</td>
<td>Decision making contributes little or nothing to the motivation to implement the decision, usually yields adverse motivation</td>
<td>Decision making contributes relatively little motivation</td>
<td>Some contribution by decision making to motivation to implement</td>
<td>Substantial contribution by decision-making processes to motivation to implement</td>
</tr>
<tr>
<td>6. Character of goal setting or ordering</td>
<td>Orders issued</td>
<td>Orders issued, opportunity to comment may or may not exist</td>
<td>Goals are set or orders issued after discussion with subordinate(s) of problems and planned action</td>
<td>Except in emergencies, goals are usually established by means of group participation</td>
</tr>
<tr>
<td>Manner in which usually done</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are there forces to accept, resist, or reject goals?</td>
<td>Goals are overtly accepted but are covertly resisted strongly</td>
<td>Goals are overtly accepted but often covertly resisted to at least a moderate degree</td>
<td>Goals are overtly accepted but at times with some covert resistance</td>
<td>Goals are fully accepted both overtly and covertly</td>
</tr>
<tr>
<td>7. Character of control processes</td>
<td>Highly concentrated in top management</td>
<td>Relatively highly concentrated, with some delegated control to middle and lower levels</td>
<td>Moderate downward delegation of review and control processes; lower as well as higher levels feel responsible</td>
<td>Quite widespread responsibility for review and control, with lower units at times imposing more rigorous reviews and tighter controls than top management</td>
</tr>
<tr>
<td>Extent to which the review and control functions are concentrated</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 2-1 (Continued)

<table>
<thead>
<tr>
<th>Organizational variable</th>
<th>System 1</th>
<th>System 2</th>
<th>System 3</th>
<th>System 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extent to which there is an informal organization present and supporting or opposing goals of formal organization</td>
<td>Informal organization present and opposing goals of formal organization</td>
<td>Informal organization usually present and partially resisting goals</td>
<td>Informal organization may be present and may either support or partially resist goals of formal organization</td>
<td>Informal and formal organization are one and the same; hence all social forces support efforts to achieve organization’s goals</td>
</tr>
<tr>
<td>Extent to which control data (e.g., accounting, productivity, cost, etc.) are used for self-guidance or group problem solving by managers and non-supervisory employees; or used by superiors in a punitive, policing manner</td>
<td>Used for policing and in punitive manner</td>
<td>Used for policing coupled with reward and punishment, sometimes punitively; used somewhat for guidance but in accord with orders</td>
<td>Largely used for policing with emphasis usually on reward but with some punishment; used for guidance in accord with orders; some use also for self-guidance</td>
<td>Used for self-guidance and for coordinated problem solving and guidance; not used punitively</td>
</tr>
</tbody>
</table>
APPENDIX B.

SIMPLIFIED MODEL OF PROCEDURAL DIMENSIONS/CHARACTERISTICS
DIFFERENTIATING LIKERT'S FOUR "MANAGEMENT SYSTEMS"
**SIMPLIFIED MODEL OF PROCEDURAL DIMENSIONS/CHARACTERISTICS DIFFERENTIATING LIKERT’S FOUR "MANAGEMENT SYSTEMS".**

<table>
<thead>
<tr>
<th>ORGANIZATIONAL/PROCEDURAL VARIABLE</th>
<th>SYSTEM 1</th>
<th>SYSTEM 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. LEADERSHIP PROCESSES USED</td>
<td>Supervising</td>
<td>Delegating</td>
</tr>
<tr>
<td></td>
<td>Unapproachable/isolated</td>
<td>Seeking feedback</td>
</tr>
<tr>
<td></td>
<td>Directive</td>
<td>Consultative</td>
</tr>
<tr>
<td></td>
<td>Authoritarian</td>
<td>Egalitarian</td>
</tr>
<tr>
<td>2. CHARACTER OF MOTIVATIONAL FORCES</td>
<td>Coercive</td>
<td>Self-actualising</td>
</tr>
<tr>
<td></td>
<td>Extrinsic to task</td>
<td>Intrinsic to task</td>
</tr>
<tr>
<td></td>
<td>Prescriptive</td>
<td>Discretionary</td>
</tr>
<tr>
<td>3. CHARACTER OF COMMUNICATION PROCESS</td>
<td>Little</td>
<td>Much</td>
</tr>
<tr>
<td></td>
<td>Suspicious</td>
<td>Trusting</td>
</tr>
<tr>
<td></td>
<td>Inaccurate/distorted</td>
<td>Accurate</td>
</tr>
<tr>
<td></td>
<td>Insincere/irrelevant</td>
<td>Sincere/relevant</td>
</tr>
<tr>
<td>4. CHARACTER OF INTERACTION-INFLUENCE PROCESS</td>
<td>Isolated</td>
<td>Interactive</td>
</tr>
<tr>
<td></td>
<td>Untrusting</td>
<td>Trusting</td>
</tr>
<tr>
<td></td>
<td>Competitive</td>
<td>Co-operative</td>
</tr>
<tr>
<td>5. CHARACTER OF DECISION-MAKING PROCESS</td>
<td>Centralised</td>
<td>Decentralised/localised</td>
</tr>
<tr>
<td></td>
<td>Oligarchic (by elites)</td>
<td>Democratic</td>
</tr>
<tr>
<td></td>
<td>Autocratic/controlling</td>
<td>Participative/consultative/accommodating</td>
</tr>
<tr>
<td></td>
<td>Uninformed</td>
<td>Informed</td>
</tr>
<tr>
<td></td>
<td>Procedural</td>
<td>Substantive/adaptive/flexible</td>
</tr>
<tr>
<td></td>
<td>Incompetent</td>
<td>Competent*</td>
</tr>
<tr>
<td>6. CHARACTER OF GOAL-SETTING OR ORDERING PROCESS</td>
<td>Autocratic</td>
<td>Participative</td>
</tr>
<tr>
<td></td>
<td>Not legitimate</td>
<td>Legitimate</td>
</tr>
<tr>
<td>7. CHARACTERISTICS OF CONTROL PROCESSES (SANCTIONS)</td>
<td>Centralised</td>
<td>Decentralised/dispersed</td>
</tr>
<tr>
<td></td>
<td>Formal</td>
<td>Informal</td>
</tr>
<tr>
<td></td>
<td>Punitive</td>
<td>Instructive</td>
</tr>
</tbody>
</table>

* w.r.t. task, organizing and motivation.

** Derived from Likert (1967), Table 2-1, pp. 4-10. Compare with Appendix A.