Module No. # 02
Lecture No. # 17
Impact of Environment and Cultural Variables on Organisation Structure and Style (Contd.)

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To your attention, is this word interdependence; interdependence of technology, interdependence of tasks. This word interdependence within categories, between categories, amongst categories creates its own type of structures. I have been talking of interdependence amongst technologies. Let us look at interdependence amongst tasks. Thompson has talked of the same kind of mediating, long linked, and intensive interface in tasks to create different types of structures. Mediating type of interdependence by task would lead to pooled interdependence - example would be commercial banks.

Long linked; sequential interdependence, example would be assembly line automobile. Intensive interdependence; reciprocal interdependence - general hospital. I have already explained to you the case of anesthesiology which is a surgery to help you to see how there is total interdependence. In fact, if the patient starts coming to consciousness while the surgery is on, the anesthesiologist is suppose to swing into action. Not only that he is

suppose to keep track of the pulse and he is suppose to keep track of the general condition of the body while the surgeon is focusing on the actual operation. It is not the responsibility of the surgeon to watch the heartbeat. A perfect example of interdependencies of tasks - how your success in one area depends upon the kind of support you get from another area? Technology and Structure as Perrow defines, "it is based on degree of non routine ness, task variety, and task coping difficulties".

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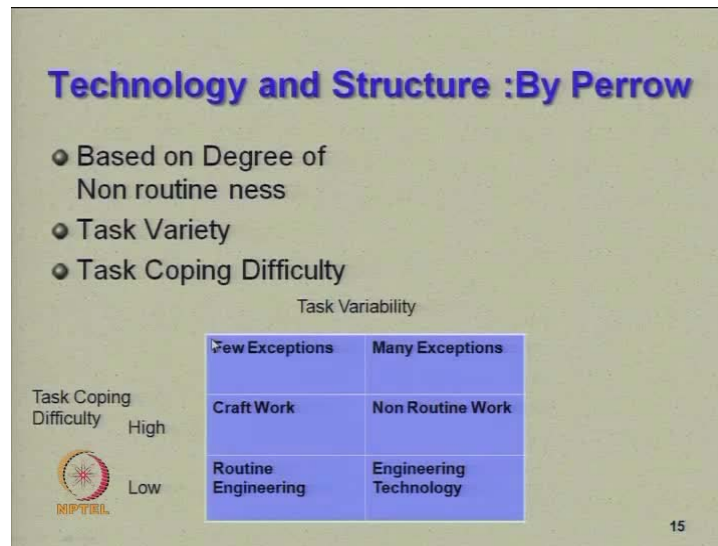
I have created a matrix here of Task Variability and Task Coping Difficulty. Task variability can have few exceptions and many exceptions. So, these are the two classifications on the y axis. Task coping difficulty has two categories on sorry on the x axis that; on the y axis the two categories would be high task coping difficulty and low task coping difficulty.

If you combine two categories on the x axis and two categories on the y axis, then in terms of task coping difficulty the combination you will get is craft work and non routine work. Craft work means high task coping difficulty and few exceptions; many exceptions and high task coping difficulty which will mean non routine work.

Similarly, low task coping difficulty and few exceptions - routine engineering; low task coping difficulties and many exceptions - engineering technology. This matrix gives you four choices between task coping difficulty and task variability.
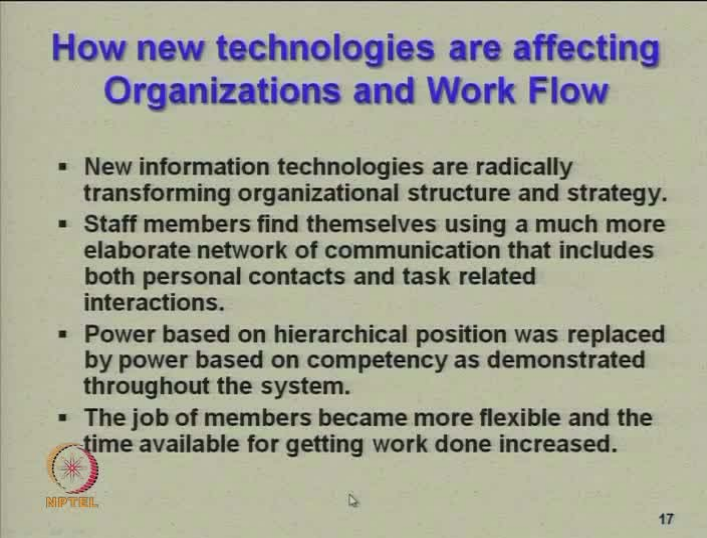
Let us explore the business of technology and structure a little more. The key dimensions on which differing technologies rest are: routine ness and interdependence. In other words, if you were to create categories on an axis - it can be y or x - it is unimportant, you would have routine ness and interdependence.

Technology seems to be a major determinant of structure but perhaps not the biggest one. It is a determinant of structure but it is not the dominant one and that is what you have to keep in mind. There are other variables which go into designing of structures. Routine ness of technologies does seem to be associated with low complexity. The greater the routine ness, the less training is required by incumbents.

Obviously, you need people to be trained to meet variations. You do not need people to be trained at that level of intensity to handle the routine. Thus, organizations with routine technology need high formalization at technology's core. Routine technology goes with centralization if formalization is low; otherwise, with high formalization and routine technology we can easily have a decentralized structure. There are different types of structures: one is a centralized structure, the other is a decentralized structure; and this formulation here helps you to understand - in what other circumstances in which centralization of the structure will be a greater likelihood? What would be the circumstances in which decentralization will be the greater likelihood? Routine

technology will go with centralization if formalization is low; otherwise, high formalization and routine technology can easily have a decentralized structure.

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How new technologies are affecting organizations and work flow? New information technologies are radically transforming organizational structure and strategy.

You have already been referred for your reading to the chapter on organization structure and IT in organization development systems but that is independent of what I am telling you here. Staff members find themselves using a much more elaborate network of communication that includes both personal contacts and task related interactions and this itself leans upon enabling IT's.

The trouble dealing with information technology is of various orders: one is the security. The truth is no serious business of a sensitive order can ever be carried out on the internet, for many reasons. One is a kind of storage which takes place in the main devices; let us use at everyday power less for it. There will be a server where that information will be located and that can always be tapped and you do not want that and scrambling does not necessarily create non-vulnerability.

The second is use of IT anywhere creates very many different types of interdependencies. Anyone who uses information technology has a routine way of life and knows sometime the internet will not work, sometime the server will be down,

sometimes there will be a virus, on other occasions there will be no power, and the UPS will not last long enough. If everything works, there will be a problem with the cookie: you cannot eat it, you cannot store it. If that is what you understand of a cookie, you deserve to get the meaning which you are getting out of it.
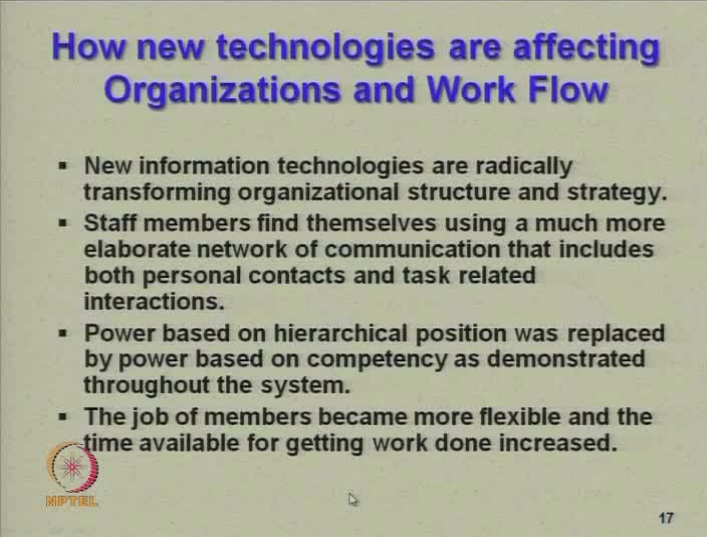
Then the toolbar, then scrolling - they have developed a whole language which I called the language of information technology and it is not English. The only type of virus I knew at the age of 20 was what the doctor said when you had cold. Now, I find that even computers have virus. The whole vocabulary has changed but the level of sophistication of IT has not measured up to business requirements. Nevertheless, IT like any new found fashion is a great fact. As we discuss the subject matter today, IT is not fit for any hypersensitive exchange of data on decision making in business, because you cannot transmit it. Even if you put the firewalls and even if you take all the precautions, let me tell you, the vulnerability is very very real.

If I was teaching you IT, I would have gone into the different types of wonder abilities which exist. If you have any idea of how financial companies work, they have nightmares in transferring data from one location to another, especially, sensitive data on investments and what are the extraordinary kinds of precautions they have to take. Even then sometimes it goes wrong.

The long and short of it is technologies are effecting organizations and work flows. Remember, all that is being said with the reference to what effects organizations and work flow. Transference of information and data is a very important requirement of organization management. The job of managers became more flexible and the time available for getting works done increased by the use of IT.

By the same token the concept of working hours was ruptured and people started carrying work home. It ended not only the bedroom but even the bed. What it did to human relations is for many married couples to figure out because when one was working the other did not want the person to work and when the other one was working the other person did not want him to work. Yet you were so competitive; you had to keep working more than what you thought your competitor was working, to stay ahead in the rat race and even if you won the rat race there were 2000 rats ahead of it.

When do you win it terminally? Thus havoc to the concept of aggressive competitiveness. That is not the Asian concept; the Asian concept is creative collaboration. Yet, people are desperate to find jobs in the west and Obama has rightfully declared today - we are far ahead of everywhere else and people would still prefer US to come to work to; true enough.

What people do not compute; what is the cost of that kind of a lifestyle? Nothing against US, let us be very clear. The issue is of style - remember. What kind of a lifestyle does it give you if you have earned all that money and you have nowhere to enjoy it in terms of time spaces; what are you going to do with that money?

It is not just a way of quality of life, it has got to do with life balances and as I said there is no rat race you can win in a terminal manner. You will always find that there are as many rats ahead of you as they are behind you. The preposition is a lot of these technologies have gone beyond work or taken work beyond organizations into homes.

The concept of home is a myth. This whole business of working from home; I could not understand what that means. It is being flaunted as a great bait for good employment. You say; you know I go to work for 3 days and 2 days I work at home - then why do not you go to office for all the 5 days? It saves me commuting. It does and what about the extra hours you put it? No no, that is all right; any how your love life is ruptured so you might as well concentrate on your work life.

Computer is such a wonderful get away from the strains of yelling and shaking of the partner. Great therapy - changing lifestyles, changing work, changing organizations; everything is changing. When I was in my 20's or 30's, cookies were for eating; now they are for locating. God knows what happened to the cookies that I used to eat. You feel very proud. In fact we are not anything if you do not carry that they talk of the laptop and the palmtop; I am talking of the pocket top

The real computer should be no bigger than this. You should be able to open it and work it with a magnifying glass because your finger is too big to work on the keyboard. The day we achieved that break through then we will make sure that you can work on the computer even while you are eating. You know you will eat with your left hand and work on the computer with the right hand; glory be to profit making.

Nothing against it, profits are very important. Style - the important thing is the style; what does technology do to your style? The purpose is not to share with you anything other than explain to you how technology affects organizations, work flows, structures and styles. The job of members became more flexible - whatever that means what we seen of flexible is such a popular word these days god bless, and the time available for getting to work increased. What is so glorious about that which means your organization could always demand more for the salary which you are getting. You are only looking at the number of 0's which the salary has and they were looking at the number of hours you put in.

Nature of work has changed; structures have changed; styles have changed. About time, responses changed and people took a conscious decision of the kind of life they want to lead; which is why now the younger competing with the old in terms of having heart attacks and blood pressure - feels good. Earlier, having blood pressure and cardiac problem was a sign that you had really matured. Now of course the young can compete with it. is a You know I have blood pressure too and the doctor was telling me that if I continue this way I should be ready for heart attack; now I am as good as you dad. Fantastic! 'Welcome to the club', said dad.

In terms of coping strategies which is what organization management deals with, I am trying to focus your attention on if there are new problems, new designs, new scenarios; it requires rethinking on coping strategies; it needs rethinking on lifestyles. It requires

greater consciousness of what you do with yourself and above all it requires better management of aspirations.

If one is going to let was aspiration run away with oneself, remember, like anything which is in nature; one will pay the price. The job members became more flexible and for getting and the time for getting work done increased. Remember, time being a constant, if the time for getting work increased; the time for enjoyment decreased.

Remember my statement in one of the preceding sessions, 'time is constant; you are passing'. You are passing because you began at a given point of time; you will go at a particular point of time and the number of minutes and hours between your beginning and end are marked. They will not stretch; no technology will multiply it. Therefore, how you spend your time and where you spend your time is absolutely critical.

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Technology has to do with individuals, technology has to do with groups, technology has to do with industrial relations; technology and organizational structure - study by John Woodward has been referred to in the preceding classes and it continues to be a seminal book though somewhat dated; it continues to determine a lot of perceptions.

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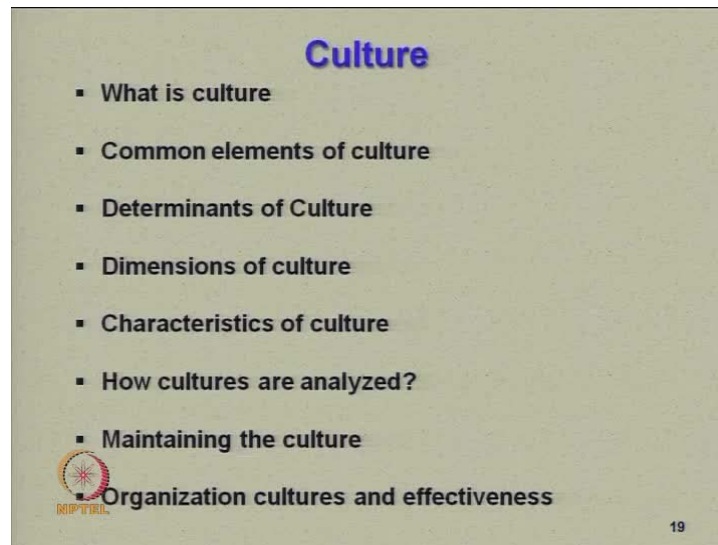
Let us look at culture. One needs to understand what is culture? This has been already explained in the preceding class when we were talking of socio-cultural variables so we shall not talk of it. There are common elements of culture which bind a given people together. In fact that is the whole point about culture.
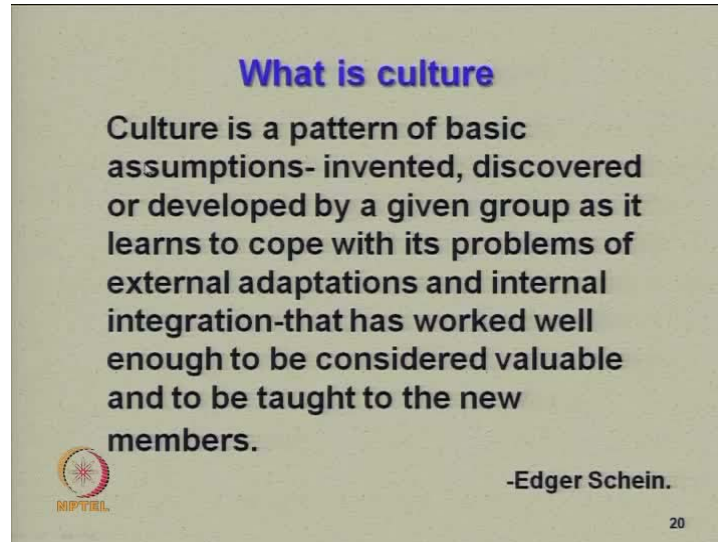
You worship in a particular way, you extend respect in a particular way, you work in a particular way and you even get angry in a particular way. There are cultural styles of anger. In postindustrial culture you greet by shaking hands. In Thailand you greet each other with folded hands; well might you ask why do not you say in India? I have never quite understood what you are supposed to do in India; shake hands, I mean we are almost embarrassed to own up our past. You go to any major joint in Thailand, they greet you with folded hands; in India they shake hands.

I was at a national day reception last evening; of a South American nation and the ambassador had just come in. He has not even presented his credentials to the president and he was saying, this baby made me spend so much time before I came here to learn Hindi and I have landed here to know that nobody speaking in Hindi at all. In this whole reception nobody has ever talked to me in Hindi; no comments.

Whatever you may say, India is a great land. Whatever you may say, our greatness is duly registered. Determinants of culture, dimensions of culture, characteristics of culture,

how cultures are analyzed, maintaining culture, organizing culture and effectiveness - these are different dimensions of impact of culture; impacting structure and style.

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What is culture

Culture is a pattern of basic assumptions- invented, discovered or developed by a given group as it learns to cope with its problems of external adaptations and internal integration-that has worked well enough to be considered valuable and to be taught to the new members.

-Edger Schein.

What is culture? Culture is a pattern of basic assumptions- invented, this is very important - you can invent a culture, you can create a make believe situation, this is our culture; discovered, again the word discovered is indirect; juxtaposition, totally opposite of invented. You are that way, whether you accept your culture or not all of us are born Indians. Our attitudes towards wealth, work, fate, opposite gender are remarkably common.

To say that unification of India needs a political framework is something I would not like to comment upon. The basic Indian unity is a cultural unity. You talk to a Christian, you talk to a follower of Islam, you talk to a follower of Hinduism, you talk to the follower of any religion which is Indian they will all say [FL] fate; what do we do? This is so decreed.

There it does not matter how you believe your soul will be saved. Culture has to be discovered. I must hasten to add, there is no such thing as right culture or a wrong culture. Remember what I said, India is a great land and it will need few, more than a few, generations to take away from the greatness. It is intellectually blessed with the heritage which no matter how sued you become, will be always a source of knowledge management.

The finesse of our art and culture, the finesse of our mathematical formulations and the refinement of our science and technology is unsurpassed even today. It is another matter; it will be fashionable not to refer to it because some people do not want to believe it, good luck to them. India's greatness is not in need of anybody's certification; another matter altogether. Culturally how many of us want to own up - even a communist country like China owns up with its culture as only China can?

Anything to do with its tradition is not only preserved but is celebrated. It is not for nothing that China came into its own a few decades ago and today it is number one in many ways of life. Its ability to combine technology with tradition, its ability to work with discipline, its ability to have a single goal focused approach, its ability not to lose its way across generations in pursuit of collective objectives; great assets. The real bind amongst a given people is culture; and really what separates one set of people from another is culture.

This culture gets into work situations. The kind of legalism which we practice in India, many other countries do not. There was this certificate being issued by an international body headquartered in Manila, authorizing somebody; it simply said so and so is authorized to represent this organization for all legal purposes in his environment, etc. etera etcetera

He went back and said but you have not said so and so, son of so and so, resident of so and so; the answer was - that is the way you may draft it in India; that is not the way we draft in Manila. Here, if it is VS Sinha, 7 VS Sinha's will sprout to draw the benefit. Then they will have to find out whose father was who and even then they will find that three of the fathers had same names so they will have to name the village. Even then they discover that two such villages exist, so they will have to give the year of birth. Look at the legalism and the complications we create because of a simple inability to keep life simple.

Culture, what puts marks out a given group of people is the way they look at work; the way they practice the technology. Culture can be invented, it can be discovered or developed - you will notice the whole range is covered, by a given group as it learns to cope with the problems of external adaptation and internal integration - that has worked well enough to be considered valuable and to be taught to the new members.

Culture is essentially a positive effort. Culture is something which is passed from one generation to other. How you refer to elders? How you extend respect? How you give priority? How you manage gender relationships, indeed what kind of abuse you use at where and how. ==help== It covers the entire gamut. The type of culture we are talking of is work culture. We have already discussed the socio-cultural variables. How do you look upon work and your approach towards work will be very largely determined by how you look upon wealth?

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Basic elements of culture are: beliefs, values, attitudes, artifacts, language, behavior patterns, norms of behavior and ethical codes. Determinants of organizational culture are: history and ownership - ownership does not mean here a deed; ownership means what you identify with size, technological base, goals and objectives, the state of environment and organizational members; all these are determinants of organizational culture.

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There are different dimensions and typologies of culture. According to Harrison and Handy, there is power culture, there is role culture, there is task culture and there is person culture. According to Deal and Kennedy typology, there is a tough-guy macho culture, there is a work-hard/play hard culture, there is bet-your company culture and there is a process culture.

These typologies can be as many as scholars working on a theme. You do not have to take these typologies as final; they are indicative. There can be other type of technologies but let me see whether these can be explained for you to understand how the typology itself develop. Harrison suggested four types of organizational culture called power which has relationship with role, task and person. Later, Handy reworked describing four cultures using simple pictograms and making references to Greek mythology. I will walk you through that.
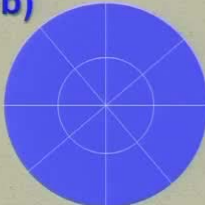
Power culture - it is the web. The advantage of the web is it helps you to react quickly because it radiates if you notice. This is one circle and that is an outer concentric circle. The disadvantages are: not feasible for large and complex organizations. It cannot adjust to changes in leadership. If the leadership does not want to work through the web then the web will disintegrate because remember, at the center of it is the leader himself. This can be called as the power culture.

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This has the role culture - the Greek temple. This is merely the coping stone but you have pillars and each pillar symbolizes formal rational rules. It generates economies of scale. The disadvantage of the role culture is that it has inability to innovate and adapt it will be always following rules. The claim will always be that these are rational rules; the claim will forever be that these rules cannot be changed.

The rules tend to dominate the scenario. Why cannot you do this? Because the rules do not permit; why do not the rules permit? I do not know; the institute decided. There are financial institutions; I do not want to name them. The auditor keeps swearing by the institute. Now tell me why did the institute… I do not know, the institute says so, why do not you do it your way, no if I were not do it their way I would lose my membership; I would lose my license. Therefore, the fear to lose license forces the auditor to follow a certain way. I am not commenting upon that. I am just giving you that as an example of what rational rules do to organization structures that is the culture.
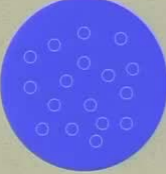
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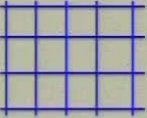
There are task cultures - the lattice. What are the advantages? It emphasizes technical expertise rather than formal authority. It becomes a network; there is no hierarchy whereas here there is a clear hierarchy. Here there is clearly a center piece. As compared to a web and as compared to a Greek temple, a lattice has no hierarchy, no centerpiece; it is weaving together of different types of expertise that gets a job done.

What are the disadvantages of a task culture which is like a Lattice? It creates high levels of stress and conflicts; because, then the experts start clashing and each expert starts demanding primacy. It creates management control problems ultimately leads me to a very simple proposition that there are no perfect solutions. There are only imperfect solutions, which lead to an approximation of the idea id. That is what life is about and at the end of the day the choices are important.

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There is a person culture. It consists of such independent minded people that they would truly insist on doing it their way. Existence of organizations for individuals - you put 20 artists to work, each one will paint their own way and the moment you would suggest that two of them do it in a similar way they would say you are trying to regiment us.
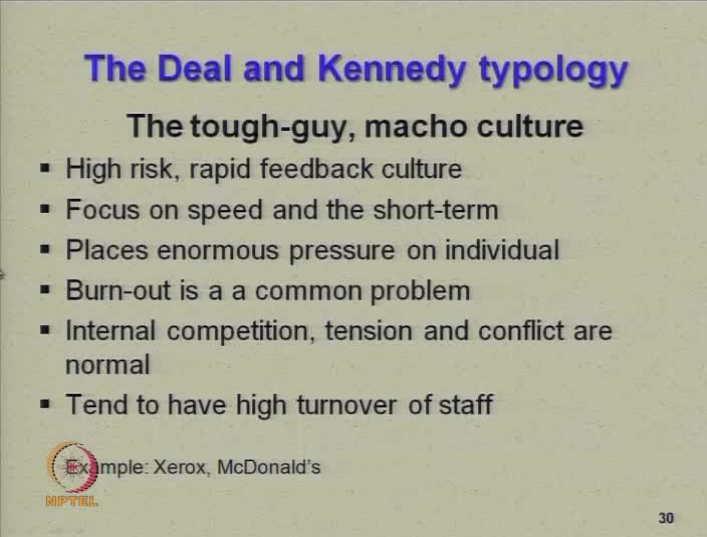
The word regimentation becomes a value. Again like anything as I do not wish to comment on this either. All I am trying is to help you to understand how many different types of organizational cultures there can be. Remember, we are not talking of fashions, we are not talking of styles of apparel, we are not talking of styles of talking; we are talking of styles of work which will emerge out of a certain culture. Never forget the theme which we are talking of today: culture, environment, structure and style. These are the four variables; their permutations and explorations is the subject matter of discussion.
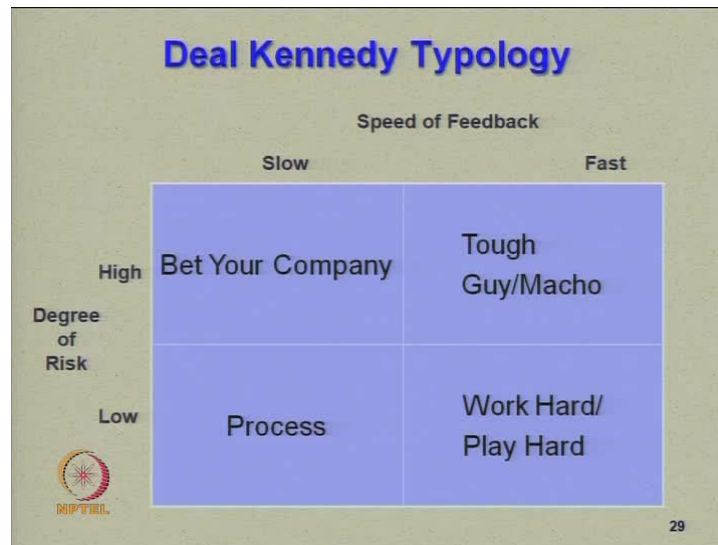
The difficulty with only individuals in an organization is that they difficult to manage. This has been put in a matrix form: speed of feedback - slow and fast on the x axis; degree of risk - high and low on the y axis. You combine high risk with slow feedback then you are betting your company. If you are combining high risk with fast feedback you are the tough guy; you want instant results. Your high degree of risk that is low The degree of risk is low and you are slow then you are a process oriented company. The degree of risk is low but the feedback is fast then you work hard and you play hard. these This matrix form of presentation is as you can well imagine, merely an aid to your comprehension. It does not lay down an organizational law. Let us be very clear, these are facilitative aides to your grasp of the subject matter.

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The tough-guy and the macho culture means high risk, rapid feedback culture; focus on speed and the short-term; places enormous pressure on an individual; burn-out is a common problem; internal competition, tensions and conflicts are normal; tends to have a high turnover of staff. The examples are: Xerox, McDonald's. You keep selling those burgers and the pressure becomes so high that you have to issue numbers and those burgers never end - rapid feedback culture.

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The work-hard/play-hard culture: low-risk, quick-feedback culture; highly dynamic and customer focused; tendency for volume to displace quality and pursue 'quick-fix' solutions when things go wrong. The examples would be: Silicon Valley companies, IT companies. You find a substitute and quickly move along; there is no time to wait.
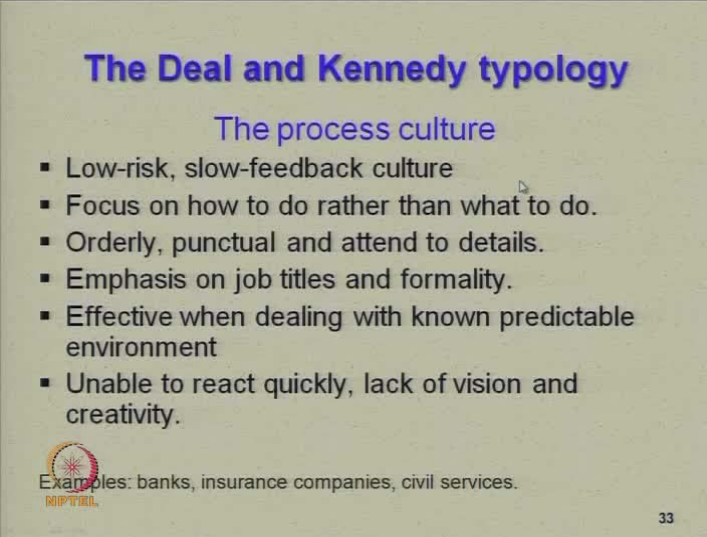
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Bet-your-company culture: this is high risk and low feedback; focused primarily on future, decision making tends to be top-down; it requires respect of authority and technical competence; strength to deal with high-pressure decisions and good at producing high quality inventions and scientific breakthroughs. Examples would be Boeing and Shell.

Remember, in management no discussion is complete unless you show the application and produce the illustration. It is a field discipline. Management does not work on simulation because you will discover very soon especially, those of you who do not have field experience that field has many more surprises than what theory can explain. To go back to an adage - truth is often stranger than fiction.

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The process culture means low-risk, slow-feedback culture; focus on how to do rather than what to do - this is the exact meaning of process; how, not what; its orderly, punctual and attends to details; emphasis on job titles and formality; effective when dealing with known predictable environment - it does not work very well when the environment is in a state of turbulence; so see how environment influences structure; the process culture will not work well in a turbulent environment; unable to react quickly, lack of vision and creativity. Examples are: banks, insurance companies and civil services. Obviously, there are exceptions everywhere and those exceptions need to be registered.

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What are the characteristics which a culture could impart to an organization? What kind of style? Culture could make an organization innovation and risk taking, it could help outcome orientation, it could help team orientation, it could affect stability, it could increase aggressiveness, it would make sure the dominant values prevail and dissent is reduced and it has tremendous attention to detail; culturally you like the details.
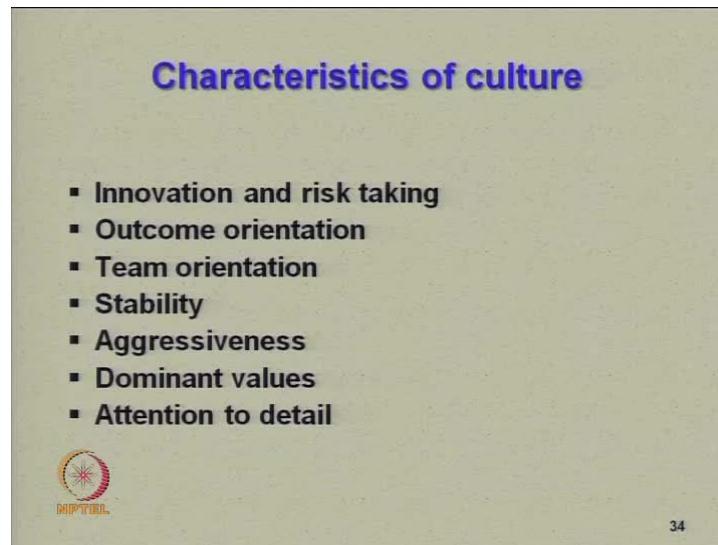
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How is the table laid? How is the fork, knife and spoon? Is it in sequence? Is it not in sequence? Is it in sequence in which the service will come or is it independent of it. Everything needs co-ordination. It is important to recognize that culture needs to be analyzed and its relationship with the structure and style; something which I have already been explaining to you is seen in greater detail. I will come back to you with this shortly.