

Public Organization and Management
Dr. Vaneet Kashyap
Department of Humanities and Social Sciences
Indian Institute of Technology Tirupati

Lecture – 48

Administrative reforms and organizational change in public organizations - III

Hello dear learners, I hope all of you are doing well and following the contents of the course. In the previous session, I have talked about, we have started discussion on administrative reforms wherein I discussed about why there was a need or there is a need to bringing in these administrative reforms to improve the functioning of the government and public organizations. So, we had discussed at length that what are the problems with the system, what were the inefficiency related issues, sometimes it is to do with the expectations of the public from the government organization to do better in terms of meeting the expectations. So, multiple reasons has led to various reforms to come into the picture and try to address the inefficiency related issues or lacunas into the practice of administrations in the government and public organizations. We have also seen the kind of the evolution, I would say, trace the different kind of reforms which have happened over different time frame, you know, something to do with the traditional management practice and then we talked about how need to bring in reforms led to the reforms like new public management, neo-Weberian state we discussed about, new public governance, focusing more on collaborative efforts, partnership and the issues like hybrid governance, role of digitalization into improving the functioning of the government, creating value for public following public value management. So various reforms you know have come into the place to address the issues related to the inefficiencies or improving the functioning of the government organizations.

That's what we had discussed in the previous session. And then we also talked about different types of administrative reforms. Some of the reforms are focused on short term. quick kind of changes to improve the functioning sometime having some of the changes have macro impact.

So we have discussed about adaptive changes in terms of micro or macro level changes. We discussed some of the examples also we talked about. And then we also talked about the process of administrative reform through various stages. First of all, anticipating the need for change and looking for the reforms who can actually aid in you know improving the inefficiencies or say functioning of the government organization right now since the title of the module is on administrative reform and organizational change because once the administrative reforms are to be initiated So, there is a change, there has to be change in the processes, changes in the organization, various aspects of the

organization undergo change, structure, processes, leadership, rules and regulations. So, lot of things undergo changes.

So, within this context, we will now continue our discussion from administrative reforms to focus more on organizational change aspects. And within that particular concept of organizational change, organization lifecycle and the stages, the stages through which the organizations grow that require some discussion. So within this, the outline, We are going to talk about the organizational life cycle and the stages of the growth of an organization and we will discuss about two important models of organizational life cycle which are more apt to be discussed in the context of public organization. One of the model is Anthony Down's model of life cycle of bureau's government and the other is one the integrated framework which is proposed by Quinn and Cameron. So, these are the two models that we are going to discuss in this particular session.

So, let us first of all look at organizational life cycle and the stages. Now, consider how organization came into existence and what organizations they does when they came into existence, what are the kind of characteristics that organization will have at different stages when they try to grow. So what happened is when the organization goes from one phase to another with the passage of time, for example, when they start the organization, you know, focus is much more on introducing the products and services, focus much more on, you know, the leadership aspect of it. the one person will lead the show and as the time passes, the organization will further grow from different-different life stages. So, the idea here is the concept of organizational life cycle if you look at, basically it talks about the progression, progression of organizations through different stages of growth and development.

There is a initiation phase when the organization come into existence, come into picture. with their business or programs and then they start functioning slowly with time passage or the way they expand doing more and more in the business, introducing new products and services and then they enter into different phases. So this progression is basically termed as progression through various stages of growth and development is what is about the organizational life cycle. Let us try to understand this progression through a very simple example, which also Daft quoted in the text when they compare the organizational life cycle stages with living organism. The way living organisms, they first of all take birth.

And then there is a growth and then mature and then subsequently decline, eventually decline is the stage. So similarly, the authors also try to compare the similar phases to the organization. It says that the organization undergo various stages like when they start the business, it's the initiation phase. then the growth comes where they have more and more business activities, more and more addition of the manpower, new products and services, ultimately they mature and finally if they don't adapt to the changes in the environment or

maybe because of other reason, then there can be decline of the organization. Now, what happened is the organizational studies, especially talking about organizational structures and design and the organizational theories, they talked about that organization evolved through predictable development phases from their inception to maturity and that is what we have been discussing since beginning of this particular session.

That this progression is from inception to maturity or of course if in some cases decline. Now according to Greiner in the paper titled Evolution and Revolution as Organization Grow as published in HBR. It talks about that each phase, she talked about inception maturity, each phase of this organizational life cycle stage, it is actually marked either by evolutionary periods where there is a steady growth, the organization continue to grow. where they will continue to focus on adding more and more to the activities, doing a large number of products and services introduction and continue to expand into different markets. So, there is an evolutionary period of growth.

Now, in between, sometime also the organization goes through the revolutionary phase, which is more of a, we can also say it as a crisis situation kind of a case. Now, if there is a crisis situation, now crisis could be because of anything, it can be related to leadership crisis, or crisis due to the market competition or organization product and service is not doing well, some change is there which has a direct impact on the functioning of the organization. What is this? This requires significant changes in the management practice to address or I would say adapt to the changes happening. So, this is very important to note here that evolutionary phases can also be followed by revolutionary phases. When you are growing, there is a growth in terms of evolutionary period, there could be some kind of crisis situation which is kind of a difficult phase or I will say a kind of a phase which kind of shake the organization in terms of adapting to the change.

Because we have talked about this thing, open or adaptive systems, we have talked about this in the beginning when we talked about the discussion on the comparison of organizations to open systems or adaptive systems. We say that organization exists in the bigger structures where they are impacted by the environment they are functioning into, the environment they are doing business and carrying out activities. Lot of things are changing in that environment. So, when that change happens in terms of competition, government coming up with new policies, changing new policies, customer expectation changes, stakeholder expectation changes. So, ultimately what happened, there is some kind of pressure on the organization to change.

There could be some kind of crisis situation. So, two different, you know, the periods which Greiner has talked about is evolutionary period and the revolutionary period stage, right. So, this particular discussion I have made to bring in the importance of why we need to discuss about the organizational life cycle, because of the failure rate if you look at in the organization, if we do not look into the understanding of the organizational life

cycle, so we will not be able to talk about the change process, because if you do not understand the different kind of stages and then the change processes that is to be introduced to take care of the outside changes will be little difficult. So, within that context, I have made this discussion on how organizations go through different life cycle stages from inception to maturity and each stage is characterized by what kind of features that we will discuss. Now, various scholars of organizational studies, they have proposed different models of organizational life cycle.

There is no particular one model, there are large number of models which have been proposed by different organizational theories. So, if you look at this source here, Quinn and Cameron in the paper titled Organizational Life Cycle and Shifting Criteria of Effectiveness, Some Preliminary Evidence published in Management Science. So, the authors have reviewed many the models of organizational life cycle and classified these models into different categories depending upon which of the organizational phenomena these models were focusing upon in terms of defining their own models. Different researchers have come up with the models and each of the model is focusing on one or the other different aspect of the organizational phenomena. Some of the models they actually have more to do with structure, as the organization life cycle go through stages, the focus is on the structural features, so hence the structural focused model.

Another talks about the life cycle stages in relation to the individual mentalities of the members, so hence the organizational individual member mentality is the focused model. Then, some of the models, they are basically more to do with the functional aspect of the organization, so hence the functional focused model. So, various models have been reviewed and Quinn and Cameron have proposed integrated framework of the organizational life cycle that we will look into. But before that, the first model that we are going to talk about is the model which was proposed by Anthony Downs called as the life cycle of the bureaus. Now, before I go ahead with the discussion on the model, I want to just give a quick review of the category of the officials and administrator that Anthony Downs proposed in the paper titled A Theory of Bureaucracy.

Because if you recall, we have discussed this category of officials and administrators when we discussed about the motives. Why this discussion is important? The reason is that as Anthony Downs explained about the various life cycle stages of the bureaus, the role of these officials and administrators has also been highlighted there. I will quickly within 5-7 minutes will review what we have discussed about the category of the various classification which is proposed as far as officials are concerned and then I will quickly go to the life cycle stages as proposed in the life cycle of bureaus by Anthony Downs. Now, if you look at the classification of Anthony Downs, Downs is of the view that the officials and the administrators in the public sector, they have complex set of goals, they have complex set of goals that they want to achieve and these set of goals include various elements. Now, these elements can include somebody's desire to contribute to public

service, desire to contribute to public service, some of the goals, elements I am writing here, desire to contribute to public service, public interest, also to do with the gaining the prestige or power or we can say income or some will have goals to look for security, some will take pride in work well done, some will have loyalty towards nation or particular policy or organization.

So, these are some of the goals that the official they look forward to achieve with these important elements. Now, according to Downes, proposed classification of officials, Downes classified these officials into two broad categories. The category one is official who are driven by self-interest and hence he proposed the classification as climbers and conservers. I will talk about the characteristics of climbers and conservers and the other category which he proposed is the official driven by the mixed motives, zealots, advocates or statesmen. Now, if you quickly look at the official who are driven by self-interest, as it is indicated self-interest, so these people actually focus much more on goals which they are focused on, they are basically the goals which will benefit them more rather than the organization and the society that they work for.

Now, these people they focus on gaining prestige, power, income, money, they want to have more income. In fact, they focus on maximizing their power and so. But how to achieve that? How climbers will, what kind of means they will follow to do that? So, what they do is, they will try to reach top of the organization where they will get promotions. Promotions mean more access to resources, more income and of course more prestige. And if they don't get that kind of opportunities within the organization, they will move to the other organizations.

Then comes the second category of officials driven by self-interest, which is called as conservers. Conservers, they actually focus on maximizing the security. They want to maintain the status quo, they want to maintain their position and of course, income and prestige. And the means which they will do is to look for security is to maintain their position. They do not like change because change is associated with fear, fear of losing.

Losing what? Losing the status quo, security or the benefits. So, that is conservers, the category of conserver, officials, administrators. Then comes the mixed motive officials. So, these officials, they focus on both the self-interest as well as the interest of the society, which is more to do with altruism, altruistic behavior, helping behavior, right. Now, three different kind of categories, you know, are proposed, zealots, advocates and statesmen.

Now, if you talk about zealots, as per Downs, these officials are more inclined towards specific policy or a program. They have more, I would say, loyalty towards specific program or policy and their loyalty is very high. So, to achieve this, what they will do is they are motivated to gain resources, acquire resources, make a group of people who will

support their idea so that they can contribute towards the society in terms of policy implementation and as well as the benefit to the self. Advocates, they are also these officials who are more inclined towards various public policies and programs. Zealots focus on one very specific category of policies.

Advocates on the other hand focus on much more diverse category of public policies or program or organization. they focus their focus is actually on promotion and defending the agencies the public policies or program right since they are advocates so they focus much more on defending or promoting the public agencies program and policies right then finally comes the statements these officials have strong loyalty towards society at large right but they also look for power prestige for self as well as the benefit of the society Now, what is that this motive to them is that the motive for them is that they want to participate in the kind of program which will have a impact, the influence of these public policy programs or the organization in terms of impact is huge, that is what is driving for these people in terms of the work effort. Now, if you look at this classification broadly, officials driven by self-interest and officials driven by mixed motive, I am going to talk about all these, the officials and of course, their role when we talk about the stages of the life cycles of the Bureau that is proposed by Anthony Downs. Let us look into this. Before discussing the three stages of, three stage life cycle of the government bureaus as proposed by Anthony Downs, you please note this citation.

So, let us look at first of all what Downs talked about how first of all agencies came into the picture, existence. Bureaus came into existence according to Downs, generally originate with the ideas of the category of administrators whom he called zealots. We have talked about this. Just before, I've talked about the category of officials. So, zealots are the category of officials with the mixed motives.

They have self-interest as well as they have altruistic motives also of helping behavior or working for some policy programs. So, how generally bureaus came into existence? Because of the ideas of the zealots. Dominance is from the administrator in the category of zealots and the advocates. So, you know about how zealots are, they are the ones who have much more self-interest as well as the altruistic behavior. Now, what these zealots do is zealots with their ideas, they have the ideas, so in order to convert their ideas into in a form of a different unit or a function or organization in itself.

What they will do is they will seek support from the environment in terms of resources, looking for the resources so that it can result into the creation of new bureaus or different unit or function. So, Down suggested the three ways with which it can be achieved. So, how the genesis of bureaus happens with these three different kind of ways. One is with the initiation of these allots. So, the alerts with their personality which is more of charisma, they already have group of people who are around with which they have already enjoyed that kind of informal power.

So, what they will do is their ideas when they try to seek opportunities to encash their ideas, their personal group which they have created gets converted into a formal different organization or a unit as a separate bureau or an organization or a unit within the organization. The second category that, second way, not the category, second way that the paper discuss is that zealots, they actually separate from, get separated from the parent organization. So, what happen is, they split off the unit from the bureau. So, what they do is, they separate, form unit splitting from the parent organization. what happened is there in this case the alerts are already the part of the organization okay so what they do is they have idea and they wanted to establish in the different, complete different organization so they seek support so once they get the support once they get enough resources so what they do is they get splitter from uh the existing bureau and start working as an independent organization unit or a bureau Third is entrepreneurial development.

In this case, the people are not already working in the existing organization. So, these category of people, they are outside the organization. They have ideas. So, they have entrepreneurial ideas. So, after seeking support from the environment, from society in terms of resources, they start or create the new bureaus.

So, this is some of the ways which have been mentioned in the book. bureaucratic structure and decision making that how organizations or bureaus they came into existence and then after this there are the life cycle stages you know life cycle of the bureau stages as per downs three stages are mentioned first one is the struggle for autonomy stage let's look at what are the characteristics of the stage now bureaus seeking strong external support for its survival because now they have been formed. So, what happened is they seek lot of support from the environment. So, what is the focus of the leaders in this? The focus of leader is in on great efforts to achieve or accomplish their goals.

There are goals that they have to achieve. So, leaders focus lot much on focusing on the achievement of the goals. And what happens when they do that? Their confidence also increase. There is increase in confidence of the supporting agency, which are the agency which are supporting them. They also have increased confidence in the abilities of these bureaus because these organizations are really working hard to achieve their goals. And hence, they will actually get lot of support from the organization.

So, we will say that in that way, they will also help in legitimizing their function. And also at this stage, we will see that there are no formal rules and regulations that have been developed because this is just an initiation phase. Now, once this bureau kind of stabilizes its external network with various stakeholders, and they are also very confident that they have created enough sources because there are legitimizing functions from the external environment, they have got that kind of support. So, this particular leads to the organization achieving a stage which Downs mentioned in form of survival threshold,

right. Now, what happened is, this particular stage functions being legitimized, the external support agencies, they are also having confidence in the abilities of the Bureau.

They have also obtained the autonomy from the parent bureaus, there is some kind of resource stabilization and this is what Downs mentioned is at that the organization has achieved a survival threshold. Now, once the survival threshold is reached, what happen? Organizations trying to become more competent and become more efficient in terms of their goal achievement. Also, at this stage, you will see there are lot number of additional additions happening in the Bureau, which further result in the increase in the offerings of the organization in terms of products, services or policies in addition to the existing resources. Now what happened with this passage of within the passage of time as organization further expand there is a more development of rules and regulation and by the time this organization has also tried to learn how to deal with the various situations or contingency. Now if you look at this stage the focus is on maintaining and expanding the organization and you know hence the work involvement is much more into administration matters.

Now, let us look at the role of different type of administrator, if you can recall the classification of zealots, climbers, conservers, statements and advocates as proposed by Downs. Now, what happened is at this stage, administration matters become more prominent and the status of zealots continue to decline because in the beginning, it was zealots who have started this particular bureau. Now, with the passage of time, the organization become more mature, so the status of the zealots are going to decline. Who will come in the forefront? Conservers will come in the forefront, you know, in the organization by acquiring more power and resources including prestige, right. What is the character of the conserver? Conserver try to maintain the status quo of the organization.

But if the organization at this stage confront the challenges of crisis situation, then what happened? The climbers and advocates come into the picture. Of course, the organization was going through the growth. We talked about this, you know, evolutionary phase of growth. evolutionary phase of growth we talked about which all the character we have just discussed. But in between if something comes up in terms of change, environment change or something comes up which shakes the organization, then the climbers and advocates came into picture and because they focus much more on innovation, adaptation of change.

So, while organizations strive to expand in its activity and scope, they also tend to focus then on diversification and new functions to gain more resources more power and income because now you see that who have come into forefront climbers and conserver and that's hence the the stage comes at rapid growth stage the second growth stage rapid growth stage Now, in this stage what happen is, down stated that the if organization function, organization this bureau will get more prominence from the society and the agencies

which are supporting them, what happens is they will also get additional resources. So, the whole role of innovators and climbers is also mentioned here. Now, what happened is this led to, because there is a change, there are more resources, this will lead to consequences in the form of bringing changes in the organization. I told you about whenever there are revolutionary phases, there are some kind of management practices change required. So, bringing changes in the organization is one important feature.

Internal structure undergoes changes, there will be revision of the structure, revision of the day-to-day activities, rules and procedures. Now, what happened is because the organization is growing, there will be addition in the layer. So, hence more promotional chances. So, you will see that climbers will seek to move up in the hierarchy. So, more expansion, more promotion opportunities, so they will look for the expansion.

At the same time, you will see there is a decrease in the conservers because now climbers are at the forefront. So, because now climbers are in the position and they are innovative, they will create more opportunities, they will expand, they will want to grow, hence more and more addition of the like-minded people like climbers for the fast growth in the organization. So, that is what is the idea of this particular stage of rapid growth stage. Then comes the third stage which is of deceleration stage. So, what happened is at this stage, what happened because you are growing, you are expanding, you are also giving competition to the other bureaus or you might be entering into the boundary of the functioning of the other bureaus.

So, in this case what happened is the competition tends to emerge which results in the activities of the organization. So, increased size and then there is increased complexity. So, what happened is relative importance of the Bureau actually they goes down and hence lead to the reduction in the resources. And also this will lead to the lesser opportunities for the talent for climbers. So, what you will see? You will see the rise in the number of conservers because climbers will look for the opportunities elsewhere.

There are no growth opportunities. So, what happens is all of these events further result in organization growing slow, lesser opportunities for growth and promotion. So, we talked about what will happen with the climbers, they will look for the option somewhere else because they are not finding much more excitement within this organization. So, they will move out somewhere else, look for opportunities. Conservers comes at the forefront because they wanted to maintain the status quo, the focus is on maintaining status quo, less flexibility, innovation goes down and new opportunities continue to fall and there is a significant decrease in the importance of the Bureau and hence reduction in the resources, power and prestige. So, these are the three important life stages of the bureau as defined by the models of Downs.

So, I will stop here and I will continue this discussion in the next session on the model integrated framework of organizational life cycle proposed by Quinn and Cameron after reviewing various other models in the literature.