



Changes in Organizational Structure from a Bureaucratic Organization to an Adhocratic one

Hossein Khanifar¹, Fatemeh Saghari², Seyed Reza Razavi Saeedi³ and Alireza Rostami⁴

¹Faculty of Management, University of Tehran, Qom College, Iran.

²Payam Noor University, Babol.

³Public Administration University of Tehran, College of Qom, Iran.

⁴Master of Economic Sciences, Iran.

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ABSTRACT

During past decades, the management scholars have took various surveys to find a satisfactory structure for organizations. They supposed that, through studying the relation between features of a structure and operation, they can come to the best type of the structure and, consequently, guarantee the higher levels of organizational operations. Experimental studies illustrated that what is useful in an organization, may be useless for another. Such findings led to the emergence of 'contingency theory'. This theory claims that the amount or the degree of the relations changes between two variables, taking structure and operation for instance, and other consisting elements of an organization such as technology and workplace. The traditional organization used to possess hierarchical structures; while nowadays, coming across a more dynamic context, organizations experience novel types of organizational structure. Commonly, by elimination of hierarchy in decision making, organizations are able to response rapidly to the fast contextual variations. We believe that, in coming years, the organizational structures will move toward dynamic models to let the organizations get out of the bureaucratic state and pace in adhocratic structures.

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Introduction

Most of today's organizations lead their structures from bureaucracy to adhocracy. According to Weber, Anderson and Parson (1947), the attitudes of a modern bureaucratic organization includes being personal and running an autocratic system. Toffler (1970) introduces organization as a web of roles performed by individuals (contrary to a web of individuals as a social network). In general, bureaucratic organizations cope with routine and repetitive operations. On the other extreme of the spectrum are the adhocratic organizations indicating a type of organization which is achieving the opportunities, solutions and conclusions (Waterman, 1992). Adhocratic organization is defined as a flexible one (Beirsto, 1997). Multi-task teams proper for complex tasks and uncertain environment are formed in an adhocratic organization.

In such an organization, there is no official law or standard process for solving routine problems; but rather, the adhocratic organization manifests an appropriate response according to the contextual conditions (Mintzberg & Quinn, 1996). A major difference between two bureaucratic and adhocratic structures is that in bureaucratic structure the data current moves down-upward and it is hierarchical, while in an adhocratic organization the data and knowledge the current is linear (Orlikowski, 1991). This article suggests a four dimensional structure which indicates how an organization, through focusing on contextual changes, can transform from a bureaucratic organization to an adhocratic one. This four dimensional difference also contains the distinction between various levels.

Definitions

Organizational structure defines how job tasks are formally divided, grouped, and coordinated (Ibrahim Ali, 2005, pp. 23-32). The structure refers to the relations between the components of an organized collection. The notion of the structure can be utilized for everything (such as a building, human...). In general, theorists consider a couple of structures: social and physical. A physical structure refers to the connection between the physical elements of an organization, while the social structure refers to the social elements of that organization (Mary Jo Hatch, trans. Danaaiifard, 2007). Max Webber, the most eminent German sociologist who for the first time presented the theory of bureaucracy in early 1900s, described the organizations as social structures consisted of a type of hierarchy of authority, labor division, and official processes (Weber, 1947). Social structure includes some dimensions like size, administrative elements, control areas, specialization, standardization, officialism, focus and complexion through which the social structure is formed (Mary Jo Hatch, trans. Danaaiifard, 2007).

Each organization consists of social elements the same as individuals, their positions, groups or branches (Mary Jo Hatch, trans. Danaaiifard, 2007). Organization is a targeted social institution whose structure is planned wisely, and possesses dynamic and coordinated systems which relate to the external environment. Organization consists of individuals and their relationships. An organization takes form when individuals communicate to perform their vital task to achieve the goals (Deghat, 2006). Organization is a social phenomenon consciously coordinated and possesses a relatively determined border, and whose primary task is to achieve the common goal

or goals. By 'consciously coordinated' we mean checking the cooperation between the manager and the staffs through the knowledge about the responsibilities, and this checking is used in relation to the management (Seyed Jawadin, 2005).

Organizational Structures

Whenever an organization is not designed round the axis of a social structure, it will appear through career activities and the staffs' relations in organization. Commonly, analyzing a social structure begins by determining a foundation for dividing career activities. This analysis expresses the main challenges in coordinating the consisting branches, positions and individuals of an organization. Structure refers to the relationship between the elements of a coordinated organization. The meaning of structure can be used for everything (buildings and people...) and the managers and theorists always use charts to rapidly check of social structure. Such charts represent a fairly clear reflection of authority hierarchy and a general idea for dividing labor; however, to make this chart a beneficial analytic-descriptive means, it must be an updated plan of a real structure, rather than a historical recite of the past relations or a reflection of the stakeholders' expectations.

Separating departments within an organization creates some natural borders which influence the relationships and coordination. The relationships and the coordination within a group usually are encouraged through close ties and frequent interactions among group members; however, the absence of relations and interactions produces some obstacles in the path of the relationships and coordination among the groups in terms of idealism. Organizational structure is formed for leading the staffs to perform their maintained works and tasks. Every organization has its own conflicts and contradictions which result from the operational inability for organization's complete coordination. For defining the social structure, there are three types of the relation between individuals, positions and branches (Mary Jo Hatch, trans. Danaaifard, 2006). Organizational structure is measured through some variables known as organizational structure dimensions. In addition to the classics' dimensions, three other dimensions which have been continually mentioned in the evidence of contingency, and have been evident in today's modernist theories about organization include: complexity, concentration and officialism (Jablin, 1988).

Stephan Robins says that three elements to create an organizational structure are complexity, formalization and centralization (Akhavan, Zareei Matin, Jandaghi and Razavi Saeedi, 2010). That is why these three dimensions are described further. Table 1 contains the organizational structure dimensions and their definitions in brief.

Officialism: refers to the limit in which the rules, principles, policies and procedures are performed in an organization. Officialism factors include written policies, job descriptions, codified books of procedures, organizational charts, managing systems such as goal oriented management, Techniques to evaluate the program and list of official rules and regulations. Non-officialism of an organization means Flexibility and spontaneity. The researches illustrate that the officialism results in the reduction of staffs' freedom, increase control, reducing innovation and the communication within the organization (Hage, 1974; Rousseau, 1978).

Centralization: in a concentrated organization, decision making belongs exclusively to the high levels of the organization, and the made decision in such levels is accepted without any dispute. In a concentrated organization lower level

individuals' cooperation is the least in decision making; however, in a decentralized organization the decision is made by those who are the closest to the condition. Decentralized organizations rely upon many organizational members in a decision making process (Mary Jo Hatch, trans. Danaaifard, 2006). The variety of the made decisions is one of the problems in evaluating the centralization. There might be a high decentralization level in terms of decision making (Grinyer and Yasai, 1980). Researches show that the amount of Communication, participation and satisfaction in decentralized organizations are higher, while the controlling and coordination is more problematic. The commands of the higher positions are faster responded in centralized structures. If the centralized organizations are large ones, decision bottlenecks can distort organizational performance through slowing organizational responses to environmental stress (Mary Jo Hatch, trans. Danaaifard, 2006).

Complexity: refers to both vertical and horizontal division. Horizontal or linear division is evaluated through counting the number of different branches of an organization. Vertical or hierarchical division is measured based on the number of the levels from the most superior organizational position to the most inferior. Of course, the size of the organization is the basic factor in its complexity. As a result, the larger organization is, the more complexity occurs. By the way, a couple of organizations having the same size might not be the same in complexity (Mary Jo Hatch, trans. Danaaifard, 2006). The more organization is complex in vertical or horizontal division, the more need is felt for relations. Furthermore, complexity relates to the communicational problems such as failure in sending or receiving the required data, data distortion and loss of information control by the supreme management (Hage, Aiken, and Marrett, 1971).

Table 1- dimensions of organizational structure

Dimensions	Definition
Size	The staffs and the managers in different organizational levels
Official elements	The percentage of the staffs that possess official responsibilities
Control areas	The number of the staffs under command of a manager
Specialization	The number of the experts in an organization
Standardization	The process of the events or the activities that happen regularly
officialism	The limit in which the rules, procedures, principles and the relationships are written to be used in various organizational levels.
centralization	The limit in which the organization's decisions are made by leaders
Complexion	Vertical division: the number of levels in a hierarchy; horizontal division: the number of branches in organization

Four Dimensional Structural Model

This part of the article illustrates a classified four dimensional structural model which indicating how a structure with defined dimensions can consist of some structures in smaller dimensions. This model is presented in accordance with the studied samples of organizational structures.

First- Humane Dimension

This dimension plays a double duty in the mentioned model, and supports other dimensions. In other words, three higher dimensions consist of individuals which belong to the humane dimension. Hardly ever an individual belongs to solely one dimension.

Table 2- Comparisons between different levels and structures based on some dimensions

	Humane dimension	Organizational dimension	Group dimension	Adhocratic dimension
Producing factor	Discriminating factor	Partnership type	Focus on the interest	mission
input	Natural combining	employment	Free- collectable	Selection based on the role
output	Natural rejecting	dismiss	Free- collectable	Dissolved after the mission
Type of the objective	Independent-individual	Independent- goals toward perspective	Compound goal- exchanging experience, data and knowledge	Compound goal- exchanging experience, data and knowledge
Definition of the objective	No definition	Based on perspective	Partnership and interest is the chief factor and any judgment is accepted	Mission
members	individuals	Operators (individuals+ rules)	Operators (individuals+ rules)	Operators (individuals or digital essence)
Members' liberty	high	Average (hierarchy)	Average (having any procedure)	Weak (high cohesion)
partnership	No partnership	partly	yes	yes
Organization's degree	Weak- based on the tasks	Commonly high-organizational chart	Average- based on the production/consumption	High- abundantly relevant to the mission and organizational nature
Life period	permanent	Long term	changeable	limited

Table 3- Internal and external contents of the dimensions

	External content	Internal content
Humane dimension	A multitude of knowledge pieces related to evidence which belongs to collective memory. High levels of knowledge, where the structures knowledge comes from	It defines the expected behavior in a social network. It progresses in all time spans; it can not be procedure directly; it is transferred in up- downward procedure.
Organization dimension	Humane dimension data General information on the organization, marketing laws (such as models, supply / demand)	It is formed in the path of organization's perspective. Gradually and ascending creates organization's memory. A standardized shape of external contents. Includes data about the type of organization, its size, target market, chief characters in organization...
Group dimension	Information on the human and organizational levels Mental rules and correct procedures for making and maintaining group and organization's foundation (Through a well-defined hierarchical channel) Past experiences achieved by informal communication	Shared benefit for group. Ascending and faster forms the organization's memory. Lower pressure from lower levels leads to high cohesion; they are specialized; include data about the type of the required operators, type of determined issues, conclusions and failures etc.
Adhocratic dimension	Includes all data of group, organization and humane dimensions The effect of the adhocracy on the foundation of communications and organizations The type of developed organizational structures in every dimension	Combined with adhocratic mission. High pressure from lower levels leads to higher coherence. It is a standardized shape of external adhocratic contents, and contains data about the authority if adhocracy in organization

Adhocracy	Bureaucracy
Works are done in a team and in group dimension Individuals can act in every level and achieve payment There is no hierarchy Promotion is based on merit and it occurs through collective judgment Low Officialism, high lack of centralization, and low complexon	Fixed labor division Fixed payments to officers Clear hierarchy Promotion based on seniority Recognize too much complexity and too much focus.

An individual always belongs to all dimensions, of course in different degrees. As a structure of humane dimension, a social network is an organizational structure that includes individuals and their relationships (Wellman and Carrington 1998; Hanneman, 2001). The chief features of a social network structure are flexibility, absence of hierarchy, and socializing the individual goals. The relationships between people in a social network can have various essences: relative relationships, long-term friendship relationships, marital relationships and business partners' relationships (Rheingold, 2000).

Second- Organizational Dimension

The concept of the organizational dimension is closely relevant to the social perspectives. An organization is a combination of humane attempts in a fairly fixed network of the social relationships (Van Aken 1982). Consequently, the organizational dimension also is relevant to the bureaucratic notions. An organization consists of individuals which produce and offer products and services to the clients.

Third- Group Dimension

A group can be defined as a collection of individuals who are combined together in a social network. Some instances of such groups include operational groups, virtual groups, communication groups etc. as stated earlier, groups are formed in social networks. A group structure takes formation when a dominant feature appears among the members of a social network. Operational groups are regarded as structures of the group dimension. They are organized groups working together on a compilation of issues, or they communicate to each other for their feverish interest in something (Wenger, 2002). Virtual group is another example which commonly includes a group of individuals regularly interacting to other groups.

Fourth- Adhocratic Dimension

The term 'adhocracy' is chiefly used in contrast to bureaucracy. This dimension expresses a structure which is able to combine various skills from different majors in order to make teams to fulfill the spontaneous projects (Mintzberg, 1979). Adhocratic dimension has no written and official laws, or the standardized procedures for performing the routine and repeated operations. A sample of the adhocratic dimension structure is task labor that is formed for fulfilling missions.

Conclusions and Findings

Discussion and Comparison

Because of its fixed and confident context, traditional organization used to apply bureaucratic structures. Such organizations have been autocratic and had hierarchical graphs. In the dynamic context of today's organizations, adhocratic structures are more proper than the bureaucratic ones, because the former is more flexible. Coming across a more dynamic environment, today's organizations tend to use novel structures. Most of these organizations lean their structures from bureaucratic to adhocratic. In this article, a four-dimensional model was presented for future organizational contexts. The followings are some of the advantages of this model:

- This model helps to show how an organization can transfer from a bureaucratic structure to an adhocratic one
- It will easily determine what type of technology is beneficial in every level. Take decision making supporting system as an example.

The following table briefly contains the leading features of a bureaucratic structure (used in traditional organizations) and presented structure in this article (adhocracy used in today's and tomorrow's organizations).

Conclusions and suggestions

This article introduced a four-dimensional model which can be used in terms of how an organization can shift its structure from bureaucratic to adhocratic one. In particular, this model does not consider social aspects. Clearly, a dynamic organizational model always varies in social level, and this variation affects the relation among the organizational laborers and it has to be discussed through social viewpoint. The next stage in this study is the ability of the suggested model in referring to the technological variation frame proportioned to various organizational structures. We believe that every type of model can be useful in one type of specific technology (e.g. decision making supporting system in adhocratic dimension, cooperation and cohesion with computer system in group dimension, informational management system in organizational dimension and automatic official means in humane dimension). Achieving these various levels of systems in a general framework can make a wonderful cooperation in terms of coherence of the systems. We hope the presented model to prepare a tool for researchers in expansion of the dynamic models of organizations.

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