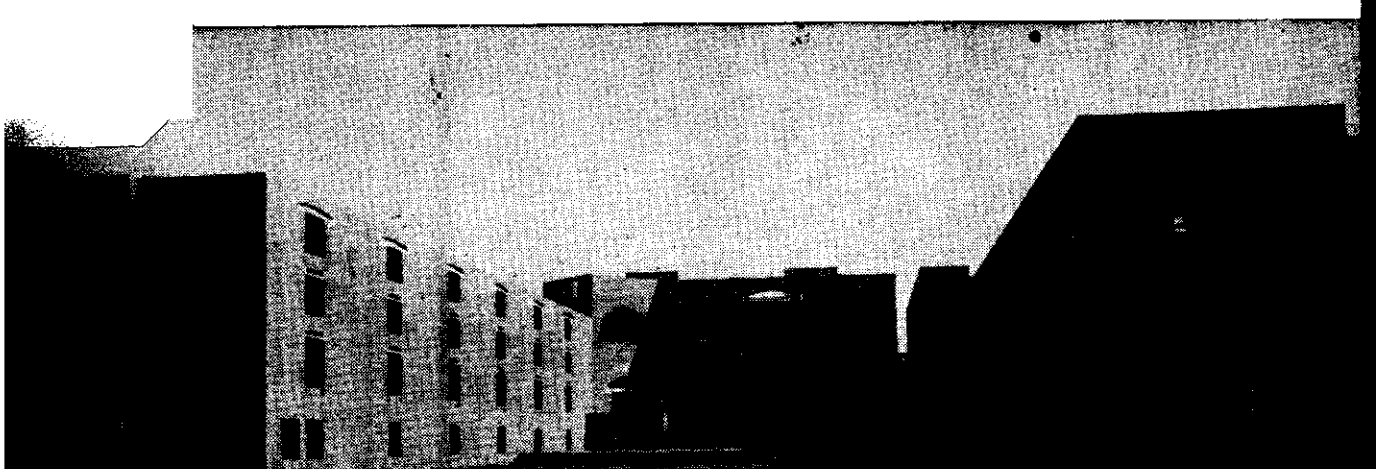




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VANISHING BOUNDARIES

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ABSTRACT

Organisation development literature is replete with writings on how to improve organisational effectiveness. While this is useful, actions in the real world often formally involve multiplicity of organisations especially if one examines public delivery systems, public programmes and large construction and technological projects. While matrix organisation and project management have been invented to cope with issues arising out of such situations by managers (not by academics!) this paper argues that these approaches do not adequately deal with 'boundary' issues. Therefore, it argues that one has to develop a concept of inter-organisational effectiveness and using the concept of 'boundary', develop strategic interventions for inter-organisational effectiveness. It is suggested that failures of public delivery systems, public programmes and large construction and technological projects could be due to failures in understanding these two key concepts and failures in making appropriate strategic interventions.

VANISHING BOUNDARIES

OR

EXPLORATIONS IN STRATEGIC INTERVENTIONS FOR INTER-ORGANISATIONAL EFFECTIVENESS

Organisation development literature is replete with writings on how to improve organisational effectiveness. While this is useful, actions in the real world often formally involve multiplicity of organisations especially if one examines public delivery systems, public programmes and large construction and technological projects. While matrix organisation and project management have been invented to cope with issues arising out of such situations by managers (not by academics!) this paper argues that these approaches do not adequately deal with 'boundary' issues. Therefore, it argues that one has to develop a concept of inter-organisational effectiveness and using the concept of 'boundary', develop strategic interventions for inter-organisational effectiveness. It is suggested that failures of public delivery systems, public programmes and large construction and technological projects could be due to failures in understanding these two key concepts and failures in making appropriate strategic interventions.¹

Organisational effectiveness:

There is a general consensus among researchers as well as practitioners that organisational effectiveness is a multi-dimensional concept. However, there is no agreement on the dimensions which are significant. The systems model has provided

some guidelines for developing a framework for organisational effectiveness (Spray, 1976, p.166). One of the ways in which organisational effectiveness has been conceptualised is in terms of accomplishment of goals and objectives. Another way in which organisational effectiveness has been conceived of is in terms of how resources are used by the concerned organisation. Perrow (1970, p.135) identified various goals viz., societal goals, output goals, system goals, product goals, and derived goals. If one takes the view that organisational effectiveness is a function of accomplishment of goals, then, one would have to take a variety of these into account. In contrast, the resource utilisation approach focuses on the organisation's ability to draw from its environment various scarce resources needed for its functioning. Table 1 summarises various models of organisational effectiveness (Maheshwari, 1978, pp.38-40).

Insert Table 1 about here

One of the more accepted definitions of organisational effectiveness is the one by Mott (1972, p.34). He states that organisational effectiveness is

"the ability of an organisation to mobilize its centres of power to produce, adapt to change and cope with emergencies"

Whereas this definition may be applicable to both an organisation as well as a group of organisations, most work on organisational

effectiveness has centred around examining the effects of its environment, technology, its structure and processes as well as the people in the organisation. This may not be directly relevant for developing a model of inter-organisational effectiveness. The concept of accomplishment of goals as well as utilisation of resources may well be used as two pivots around which a concept of inter organisational effectiveness may be developed. It is also to be recognised that in the context of developing a model of inter-organisational effectiveness the dimensions of goal accomplishment and resource utilisation may be at conflict with each other. One organisation in a group of organisations may wish to exploit its environment viz., other organisations in the network to the detriment of common goals as well as to the detriment of other organisations. Therefore, a model has to be built on the concept of 'balance' of these two forces.

Inter-organisational effectiveness

More and more there has been realisation that large societal problems and issues depend on different organisations joining hands together in the performance of a certain common task. Therefore, more and more, the environments of organisations are most realistically regarded as being composed of other organisations (Metcalfe, 1975, p.4). Again, there is an increasing realisation that the boundary transactions between

a set of interacting organisations are very critical for attainment of common goals. These transactions also become important in order to generate resources from organisations in the inter-dependent network as well as organisations outside. There has also been increasing concern with the behaviour of organisations in a collectivity, especially, where they are inappropriate responses to the actions taken by organisations in the collectivity as well as isolated actions (Warren, 1972, p.21). Therefore the focus has moved towards deliberative coming together of various organisations for the purpose of joint action within what might be conceptualised as an inter-organisational collectivity. For the purpose of our discussions, an inter organisational collectivity may be defined as two or more organisations which

"join together as an action system to attain a specific objective by performing a set or series of goal directed behavioural acts" (Van de Ven, Emmett and Koenig, 1974, p.118)

This, therefore, argues for deliberate interventions in structuring the relationships between various organisations in the collectivity in order to take effective joint actions. These joint actions are made possible, among others, by different boundary spanning roles in the organisations involved in the collectivity. In the process of coming together to take joint actions the boundaries of individual organisations get diffuse and new boundaries emerge.

The boundary spanning roles and the people in these roles are mechanisms for dissolving organisational boundaries and for creation of inter-organisational boundaries for the purposes

of joint action. Therefore, a new set of boundary spanning roles for the inter-organisational collectivity, as a whole, emerge.

There are two perspectives that are helpful in terms of understanding the functioning of inter-organisational collectivities. The first is a perspective which examines the comparative properties of an interaction network. The second examines the relational properties of the network (Marratt, 1971). For our purpose, it is the latter which is relevant since the focus in this perspective is on the linkage mechanisms between the various organisations. Even here, there are two approaches that exist. The first approach examines the dimension of interaction or exchange between organisations while the other subjects mechanisms for coordination between the different organisations to a searching scrutiny. Both are relevant.

Four key dimensions have been identified for examining the linkage relationship between organisations These are:

1. Formalisation - the degree to which exchanges between organisations are given official sanction or agreed to by the parties involved, and the extent to which an intermediary coordinates the relations (e.g. Hage and Aiken, 1967)
2. Intensity - the amount of involvement required by parties to the exchange in terms of the size of resource investment required, and the frequency of interaction (e.g. Johns and Demarche, 1951; Reid, 1964; Mayhew, 1971)
3. Reciprocity - the directions of the exchange (unilateral reciprocal, or joint) and the extent to which terms on the bases and conditions of

the exchange are mutually reached (e.g. Levin and White 1961, Guetzkow, 1966)

4. Standardisation - some reliable determination or fixedness of the units of exchange and procedures for exchange between organisations (e.g. Litwak and Hylton 1962)" (Vande Ven, Emmett and Koenig, 1974, p.117)

In the second approach, a variety of linkage mechanisms are identified. These mechanisms are commonly considered as dependent variables with the four factors identified above as independent variables. Common messengers, coordination agency, inter-agency committees, among others, have been researched. However, this remains an underexplored area. Before one develops dimensions for inter organisational effectiveness it would be useful to examine why different organisations come together. Four possible reasons have been identified. These are:

1. for sharing pertinent information;
2. for promoting areas of common interest;
3. for jointly obtaining and allocating resources more than would be possible by any one organisation if it were to act independently; and
4. for protecting areas of common interest and for sorting out any problems (Van de Ven, Emmett, and Koenig, 1974, p.119)

Any concept of inter-organisational effectiveness would have to keep these four objectives in view. To quote Van de Ven, Emmett and Koenig,(1974, p.120):

"As a social system, the actions of the organisations are inter-dependent and over time member organisations, or

representatives thereof, take on specialised roles and develop behavioral expectations of each other regarding the rights and obligations of membership in the collectivity. In this sense, Clark (1965: 234) suggests that two or more interdependent organisations bind themselves together by performing specialised activities to attain a specific objective for a limited period of time, often by the terms of a contract. As a collectivity, this role structure is such that the IC can act as a unit and make decisions to attain the goals of the system. Generally, decisions are allowed to emerge out of the interaction among various role occupants. Modifications and changes which are necessary in making a joint decision 'occur incrementally through the waxing and waning of the resource allocation mechanism, and through changes in legitimation or shifting domains' and roles of members within the IC (Warren, 1967:413)"

Thus, specification of boundaries of an inter-organisational collectivity are problematic. However, it is possible, in a given situation to draw boundaries for an inter-organisational collectivity. It is quite possible that the drawing of these boundaries would itself present a major task for the boundary spanning people from different organisations in the collectivity. Elusive and ill-defined inter organisational collectivity boundaries are likely to lead to ineffective joint action.

Another way of looking at inter organisational effectiveness is to look at four problems which all social systems have to solve if they have to survive. These are:

- "1. goal attainment or enabling system participants to attain their goals;
2. integration, or articulating together the actions of system members;

3. adaptation, which refers to the boundary maintenance, relationship between the system and its environment: and
4. instrumental pattern maintenance or ensuring that the task activities, norms and values of participants are consistent with those of the system" (Van de Van, Emmett and Koenig, 1974, p.123)

Therefore, this could be considered as four dimensions on which the effectiveness of an inter-organisational collectivity could be explored. Thus, these could be used as the focii for interventions in inter-organisational collectivities. Before turning to such interventions it would be useful to explore the concept of 'boundary' in order to place the discussion in its context.

Centrality of Boundaries

Gunnar Hjelholt (1976) discusses boundary and identity as key concepts and says that these characterise Europe. He says that these two concepts critique the modern organisation theories which advocate matrix organisation or temporary systems. These try to blur the essential group identities. His contention is that the real solutions are in the direction of creating conditions in which groups are allowed their identity but can extend their boundaries to influence the organisation as a whole, i.e., they are allowed to share in the power. This concept can be extended to the inter-organisational collectivity where different organisations can be conceived of as coming together and can be conceived of as maintaining their identities while influencing the inter-organisational collectivity as a whole. Therefore, interventions

have to strengthen both individual organisational identities as well as assist in the extension of individual organisational boundaries to encompass the inter-organisational collectivity.

Hjelholt says:

"In history many groups have experienced a reduction of their territories, and the meaningful life which at one time could be fulfilled inside one boundary had to be repressed or the gratifications has to be sought somewhere else. Freedom of choice became restricted and, more and more, groups saw themselves as powerless. For many, the only power left is the power of sabotaging the complex society"

If interventions are in the direction of threatening the territories of individual organisations, they are likely to create anxieties in these organisations. Therefore, the interventions should be such that they produce a confluence. I have borrowed the concept of confluence from Fritz Perls (1979, p.117).

He says:

"I am smoking. I am blowing a ring. I can identify this as a smoke ring. A gentle wind is stretching it. It is floating upward, distorting its shape, enlarging it, thinning it. It is still there - vaguely. It loses its boundaries. It's disappearing. I have to strain to be still aware of it. Now it is gone. Gone? No. It is there in confluence with the air and it is no longer identifiable. We would have to sample and analyse the air in the room to trace its substance, although its gestalt, its definition is gone.

I am leaving the room. On returning, I smell the smoky air. I made contact. I am now aware of the smoky air.

In confluence, awareness is reduced to nothing. In contact, awareness is intense. Before I reentered the room, I was not aware of the smoky air. I was

not aware of the smoky air. I was isolated, separated from it. This phenomenon is the best known and best investigated in modern psychiatry: repression, block, inhibition, compartmentalisation, scotoma, blind spot, blank, amnesia, wall, censor, plastic, sheet etc".

While organisational boundaries vanish, confluence has taken place with the inter-organisational collectivity. Therefore, interventions are needed to produce such a confluence of the individual organisations with the inter-organisational collectivity.

Rice (1969) has dealt with the issue of boundaries in the context of inter-group relationships, among others. He states his basic propositions in the following ways:

- "1. The effectiveness of every intergroup relationship is determined, so far as its overt purposes are concerned, by the extent to which the groups involved have to defend themselves against uncertainty about the integrity of their boundaries.
2. Every relationship - between individuals within small groups and within large groups as well as between groups - has the characteristics of an intergroup relationship.

A corollary to the first proposition is that the making of any intergroup relationship carries with it the possibility of an breakdown in authority, the threat of chaos and the fear of disaster".
(pp. 565-66)

In Rice's terms, interventions would be necessary in the direction of identifying a primary task for the inter-organisational collectivity. This primary task would, in turn,

define the essential relationship of an inter-organisational collectivity to its environment. Rice considers that the most important management control in any organisation to be the control of the boundaries of systems of activity. He, therefore, defines task management as (1) the definition of boundaries between task systems and (2) control of transactions across boundaries (Rice, 1969, p.567). He goes on to add that the management of an enterprise requires three kinds of boundary control:

- "1. Regulation of task system boundaries (i.e. regulation of the whole enterprise as an import-conversion-export system, and regulations of constituent systems of activity);
2. Regulation of sentient system boundaries (the boundaries of the group to which individuals belong, either directly through their roles in systems of activity or indirectly through their consequential role-sets and personal relationships);
3. Regulation of the relation between task and sentient systems" (Rice, 1969, p.568)

Interventions therefore, have to focus equally on all the three aspects of boundary control. In an inter-organisational collectivity, the regulation of sentient system boundaries and the regulations of the relation between task and sentient systems is bound to be very critical in terms of developing the inter-organisational collectivity as an action system. One would wager that failures of performance and failures of inter-organisational relationships would be found in failures in terms of regulation of these two aspects.

In order to understand the complexity of interventions required in boundary control in inter-organisational settings the following quotation from Rice is most apt:

"The number and complexity of the boundary controls required for even comparatively simple transactions between groups might make one wonder how any salesman ever got an order for anything. The reality is, of course, that the preponderance of intergroup transactions takes place in settings in which the conventions are already established and mutual pay-offs understood. Nevertheless, I suggest that it is this complex authority pattern, imperfectly understood and imperfectly comprehended, together with the need to defend each of the boundaries in the multiple transactional systems against uncertainty, chaos and incipient disaster, that gives rise to the futility of so many negotiations and to the unexpected results that often emerge. The conventions and pay-offs for the majority of intergroup transactions are defences against chaos and disaster. In new kinds of negotiations without established defences, the fear of chaos and disaster often makes procedure more important than content".
(Rice, 1969, p.582)

Elaborating on uncertainty in another context, Donald Michael (1973) graphically depicts the issues that would be involved in inter-organisational interactions. More the uncertainty surrounding the outcomes of inter-organisational collectivities and more turbulent their environments, more the anxiety that would be involved in acknowledging uncertainty and acting on it. The following paragraphs highlight the issues:

"Acknowledging uncertainty and acting on it also requires skills in interpersonal behaviour that most of us lack as members of task groups. To acknowledge that 'I don't know' is to acknowledge that one's information or control are

inadequate, or that one has been unable to make available to others the bases for control which one had been employed to provide. Under normal operating conditions this alone would be threatening enough. But there are additional threats to conventional definitions of what it is to be competent as a decision-maker or planner: if the formal data are acknowledged as insufficient for decision-making, then hunch, intuition, and feelings would become irrepressible contributors to the planning process and these are just what the 'rational' approach in conventional organisations tries to eliminate. Having succeeded well in repressing if not eliminating them, we have not learned how to use them and thereby we mostly fear them - again in part because they seem uncontrollable, especially in ourselves.

Acknowledging that 'I don't know' is dangerous enough, but acknowledging that 'we don't know' would, in our present scheme of things, apparently leave little to keep one's world together, little for one to count on. What is more, expressing that intuitions and feelings that would well up in a 'we don't know' situation runs counter to all canons of rational behaviours set by and for professionals operating in formal organisations, particularly in government agencies. To support others in doing so would take much unlearning of interpersonal styles that have previously been highly rewarding - or have seemed to be. Learning to support such behaviour in others depends on learning to support feelings and hunches in oneself. To do this requires a willingness to risk sharing these with others. This kind of learning does occur under appropriate conditions, but it is painful, takes time and atrophies unless the learner's working context is supportive and rewarding of these new skills. But so upsetting is this unlearning and new learning, and so fraught with fantasied and occasionally real psychological danger, that people will tolerate conventional behaviour to the point of not noticing gross organisational malfunctions, or of rationalising them as

'natural' human negotiating behaviour. If uncertainty were routinely acknowledged, the content, processes and procedures would be quite different for the conduct of programming, evaluation, goal setting, changing organisational design and handling relationships with the environment. Obviously, there will be heavy burdens involved in learning what the new substantive, inter-personal and structural conditions should be". (Michael, 1973, pp.127-28)

Thus, interventions are called for which would be primarily addressed to the outcomes of inter-organisational collectivities and the processes of boundary control arising out of organisations coming together.

Strategic Interventions

By strategic interventions, it is meant that these are planned activities undertaken by key actors in a social action system which bring about significant changes in the posture and perception of the social system towards its primary task and its environment. One can conceive of three types of strategic interventions in relation to inter-organisational effectiveness.

These are:

1. Purpose creating interventions: These would cover development of superordinate goals for the organisations involved in the collectivity; conscious mapping of organisational as well as inter-organisational future states and development of specific action plans for movement towards both.

2. Boundary changing interventions: This would include development of roles to handle problems of dissolution of boundaries as well as creation of new boundaries; conscious identification of the stake holders and their salience from time to time; conscious operationalisation of inter-organisational dependencies and ways of handling these dependencies and development of mechanisms for inter-organisational linkages from time to time.
3. Culture changing interventions: This would include activities to develop trust among the interacting people from various organisations at different levels at different points of time; conscious creation and nurturing of teams across organisations for the performance of different tasks at different points of time; conscious creation of mechanisms for on-line real-time information sharing to bring about effective monitoring and control without undue reliance on sophisticated and expensive technologies.

These interventions are respectively addressed to goal attainment, instrumental pattern maintenance and, lastly, both integration and adaptation. All these, therefore, become important inputs to inter-organisational effectiveness. Figure 1 outlines a model for relating strategic interventions to inter-organisational effectiveness.

Figure 1 to be inserted about here

Most critical role in the strategic interventions have to be played by people occupying boundary spanning roles. In addition to traditional boundary spanning roles, namely Chief executives and people handling normal input-output transactions

new roles may have to be created for handling emerging input-output transactions necessitated by the primary task of the inter-organisational collectivity. Alternately, these transactions may have to be integrated with the existing boundary spanning roles. Further what would normally be conceived of as intra-organisational roles like M.I.S. and Management Services may begin to play boundary spanning roles in the light of the primary task of the inter-organisational collectivity, for example, in a large construction project. Therefore, it is argued that a whole set of inter-organisational processes are both required and set in motion whose complexities call for strategic interventions directed at them. Managers have to find conceptual guidelines so that these issues are handled at their level of occurrence and sophistication. Organisation development interventions as are available (French, Bell and Zawacki, 1978) are of help, but, their use should be enlightened by an understanding of the context of inter-organisational collectivity. The present paper is a modest venture in this direction.

FOOTNOTES

i. While there are several studies on public delivery systems, public programmes and large construction and technological projects, very few address themselves to inter-organisational issues and interventions. However, some insights are available in the following, besides those referred to in the text:

National Economic Development Office (1970)

Large Industrial Sites.

Report of the working party on large industrial construction sites.

Paul, Samuel (1981) Beyond Investment: Some Lessons from Development Programmes, Ahmedabad: Indian Institute of Management, Mimeo.

Select committee on Energy (1981) The Governments' Statement on the New Nuclear Power Programme: Volume 1 - Report and Minutes of Proceedings London: HMSO

Reports and studies of this kind are rare in Indian settings.

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TABLE 1

MODELS OF ORGANISATIONAL EFFECTIVENESS

S.No.	Author's Name	Effectiveness Criteria
1	Georgopoulos and Tannenbaum	Productivity, flexibility absence of organisational strain
2	Bennis 1	Adaptability, sense of identity, capacity to test reality
3	Blake and Mouton	Simultaneous achievement of high production and high people centered enterprise
4	Caplow	Stability, integration, voluntarism, achievement
5	Katz and Kahn	Growth, storage, survival, control over environment
6	Lawrence and Lorsch	Optimal balance of integra- tion and differentiation
7	Yuchtman and Seashore	Successful acquisition of scarce and valued resources; control over environment
8	Friedlander and Pickle	Profitability, employee satisfaction, societal value
9	Price	Productivity, conformity morale, adaptiveness, institutionalisation
10	Mahoney and Weitzel	<u>General Business model</u> Productivity-support-utili- sation, planning, reliabi- lity, initiative R&D Model: Reliability, co-operation, development
11	Schein	Open communication, flexibility, creativity psychological commitment

S.No.	Author's Name	Effectiveness Criteria
12	Mott	Productivity, flexibility, adaptability
13	Duncan	Goal attainment, integration, adaptation
14	Gibson <u>et al</u>	<u>Shortrun:</u> Production, efficiency satisfaction <u>Intermediate:</u> Adaptiveness, development <u>Longrun:</u> Survival
15	Negandhi and Reimann	<u>Behavioural index:</u> Manpower acquisition, employee satisfaction, manpower retention, inter-personal relations, inter-departmental relations, manpower utilisation <u>Economic Index:</u> Growth in sales, net profit
16	Child	Profitability, growth
17	Webb	Cohesion, efficiency, adaptability, support

FIGURE 1

