Human Relations

Re-Viewing Organization

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What is This?

Re-viewing organization

Haridimos Tsoukas

To the memory of Tom Lupton

The emergence of formal organization has been, for better or worse, one of the most distinguishing features of modernity. Empirically, formal organization has often been associated with the growth of state bureaucracy, and the creation and development of corporations – two of the most emblematic institutions of the modern era. However, more fundamentally, what distinguishes formal organization is not so much its contingently shaped carriers (bureaucracy and corporations) as the relentless process of disembedding (or de-contextualization): the lifting of social relations out of their local contexts of interaction and their re-combination in space and time (Giddens, 1990: 21; 1991: 18). Through formal organization, social systems extend their activities beyond the here and now, and this is what most distinctly sets modern organizations apart from their traditional counterparts.

It is not difficult to see why formal organization implies de-contextualization. On numerous occasions, social co-ordination relies on spontaneous behavioural adjustments taking place in local contexts, that is, in face-to-face interactions. Such co-ordination typically is effective to the extent individuals, through processes of socialization, have learnt to behave in ways expected of them. As McCarthy (1994: 65) perceptively notes, 'we bring to situations of interaction a tacit awareness of the normative expectations relevant to them and an intuitive appreciation of the consequences that might follow from breaking them'. So much of our everyday lives is patterned and coherent – in a word, it is organized – that we fail to notice. The great ethnomethodological insight has been to show the implicit organization underlying the most routine and taken-for-granted aspects of social reality (Garfinkel, 1984).

When an activity is formally organized its spontaneous unfolding within a local context is intentionally disrupted. What was previously implicit and dependent on the particularities of place and time is now explicit, following rules defined ex ante. Organizationally, a casual conversation on the train is quite different from a court hearing. The former is a spontaneous happening, entirely dependent on contingencies (whoever happens to be sitting next to you in a particular compartment, at a particular point in time), while the latter is a staged event, carefully scripted and arranged in advance.

When in everyday talk we describe a service or an event as being 'chaotic' and 'disorganized' what we typically mean is its heavy dependence on contingencies and, therefore, the absence of formal rules regulating it. Examples abound. You want to take the bus but see no sign of a timetable; no information is in public display of the stops it makes, the length of the journey, or how you may obtain tickets. 'It is a shambles', we say, 'a badly organized service'. Yet, looking more closely, there is organization, except it is implicit and subtle. If you see no information about the bus service you are interested in, what do you do? You ask those who happen to be around. And, if you don't speak the language? Well, you have to use body language. (Ask all those tourists who manage to find their way to Greek archaeological sites with an amazing effectiveness!) The point is that such an organization is heavily dependent on *contingencies*: whether, for example, there are other people around with whom you may be able somehow to communicate. It is a haphazardly evolved arrangement that presupposes that passengers *already know* what is going on and accordingly adjust their behaviours. Formalizing such taken-for-granted knowledge and making social relations quasi-independent of the restrictions of local interactions – in two words, de-contextualizing interactions – is the defining feature of formal organization. In short, formal organization entails the abstraction of social relations and their subsumption under generic rules, thus enabling co-ordination over indefinite spans of time–space (Tsoukas, 1998).

This distinguishing feature of formal organization has not always been appreciated. More often than not, formal organization has been identified with formal organizations. That is unfortunate for it conflates a contingent empirical manifestation of a phenomenon with the phenomenon itself (Berger, 1988). Does it matter? It does because, since formal organizations are *consciously* designed entities, it has led to the conclusion that formal organization too is the outcome of an *externally* imposed order. Identifying the impersonal, extended co-ordination implied by formal organization with the artefactual character of organizations makes it difficult for us to see 'the possibility of organizing without having an organization in strictly physical

terms' (Morgan, 1997: 81). Thus, to appreciate the extended co-ordination between the parts of corporations distributed across the globe, made possible by information and communication technologies, we need to disentangle the notion of formal organization as a process of disembedding, from its contingent empirical manifestation in the form of particular corporate forms. A network may be organized without it being an organization. Authority is only one way through which co-ordination may be effected. Actors following abstract rules or subscribing to the same values are alternative ways of achieving concerted action (Ouchi & Wilkins, 1985).

Realizing that formal organization need not be associated with an externally imposed order leads us to further explore, more broadly, what exactly is involved in organizing socio-technical activities. Getting rid of the image of a creator imposing order on chaos leaves the door open for investigating the processes through which organization is generated and sustained. Although, as said earlier, formal organization implies actors following abstract rules, human action takes place in particular interactive situations and, consequently, how it is instantiated is always a *local* matter. Formal organization is the quest for closure – for contingencies to be eliminated and for meaning to be definitively established so that consistently effective action, across space and time, may become possible, but such closure is inescapably incomplete. As several ethnographic studies have shown, human action occurs in necessarily open-ended contexts, whose features cannot be fully anticipated (Hutchins, 1993; Orr, 1996). And human action qua human has the potential to be reflexive, thus leading to new distinctions and meanings. Thus, insofar as actors follow abstract rules, formal organization is an input into human action, while organization at large is an *outcome* of it – a pattern emerging from actors adapting to local contingencies and closely interrelating their actions with those of others. Organization emerges as situated accommodations become heedfully interrelated in time (Weick & Roberts, 1993).

The preceding view has several benefits, since it enables us to see more clearly certain hitherto unappreciated aspects of organization. First, new empirical phenomena such as the increasingly distributed character of contemporary corporations and the pervasive agreements and partnerships seen in certain industries can be accounted for. More generally, it makes it possible for us to expand our understanding of organization by focusing on enduring patterns of co-ordination between actors, at several level of analysis (co-ordination between individuals, co-ordination among governments, corporations and NGOs in all permutations, as well as forms of governance), and how they are produced. Second, it helps us enrich our notion of organization to include *self-organization* – immanently generated order. Whereas we

have often tended to think of organization as being almost exclusively imposed from the outside, we are now able to see that organization is, partly at least, a self-generating pattern or, to use Hayek's (1982) term, a 'spontaneous order' – a collectively generated outcome as actors improvise to accommodate local contingencies and interweave their actions across space and time (Tsoukas, 1994, 1996).

Such a view of organization calls for a shift of emphasis in our studies. Rather than conceiving of organizations as 'abstract systems' (Barnard, 1968: 74) and seeking to isolate 'the principles of general organization' (Barnard, 1976: xlvi), we can now see, much more clearly than before, that, as well as systems of rules, organizations are sites of human action which cannot be purged of local contingencies, broad societal self-understandings and reflective thinking. Therefore, it is rather hopeless to search for universal, general and timeless principles (Porter, 1991). Just as de-contextualization is not co-extensive with organization at large, the 'decontextualized ideal' (Toulmin, 1990) underlying naturalistic forms of inquiry is attainable only under highly specific circumstances – typically in circumstances where closure may be effected – which is very rare in most of social life (Knight & North, 1997). Shifting the focus from organizations to *organization* enables us to look for the processes through which organization emerges, across several levels of analysis (Weick, 1979). It opens up, therefore, the possibility for forms of inquiry sensitive to time, process and history.

Since organization is thought to be an emergent pattern, we are impelled to search for how patterns emerge and how they are sustained and change. Such a style of thinking clears our vision to make us able to see the situated accommodations, the mutual adjustments and the ongoing acts of improvisation that characterize most of life in organized contexts (Chia, 1999; Orlikowski, 1996; Weick, 1998). In that sense, we can appreciate that stability *and* change, rules *and* improvisation are necessary features of organization: the enduring pattern emerging as a result of actors interrelating their actions in time *and* the ongoing situated accommodations and adaptations to local contingencies. Crucially, such an imagery preserves an important role for human agency, since it is thanks to actors adapting abstract rules to the local 'interaction order' (Goffman, 1983), and interweaving their actions with those of others, that organization is made possible. Although formal organization is the attempt to overcome context by abstracting and disembedding social relations, it is inescapably put into action within particular contexts and, therefore, cannot avoid bearing the mark of a spontaneously generated pattern. The challenge ahead for us is to enhance our understanding of how coherent patterns emerge and re-configure as a result of actors' interaction; how widely distributed organizational

knowledge is effectively used; and how stability and change, routines and novelty, exploitation and exploration are interwoven and feed on one another.

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