Organizational change: a sociologycal perspective

Gestión del cambio organizacional: una mirada desde la teoría sociológica

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Abstract

This paper mainly discusses 2 analytical approaches to the elements that condition change organizational considering the evolution of the different theories of institutional development and their influence on business management models that arose from the development of capitalism in the 20th century and whose main influence derives from the rational-normative models oriented to control to achieve the effectiveness and efficiency in the organization. Therefore, the possibility of change is understood as a process derived of the authority structure itself and not as a process coming from decision-making process or from internal groups. Under this first approach, the rational-normative, elements of the dominant theories of administration in which privileges order and resistance to change based on a series of normative elements that seek efficiency and effectiveness from the control of processes and procedures are preserved. Leadership and authority are built from a designation of functions determined by a hierarchical structure, just like the possibility of sanction in the event of a deviation from the process. On the other hand, the micro approach, which takes up the tradition of political and cultural sociology, in particular, the Crozier and Pfeffer (1990) approaches, recognizes the heterogeneity of goals and actions within the members of an organization and favors the concept of uncertainty and negotiation in the control of those areas that determine the capacity of influence and action of certain groups within the organization, regardless of whether the structure of functions is determined a priori in a specific regulation. In this regard, this work seeks to recognize and resume the contributions of sociology in the understanding of the organizational change (or its resistance), to explain and propose new models of management in organizations that consider tools and forms of communication more open and flexible in the face of the demands of dynamic environments and that the objectives of efficiency and maximization of economic benefits in favor of compliance with other sociocultural values such as social inclusion, gender equality, social and ethical responsibility of the companies themselves that can be better interpreted under the sociopolitical or even systemic models where the change or its possibilities are explained from a series of interactions and negotiations of actors who control the so-called uncertainty zones in the communication embedded in an open system with the environment.

Resumen

En este trabajo se discuten principalmente 2 enfoques analíticos sobre los elementos que condicionan el cambio organizacional considerando la evolución de las diferentes teorías del desarrollo institucional y su influencia en los modelos de administración de empresas que surgieron a partir del desarrollo del capitalismo en el siglo XX y cuya principal influencia se derivan de los modelos racional-normativos orientados al control para lograr la eficacia y eficiencia en la organización. Por ello, la posibilidad de cambio se entiende como un proceso derivado de la propia estructura de autoridad y no de las decisiones o de de los grupos internos. Bajo este primer enfoque, el racional-normativo, se conservan elementos de las teorías dominantes de la administración en las que se privilegia el orden y la resistencia al cambio a partir de una serie de elementos normativos que buscan la eficiencia y la eficacia a partir del control de procesos y procedimientos. El liderazgo y la autoridad se construyen a partir de una designación de funciones determinadas por una estructura jerárquica, al igual que la posibilidad de sanción frente a una desviación del proceso. Por su parte, el enfoque micro, que retoma la tradición de la sociología política y cultural, en particular, los planteamientos de Crozier y Pfeffer (1990), reconoce la heterogeneidad de metas y acciones dentro de los integrantes de una organización y privilegia el concepto de incertidumbre y la negociación en el control de aquellas áreas que determinan la capacidad de influencia y acción de ciertos grupos dentro de la organización, independientemente de que la estructura de funciones esté determinada a priori en una normatividad específica. Al respecto, este trabajo busca reconocer y retomar las aportaciones de la sociología en la comprensión del cambio organizacional (o bien su resistencia), para explicar y proponer nuevos modelos de administración y gestión de la administración en las organizaciones que consideren herramientas y formas de comunicación más abiertas y flexibles frente a la exigencia de entornos dinámicos y que han cambiado los objetivos de eficacia y maximización de beneficios económicos a favor del cumplimiento de otros valores socioculturales como la inclusión social, la equidad de género, la responsabilidad social y ética de la empresas mismas que pueden ser mejor interpretados bajo los modelos sociopolíticos o incluso sistémicos en donde el cambio o sus posibilidades se explican a partir de una serie de interacciones y negociaciones de actores que controlan las llamadas zonas de incertidumbre en la comunicación en un sistema abierto con el entorno.

Organizational Change, sociological perspective, power, uncertainty zones

Cambio organizacional, modelo político, zonas de incertidumbre en las organizaciones

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Introduction

This article is the result of a critical analysis of the theoretical and methodological approaches under which we have sought to understand the phenomenon of change in organisations understood as units or groups that function under a logic of shared interests around a specific purpose, which may or may not be a profit-making purpose. The interest in taking up the micro approaches of sociology seems to have a better explanation of the way in which decisions are distributed within organisations, rather than those approaches of traditional management that seek to reduce the achievement of ends through instruments or measurements that have little to do with the way in which people interact within their areas of influence.

In this sense, this discussion is taken up again, taking as a starting point the existence of political models as a way of explaining other dimensions of change in the organisation and that applies to the functioning of companies that currently face the challenges of understanding the new system of values that govern the operation of the market, the relationship with customers, the relationship with the use of information technologies, knowledge, etc. On the other hand, the emergence of new cultural elements that are marking the action of the subjects and that condition the progress of the changes proposed by an authority; or the pressure they require to provoke it without it having been generated for any purpose within the organisation itself.

Finally, in this work we have sought to interpret change from a socio-cultural and political perspective as a complement to the traditional normative approaches to business management, which are being modified by a set of issues that are difficult to measure, and which, although there are efforts to "regulate" under rationalist instruments, the truth is that they are limited in terms of their control of change. Such is the case of gender equality, harassment at work, social inclusion, accessibility at work, human rights, among others.

In this discussion, the concept of zones of uncertainty proposed in Crozier and Friedberg's model (1971) is recovered and its application appears relevant to explain phenomena of change or resistance within organisations.

Finally, the article proposes a series of topics for discussion that should be considered in the context of change applicable to all organisations in the environment, including, of course, companies as key economic units of local development.

Evolution of approaches to the study of organisations

The study of organisations has been characterised by the diversity of theoretical approaches used by different social science disciplines.

In this regard, Clarke, et. al (2000), systematises the different stages in the development of organisational theory, which should be reviewed in order to identify their main elements.

The first stage is located between 1870 and 1925, when the problems of organisation were associated with the emergence of the modern company and the professionalisation of management; therefore, the conditions for the formation of its study were strongly linked to the needs of the socio-economic world of the company. At this stage, the disciplines that facilitated the governance of individuals and organisations were consolidated, among them accounting and industrial psychology.

These included accountancy and industrial psychology. This stage was dominated by the consolidation by the classics of management theory of the bureaucratic model of management such as Taylor, Fayol and Weber.

The second stage, known as pre-institutional organisation, comprised a brief period of just twelve years (1927-1939) in which the first empirical research efforts in industry began to be generated, paying special attention to the problems associated with human behaviour at work and its relationship to productivity. However, Clarke points out, we cannot yet speak of organisation theory as an established field of knowledge.

At this stage, there were systematic efforts to study in detail the general conditions affecting human capacity for work and the central causes of performance.

The importance of informal social organisation was recognised as a determinant of the psychological response of the worker and the social cohesion of work groups. The human aspect of the organisation began to become relevant when two sub-systems were recognised: the formal organisation, comprising the rules, policies and regulations that defined the expected behaviour within the company, and the informal organisation, in which interpersonal relationships, systems of ideas and beliefs expressing the values of the work groups were located.

These approaches reflected a broad influence of sociological theories of a social system that conceived of the organisation as "a system of control to manage conflict and to ensure respect and support for the stated aims of the enterprise" (Clarke, 2000), with the result that this approach had the power to order very different realities.

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The third stage corresponds to institutionalisation and spanned just over three decades (1937-1973). In this stage, a new formulation was established that reaffirmed the centrality of the concepts of authority, cooperation and consensus, trying to eliminate aspects such as conflict of interests, coercion and force. From now on, authority would be considered as the legitimate right of organisations to influence the informal behaviour of individuals and to guarantee the fulfilment of the aims associated with cooperative action.

These aspects can be clearly seen in the work of Robert Merton and Phillip Selznik, among others, who balance the rational and non-rational elements of human behaviour, in contrast to the definitions inherent in the rationalist model.

At this stage, organisational theory became more complex as it proposed a multivariate analysis to explain uncertainty and variability in organisational structures and performance.

In this way, organisation theory became the scientific discipline in charge of studying organisations, especially their structures, focusing on three main axes of enquiry: context, decisions and behaviour, which would provide observation and analysis tools applicable to all types of organisations, showing its usefulness beyond the traditional disciplinary boundaries.

A fourth and final stage recognises its dynamism and diversity by dividing it into a macro level of analysis that considers the organisation as a totality or unit with undifferentiated and unique behaviour; on the other hand, those who consider the organisation as an entity composed of sub-units with possibilities of independence in their behaviour, interested in the study of the internal dynamics of individual human actors or sub-structures within the organisation. The latter in the tradition of sociological neo-institutionalism represented by Richard Scott (1981), Powell and DiMaggio (1981), March and Olsen.

This approach recognises the centrality of decision-making processes and power relations involving individuals and groups acting freely, thereby giving direction and meaning to the organisation vis-à-vis its environment. Figure 1 contrasts some of the most representative characteristics of the perspectives under analysis:
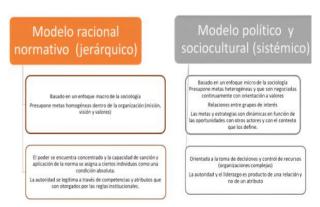

Figure 1 Main characteristics of the models for analysing organisational change
Source: Own elaboration

Focus on organisational change

The study of organisational change processes has been of great interest as an object of study in the social sciences and management. However, it is possible to identify literature from the discipline of administration or management.

In this respect, and taking up Van de Ven & Poole's classification of approaches, it is possible to recognise two theories with different approaches.

On the one hand, the Life Cycle Theory, which is presented as prescriptive and which we would place in the rational-normative tradition.

The rational-normative model arises as a result of the rationalist tradition of the 19th century under a positivist concept, where its functioning was based on the principles of order and the explanation of mathematical laws. In this way, organisations were understood as units organised under a hierarchical authority with absolute decision-making capacity. We must remember that before the birth of modern companies towards the end of the 19th century, the theory of organisation developed alongside the political theory of the state as the most important entity of modernity, and from there it sought to transfer to the discussion of the administration of other institutions or organisations such as companies. In a way, administrative theory sought to replicate political organisation as a way of guaranteeing order and control for the achievement of ends that in this case would be lucrative in a developing capitalism.

As capitalist societies transformed not only the mode of production, but also social structures and cultural values, it became necessary to introduce new variables into the analysis of organisational change.

By the mid-20th century, political sociology was recognising new approaches such as Systems Theory and the idea of the open system as a way of explaining how organisations respond to change.

By the 1970's, theoretical proposals emerged such as Crozier and Pfeffer (1971) who recovered the concept of system and even one of the most influential texts on the subject, the actor and the system are a reference of this approach. This approach highlights the notion of power relations within organisations where two levels of authority coexist. On the one hand, the authority granted by formal rules through organisational charts and manuals that define the attributions and activities of each of the members of the organisation and grant the implementation of valid rules under a techno-scientific criterion.

For their part, in their work Gutiérrez, et. al (2019) carry out a detailed review of Powell and DiMaggio's neoinstitutionalism proposal where they recover the concepts of the actor and the structure that were taken from the sociological tradition, understanding organisational change as a product of the intentional actions of the actors of the organisation that seek to perpetuate or change institutionalised practices.

Socio-cultural and political model

As an alternative to the rational-normative model, a different approach was proposed, whose object of discussion was at the micro level of organisations, where each decision is the result of a negotiated interaction between subjects with different values and motivations in their actions. Thus, the concept of power, which had been widely studied since the 16th century by the main authors of political philosophy, acquired new interpretations in the light of the construction of modern institutions.

Dialectical theory assumes that the entity exists in a pluralistic world of conflicting events, forces and values that compete with each other for domination and control. From this approach, stability and change are constructivist, as they are explained by the balance between the power of opposing entities, which the authors explain as thesis (current state), antithesis (challenge or opposing values, forces or events) and synthesis (new state that combines thesis and antithesis); however, the authors also recognise processes where the current thesis is maintained as well as processes where the opposition mobilises sufficient power to impose the antithesis (Van de Ven & Poole, 2005).

Within the sociological tradition on the theory of action and conflict, the works of Peter Blau (2017), Jeffrey Pfeffer (1993), Crozier and Friedberg (1990) stand out, where the collective action that drives organisational change should not be understood as the result of automatic action, but as "specific solutions that relatively autonomous actors, with their particular resources and capacities ("constructs"), have created or instituted to the problems posed by collective action, in particular that of cooperation with a view to meeting common goals". These solutions are neither the only ones nor the best ones; they are indeterminate and arbitrary". (Crozier and Friedberg, 1990).

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According to this perspective, organisational change is the product of collective action rather than the imposition of norms, visions or even values within an institution or organisation. The possibility of generating new ways of working will depend on cooperation (or negotiation) between actors who control strategic resources, also called "zones of uncertainty", and thus generate relations of power and dependence.

Power as a factor of change

According to Crozier and Friedberg (1990), "the essential thing about power is its relational character, not that it is an attribute of the actors. It is not an abstract relation, but a situated and therefore contingent relation to the actors and the structure in which they act. Power is a relationship of exchange, hence of negotiation.

Power in an organisation is defined by the ability to control resources (zones of uncertainty). These resources can be of all kinds (individual, cultural, economic, social, etc.) which are available to an actor due to its overall social situation and which define the temporal, spatial and social framework in which it must at all times circumscribe its strategy.

Power in turn, together with the action capabilities of individuals of groups within an organization, depends on the control they can exert over a source of uncertainty that affects the organization's ability to achieve its own objectives. Thus, the more crucial for the organization is the area of uncertainty controlled by the individual or group, the greater will be its power.

In this regard, Hall and Tolbert (2009) dedicate an important part of their analysis of organizations to the conformation of power structures as key elements in decision-making processes and leadership construction.

Zones of power or uncertainty

Within the political model, the dimension of power is a fundamental aspect due to the methodological difficulties that arise when trying to operate and measure such a complex phenomenon. In this regard, Crozier (1990) posed power as an exchange relationship and therefore reciprocal in which the terms of the exchange may favor one of the parties present, but in which, at the same time, neither party is totally disarmed in relation to the other.

This approach involves determining the sources of power in the system and then estimating how much of each source each actor possesses. Since power derives from resources (material and symbolic) one can estimate power by estimating the resources it controls through various social actors. If uncertainty reduction is important, then power should accrue to those subunits that can reduce uncertainty and for which there are few substitutes (Crozier: 1990).

Change or reform initiatives represent an opportunity for the creation or acquisition of new forms of relationships and, above all, new capabilities that imply the rearrangement and hierarchization of the organization's goals. Change offers the possibility of modifying the control of areas of uncertainty based to a large extent on a new distribution of power within the organizational framework.

For Crozier and Friedber (1990), power resources are linked to the control of the so-called "zones of uncertainty", i.e. all those factors which, if left uncontrolled, would or could threaten the survival of the organization and/or the stability of its internal order and which are unpredictable for the organization. Thus, the main zones of uncertainty can be located in six vital activities: competencies, management of relations with the environment, internal communications, formal rules, the organization's finances, the organization's internal order, and the organization's internal order, all of which are unforeseeable for the organization.

There is no hierarchy of these aspects, so their influence may vary depending on the situation that pressures change, as can be seen in Figure 2.

Figure 2 Uncertainty zones in the Crozier and Friedberg model
Source: Own elaboration

Competence refers to the power of the expert, the possessor of specialized knowledge such as that derived from experience in the management of political-organizational relations, both internal and external. It consists in the recognition, by the other organizational actors, that some possess the qualities suitable to perform certain roles. Moreover, it arises from the idea that, because of his competence, a given actor is indispensable in the role he plays. This would be a competence given by the formal power structure.

The management of relations with the environment refers to the ability to define or foster alliances with other organizations, or to establish the issues on which conflict with them will arise. In general, the management relations that some actors must necessarily assume on behalf of the organization. Those who perform these tasks find themselves in the so-called "marginal secant" position participate, in fact, in two systems of action, one within the organization and the other constituted by the relationship between the organization and the environment.

Internal communications refer to the control exercised over the channels of communication, an action developed by those who have the ability to distribute, manipulate, delay or suppress information. Formal rules are the area in which the "rules of the game" for conflict resolution and negotiations with other organizational actors are established and interpreted. This is where the margins of discretion to apply the rules are controlled and interpreted.

Financing refers to the control of the channels through which money flows to finance the organization. Control over this zone of uncertainty often depends on the privileged contacts that certain actors manage to establish with external funding sources. Sometimes the external source directly controls this zone of uncertainty and thus exercises a certain amount of power over the organization. In the second, no one is in that position and control passes into the hands of those actors in the organization itself who are at the forefront of fundraising operations.

Recruitment is an area of uncertainty in that it decides who may or may not join the organization, who will have a career in one of the organization's branches, and what the requirements are for that purpose.

Power resources are concentrated in these six areas according to the model, and although they are almost always controlled by a small number of people who make up the formal authority structure, they may be dispersed among actors in the organization, which is often exploited in negotiations with leaders. In other words, it is not enough to establish and distribute tasks in organizations; control over resources and decision-making must also be exercised in order to constitute legitimate authority.

Under this interpretation it is assumed that organizational change is more a product of the action capabilities of groups within the company or organization that manage to negotiate control of some of the areas of strategic uncertainty in the organization and therefore press for the creation of new objectives.

Organizational change in the 21st century

This review has discussed the relevance of the concept of the power dimension in the control of an organization's resources as a key element for change.

For the 21st century, the zones of uncertainty have increased towards another key aspect such as the control of knowledge and the use of technological resources that further widen the possible areas of negotiation within an organization.

Faced with these new scenarios, it is less likely that change can be controlled, let alone standardized.

In recent years, perspectives on organizational change have focused their analysis on the creation of informal leadership, the capacity to manage innovation processes and new technologies as new zones of uncertainty that would be added to the traditional factors of power. Interactions between actors in organizations become increasingly difficult to manage from the structure and acquire different meanings that provoke conflict and require new forms of leadership and negotiation.

In this regard, the study by Lennon, E.; Hopkins, L.; et. al. (2023) explored the dimensions of organizational change from the introduction of more flexible communication practices in a public organization and its relationship with models of leadership and innovation-oriented decision making.

The emergence of new values and demands from society has diversified and therefore the organizational system has become less tolerant and therefore more conflictive as can be seen in numerous problems in companies such as high staff turnover, low productivity, shortage of capital, low innovation rates, harassment at work, gender inequality and few policies aimed at social inclusion.

Conclusions

The sociological perspective of organizational change helps to understand a greater number of variables affecting organizational change due to the micro analysis of the processes of negotiation between the actors involved in the control of resources within an organization.

The concept of uncertainty zones seems to be valid from an analytical and applied point of view to provide a methodology for the direct observation of change phenomena, or not, within organizations.

Although this article did not carry out a field study to measure the six zones of uncertainty proposed by Crozier and Friedberg, it is possible to extend the proposal to two more elements within the model. The first one refers to knowledge as a power resource in the organization (which could be explained from the competence zone, although it is not limited to it) and that of technological resources, which is associated with the organization's ability to communicate more quickly with its environment by making use of digitalization in its processes, which tend to be poorly controlled by conventional structures.

Finally, and supported by the sociological theories of change and the new issues on the agenda of organizational development focused mainly on the management of intellectual capital, it is possible to identify points of concurrence to explain the trend towards more inclusive forms of management in decision making and the definition of different organizational structures in accordance with the needs of the 21st century society.

Acknowledgments

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