If there has been a dominant perspective in organization theory, it is represented by the rational-bureaucratic model of organization. Human relations and resources initiatives have not eliminated this organizational form. The rational bureaucratic model is built on the machine metaphor of organization (Morgan 1997) that draws an analogy between the relationship among the parts of a mechanical device and the relationship among positions in an organization. The action of and relationship between parts and positions are designed to complete the job as efficiently as possible. The model prescribes explicit structural arrangements and administrative practices aimed at achieving specific goals and objectives. These include formal positions and procedures to coordinate and control human labor.

This mechanistic organizational image has been a constant feature of all organizational and management strategies. For many organizations, it continues to coexist with human relations and resources practices. In this chapter I will outline the central assumptions and guiding principles of the rational-bureaucratic model, as well as the relationship between bureaucratic theory and management practice. I shall also consider the inevitable tensions and contradictions inherent in this approach.

**Weber and the Rational-Bureaucratic Model**

We can begin with Max Weber’s theory of bureaucracy, which has had an enormous influence on organization theory and management practice. Peter Blau and Marshall Meyer (1971) have outlined in great detail the specific elements...
### Table 5-1  Weber’s Bureaucracy and the Organizational Implications

<table>
<thead>
<tr>
<th>According to Weber</th>
<th>Implications for Organizational Structure and Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>He regular activities required for the purposes of the organization are distributed in a fixed way as official duties.</td>
<td>Formal job descriptions and job titles; specialization, horizontal division of labor</td>
</tr>
<tr>
<td>The organization of offices follows the principle of hierarchy; that is, each lower office is under the control and supervision of a higher one.</td>
<td>Hierarchical structure; authority resides in positions within the hierarchy; vertical division of labor</td>
</tr>
<tr>
<td>Operations are governed by a system of abstract rules [and] consist of the application of these rules to particular cases.</td>
<td>Universalism; rules and regulations that apply to all members of the organization; standardization and uniformity</td>
</tr>
<tr>
<td>The ideal official conducts his office [in] a spirit of formalistic impersonality without hatred or passion, and hence without affection or enthusiasm.</td>
<td>Impersonality; no favoritism; no nepotism; impartial decision making</td>
</tr>
<tr>
<td>It constitutes a career. There is a system of “promotions” according to seniority or to achievement, or both.</td>
<td>Recruitment, employment, and promotion based on qualifications and achievement; meritocracy; internal labor markets; professionalization</td>
</tr>
<tr>
<td>Experience tends universally to show that the purely bureaucratic type of administrative organization is, from a purely technical point of view, capable of attaining the highest degree of efficiency.</td>
<td>Means-ends structure of positions and tasks enhances efficiency; organizations interested in efficiency will model structures along idealt-type bureaucratic lines</td>
</tr>
</tbody>
</table>

of Weber’s model and their implication for organizational practice. These are presented in Table 5–1.

Weber identified six central elements in a bureaucracy: (1) clearly defined division of labor and authority, (2) hierarchical structure of offices, (3) written guidelines prescribing performance criteria, (4) recruitment to offices based on specialization and expertise, (5) office holding as a career or vocation, and (6) duties and authority attached to positions, not persons.

These elements specify the manner in which humans are recruited, distributed, and controlled within a bureaucratic organization. More specifically, based on these elements, we would expect the organization to conduct its affairs as follows:

- Individuals are recruited on the basis of relevant qualifications for a particular task.
- They are assigned a position with fixed duties, responsibilities, and authority.
- The duties, responsibilities, and authority are tied to the assigned position and cannot be transported out of the organization or into other positions within the organization. The position or office is part of a larger hierarchical structure that defines superordinate and subordinate relations.
• Written "legal" documents represent the formalization of information prescribing task assignments and the rules and regulations of the larger organization.

• The tasks of a particular office are part of a larger vocation or career.

• Each of these elements is designed to guide and direct individual behavior toward the larger goals of the organization.

Weber's theory of rational bureaucracy suggests several organizational characteristics and processes:

• The organization will have clearly defined goals that are best achieved within a formal structure.

• Behavior within the organization is shaped by the formal structure and, therefore, is directed toward achieving these goals.

• Efficiency is enhanced to the extent that organizational members follow the formal rules and policies of the organization.

• Organizational decisions are based on a survey of relevant information and a calculation of costs and benefits.

Embedded in the above description of rational bureaucracy are the central principles: formalization, instrumentalism, and rational-legal authority. Formalization is the centerpiece of bureaucracy. It refers to the degree to which rules, procedures, regulations, and task assignments exist in written form. Written documentation indicating the procedures for acting, deciding, and communicating represent the formalization of organizational activity. These written directives exist prior to the entry of people into positions within the organization. They are designed to direct and regulate organizational behavior after one has been slotted into a formal position.

An organizational chart, outlining positions from the top down (vertical) and across (horizontal) the organization, and delineating the chain and channels of command and communication, is the graphic representation of formal structure. Each position in the organizational chart has predefined duties. These formal roles and duties determine the behavior of those who occupy the positions. When we say that "the role makes the person," we are speaking of the power of formal structure. This phrase implies that once a qualified person is selected for a position, his or her behavior will be determined by the formally stated job requirements. The converse phrase—"the person makes the role"—would suggest a very nonrational bureaucratic arrangement. This would imply that the personality characteristics and idiosyncratic behavior brought to the job will determine how it is carried out. This also would create a level of uncertainty that formalization is designed to extinguish.

The concept of instrumentalism conveys the notion that the organization is like a tool or machine designed to achieve a particular purpose. When we say
at something is instrumental, we are viewing it as a means to an end. The rational bureaucratic organization is an instrument designed to achieve some objective. The formal internal structure—positions, procedures, rules, interaction patterns—are also regarded as instruments in the service of this larger organizational mission. It is the formal relationship between the structures and tasks of the organization (the means), and the goals or objectives of the organization (the ends), that makes bureaucracy a rational organizational instrument.

Weber emphasized that the third central piece of the model—rational-legal authority—was the most efficient and rational means to gain the compliance of human members. Rather than commanding authority on the basis of tradition (e.g., authority residing in a family name) or charisma (authority stemming from extraordinary personality or leadership traits), “legitimate authority” is based on the formal position (therefore legal) of the authority figure coupled with the belief by subordinates that these arrangements represent the best means to achieve organizational objectives (therefore rational). As noted, people in the bureaucratic organizational model will be recruited on the basis of ability and qualification—or “merit”—rather than personality, connections, or ascribed characteristics. This lends further legitimacy to the exercise of authority.

Weber outlined conditions that would constitute an ideal, perfectly functioning, bureaucracy. The model is often referred to as an “ideal type” because it represents the model or standard against which purportedly rational bureaucratic organizations can be evaluated. This suggests that we can assess existing organizations by their degree of conformity with the ideal-type characteristics. This also raises a number of questions: Is it possible for organizations to even approximate such a model of rationality? If an organization did conform closely to these characteristics, would it necessarily be more efficient? Are there aspects inherent in human organization that prevent the realization of the bureaucratic ideal? In striving for this ideal, are there unintended consequences that undermine the rational and efficient intentions of the model? Throughout this chapter, we shall address the relationship between rational-bureaucratic theory and the actual practices of organizations.

**Weber and the Dilemma of Authority**

A particularly interesting problem with Weber’s formulation of bureaucracy pertains to his argument about authority. Weber contended that legitimate bureaucratic authority derived from formal positions filled on the basis of technical competence. However, as anyone who has worked in an organization is well aware, there is no reason to assume that those in formal positions of authority are necessarily the most technically competent. The sociologists Talcott Parsons
(1947) and Alvin Gouldner (1954) discussed some of the problems that stem from these potentially conflicting bases of authority.

Parsons (1947:58–61) raised the question of whether organizational members follow orders because the person in authority has superior knowledge or because the person occupies a formal position of authority. If the two characteristics are not joined and those in authority positions possess less technical competence than their subordinates, each group has a legitimate claim to exercise authority over the other. Weber emphasized repeatedly that the bureaucratic form of authority is stable, unambiguous, and clearly defined. However, if more than one basis for legitimate authority exists, instability and ambiguity could be generated.

In Parsons's example, if the less competent are making authoritative decisions, organizational efficiency could also be undermined because efficiency is driven by the merit-based allocation of positions. Gaining the willing compliance of workers may also be problematic because a normative foundation for the exercise of authority—superior knowledge—is being violated.

Gouldner (1954:22–23) pointed to a slightly different kind of confusion, one that stems from Weber's argument that bureaucratic authority is both legitimate because it is rational and based on formal position:

In the first emphasis, obedience is invoked as a means to an end; an individual obeys because the rule or order is felt to be the best known method of realizing some goal. . . . In his second conception . . . the individual obeys the order . . . primarily because of the position occupied by the person commanding.

Gouldner highlighted the difference between compliance based on (1) the desire to achieve goals efficiently and (2) compliance based on an obligation to obey the commands of those in higher positions. In the first instance, compliance depends on the belief by subordinates that a command is relevant to the realization of organizational goals. The acceptance of commands and the system of compliance rest on an assessment of the methods, procedures, and directives as formally rational; that is, they are perceived as the best means to achieve a particular end. In the second case, compliance is unconditional. Here one is obligated to obey those in formal positions of power regardless of whether the command is perceived as a rational means to achieve particular objectives.

Parsons and Gouldner have identified an interesting contradiction in Weber's theory of bureaucracy that is endemic to all models of organization. On the one hand, organizations are made up of structures and positions that define the flow of tasks and authority. In the formal structure, authority stems from formal positions in the organizational hierarchy. This is the objective structural side of the organization. On the other hand, it seems clear that Weber, and almost every organizational theorist who followed, did not believe this was sufficient for gaining the compliance of human beings. He included other bases for the exercise of
authority such as technical expertise or a collective appreciation for formal rationality. Thus, blind and mechanical obedience stemming from one's formal authority position is supplemented with *normatively legitimate forms of authority*; for example, that the more highly trained experts should make authoritative decisions, or that particular authority patterns are the best means to achieve some ends. Unlike the objectivity of positional authority, these bases of authority rest on normative assessments about the appropriateness of the exercise of authority and the particular decisions being made.

This as an example of how organization theories conceptualize humans as both objects and subjects. In Weber's description of the purely formal aspects of bureaucracy, people are recruited into positions that have predefined task assignments and authority relations. There is a clear division of labor—some command, others obey. In this formal conception of organization, humans are treated as *objects* controlled by written rules and regulations. However, in the process of exercising authority based on knowledge and position, humans are treated as *subjects*—possessing subjective consciousness and evaluative capacities—who are actually able to decide whether or not they will conform with the wishes of superiors. The notion of "legitimate authority" acknowledges human capacities that generate not only compliance but also potential opposition and resistance. For example, workers can decide that their bosses are not technically competent, that particular methods are not the best way to achieve some goal, or that the goals of the organization conflict with their goals. Weber's expansion of the bases of authority from the objective to the subjective opens the theoretical model to subjective human forces that threaten the machinelike rationality implied by the bureaucratic organizational model.

The analyses of Parsons and Gouldner represent a sociological tradition in organization studies that reveals the less than rational and very human content of organizational life. As we review some additional contributions from the sociological literature, we should keep in mind the following critical theme: the manner in which the human factor shapes, modifies, and alters the operation of rational bureaucratic organization, and the associated unintended consequences that stem from the formal rational organization of human activity.

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**Bureaucratic Dysfunctions and Unintended Consequences**

**Robert Merton: The Bureaucratic Personality**

There is a long tradition of sociological research that has grappled with and observed the dysfunctional and unanticipated consequences of rational bureaucratic organization. Much of this literature owes an intellectual debt to
Robert Merton (1957) who developed the concept of "unintended consequences" to describe the unplanned and paradoxical results of social action.

Merton’s concept has special relevance for rational bureaucracy because there is supposed to be a clear and direct connection between the actions of organizational participants and the achievement of goals. Organizational behavior is viewed as the means to achieve the prescribed ends. If organizational behavior produces unexpected and unintended consequences, the rationality of the enterprise can be called into question.

Merton emphasized that unanticipated consequences might serve a “latent function” in actually preserving and reproducing the system; or the consequences may be “dysfunctional” and thus undermine the organizational purpose. These concepts came together in Merton’s (1957) analysis of the dysfunctions of bureaucracy which referred to the negative consequences of structural and normative bureaucratic practices.

Merton’s analysis of the “bureaucratic personality” stands as the classic statement on the dysfunctional consequences of bureaucracy. The normative attachment to formal rules and regulations, which bureaucratic organizations often encourage, can give rise to a rigid bureaucratic personality type that becomes obsessed with procedural compliance. The bureaucratic personality insists on the unconditional conformity to rules and procedures, regardless of whether they actually advance the goals of the organization or the efficiency of the enterprise. When rules become an end in themselves, rather than the means to an end, organizational behavior takes on a ritualistic rather than rational character. It encourages what Merton described as the “displacement of goals”—adherence to methods and procedures at the expense of the larger organizational purpose. People are so busy adhering to the official rules and procedures that they lose sight of the real purpose of the organization. The net result is dysfunctional and counterproductive organizational behavior.

Merton’s analysis pointed to the way that bureaucratic structure influences (1) the individual’s personality and (2) the ability of the organization to achieve its ultimate objectives. Thus, Merton revealed the key organizational paradox—strict and rigid conformity to formal methods can have the unintended consequence of displacing goals and undermining goal attainment.

It is important to note that much of the sociological research inspired by Merton’s diagnosis of bureaucratic dysfunctions did not entirely confirm his argument about the personality-shaping power of bureaucracy. The classic and eternally valuable case studies carried out by Merton’s students—Alvin Gouldner, Peter Blau, and Philip Selznick—discovered many dysfunctions, but these resulted as much from human resistance, conflict, opposition, and innovation as bureaucratic overconformity to prescribed norms.
Alvin Gouldner: Patterns of Industrial Bureaucracy

In the 1950s, Alvin Gouldner conducted a series of studies in a midwestern gypsum mining and manufacturing enterprise. This industrial complex combined a mining operation that extracted gypsum from the earth with a manufacturing operation that transformed the organic substance into wallboard. Gouldner's research was instigated by some unresolved tensions in Weber's theory of bureaucracy. In particular, Gouldner believed that Weber was unclear whether employee compliance was based on a consensual agreement about the value of rules and procedures or the authoritative command by superiors. This was an important matter for Gouldner's analysis of bureaucracy since he believed rule compliance would likely depend upon the way rules are formulated. As he noted, "our culture is not neutral but prefers agreed upon, rather than imposed rules" (1954:20).

The Patterns. Gouldner's analysis of bureaucratic rules was based on the assumption that not all organizational members had the same interests or goals. More specifically, workers were likely to have different interests than managers on many work-related issues. Therefore, bureaucratic rules and regulations should be examined to see whether they represented or conflicted with the interests of the different parties in the organization. This analytical framework yielded Gouldner's patterns of industrial bureaucracy: mock bureaucracy, representative bureaucracy, and punishment-centered bureaucracy.

Mock bureaucracy refers to the rules of which no party in the organization had a direct interest; therefore, these rules were rarely enforced and routinely violated. The no-smoking rule was one example of the mock bureaucracy. Neither managers nor workers had an interest in the prohibition against smoking. The rule was imposed to satisfy the interests of a third, external party—the insurance company.

Representative bureaucracy refers to rules in which all parties had an interest; therefore, these rules were followed closely and strongly enforced. In the mining facility, rules and regulations pertaining to safety practices inside the mine were followed to the letter. Both workers and managers had an interest in seeing that no one was injured on the job.

Punishment-centered bureaucracy denotes the rules that one group imposes on another. Gouldner mentioned rules that penalize workers for absenteeism and tardiness. These rules were imposed by management on the workers. Workers did not share a concern in these matters and believed they had the right to occasionally miss a day of work or arrive late for personal reasons. This form of bureaucracy, as might be expected, generated the greatest tension and conflict and was the most highly contested. It is also the form we most closely associate with the term bureaucracy.
Gouldner’s analysis forces us to come to grips with one of the most critical organizational questions: Where do punishment-centered bureaucratic rules come from? Gouldner argued that these rules are created when people in organizations do not believe that those on whom they depend will fulfill their role obligations. The rules are generated by a lack of trust. If failure to meet organizational obligations is due simply to ignorance or carelessness, a representative pattern of bureaucracy can be developed. However, if failure is due to the intentional shirking by one party—because that party may not have a direct interest in following the rule—a punishment-centered bureaucratic pattern is imposed. Therefore, organizations plagued by conflicts of interest are likely to be the most bureaucratic.

Gouldner also argued that the stability of a bureaucratic rule depends upon the degree to which those subject to the rule willingly accept, rather than resist, the bureaucratic requirement. Resistance to bureaucratic procedures played a central role in Gouldner’s analysis and enforced the view of bureaucracy as an emergent process—"the degree of bureaucratization is a function of human striving; it is the outcome of a contest between those who want it and those who do not" (1954:237). On this basis he concluded that "bureaucracy’s march was not triumphant." In the end, humans are capable of enacting, reconstructing, and even eliminating bureaucratic constraints and guidelines.

**Primary and Secondary Organizational Tensions.** Gouldner’s analysis also pointed out that bureaucratic rules serve to obscure a more fundamental contradiction of organizational life. On the one hand, organizations are designed to control physical and human factors of production in order to achieve the goals of organizational owners. On the other hand, they depend on the cooperation and energy of organizational members who do not own the organization and who may have very different interests. Gouldner referred to this as the "primary tension." This tension is typically managed through various forms of supervision and coordination to ensure that organizational nonowners act in the interest of organizational owners. These supervisory processes generate a set of "secondary tensions." These tensions emerge in managing the primary tension; that is, trying to supervise, monitor, and control workers. The secondary tension, resulting from the supervisory process, is managed using written bureaucratic requirements and rules. In managing these secondary tensions through bureaucratic procedures, the primary tension is never addressed. In Gouldner’s (1954:241) words:

> If bureaucratic rules reduce tensions that emanate from close supervision they make it less necessary to resolve, and thus safeguard, the tensions that lead to close supervision.
The issue of close supervision is critical here since it points to a managerial practice that is necessitated by the capacity of humans to act in ways that are contrary to and directly oppose the interests of organizational owners (the primary tension). Supervision, coordination, and the associated management practices, generate (secondary) tensions which in turn are managed bureaucratically through the development and implementation of bureaucratic rules and procedures.

The primary tension that Gouldner refers to is a special case of what is commonly called the agency problem. This problem stems from any transaction that involves a “principal” (e.g., an employer) who hires the services of “agents” (e.g., workers) to carry out actions on the principal's behalf. Agency theory assumes, as does Gouldner, that the agents will have different goals and interests than the principals. Therefore, there is no automatic guarantee that agents will do what principals wish. They may shirk their responsibilities and even act in opposition to the interests of the principal. There is no final solution to this fundamental organizational problem. The principal will typically attempt to monitor, control, or supervise agents in some fashion. In Gouldner's analysis, the control strategy generates the secondary tensions and, in turn, the bureaucratic rules.

Gouldner's explanation for the generation of bureaucracy in industrial organization can be extended to public sector organization where there is a parallel tension between agents and principals. In this case, the agents are public officials who have an obligation to uphold the public trust and conform with the wishes of the principals, who are citizens and taxpayers. The emergence of rational bureaucratic public administration was advanced by Progressive Era reformers interested in ensuring that public policy and expenditures would be based on public need rather than private political interests. Thus, distrust of those making public sector decisions prompted an expansion of rules, regulations, and bureaucracy.

This applies most clearly to the area of budget and public expenditure. Marshall Meyer’s (1985) analysis of municipal finance illustrates the point. It is based on the two very general propositions: "First, that there is a preference for constructing formal organization as a solution to problems, and second, that increased formal organization yields bureaucratic growth" (1985:62). This "problem—organization—problem—more organization" cycle is demonstrated by examining the method used to gain control over the budget and spending priorities of major U.S. cities. Control produced greater levels of hierarchy and bureaucracy. Put another way, there were some significant unanticipated consequences of control and accountability. "Control is thus the antithesis of economy, and, under certain circumstances, efficiency" (Meyer 1985:68). A decentralized financial system was equated with the absence of control and the likelihood of corruption and fraud. Control
therefore produced greater centralization and, presumably, accountability. To summarize Meyer's (1985:76) central finding:

Each of the mechanisms of control ... involved, in one way or another, the construction of categories of organization that had not existed absent the control mechanism. Some of the new categories were units of organization represented as such in tables of organization and in budgets. Other new categories were rules and work routines.

**Bureaucratic Indulgency Patterns.** Not all organizational tensions necessitate bureaucratic rules. In his research, Gouldner observed some nonbureaucratic ways to manage human-generated tensions. Gouldner's notions of “structural adaptation” and “indulgency pattern” refer to both the selective exercise of supervisory authority as well as the nonenforcement of certain rules. He observed that supervisory personnel often allowed subordinates to bypass many rules and requirements. In the factory, workers would routinely punch in to work late, take coffee breaks, and socialize. While each of these actions violated a formal rule or procedure, supervisors permitted this behavior.

Gouldner believed that supervisors anticipate the consequences of stringent enforcement and settle instead on a posture of tolerance and indulgences because the ceaseless exercise of supervisory authority would produce resentment among the workers and a very unpleasant work environment. This would then make it difficult to gain worker cooperation if and when workers were needed to assist the supervisors with work tasks outside their immediate job responsibility. Supervisors had to exercise flexibility with workers if they were to expect flexibility by workers.

The importance of worker flexibility is powerfully demonstrated when workers employ a “work-to-rule” strategy against managers. Under a work-to-rule strategy, workers carry out only those tasks defined by their formal job description. That strict adherence to formal job requirements can be used as a weapon against management exposes the inadequacy of formalized procedure for the day-to-day functioning of the organization. All organizations, bureaucratic or otherwise, rely on organizational members to step out of their formal job descriptions and respond flexibly to unexpected demands. The work-to-rule strategy also reveals the creative capacity of humans to utilize formal structure as a resource to advance their particular interests.

**Peter Blau: Dynamics of Bureaucracy**

Peter Blau's (1955) study of federal and state bureaucratic agencies reported findings consistent with the patterns observed by Gouldner. Blau brought a “functional approach” to his analysis that focused upon the consequences of bureaucratic actions and routines. He was primarily concerned with determining
whether bureaucratic procedures accomplished agency objectives and produced the expected organizational behavior. As a student of Merton, Blau suspected that bureaucratic procedures might generate various unanticipated consequences.

In the case study of a state unemployment agency, Blau reported various forms of innovation and adjustment that deviated from the prescribed rules and procedures. In this particular agency, job-seeking "clients" are screened by a receptionist who schedules appointments with "interviewers." The interviewers determine the job skills and prospects of the clients and assist in their job placement. An immediate appointment with an interviewer is granted only if clients have a high likelihood of finding employment. However, in the face-to-face interaction with the clients, receptionists did not feel comfortable delaying the appointment. This would send the wrong message to clients—that the agency was not interested in them or deemed them unemployable.

According to Blau, this pattern of receptionist behavior could be attributed to the design of the agency as a service organization for people in need of assistance. Further, face-to-face interaction made it difficult to apply impersonal scheduling rules. This is also a clear example of how organizational behavior, in violation of formal protocol, emerges out of the human interactions that take place in a context where actions are highly symbolic. In this particular case, the receptionist bypassed the official rules because they were perceived as symbolically inconsistent with the purpose of the agency and symbolically detrimental to a client's self-esteem. The alternative and unofficial course of action was considered more symbolically supportive of a client's needs. These kinds of dynamics are persistent aspects of organizational life.

The greater impact of the receptionists' behavior, however, was to increase the interviewers' workload. This might have created some tension between receptionists and interviewers if it were not for the manner in which interviewers were evaluated. Evaluations of performance were based on the number of job placements, known as statistical performance records, that interviewers made. Therefore, even though the behavior of receptionists increased interviewer workload, it also improved the chances of an increased number of placements.

The method for evaluating the performance of the interviewers was a major focus of Blau's study. The evaluation procedure based on the number of placements was presumed to be the most objective and rational means to measure performance. In practice, however, it had numerous dysfunctional consequences. For example, the desire to maximize job placements and receive a favorable evaluation led interviewers to horde job information, compete directly with other interviewers, and falsify their records to indicate success. Since the statistical performance records were purely quantitative, many clients were placed in inappropriate positions. These counted as placements for the interviewers and thus enhanced their performance record. Interviewers even took
credit for placements that involved the return of clients to their original job after a layoff period. According to Blau, all of these practices represented a "displacement of goals." Maximizing the statistical performance record took precedence over larger organizational objectives.

It should be noted that the statistical performance records were a managerial technique originally designed to motivate and ensure the accountability of the interviewers. Blau reported that the system was disliked by the interviewers because of the competition and lack of cooperation it tended to generate. These pressures eventually resulted in various revisions to the evaluation system.

Blau observed similar patterns of innovation and adaptation in the department of a federal agency responsible for enforcing laws regulating corporate financial transactions and accounting. The agents in this department were responsible for auditing the books and records of firms to determine the accuracy of information and compliance with legal regulations. According to the formal procedure, if agents had any doubt about how to rule on a financial entry or transaction, they were required to check with a supervisor. In practice, however, agents rarely consulted with supervisors.

Blau offered two reasons for this behavior. First, the complex nature of the task raised constant questions and doubts about various financial transactions and entries. Rather than take the time to consult with a supervisor, the agents found it more convenient to consult with fellow agents who may have had past experiences with similar problems. This action could be justified on efficiency grounds because other agents were in closer physical proximity than supervisors. Second, agents reasoned that constant consultation with supervisors regarding decisions and rulings would expose their ignorance and therefore have a negative impact on performance evaluations. And, if further justification was needed, the agents did not wish to disturb supervisors who obviously had other more important matters to deal with.

The emergent interaction and sharing of information and advice among the agents created a work environment characterized by collaboration and horizontal communication. It is interesting to note that what emerged informally and in violation of formal procedures is a widely prescribed and encouraged organizational arrangement in today's organizations.

The observations of agent behavior led Blau to the general conclusion that employees in bureaucratic organizations will avoid the unpleasant aspects of official procedures (e.g., consulting with supervisors) and will pursue instead alternative and available forms of behavior congenial with their interests (e.g., conferring with co-workers). The resulting behavior will then be justified in the context of larger organizational values. In this particular case, the innovative behavior of the agents was based largely on their perceived interests, but they explained and justified it in the name of efficiency and rationality.
Underlying this tendency to pursue alternative courses of action is the more fundamental reflexive capacity of employees to assess their behavior in terms of their values as well as how others will interpret that behavior. In the end, these deviations from prescribed procedure became the emergent norm. The informal relations that developed among the agents served a valuable solidarity function as well as a form of mutual information exchange. It also may have created a more efficient operation, as the agents claimed.

Blau's observations further reinforced the view that bureaucratic organizations did not necessarily produce mechanical followers of rules and regulations. Like Gouldner, he noted that many bureaucratic procedures and routines were seen by both subordinate and managerial employees as annoyances to be avoided rather than guidelines to be obeyed. Blau did not discover rigid and inflexible followers of bureaucratic rules, nor did he find support for the argument that bureaucratic structures produce overconformity, ritualism, or resistance to change.

This final point should be emphasized since the arguments about the negative human impact of bureaucracy play to a sympathetic audience and have become almost axiomatic. The criticisms of bureaucratic organization are based on the assumption that organizational systems have the power to dominate human beings, and that human beings lack the capacities to resist these powers. The studies of Blau and Gouldner point to a much more complicated picture that demonstrates the human capacities for innovation, resistance, and agency in bureaucratic organizations. Workers employ alternative means to achieve goals, they force supervisory personnel to revise strategies for compliance, and their actions generate tensions that result in the reformulation of bureaucratic procedures.

**Philip Selznick: Bureaucracy as Institution**

The final classic study of the unintended consequences of bureaucracy, Philip Selznick's (1949) analysis of the Tennessee Valley Authority, yields further evidence of the role of human action in producing deviations from formal rational goal attainment. In terms of the dynamic forces within the organization, Selznick identified the uniquely human elements that convert the organization from "a lean, no-nonsense system of consciously co-ordinated activities" to a "natural product of social needs and pressures" (1957:5). In Selznick's theory of organization, which he applied to his study of the TVA, he viewed "delegation as the primordial organizational act, a precarious venture which requires the continuous elaboration of formal mechanisms of coordination and control" (1948:25).

This is another example of the agency problem. The inherent contradictions involved in the act of delegating organizational responsibilities derive from, on the one hand, the desire for formal machinelike social control and, on
the other hand, the inevitable delegation allowing for freedom and autonomy of action. Thus, as Selznick noted, the formal structures

never succeed in conquering the nonrational dimensions of organizational behavior. The latter remain at once indispensable to the continued existence of the system of coordination and at the same time the source of friction, dilemma, doubt, and ruin. The fundamental paradox arises from the fact that rational action systems are inescapably imbedded in an institutional matrix (1948:25).

In terms of organizational members, they clearly fall into the category of what Selznick referred to as the “recalcitrant tools of action.” Recalcitrant tools are influenced by larger commitments that prevent and constrain organizational rationality. Humans are recalcitrant tools to the extent that they transport and develop commitments that conflict with rational organizational purpose as defined by organizational owners. Selznick emphasized that humans operate as “wholes” rather than simply as the occupants of a formal role. This is an impediment to formal rationality because non-work-related roles and personality traits tend to deviate from those prescribed by the formal bureaucratic structure. As institutions, organizations must attend to the needs and commitments of these recalcitrant tools of action and, in the process, organizations adapt, evolve, and drift.

Robert Jackall: Bureaucracy as a Moral Maze

A more recent sociological analysis of how humans navigate their way through the bureaucratic morass is found in Robert Jackall’s Moral Mazes: The World of Corporate Managers (1988). Jackall interviewed and observed corporate managers in a large textile firm, a chemical division of a large conglomerate, and a public relations agency. The purpose of his study was to gauge the way bureaucracy shapes moral consciousness and produces a bureaucratic ethic. Jackall reported a somewhat more powerful bureaucratic influence than Gouldner, Blau, or Selznick.

[B]ureaucratic work causes people to bracket, while at work, the moralities that they might hold outside the workplace or that they might adhere to privately and to follow instead the prevailing morality of their particular organizational situation. . . . what matters on a day-to-day basis are the moral rules-in-use fashioned within the personal and structural constraints of one’s organization (1988:6).

Recall that Weber advanced a principle of rational legal authority based on formal positions of command and a belief by organizational members that this is a rationally superior arrangement. In the organizations studied by Jackall, authority is not a distant abstraction but one experienced in day-to-day personal relationships with bosses. These relationships and the actual rules-in-use that prescribe appropriate behavior take on the character of a
patrimonial bureaucracy. Personal loyalty is the primary rule of behavior for managers. While this can be placed in an instrumental or rational context, it departs radically from Weberian notions of rational or instrumental action. Patrimonial bureaucracy supports behavior in which subordinates must symbolically reinforce at every turn their own subordination and willing acceptance of the obligations of fealty. In return, subordinates can hope for those perks that the boss can distribute: "the better, more attractive secretaries, or the nudging of a movable panel to enlarge [their] office, and perhaps a couch to fill the added space, one of the real distinctions in corporate bureaucracies" (1988:19).

There is a clear calculation here—of means and ends—but this is not quite what efficiency experts have in mind. In contrast to the rational bureaucratic principle that organizational behavior is directed toward the larger goals of the organization, or that rewards are allocated to those who advance these goals, Jackall's research supports the work of Offe (1976) who found that symbolic substitutes determine the allocation of rewards. Deferential forms of behavior are used as a substitute for other criteria, such as effectiveness, efficiency, and competence. This is not an uncommon practice given that it is difficult and costly to accurately or objectively measure one's contribution to an organization. Jackall (1988:64) noted that management evaluation criteria—"judgment and decision-making ability, creativeness, leadership, communication, working with others, and so on—is highly subjective and prone to a wide range of interpretation." Second, much of the symbolic behavior advances the interests of the immediate boss, who benefits from the patrimonial relationships that are so prevalent in the organizations studied by Jackall.

Alongside the personal, patron-client, relationships between corporate managers and their bosses are circles of affiliation. These alliances or networks within the firm do not correspond to the formal or rational-legal channels of communication that might be reflected in the organizational chart. Their crucial feature, according to Jackall (1988:39–41) is the use of informal criteria for admission, that are poorly defined and constantly changing. These informal criteria, that determine success and failure, have a weak relationship with one's personal accomplishments. Therefore, "The real task for the ambitious manager then becomes how to shape and keep shaping others' perceptions of oneself—that is, how to influence favorably or alter if necessary the cognitive maps of others in the central political networks of the organization—so that one becomes seen as 'promotable'" (1988:64). One's position and standing in this informal social structure both shape behavior and determine prospects for mobility. Symbolic interactions play a central role in this process.

If a single lesson is to be learned from Jackall's analysis, it is that the rationality assumed to operate at the level of the organization has been creatively adopted by organizational members. This does not mean they have been duped, brainwashed, or ideologically dominated. Rather, it signifies what the sociolo-
gist Karl Mannheim (1940) described as self-rationalization. As described by Jackall (1988:59), this involves “self-streamlining, that is, the systematic application of functional rationality to the self to attain certain individual ends” which he argued “is useful in understanding one of the central social psychological processes of organizational life. In a world where appearances—in the broadest sense—mean everything, the wise and ambitious manager learns to cultivate assiduously the proper, prescribed modes of appearing.”

In this passage, Jackall viewed the presentation of self in the organization as a form of self-rationalization. If organizational rationalization is the construction of structures to achieve a particular goal, then self-rationalization is the creation of a persona, or image, as a means to achieve the goal of personal advancement.

Taken together, the case study literature on bureaucratic processes identifies the role of human action and interaction in reshaping, redirecting, and distorting the formal rationality of bureaucratic organization. W. Richard Scott (1981) referred to this literature as a “natural system approach” because the emphasis on the human factor makes organizations similar to other social groups and/or institutions.

The social and human aspects of organizational life also highlight the irrational, dysfunctional, and unpredictable character of organizations. This was clearly recognized by the human relations theorists who emphasized the emergence of emotions, sentiments, and informal group behavior in formal organizations. More generally, the commitments and orientations that workers carry into organizations can serve as impediments to administrative objectives and control; the reflexive interpretation of rules and procedures can result in innovation and adjustment; the development and revision of bureaucratic practices is the product of “human striving.”

As Michael Crozier (1964:179) has commented, “In human relations terms, dysfunction appears to be the consequence of the resistance of the human factor to standardized behavior that is imposed upon it mechanically.” These studies of bureaucracy confirm that humans are neither the receptacles of instrumental rationality nor the mindless followers of procedure. Rather, humans create the tensions, conflicts, and dynamism in bureaucratic structures and, through the exercise of their capacities, reshape the internal structures of organization.

**Operationalizing the Rational Model:**

**Administrative Science**

The translation of the rational-bureaucratic logic into management and administrative principles represents the most direct relationship between organization theory and management practice. A number of organization and management
theorists have attempted to apply the logic of rational bureaucracy to specific organizational structures and practices. The intended consequence is to enhance the rationality and efficiency of the operation.

Henry Fayol

Henri Fayol (1919; published in 1949) was perhaps the first to present some explicit guidelines on how to structure the organization. Best known for his definition of management—which he reduced to the five functions of planning, organizing, commanding, coordinating, and controlling—Fayol advanced a set of administrative principles that were based on his experience as an engineer and managing director of a mining-metallurgy enterprise. These principles included the division of work and specialization, the right to exercise authority and issue commands, discipline, the unity of command, the unity of direction, subordination of individual interest to organizational goals, remuneration, the scalar chain, achievement of material and social order, equity, stability of tenure, opportunities for the display of initiative, and esprit de corps. Each of these principles were further elaborated and refined by later management theorists (Gulick and Urwick 1937; Mooney and Reiley 1939) and remain an integral part of managerial training to the present day.

What is interesting about the principles, when taken as a whole, is the way they combine formal structural prescriptions (such as the unity of command in which each worker has only one boss) with informal nonstructural precepts (such as equity—a “combination of kindliness and justice”—and esprit de corps). While the former can be built into the organizational chart and be included as part of a job description, the latter cannot be formalized. Both the demand for and the implementation of the informal precepts reflect the uncertainty that characterizes formal organizational control and coordination. Further, the recourse to the informal precepts reflects a recognition that formal-rational structural principles are insufficient means for the generation of compliance and cooperation and that one must also pay attention to the noninstrumental side of human existence through the provision of equity and an esprit de corps.

James Mooney and Allen Reiley

The combination of rational administrative principles with less-formalized modes of human control exists as a constant tension in the administrative literature. In their influential work, The Principles of Organization (1939), Mooney and Reiley began with an elaboration of core management principles. These are the formal procedures for integrating and dividing the various tasks (functionalization) and implementing a system of hierarchical control (coordination and scalar principles).
The later chapters in their book are devoted to various problems that emerge in the practice of administration. In a chapter titled "Internal Problems of Modern Industrial Organization," Mooney and Reiley admitted that the application of these principles may be difficult because "the industrial engineer is faced with the proposition of determining how a common understanding, a full loyalty and a clear discharge of duty and responsibility can be achieved." This managerial dilemma has its source in the simultaneous need to coordinate, on the one hand, and allow for some freedom of action, on the other. To deal with this challenge, the manager

must study human friction as well as the mechanical variety, and find out how to reduce it . . . Foremost in dealing with this problem is the vital matter of indoctrination . . . it seeks to establish a community of understanding . . . it brings into play the strongest disciplinary force evidenced in human history, the power of faith . . . when the laborer and the boss are bound by the same common understanding of some common purpose, the discipline is on a plane that no other form can reach (1939:173–78).

Again, we see that the formal structural prescriptions for the functioning of the organization are, by themselves, inadequate. The organization also requires an ideological or normative lubricant to reduce human friction and ensure the exercise of duty, responsibility, and discipline. This observation is based on practical managerial experience; both Mooney and Reiley gained their insights as executives for General Motors.

**Herbert Simon**

The work of Herbert Simon and his colleagues represents one of the most influential efforts to link the abstract principles of the rational model with concrete decision-making processes. This is clearly illustrated in Simon’s analysis of the problems in applying the standard litany of administrative principles.

**Contradictory Proverbs.** In his classic article, “The Proverbs of Administration” (1946), Simon noted that for almost every administrative principle “one can find an equally plausible and acceptable contradictory principle.” For example, the unity of command principle recommends that each organizational member should have only one superior from whom he or she receives directives. However, this principle conflicts with the principle of specialization prescribing the authoritative input of specialists on decisions relevant to their particular area of expertise. The latter principle would suggest multiple directives from various specialists.

A second example is found in the span of control principle advising that the number of subordinates for each superior should be kept to a relatively
small and manageable number. The implementation of this principle will result in an elongated hierarchical structure with an excessive number of levels through which communications would travel. Thus, the span of control principle would ultimately result in a potentially less efficient organizational structure. Simon provided numerous illustrations of this general problem with administrative theory. The internally contradictory nature of administrative principles are the result, according to Simon, of "superficiality, oversimplification, [and] lack of realism." Administrative theory "has confined itself too closely to the mechanism of authority and has failed to bring within its orbit the other equally important modes of influence on organizational behavior" (1946:64).

Simon's primary objection to administrative theory relates to the lack of sufficient attention to the human factor of production and, more specifically, the way humans go about making decisions in structured settings. A set of structural imperatives about the division of work and authority cannot be applied to organizations without a clearer sense of how these will affect organizational behavior. This general criticism could have led Simon in many different theoretical directions, but his devotion to rationality and the achievement of organizational goals led him to develop instead a model of humans that would be more realistic, on the one hand, and would contribute to rational control, on the other.

**Bounded Rationality.** Simon is best known for developing, with James March, the concept of bounded rationality. Simon and March (1958) argued that the assumptions of human rationality had to be replaced by a more realistic conception of human capacities. With regard to decision making, humans are limited in (1) the amount of information they can access and process, (2) the number of possible alternatives they are able to entertain, and (3) their ability to predict the consequences of their actions. These human limitations create bounds on the capacity for rational decision making. Thus, March and Simon suggested that the rational economic human who made optimal decisions should be replaced with the administrative human who made satisfactory decisions. They believed that satisfactory decisions were, in most cases, enough for the efficient operation and realization of the goals of the firm.

The limitations on rational decision making has also been a major theme in the literature of public administration. In addition to the obstacles identified by March and Simon, Carl Lutrin and Allen Settle (1967:95) noted the following constraints:

- Unwillingness or inability to make decisions.
- Tendency to make snap decisions on the basis of incomplete information or superficial evidence.
- Acceptance of the most readily available short-range solutions.
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subject to enormous debate and difference of opinion. Thus, value and factual
premises are constantly being contested. For this reason, decision making is
described as a process of incrementalism. Compromises are made with the
knowledge that there is no single or final solution (Lindblom 1959; Downs
1967). Rather, small steps are taken in agreed upon directions that do not pose
any fundamental challenge to the status quo or entrenched interests. Gortner
(1977:109) concluded: “[I]n making decisions dealing with public policy,
there is seldom any agreement on the goals, nor is it possible to get much
agreement; therefore, the incremental model of decision making is used.”

The sense that decision making and problem solving are often more diffi-
cult in the public sector than in the private sector is captured in Horst Rittel
and Melvin Webber’s (1973) distinction between “tame” and “wicked” prob-
lems. Tame problems tend to be easily defined with the primary challenge in-
volving the technical means to solve the problem and achieve success. Wicked
problems, in contrast, are those for which it is difficult to establish an agreed-
upon definition and for which it is equally difficult to determine whether a suc-
cessful solution has been achieved. Government tends to take on and attempts
to develop policies to solve wicked problems such as unequal opportunity and
crime. Definitions, solutions, and measures of success for these kinds of prob-
lems are highly contested and subject to a wide range of interpretations.

Unobtrusive Control and Simplifying Assumptions. In concluding this
section, it is important to note that Simon’s theory of administrative behavior,
which has had an enormous influence on organization theory, developed as a
corrective to the administrative principles that assumed structural arrange-
ments would automatically generate the desired behavior from organizational
members. Not only were the principles contradictory, but there was no clear
specification about the actual process that results in the translation of formal
structural constraints into rational organizational behavior (“the process of
choice which leads to action”). Thus, Simon developed a model of bounded
rationality that was supplemented by a more realistic theory of decision mak-
ing. The use of value and factual premises is a powerful form of “unobtrusive
control” (Perrow 1986) over human behavior. The organization provides the
premises, the subgoals, the submeans, and the routine procedures which in
turn impel organizational decisions.

Consistent with the view that organizations are rational instruments, how-
ever, Simon also regarded individuals as tools or objects and, accordingly, he
constructed a model of human behavior that is limiting. “It calls for simplify-
ing models of individual behavior in order to capture the complexities of or-
ganizational behavior” (Perrow 1986:122). While this is a standard and possi-
ibly unavoidable tendency of organization theory, it is especially applicable to
individual-level decision theories. In the end, Simon’s theory of administration
and its assumptions about the human factor can be subjected to some of the same criticisms he himself leveled against the administrative proverbs and rational human principles.

Simon's subsequent theoretical work (1997) and, in particular, that of his associates, Richard Cyert and James March (1992), has attempted to deal with these problems by introducing the notion of organizations as coalitions made up of individuals and parties that have divergent interests and goals. Cyert and March have also considered the impact of new organizational members who transport interests and goals, formulated in other organizations and social spheres, into the organization. These revisions to the theory of organizational rationality serve to acknowledge the complexity of the human factor as well as the human forces that contribute to organizational dynamics.

**Bureaucratic Rationalization and Domination**

*Arguments of Classical and Critical Social Theory*

Bureaucracy is often accused of suffocating the human spirit and robbing organizational participants of their freedom and dignity. Many of the arguments about the dominating power of bureaucratic organization originated in the classical social theory of Weber, Marx, and Durkheim. For Weber, the modern forces of rationalization promoted the bureaucratic form that enhanced efficiency while stifling affective human relations. For Marx, the bureaucratic work organization of capitalism was the "hidden abode" in which humans were unable to realize their full potential as human species. For Durkheim, the rise of instrumental social relations and the division of labor raised the specter of disintegration, normlessness, and anomie. In all three cases, bureaucratic organization has negative human consequences.

Of the three theorists, it was Weber who directed the greatest attention to the relationship between capitalist modernization, rationalization, and bureaucracy. In spite of his ideal type construct of bureaucratic principles, Weber also took the most pessimistic view regarding the impact of bureaucratic modes of organization on the individual.

Its specific nature, which is welcomed by capitalism, develops the more perfectly the more bureaucracy is "dehumanized," the more completely it succeeds in eliminating from official business love, hatred, and all purely personal, irrational, and emotional elements which escape calculation. This is the specific nature of bureaucracy and it is appraised as its special virtue (Weber 1946:215–16).

Weber's general assessment of bureaucratic organization has had a lasting impact on social theory in general and critical social theory in particular.
One of the central concerns of critical social theory has been the manner in which modern rational bureaucratic institutions attempt to gain mastery over the forces of nature through the application of the scientific method ("instrumental reason") and technology. Technology-based rationality was originally conceived as a way to liberate and emancipate humans from the problems of scarcity, ignorance, irrationality, and inefficiency. Critical social theorists (Horkheimer and Adorno 1976; Marcuse 1964), however, have argued that these instruments of human progress turn out to be the central sources of human oppression. The control of nature through science and technology extends to the domination of humans through bureaucratic forms of social organization. Technical rationality becomes a tool of organizational and ideological social control. Humans are socialized, or indoctrinated, to accept their own oppression as rational.

These linkages between the theory and practice of organizations, and the science and ideology of rationality, represent the central theme in Robert Denhardt's *In the Shadow of Organization* (1981). Denhardt argued that organizations, like science, "developed out of an interest in controlling nature, in conquering natural forces" and it is a short "transition from the domination of nature to the domination of other human beings" (p. 89). Technological rationality treats both natural and human entities as objects. As the logic of science spills over into the realm of administration, all human subjects are treated as manipulable objects.

In the rational-bureaucratic model of organization, the primary emphasis is placed on the means and methods to achieve particular ends. This feature of technological rationality is viewed favorably by administrators because it "can help eliminate those bothersome, inefficient, human qualities, such as feelings, that interfere with rational endeavor" (Denhardt 1981:28). Denhardt concluded that the impersonal treatment of humans in organizations ultimately affects the way we define our identities and results in "a life devoid of self-reflection" and a preoccupation with achievement and performance.

The human characteristics and behaviors that deviate from the rational model of administration are eventually subjected to self-censorship.

In the tradition of critical theory, Denhardt attributed great power to the force of technical rationality. As an awesome form of domination, it squelches and suppresses those human characteristics and capacities that are at odds with the single-minded purpose of administration. In short, the rational-bureaucratic organization emerges victorious in the effort to control the human factor of production.

However, Denhardt left open the possibility of some form of resistance to the technically rational onslaught. In Denhardt's analysis, a glimmer of hope is found in the "shadow" of organization, which refers to Carl Jung's notion of the underutilized and neglected drives and desires of humans. While rational-bureaucratic
organizations discourage and sublimate "irrational" drives and desires, they remain in the shadow as a form of potential opposition that can surface to challenge and negate instrumental rationality. Denhardt did not follow this line of reasoning to its logical conclusion, which would suggest a constant tension and conflict between human actions and organizational principles. This would also yield, in a dialectical manner, constant and subtle forms of opposition, accommodation, and the transformation of organizational arrangements.

Denhardt and the critical theorists tended to accept Weber's "iron cage" formulation while at the same time they minimized the human capacity for resistance and opposition. Gouldner (1955) referred to this tendency as the "metaphysical pathos" that pervaded theories of bureaucratic organization. It assumes an inevitable march toward a rigid division of labor, impersonal rules and regulations, an entrenched oligarchy, and effective control of subordinates.

There is a serious problem with this logic. It takes the purpose and intent of technical rationality, and the associated assumptions that humans can be treated as objects and means, as accomplished facts under modern capitalism. What might be wishful thinking among the dominant class and the managerial agents of social control—that humans can be molded, duped, and manipulated—is accepted as the defining characteristic of bureaucratic societies. This ignores the human capacity for reflexivity, transcendence, agency and, ultimately, opposition and resistance. These capacities do not automatically prevent or preclude the forms of structural control, class domination, or ideological inculcation that characterize all societies. They do, however, make their accomplishment much more difficult and eliminate the possibility that social control can be realized in a once-and-for-all manner.

**Bureaucratic Domination and Marxist Theory**

The profound impact of the bureaucratic domination perspective extends beyond the Weberian model of organization to Marxist theories of the labor process. The tendency to overestimate the ability of organizational forms to dominate and subordinate the human factor is found in some of the major Marxist works on organization (Clawson 1980; Marglin 1974). Most notable is Harry Braverman's *Labor and Monopoly Capital* (1974), which pointed to a fundamental aspect of all work organizations—the control of factors of production, generally, and the labor power of workers, specifically.

The emphasis on control and domination is consistent with the thrust of critical social theory. For Braverman, the application of science and technology to the labor process represented "weapons of domination in the creation, perpetuation and deepening of a gulf between classes in society" (1974:6). His insightful analysis of Taylorism and scientific management highlighted the role of management strategies designed to reduce the power and knowledge held by workers.
Braverman extended his analysis of scientific management and the division of the labor into the 20th century. He argued that there has been a ceaseless and progressive application of scientific management principles toward all forms of work. This has resulted, according to Braverman, in the continual de-skilling of all jobs and the continued separation of mental and manual labor. Thus, in this scheme all jobs, including white-collar and service occupations, are "proletarianized"; that is, they take on the character of blue-collar factory work that is repetitive, monotonous, and devoid of any opportunity to exercise mental conceptual skills in the labor process. The private ownership of the means of production and the ability of managers to organize the production process using rational bureaucratic principles are the central conditions allowing for the domination of the working class by the capitalist class. More specifically, the continued division and subdivision of the labor process into simple and highly specialized tasks serves to reduce skill requirements, reduce wages and salaries, increase productivity, and, most important, extend control over the working population. If you extend this argument to emerging organizational forms, you would conclude that all work will become more specialized and less skilled.

The accumulated evidence of trends in the organization of work and the task composition of jobs does not support this scenario (Form 1987; Howell and Wolff 1991). Studies of specific occupations that have undergone transformation point to a combination of de-skilling in some areas and re-skilling in others. Some jobs become more specialized and less skilled, while others expand their breadth of responsibilities both manually and mentally. One of the most rigorous empirical analyses of changing skill composition from 1960 to 1985 in the United States reported a net increase in the cognitive and interaction components of jobs (Howell and Wolff 1991). While there are a variety of possible explanations for this finding, nonetheless the progressive de-skilling and proletarianization of all jobs has not occurred. Thus, the thesis of the bureaucratic organization as an instrument advancing toward greater and more sophisticated forms of domination must look to other mechanisms of social control.

Consistent with our emphasis on tension, contradiction, and the perpetual problem of controlling the human factor, a number of further observations are in order. First, while de-skilling and specialization might be driven by an economic rationale from the perspective of the capitalist owner, they can also have a number of unintended consequences. The homogenization of labor can contribute to the development of a more cohesive common bond among a greater proportion of the workforce within and across organizations. This can enhance the likelihood of communication, organization, and collective action in opposition to the prerogatives of capital.

Second, there is evidence that some skill is relocated to other positions or sections of the organizational hierarchy; for example, to supervisory or middle
management layers. This may hamper the efficiency and increase the cost structure of the firm. During the economic crises of the 1970s and 1980s, organizations expanded middle management forms of "guard labor" to control and supervise the labor force (Gordon 1996). This ultimately produced a costly layer of management fat that prolonged the crisis of productivity and profitability. This is a powerful illustration of the unintended consequences of seemingly economically rational decisions.

Third, as the example from David Gordon suggests and the human factor perspective argues, the subjective and behavioral response of workers to the strategies of de-skilling and proletarianization can nullify the anticipated economic gains. These can include declines in worker effort, commitment, and loyalty as well as increases in turnover and absenteeism. As we shall consider in Chapter 6, recent innovations and trends in management, while still designed to maximize productivity and profit, have employed strategies that expand, rather than restrict, the range of tasks and responsibilities.

Richard Edwards's neo-Marxist analysis of the labor process also centers on the concept of social class control but, unlike Braverman, Edwards recognized that the human factor of production cannot be easily dominated or subordinated.

While the distinct and antagonistic interests of workers and employers necessitate strategies of managerial control, control is rendered problematic because, unlike the other commodities involved in production, labor power is always embodied in people, who have their own interests and needs and who retain their power to resist being treated like a commodity (Edwards 1979:12).

Edwards outlined the historical evolution of managerial control strategies shaped by "intensifying conflict" and "contradiction in the firm's operations" rather than a single instrument or logic of control. He analyzed three forms of control: direct, technical, and bureaucratic. Direct control involves the personal exercise of authority by bosses over their workers. Technical control refers to the application of technologies, such as the assembly line, that control the pace of the labor process. Bureaucratic control, which is of the greatest interest for our present purposes, ties the control of workers to the formal structure and social relations of the bureaucratic organization. Edwards (1979:21) wrote:

The defining feature of bureaucratic control is the institutionalization of hierarchical power. "Rule of law"—the firm's law—replaces "rule by supervisory command" in the direction of work, the procedures for evaluating workers' performance, and the exercise of the firm's sanctions and rewards; supervisors and workers alike become subject to the dictate of "company policy." Work becomes highly stratified; each job is given its distinct title and description; and impersonal rules govern promotion. "Stick with the corporation," the worker is told, "and you can ascend up the ladder." The company promises the workers a career.
Bureaucracy’s Other Face

Critical social theory and Marxist literature point to the way bureaucracy is used as an instrument of human control and manipulation. While not always successful, and often producing unintended consequences, bureaucracy can clearly be employed as a tool or strategy for domination. This is the dark side of bureaucracy that tends to receive the greatest attention. But is there another side to bureaucracy that can help explain why almost every organization employs some degree of formalized rules and procedures? Is it really the case that all forms of bureaucratic procedures are noxious and alienating? Recall that Gouldner (1954) made a distinction between mock, punishment-centered, and representative bureaucracy. These different forms indicate that some bureaucratic rules are irrelevant while others are supported by almost all members of the organization.

A similar distinction is noted by Paul Adler and Bryan Borys (1996) who identified two types of formalization: coercive and enabling. They challenged the widespread assumption that bureaucratic procedures are inevitably oppressive and antithetical to the interests of most organizational members. “Something is missing from these accounts: Surely employees’ attitudes to formalization depend on the attributes of the type of formalization with which they are confronted.” Adler and Borys wanted to “develop a way to distinguish good from bad rules.” This led them to conclude that enabling bureaucracy is designed to enable employees to manage problems and make decisions. Enabling rules formalize the best and most effective practices and routines, and develop procedures that are responsive to practical work-related demands (1996:69–71). The enabling elements of bureaucracy are not only favorably received by employees, but they may often be demanded. It is not uncommon to find organizational members requesting or wishing there were some written instruction on how to solve a problem or navigate through the organization. Perrow (1986:26) wrote:

“There ought to be a rule” is as valid as saying “there are too damn many rules around here.” Rules do a lot of things in organizations: they protect as well as restrict; coordinate as well as block; channel effort as well as limit it…. Social scientists, no less than the persons on the street, love to denounce them and propose ruleless organizations. But ruleless organizations are likely to be either completely automated…. or completely professionalized…. only a tiny fraction of organizations fit either case.

Bureaucratic rules and procedures are likely to persist in all organizations, so it is important to consider both their enabling and coercive features. They not only enable organizational actors to get certain things accomplished, but can also be used by subordinates as strategic weapons against superordinates. Gouldner’s punishment-centered bureaucracy could be imposed from the
bottom up in restricting the actions of superordinate managerial personnel. The work-to-rule strategy is used as a strategic weapon enabling workers to advance their interests. Greater attention needs to be devoted to these instances of “subversive rationalization” (Feenberg 1998) in which formal means are directed toward the realization of subordinate goals (see also Hodson 1995; Fantasia 1988).

McDonaldization: Diffusion of the Bureaucratic Ethos

If rational bureaucratic principles are a fundamental feature of all organizations and if we spend most of our lives either working for or being served by organizations, then the bureaucratic ethos will permeate almost every aspect of our lives. While such a rationalization of social life was posed by critical theorists in terms of domination, a more insidious form has been identified by George Ritzer in the guise of McDonaldization. In his now famous piece of popular sociology, *The McDonaldization of Society* (1993), Ritzer gave label and life to the “process by which the principles of the fast-food restaurant are coming to dominate more and more sectors of American society as well as the rest of the world.” These include dieting, education, the family, health care, leisure, politics, travel, work, and nearly all aspects of society (1993:1).

The Principles of McDonaldization

McDonaldization is based on four interrelated principles that are closely associated with Weber’s ideal type bureaucracy: efficiency, calculability, predictability, control. The fast-food industry is widely regarded as the one place where these organizational principles are employed appropriately and successfully (Morgan 1997: chap. 1). We can therefore discuss the principles in this context and then note their diffusion beyond the fast-food industry.

*Efficiency* is the more familiar term used to describe a formally rational process that employs the best and quickest means to achieve a particular goal. The provision of fast food can be regarded as efficient in that it is the best means of “getting from a state of being hungry to a state of being full.” The various processes that enhance this efficiency include burgers cooked and produced on an assembly line, customers driving through or walking up to the counter, self-seating, no waiting for tables, cash on delivery of the food, no tipping, no bill paying, and self cleanup. It is important to note that this system is as dependent on well-trained customers as on well-trained employees.

*Calculation*, or calculability, is the attempt to measure, calculate, and quantify every aspect of the organizational process and product. In the fast-food restaurant, every element of food preparation is measured and timed. The 1.6 ounce precooked hamburger is exactly 3.875 inches in diameter, fitting on a bun that is 3.5 inches in diameter. Size and quantity are emphasized and reflected
in the name of the menu items—Big Mac, Whopper, Whaler, Big Bite, and Super Big Gulp. Quantity takes precedence over quality or, to put it differently, the large quantity compensates for the low quality.

*Predictability* is built into the McDonaldization process in the way the food is prepared and delivered and in terms of the mutual expectations on both sides of the counter. The precisely timed, measured, and mass-produced fast food is based on the assumption that customers know what they want when they walk through the door and will limit their request to the narrow range of items on the menu. The transaction—from the insincere welcome to the disposal of one’s garbage—is a highly predictable social ritual. The success of the McDonald’s model is based precisely on people knowing what to expect and what they will get. For many consumers the best surprise is no surprise. When one is on the road and far from home, and in need of a quick lunch, the choice between McDonald’s or Floyd’s Take-Out is really no choice at all.

*Control*, as we already know, is a fundamental feature of all organizations. Formal control is the particular characteristic of McDonaldization. Control is exercised over the production of food—measured, timed, technologically controlled—as well as the behavior of employees and customers. Because the leading source of unpredictability and uncertainty resides in the human factor, the labor process is designed to minimize employee discretion. Scanners and automated soda dispensers eliminate further human control. Even the verbal exchange with customers is pre-scripted. Innovation is discouraged.

Ritzer’s primary thesis is that the principles of McDonaldization are applicable to almost every sphere of life. In the media we have CNN, and *USA Today* with its “news nuggets” (McNews). Banking is done through ATM machines (McMoney). Health care is dispensed through walk-in/walk-out medical centers (McHealth). Management practices are reduced to the “one-minute manager” (McManagement). College courses can be taken online in the comfort of one’s home (McCollege).

*Application to Higher Education*

The principles of McDonaldization, as rational bureaucratic practices, are also widely employed in higher education. Taking the principle of calculation first, students are admitted on the basis of their high school averages and their SAT scores. As one proceeds through the university, your academic ability and whether you can stay or must leave, is based on your grade point average (GPA). To graduate you must have a certain number of credits. Faculty are required to teach a certain number of courses per semester, meet with class twice a week for one hour, and post six office hours per week.
Efficiency is reflected in the design of the curriculum that indicates how one gets from a high school degree to a college degree by following a general education and major plan. Walk-in, telephone, and online registration make it quick, easy, and convenient to sign up for classes.

Predictability is built into the standard organization of majors; the three and four credit courses; the distribution of the syllabus on the first day of class; the reading list; the midterm and the final; and the standard course operating procedures of walk in, sit down, listen to a lecture, take notes, memorize material, and take the exam.

Control is also built into the system through the designated time when classes can be taken, the choice of courses, the requirements and prerequisites, the dispensing of grades, and the physical design and normative order of the classroom.

The power of Ritzer's analysis lies in its ability to present the often abstract principles of rationality through the familiar and widely shared fast-food experience and apply it to a vast assortment of other organizational and social practices. He also identified a number of tensions that emerge from the diffusion of McDonaldization. First, there is the "irrationality of rationality." This means that the organization of society around rational principles (efficiency, calculability, predictability, control), which are designed to achieve particular goals, actually undermine the ability to realize other objectives such as freedom, creativity, contemplation, quality, and individuality.

Second, Ritzer noted and even encouraged methods and movements designed explicitly to counter and resist the McDonaldization temptations. These include countercultural trends toward quality over quantity, health food over fast food, soliciting local independent businesses rather than franchises, and seeking out alternative, less commercialized, services and businesses. In short, one can observe the emergence of a lifestyle that revolves around an explicit opposition to everything McDonaldization represents. This development in turn provides an opportunity for other organizations to appeal to the growing segment of the population looking for alternative modes of product and service delivery. We now find many "noncommercial" businesses that project a counter-McDonaldization identity such as The Body Shop (dedicated to "the pursuit of social and environmental change") or Starbucks (where "coffee and community go hand-in-hand"). Resistance to McDonaldization is thus co-opted by other commercial profit-making establishments.

The Charges against Bureaucracy

I have attempted to present a balanced view of the rational bureaucratic model, noting the strengths, weaknesses, and contradictions that emerge out of this organizational arrangement. Most of the contemporary literature on bureaucracy
is highly critical. Management and organizational theorists now devote much of their energy documenting the shortcomings of bureaucracy and celebrating the new, less bureaucratic, organizational systems. Chapters 6 and 7 will take up the issue of alternative organizational forms that include postbureaucratic organization. In this section, we will simply consider some of the common but important charges made against the rational bureaucratic model. These charges are based primarily on the assumption that the bureaucratic model is either inherently less efficient and productive (in retrospect) than alternative, less bureaucratic, forms, or it is no longer an effective organizational form because of changing economic conditions. In almost every case, the negative assessments of bureaucracy can be classified under the more general organizational paradox of unintended consequences. Bureaucracies are designed to be efficient and productive, but it turns out that either in practice, or over time, many of the very structural characteristics intended to advance these goals yield perverse and self-defeating consequences. Much of the literature reviewed here confirms this paradoxical pattern of organizational life.

The first charge against bureaucracy concerns its inability to adapt in a timely fashion to changing conditions. Recall that a central principle, formalization, is intended to establish a fixed and systematic set of positions and processes. These are the means to achieve organizational goals. If the organization is suddenly or even gradually faced with different goals, conditions, or demands, the formal structure can become a rigid obstacle rather than a well-oiled machine.

The bureaucratic solution to this problem involves reorganizing the formal structure, or "restructuring." However, this is typically a long and drawn out task because the formal structure—be it coercive or enabling—was designed to regularize and institutionalize behaviors and processes. The greater the success of the organization in establishing this tight connection between formal structure and organizational behavior, the more difficult is the transition toward an alternative structure. In short, the rational bureaucratic organization is by its very nature inflexible, and thus unable to rapidly shift its structure and purpose. As we shall see in considering emerging organizations, rather than "restructure" it is preferable to develop an organizational system that can adapt flexibly to changing conditions.

A second related problem is the formal structure of specialized positions and departments. Again, such differentiation of job tasks is intended to be the most rational way to organize work. However, it turns out to have some debilitating effects. Bureaucratic segmentation can create a mind-set that fixes the attention of workers only on their particular job. This produces a kind of parochialism that generates subgoals, conflicting interests, and restricted loyalties in place of a universal attachment to the larger organizational mission.
The differentiation of tasks and functions, widely embraced by most organizations, inevitably produces conflicting interests. This necessitates the equally ubiquitous integration mechanisms such as mission statements, corporate cultures, and normative appeals.

Bureaucratic segmentation also restricts the mobilization and application of knowledge in the organization (Heckscher 1994). When people are responsible only for their particular job, they will be less likely to extend their knowledge toward other “independent” organizational tasks or processes. Restricted job assignments “systematically limit the use of intelligence by employees: the system uses only a fraction of the capacities of its members” (Heckscher 1994:20). Employee knowledge is applied to a narrow range of activities rather than exchanged or shared across positions and among employees. This limits the “mobilization of multiple intelligence.” The bureaucratic organization cannot compete with a new conception of work based on collective efforts, teamwork, multiple skills, increasing autonomy, and evaluations on results and outcomes (Powell forthcoming).

The neglect of informal organizational behavior represents a fourth widely cited shortcoming of the rational bureaucratic model. The Hawthorne discoveries, and the subsequent research by Gouldner, Blau, and Jackall, confirm what is now a widely accepted premise: Without the informal organizational processes there would be no organization. Put another way, the routine deviation of organizational behavior and interaction from formally prescribed patterns is the rule rather than the exception. The inherent limits on the ability to formally control human behavior and the enhancement of organizational functioning through informal behavior undermine a defining principle of the rational bureaucratic model—that behavior is formally determined and that adherence to formal directives constitute the most efficient means to achieve ends.

The many problems of bureaucracy can be linked to a more fundamental paradox noted by Max Weber. It is fitting that we conclude our critique of bureaucracies by consulting the social theorist who is both its principal defender as well as its leading critic. The paradox centers on Weber’s (1946) distinction between formal rationality and substantive rationality.

*Formal rationality* refers to the development and implementation of methods designed to facilitate the efficient realization of organizational goals. The bureaucratic organization and its elements of formalization represent a formally rational system. *Substantive rationality*, on the other hand, involves the degree to which the social organization allows the realization of “ultimate values.” These might include freedom, creativity, individualism, autonomy, and democracy. The great paradox of bureaucratic organization lies in the way it structurally embodies formal rationality while at the same time defeating substantive rationality; that is, the methods of bureaucratic administration that
constitute formal rationality—specialization, authority, and formalization—work against the realization of creativity, freedom, and democracy. This paradox generates tension and change. Systems employing formally rational principles generate critical reactions from the human factor that is capable of evaluating organizational conditions on the basis of ultimate values. The substantive irrationality of the formally rational bureaucratic system galvanizes individual and collective forms of opposition and resistance.

Another way to pose the issue is to consider the dual challenge facing all organizations. This can be thought of as developing an objective structure of coordination (formal rationality) that can also accommodate subjective reactions of labor (based on substantive rationality). The pressure to rationalize as much of the production process as possible is often frustrated by the equally pressing need to elicit human cooperation. The uneasy joining of rational and normative management strategies reflect this basic dilemma.

One version of this dilemma is outlined by Evan (1976) in an essay on the effects of organizational hierarchy. Most large complex organizations that produce goods and services hierarchically stratify formal positions. This hierarchical arrangement has usually been regarded as either indispensable for a rational bureaucratic system of administration or inevitable in all large organizations. In both cases, the long-standing assumption has been that hierarchical structure advances organizational efficiency.

The hierarchical and formal structure of coordination is prescribed with the corollary assumption that humans cannot be left entirely to their own devices because they might engage in counterproductive behavior. This represents an assumption about subjective preferences—employees may prefer to engage in alternative, or informal, activities. Thus, bureaucratic structures of control and coordination must be erected. But humans do not mechanically adhere to formal directives. They retain their subjective and reflective capacities. This then poses the problem of how to manage the subjective reaction to the structures of control. Evan pointed to the inequality in the distribution of resources that stem from the hierarchical structure—inequality in skills and knowledge, inequality in rewards, and inequality in authority. He argued that these tend to be cumulative, resulting in alienation, disaffection, and weak commitment among those who lack some or all of these resources. These subjective reactions to hierarchical arrangements can, therefore, counter the intended positive effect of hierarchy on organizational effectiveness.

Rational methods involving differentiations, specialization, chains of command, and evaluation/accounting systems limit the freedom and autonomy of employees. Where the subjective response counteracts the potential advances in efficiency and productivity, efforts must be made to develop systems that placate workers and facilitate their attachment to the enterprise. This
requires symbolic rewards, ideological appeals, human relations strategies, or systems of worker control. As Stephen Barley and Gideon Kunda (1992:386) put it, "For those who run corporations, this dualism often evinces itself in the practical issue of how to prevent anomie, construed as lack of commitment, while reaping the benefits of the very rationalization that exacerbates anomie." The normative "requirements" do not always fit comfortably in a model of organization built on the machine metaphor of exclusively formal rationality. However, as long as the organization is peopled with human capacities, extrarational mechanisms will be imperative for organizational functioning.

Summary

1. The rational bureaucratic model of organization is based heavily upon Max Weber's delineation of the ideal-type bureaucracy. Three principles are central to this model: formalization, instrumentalism, and rational-legal authority.

2. There is a rich tradition in sociology aimed at examining the relationship between the theoretical precepts of bureaucracy and the actual day-to-day operation and unanticipated consequences of this organizational model. The classic works of Merton, Gouldner, Blau, and Selznick remain relevant for organizational analysis of bureaucratic organizations.

3. The rational bureaucratic model has had an enormous influence on management and administrative practice. This is especially apparent in administrative science which proposes a host of formal organizational principles, including delegation, hierarchy of command, specialization, and differentiation. We continually note the practical problems of applying these abstract theoretical principles. Simon's notion of bounded rationality is a powerful acknowledgment of the limits of the rational model.

4. A large portion of the literature on bureaucracy is devoted to the issue of domination. Weber and Marx viewed bureaucracy as an instrument of oppression and exploitation. This is consistent with the view of organizations as instruments of social control. The important role of human resistance and struggle is emphasized in limiting the dominating influence of bureaucratic organization.

5. The rational bureaucratic model, while a central feature of the McDonaldization of society, is increasingly regarded as an inadequate organizational form. Changing economic conditions, and the
increasing importance of knowledge and collaboration, make the rigid bureaucratic structure less effective. Some of the emerging contradictions of bureaucracy can be framed in the context of Weber's distinction between formal and substantive rationality.

6. Today, bureaucracy is viewed as an increasingly ineffective organizational form because it is unable to respond flexibly to changing conditions and demands, divides the workforce into segmented activities, restricts the mobilization of knowledge, and disregards the vital role of informal behaviors and structures.