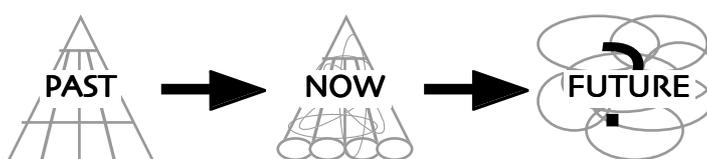


PAPER
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History of bureaucracy

Bob Dick (2003) A brief history of organisations.
Interchange, unpublished mimeo.

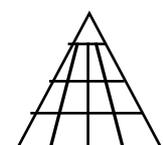
This was originally a four-page summary of key issues in structuring organisations. It was prepared as a resource document to support an action learning consultancy investigating new organisational structures.



About 10,000 years ago, at about the same time as the beginnings of agriculture, someone developed two

important inventions. One was *hierarchy*. The other was *regimentation* and specialisation. The result: social structures that were triangular in shape. Bureaucracy was born. “Bureaucracy” wasn’t always a dirty word.

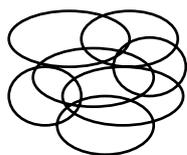
Bureaucratic structures worked so well that they became almost universal. We’re a small tribe species. Bureaucracy allowed us to create large and powerful systems. We even began to structure



almost all of our social systems that way. Our families. Our tennis clubs. That's a good record for bureaucracy — successful for 10,000 years.

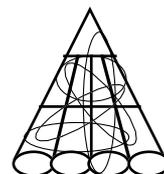
Unexpectedly, about 40 years ago, *bureaucracies began to fail*. We can guess why from the sorts of organisations where it happened first. It was in fast-moving industries like plastics and electronics. Now almost all organisations are unsure about structure. Most are beginning to experiment with different structural forms.

We can't be sure where this will take us. We're still a small tribe species which operates most comfortably in small face-to-face groups. We could restore bureaucracy to its pre-eminence if we slowed the world down. But that seems unlikely.



Perhaps in the future someone will invent another structural design which will again allow large organisations to work well. At the moment we're in the dark. Our best guess is that they may be networks of networks— there are a few successful structures based on that design. Meanwhile we do the best we can. We flatten our bureaucracies. We graft work teams onto them.

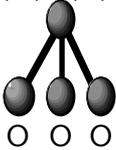
We interlace them with committees and meetings, working parties and project teams. They don't work as well as we'd like. They are a hybrid which is neither one thing nor the other. They do keep our organisations functioning to some extent.



We're also beginning to find out how we can get the best from our hybrid organisations. That's at the level of the organisation. At team level there is also a history to be told. There, what works now may continue to work into the future.

Teams

Within a bureaucracy there were in fact few real teams. There was a workgroup leader and a number of people who reported to the leader.

P,A,M,C,C

 The workgroup leader planned, allocated, monitored, controlled and coordinated the work. The work remaining — the operational work — was split up into person sized pieces (or usually smaller) and given to individuals.

Why do we have organisations? It is important to note that we do so to allow us to achieve *tasks too large or complex* for unorganised individuals. In other words, above all organisations must coordinate effort and expertise.

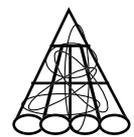
In bureaucratic organisations the leader was responsible for coordinating the effort and expertise of group members. This was done by telling them what to do and how to do it.

In our hybrids the planning, allocation, monitoring, controlling and coordination is combined with the operational work. It becomes the responsibility of the team. The team leader becomes a “satellite”, looking after the team boundary.



What tasks, then, are left for the leader? In bureaucratic groups the leader mostly managed downwards. Now *leaders can manage upwards and outwards*. Except when in crisis the team manages itself. This is more satisfying for team members. It is also more efficient and productive for the organisation.

Team leaders often complain at how much time they spend in meetings. They see it as a distraction from the real work. In reality it *is* their work. It is the glue that holds the bureaucratic structures from falling entirely to pieces.

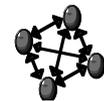


There are still issues in fitting together the teams and the organisation. This is picked up now.

Team structures

In bureaucracies, people were grouped with those who did the same work. Yet *the purpose of organisations is and was to coordinate effort and expertise*. Grouping like with like was efficient only in a stable environment. In a changeable environment it makes more sense to group those people whose work must be coordinated. This is a key principle of structure.

- ① *Group together those who have the greatest need to communicate*. Let the interdependencies decide the structure.



Do you centralise or decentralise decisions? Both. Make the more strategic decisions centrally. Give the more tactical decisions to those directly affected.

- ② *Devolve decisions to the closest point to the workforce at which the information, skills and maturity are available*. If the maturity and skills are not available help people to acquire them.

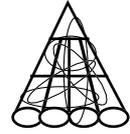


Except in very stable environments it is no longer possible to control people from the centre. Fortunately, most people would rather do a good job than a poor job.

- ③ Use technology, systems and procedures to help them do so. Set up the systems so that *the people, not the systems, are in control*.

Redrawing the organisation chart doesn't by itself create a new structure. New structures require new skills and new attitudes at all levels of the organisation. High performing organisations have shared values and vision to which people contribute. They show concern for their people and their clients.

④ *Recruit and select for vision and values* as well as skills. Ensure that people understand how their work relates to the organisation's vision. Build trust and relationships. Encourage openness about the bad news as well as the good news. Help leaders to know that meetings are their job, to set the strategic direction of their part of the organisation.



Now it's time to consider how organisations can be effective and at the same time good for all of their people.

People

So far we've examined some of the history of organisations both in their overall structure and in the team structures which are part of this. We've seen that our current organisations are a hybrid, with teams grafted on to an essentially-bureaucratic framework.

We also know some of the characteristics of high performing organisations. As mentioned, they have a shared vision and a concern for people. For this to occur they also have a *sense of identity* — people are proud of the organisation and work for the benefit of it as a whole.

We've seen that teams in the new organisations have taken over many of the tasks team leaders formerly performed. How do we fit teams effectively to our hybrid structures?

For the organisation we can pay attention to ■ *structure*, ■ *leadership*, and ■ *accountability* —

- Effective structures group interdependent people into face to face teams where possible. Semi-permanent teams manage long-term interdependencies. Ad hoc team manage temporary ones. Where interdependencies are not managed face to face, systems and procedures are used.



- Leaders manage downward by helping teams when they need it. They help teams to become self-sufficient. When this is achieved, leaders' main tasks are to coordinate their efforts with that of their peers, and (by managing upwards) their superiors.
- Accountability systems assume that *people would rather do a good job than a poor job*. Almost all people do. So systems and procedures and technology enable people, not constrain them. If something isn't working, assume that it's more likely to be the systems than the people. Don't hold people accountable for anything they can't control.

We can't assume that a group of people thrown together will function as a team, despite their best efforts. They may need help to ■ *build quality relationships*, to ■ *be clear about their goals* and interdependencies, and to ■ reach agreement on a *way of working together*.

Even then they will be most effective when their work is inherently satisfying — enough ■ *autonomy* and ■ *variety*; a chance to ■ *learn*; a ■ *meaningful* job which contributes to a worthwhile organisational goal; ■ *support* of colleagues, superiors and subordinates; and with a ■ *desirable future* in sight.
