Managing in an Organized Anarchy

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Does your company know what it's doing? Are its goals either vague or in dispute? Is its core technology familiar to employees but not really understood? Do some of its major participants wander in and out of projects and decisions?

These characteristics do not necessarily make your company a bad organization, or a disorganized one, but they do make it a problem to describe, understand, and lead. In their book, Leadership and Ambiguity (Harvard Business School Press, 1986), Michael D. Cohen and James G. March refer to these types of companies as "organized anarchies" that exhibit the following general properties:

**Problematic Goals:** The company appears to operate on a variety of inconsistent and ill-defined preferences. It can be described better as a loose collection of changing ideas than as a coherent structure. It discovers preferences through action more often than it acts on the basis of preferences.

**Unclear Technology:** Although the company manages to survive and produce, it does not understand its own processes. Instead, it operates on the basis of a simple set of trial-and-error procedures, the residue of learning from the accidents of past experiences, imitation, and inventions born of necessity.

**Fluid Participation:** The employees in the company vary among themselves in the amount of time and effort they devote to the organization; individual participants vary from one time to another. As a result, the boundaries of the company appear to be uncertain and changing.

Trying to make or influence decisions in this type of an environment can be difficult. However, Cohen and March suggest several basic tactical rules for use by managers who wish to influence the course of decisions in companies experiencing some of the above characteristics:

**Spend Time:** If you are in a position to devote time to the decision-making activities within the company, you have a considerable claim on the system. This "energy" is a scarce resource. Expending it leads to a more tolerant consideration of the problems you feel are important, as well as identifying you as a major information source.

**Persist:** Don't assume that if a particular proposal has been rejected by your company today, it will be rejected tomorrow (and vice versa). Different sets of people and concerns will be reflected each time a problem is considered or a proposal discussed.

**Exchange Status for Substance:** Put your ego aside. If you can forgo at least some of the pleasures of self-importance in order to accomplish some meaningful task, you will also receive credit for many things over which you have had little control, and to which you have contributed little.
Manage Unobtrusively: Focus on affecting many parts of the company slightly rather than a few parts in a major way. Use your leadership "rudder" to navigate the "currents and winds" of the organization to reach a desired "destination". The effect of this type of intervention on any one part of the system is small enough so that either no one really notices, or no one finds it sensible to organize significantly against the intervention.

By accepting and understanding the many ambiguities and uncertainties that exist in the workplace, your ability to influence decisions in a positive way will increase dramatically. You will become more effective as a manager - and as a leader.

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