A REVIEW ON INTRA-ORGANIZATIONAL RELATIONS

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ABSTRACT
This theoretical study provides a comprehensive review on intra-organizational relations, with regard to the inter-departmental relations, decision-making and conflict. As organizations are composed of individuals with the necessity to communicate and balance the relations, the study suggests literature review on intra-organizational power relations, communication, and decision making, which are highly important concepts in today’s organizational life.

Keywords: Intraorganizational relations, power relations, interdepartmental communication, organizational conflict

Örgüt İçi İlişkiler Üzerine Bir Çalışma

Özet

Anahtar Kelimeler: Örgüt içi ilişkiler, güç ilişkileri, departmanlar arası iletişim, örgütSEL çatışma

Introduction
Relations and conflicts within organizations is a major area to study and understand organizations in a more detailed way. It is important to grasp the dimensions of these relations, so that organizations function more effectively and efficiently. When these intra-organizational relationships are elaborated in more detail, the arising conflicts can be solved easily and organizations can make use of these conflicts and arrange the relations effectively with regard to organizational decision-making. Based on these, this study provides a theoretical review on intra-organizational relations, with regard to inter-departmental relations, decision-making and conflict.

I. Intra-organizational Power Relations
According to Levina and Orlikowski (2009: 39), intra-organizational and inter-organizational project teams can be regarded as small task groups with different claims for status and power. “Within professional communities, power tends to be associated with expertise and experience, so that when members of multiple
communities interact, multiple status claims co-exist. Alternatively, in bureaucratic organizations, Weber (1978) argued that the power of structural authority is an important mechanism for integrating diverse functional groups” (Levina and Orlikowski, 2009: 3).

The important point to study the power relations within an organization is how to define ‘power’. There are various explanations of power with regard to intra-organizational relations. In their study, Astley and Sachdeva (1984) have focused on three sources of power: hierarchical authority, resource control and network centrality. While the first two are very common within the literature, the third one, network centrality explanation of power can be more powerful for explaining the interdepartmental conflicts resulting from departmental dynamics and task-related issues. Network centrality mainly claims that power is attached to positions due to their centrality within a network of relations. Similarly, Lachman (1989: 232) defined the sources of power as: control over task and resource allocation, network or workflow relations, information or specialized knowledge and control over environmental uncertainties.

According to Grimes (1978: 727), an important feature of power is its emphasis on private-goal orientation rather than collective goal orientation. This is specifically important for inter-departmental relations in terms of conflicts, as conflicts usually raise due to the failure of not adopting an organization-level strategy. Mainly, it is the departmental interests that differentiate and result in conflicts. Within an organization, each department tends to have different values and goals and sometimes, one department’s goals may not be congruent with that of others. At this point, their insistence of pursuing own goals implies a struggle for power, which is not to the benefit of the whole organization indeed. “According to a value-based explanation of power, influence is shaped by the beliefs of the social players... The sharing of organizational values between those in specific departments and top management is explored as a determinant of subunit power. It is argued that departments whose organizational values are perceived to be congruent with those of top management will possess power” (Enz, 1988, p. 284).

Sometimes these power relations derive from the needs-basis. As Fligstein (1987, p. 45) claimed, “the two major resources in power struggles are the environment and the internal organization of the firm.” A well known theory, resource dependence, explains this with regard to the inter-organizational relations or the relations with the environment; but the same idea can be read taking the intra-organizational relations into consideration. In fact, the theory of resource dependence is based on the relations between organizations and their environments (including other organizations). Accordingly, organizations need to confirm to the environment and the rules of it in order to have the legitimacy to obtain resources and social support. (Tolbert, 1985, p.2) A similar argument can be made for intra-organizational resource dependence relations. While the issue of dependence was mentioned for the social structure above, it was more of a decision making type of dependence. However, in the resource-dependence, the idea of dependence is from the point of resource and information necessary for units or groups to conduct their daily operations. Mainly, one department may need information coming from another department and that information providing department becomes more powerful as a result. This can be regarded as a type of dependence between departments. Emerson’s explanation of power as a dependence-generated concept
has been highly emphasized in organization studies so that it has become inevitable to talk about power with reference to dependence (Astley and Sachdeva, 1984: 105).

It is a natural outcome of division of labor within the whole organization. “When organizations are conceived as interdepartmental systems, the division of labor becomes the ultimate source of intra-organizational power, and power is explained by variables that are elements of each subunit's task, its functioning, and its links with the activities of other subunits” (Hickson et. al., 1971: 217). According to Krackhardt and Brass (1994: 210), actors willing to exercise power should both increase others’ dependence on themselves and also decrease their dependence to others as much as possible. “Pettigrew (2002: 45) sees the mobilization of power as what happens when either individuals or sub-groupings within organizations make a claim against the extant resource-sharing system of the organization. As Pettigrew (suggests, power is central to the strategy process in organizations because decisions about what strategy to maintain or innovate will always be political. Such decisions are likely to threaten the existing distribution of organizational resources as represented in salaries, in promoting opportunities, and in control of tasks, people, information, and new areas of business” (Clegg et. al., 2008: 264).

There is another view about power, that it does not stand alone for a meaning but constructed by the actors involved. According to Pfeffer (1981), power is a context-specific notion. (Astley and Sachdeva, 1984: 104) In order to have a meaning, power needs to be read within interplay of intra-organizational relations. As stated by Clegg (in Pugh and Hickson, 2007: 48) “power can only be manifested in circuits of power that flow from the interplay of reciprocal relationships. In the organizational network, these circuits carry episodes of continuing negotiation and renegotiation by the participating agents, which form the power relationship”. This means, it is the also the relations that shape the power dynamics in an organization. The traditional view would regard power as a result of the structure of organization, whereas power can also result from task-related relations within an organization. Similarly, Levina and Orlikowski (2009: 3) also state that “power relations are produced, reproduced, and transformed through the everyday practice of agents (Bourdieu, 1977). By practices, we mean the recurrent structured activities that people perform to get their work done (Schatzki, 2005)” These practices can be observed on the daily transactions between departments. It is not only the dependences that shape the power of actors, but also, actors are able to shape the power perceptions themselves. It depends on how successful a department can be on influencing others or shaping the general strategy of an organization so that it becomes in line with its own. As Lachman (1989: 232) argued, “subunit power within organizations is defined as the capacity of a subunit to influence the behavior of other subunits.” In line with this, Bacharach and Baratz (1962: 949) define power as; to the extent that a person or group prevents consciously or unconsciously policy conflicts from public airing, that person or group can be considered as having power. As Pfeffer and Salancik (2002) also hypothesize that power can be used within organizations for influencing decisions about the allocation of resources (Clegg et. al., 2008: 262), obtaining the intended influence would contribute to power significantly. Similarly, Mintzberg also (1983) regards organizations as fields of power games where ‘influencers’, or a ‘cast of players’ make the difference (Clegg, 1990: 93). The idea that power may be created can also be read from Clegg’s (1990: 190) argument that power issue also results in the situation of empowerment in an organization. Empowerment can be achieved through on-the-job trainings and
learning with job rotation. “Bourdieu argues that the power to produce discourse constitutes symbolic capital and affords an important means of shaping social reality (Bourdieu & Thompson, 1991). In organizations, discourse includes a complex array of texts such as job titles, policies, procedures, and methodologies (Phillips, Lawrence, & Hardy, 2004). Adopting a view that discourse is “situated symbolic action” (Heracleous & Marshak, 2004), we can see how shaping and reshaping such texts through discursive practices constitutes the core of organizational life (Weick, 1987)” (Levina and Orlikowski, 2009: 5). In addition, “Hardy et al. (2004: 300) note that discourse ‘constitutes power relations by holding in place meanings associated with concepts, objects, and subject positions, which distribute power and privileges among actors’. Because discourse inevitably involves internal tensions, inconsistencies, and contradictions, it constitutes the discursive space for both the contestation and negotiation of power” (Levina and Orlikowski, 2009: 5).

Strategic contingency theory is traditionally central to the power studies as well. In fact, it includes the idea of dependency dimension of power relations. “For Fligstein, the power perspective is primarily constituted in terms of the strategic contingencies, resource dependencies and political economy” (Clegg, 1990: 84). Strategic contingency theory combines the structural dimensions of centrality, substitutability and coping with uncertainty as the sources of power. Accordingly, a subunit’s power derives from the strategic contingencies it has compared to others (Lachman, 1989: 232). With regard to this approach, when thinking about an organization consisting of subunits, “the most powerful are the least dependent subunits that cope with the greatest systematic uncertainty, although there are certain qualifications – namely, that the subunit is not easily substitutable with any other subunit and that it is central to the organization system” (Clegg et al, 2008: 261). Similarly, another view of power defines it with “reference to an actor’s locational centrality within a network of workflow relations (Tichy & Fombrun, 1979) (Astley and Sachdeva, 1984: 105). “Organizations consist of different coalitions of interests (March, 1962) with diverse values that guide and inform their assessments of the external environment. Since departments do not uniformly share the same definitions of critical contingencies, they cannot be expected to agree on which departments have the capacity to control and manage the environment. Thus the question of which subunits define the critical uncertainties for the organization becomes the key to determining which units have influence (Salancik and Pfeffer, 1977)” (Enz, 1988: 285). What Enz refers to is a good way to understand where the power comes from. For example, while there is a tendency to overvalue the marketing and sales departments of companies, the most significant added value may not necessarily be coming from them. For a company operating in a highly unstable environment full of uncertainties, a boundary spanning department might have much more strategic contingencies. Since the environment and the tasks always change, it might be important to revise the organization-level strategic contingencies and departmental strategic contingencies frequently.

In fact, actors may not always be successful in having significant contingencies to become powerful. At this point, as Enz (1988: 285) suggests, they may simply try to align their values and interests to the organization’s and top management’s values and interests, so that they create their own strategic contingencies.

In their work on power, Bacharach and Baratz (1962) suggested two types of power: elitist and pluralist, arguing that in every human institution there is a power
structure reflecting the organization’s stratification. The interdepartmental relations and resulting conflicts can be viewed from the point of pluralist argument, which mainly claims that “power may be tied to issues, and issues can be fleeting or persistent, provoking coalitions among interested groups and citizens, ranging in their duration from momentary to semi-permanent” (1962: 947). Similarly, pluralist view focuses more on exercise rather than sources of power and is not interested in the reputedly powerful either.

The type of control applied in an organization can be considered one of the key determinants of power relations as well. Clegg (1990: 190) also argued that “mechanisms of coordination and control of the different functions and alignments of the organization depend, in part, on the strategies of power pursued. There are two aspects to this: power in the organization and power around the organization”. Furthermore, Pugh and Hickson in Clegg, 2007: 46) stated that “other forms of control by non-owners develop based on their strategic position in the organization. Accountants, marketers, and IT specialists strive for power for their specialisms based on interpretations of the rules that are favorable to them. So, organizations may be conceived as arenas within which various subgroups compete for resources and power”. “Centralized accounting and capital-budgeting systems are the new organs of control to whose simplistic quantifications all complex technical and organizational questions, as well as future production and marketing imponderables, have to be reduced (Standish 1990). ‘Profit-centre’ managers in their turn submit to the iron law of quarterly or annual return-on-investment (ROI) calculation, which hardly encourages them to become far-sighted captains of industry” (Clegg, 1990: 197). Moreover, “the nature of control between the headquarters and the various subsidiaries is different, depending on the nature of the dependence headquarters has with subsidiaries and subsidiaries have with one another (Rose and Hinings, 1999)” (Hinings in Westwood and Clegg, 2003: 280).

The importance of studying intra-organizational power relations is based on the idea that these power relations shape actors’ capabilities and the resources they can access, thus the frames of their action (Levina and Orlikowski, 2009: 4). Value sharing between top management and a department increases the probability that the department has greater access to information, communicates more often with executives, is trusted by and attractive to top management, and is thus in greater control and more secure in its organizational actions” (Enz, 1988: 288).

Besides traditional approaches, critical view also focuses on the power relations. “One obvious and important way to make stratification issues more central would be to reconnect the study of organizations and occupations (Barley and Tolbert, 1991). While organizations and occupations used to be studied simultaneously (e.g., Zald, 1971), they have become increasingly separate intellectual realms since mid-century, with organizational sociologists employing structural approaches to the analysis of rational bureaucracies while sociologists of work mainly engage in interpretive studies of workers inside single organizations (Hirsch, 1985). If institutionalists began to focus attention on the dynamics of occupations and organizations in fields, extant theories of institutional process could be usefully extended to account for conflict over authority and jurisdiction (Abbott, 1988)” (Westwood and Clegg, 2003: 215). This point is similar to what was mentioned in the power relations part with regard to the “created” nature of power. In modern organizations, most of the time, the power does not derive from authority but from the occupations the departments hold. In other words, the dependence
relations between departments result from the occupational power they possess and the knowledge they share with others. In this regard, it would be right to focus on the power dynamics of individual departments rather than the authorities or positions. That the power relations are produced as a result of transactions between departments means that power relations do not emanate from an established social reality but depend on the needs of employees, managers, other departments, and the environment. Westwood and Clegg (2003: 222) similarly argue that “critical discourse analysis highlights the failure of the new institutionalism to deal with power and agency, the most serious theoretical challenge to further work in this area” (Westwood and Clegg, 2003: 220). “Discourse analysis does not assume a social world and then seek to understand the meaning of that world for participants. Instead, it tries to explore the ways in which the socially produced ideas and objects that populate the world are created and maintained”.

II. Intra-organizational Communication

Intra-organizational power relations are good determinant for intra-organizational communication and decision making. Once created, the power relations also shape the communication within an organization. The frequencies of the interaction that are resulted from the dependencies and occupational needs contribute to the characteristics of communication. As Casey (2002: 15) stated, “organizations can now be seen as relationships produced and challenged by human actors in the relations of production. More common now is preference for a less troubling hybrid view in which functional systems are upheld as desirable and achievable, and managers play an agentic role in determining and maintaining the structures, roles and goals of organizations”.

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Communication is an important part of organizations’ daily activities. In Muchinsky’s study (1977: 594), organizational communication was measured with respect to 16 dimensions, as: trust, influence, mobility, desire for interaction, accuracy, summarization, gatekeeping, overload, directionality-upward, directionality-downward, and directionality-lateral, and also frequencies of written, face-to-face, telephone, and other modalities of communication and also degree of satisfaction with the communication in the organization. All these dimensions contribute to the creation of the organizational culture, which needs to be communicated for adaptation. Organizational rules and culture is at least communicated between parties in an organization while the same rules also control the conduct of the communication itself. In this way, organizations establish their rules and values by practicing them during communication. “The Montreal scholars argue that organizations are generated, sustained, and changed in the communicative process of co-orientation, where actors ‘tune in’ to one another as they engage in interdependent activity. Co-orientation occurs when two actors (at a minimum), A and B, relate to one another through the medium of some objective, ‘X’ (Newcomb 1953). In their interaction, they both pursue the X (acknowledging that each may be pursuing other objectives simultaneously) and, through their exchange, can modify X’s character” (Kuhn, 2008: 1232). In fact, it is at this point of interaction where value congruence should be maintained to facilitate better communication and decrease the possibility of intra-organizational conflicts.

A type of empowerment as Clegg (1990: 193) suggests can be beneficial for better communication. “Empowerment through widespread use of communication
of information has been seen by Clark (1979) to be a key feature of the ringi-ko decision-making system, where printed documents circulate widely through the enterprise for comment and discussion. Consequently, when decisions are made after this exposure, snags and sources of opposition will have invariably been ‘cooled out’, often in ways which are organizationally quite productive. Much the same can be said of the widespread use of ‘suggestion schemes’, which is although not compulsory yet is so widespread employees feel obliged to participate in them”. In this type of empowerment, it would be departments rather than individuals that are empowered with certain qualifications. To prevent the emergence of conflicts, departments should be willing to share the knowledge, the information and the other needed documents and this can be provided by the management by facilitating interaction and establishment of necessary mechanisms to encourage sharing.

Five dimensions are proposed by Katz and Kahn (in Panchal) to explain communication circuits in organizations:

(a) The size of the loop; that is, the amount of organizational space encompassed by the communication circuit;
(b) The nature of circuit;
(c) The openness of the circuit; that is, the extent to which messages can be modified once the communication process has been initiated;
(d) The efficiency of the circuit for task completion; that is, the speed and accuracy with which the circuit permits the completion of specified tasks; and
(e) The goodness of fit between the circuit and its systemic function.

III. Intra-organizational Conflict

In their model, Walton and Dutton (1969: 73) have listed nine major antecedents of inter-departmental conflict, as: mutual dependence, asymmetries, rewards, organizational differentiation, role dissatisfaction, ambiguities, common resources, communication obstacles and personal skills and traits. Asymmetries, ambiguities, communication obstacles and common resources (as the theory of resource dependence also suggests) can be considered as being among the most influential factors causing intra-organizational conflicts. With regard to communication obstacles, the organization itself can provide a factor with its structure. For example, study conducted by Tsai (2002) revealed that centralization and formal structures negatively affect the possibility of information sharing between units of an organization. The structure of the organization can also be important during periods of change. Merger and acquisition times are very common examples for intra-organizational conflicts, while a new (kind/type of) authority is being emerged. “They can produce conflicting authority structures based on disparate organization cultures and systems resistant to the new locus of control” (Clegg, 1990: 196).

As mentioned before, conflicts raise due to the departments’ failure to adopt the common interest at the organizational level. They pursue their own goals and mostly these different goals conflict. As Levina and Orlikowski (2009: 4) stated, agents’ participation in a particular field both ties them together through their pursuit of a collective endeavor and divides them based on their different attainments of
common stakes. This means that the departments both cooperate and compete in the same environment. In this regard, the concept of ‘coopetition’ was introduced by Tsai (2002: 179), mainly arguing, that “organizational units compete with each other in different forms and require different coordination mechanisms to facilitate knowledge sharing”.

Another source of conflict can be lack of knowledge by the departments about others and the organization in general. What other departments do or why they do in that way is important to understand before acting against their demands that lead to the conflict. "Miller (1959) proposed that the less units know about each other’s job, the less collaboration and that lack of knowledge can lead to unreasonable inter-unit demands through ignorance” (Walton and Dutton, 1969: 77). The literature has usually focused on the marketing and the sales functions with regard to departmental differentiations, yet, deriving from this point, the potential conflicts between the human resources departments and other departments can be analyzed. Most of the time, the problem occurs for the human resources departments due to the lack of definite knowledge of what departments require for their professions. Job rotation as a good communication strategy can be applied in such cases for the HR staff, who would visit other departments for certain periods of times for analyzing what these jobs really demand.

Strauss (1964) observed that differences in training of purchasing agents and engineers contributed to their conflicts. This can be regarded as constructed intra-organizational conflict, where the differences are created by the training programs, which employees use to redefine their roles and status. These types of ‘created’ conflicts can be also explained with the concept of ‘genres’, which is defined by Orlikowski and Yates (1994: 542) as “socially recognized types of communicative actions – such as memos, meetings, expense forms, training seminars – that are habitually enacted by members of a community to realize particular social purposes.” In another work, Orlikowski and Yates (2002) claimed that genres can be regarded as institutionalized and structured templates serving for social interaction and also as discursive resources shaping expectations about practices (Levina and Orlikowski, 2009: 6).

Apart from these, intra-organizational conflict can in fact be beneficial for motivation of employees and organizational performance in general. According to Walton and Dutton (1969: 80), this effect depends on the personalities of the participants involved in the intra-organizational conflict. In addition, degree of symmetry in tactics between units, internal social stability, value sharing between units, and a legitimate authority hierarchy between units are counted as the determinants of the results of potential intra-organizational conflicts. Clegg et. al. (2008: 264) argued, that “organizations are often lived and experienced as a series of ‘turf wars’ between different branches, divisions, departments, occupations, and cultures located within these; thus, organizations should be conceived as arenas in which many and varied war games will be in play, with the rules of the game constantly shifting and frequently unclear, and always overlapping. According to Pettigrew, organization politics are fundamentally concerned with the management of meaning. Actors in these political relations seek to legitimate the ideas, values, and demands that they seek to oppose. Thus, power is ultimately deployed in games of organizational symbolism. It is wrapped up in myths, beliefs, language, and legend – the stuff of organization culture”.

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Having reviewed these dimensions, the argument of this study is; that within a task network consisting of interdependent tasks, intra-organizational (inter-departmental) conflicts raise due to power relations between departments. One department may substantially need information coming from another department, while that other department strives for power, which it can hold through that specific information needed by others. Task interdependence is a result of the reciprocal information needs of these departments. Value and interest congruence is also an important part of intradepartmental relations. For example, compliance to corporate governance is not desired by some departments whereas it is the duty of one or several departments to provide that the principles of corporate governance such as transparency and accountability are considered and practiced by the company. Accordingly, all types of stakeholders should be taken into account when considering intra-organizational power relations, such as the shareholders.

Conclusion

This study provides a theoretical review on intra-organizational relations, with specific emphasis on power relations, communication and conflict. Both power relations and intraorganizational conflicts are suggested to raise mainly due to private goal orientation and failure to adopt to common interest, whereas intraorganizational communication is linked to organizational rules and culture and that communication is in fact at the heart of the aforementioned problems and ways to solve them. In today’s business environment, organizations have competitive concerns with regard to both outside actors and internal actors. Internal actors, be it the departments, experience various problems within the organizations. It is important to discuss on the issues suggested in this study, as more and more organizational problems derive from these power relations. Most problems in the organizations have their roots in relational dimensions. Who has the information or who is close to decision making authorities is a major issue of these relational power source. All these issues need to be handled systematically by organizational leaders in order to prevent conflictual situations and organizational rules and culture might build a guide for them to manage such problems. The arguments of this study can have more practical implications for business leaders, when studied empirically in further statistical studies.

References


