In memory of my parents Idris and Rachel Morgan

ORGANIZATION

Updated Edition of the International Bestseller

Gareth Morgan

Schulich School of Business, York University, Toronto



Copyright © 2006 by Sage Publications, Inc.

All rights reserved. No part of this book may be reproduced or utilized in any form or by any means, electronic or mechanical, including photocopying, recording, or by any information storage and retrieval system, without permission in writing from the publisher.

For information:



Sage Publications, Inc. 2455 Teller Road Thousand Oaks, California 91320 E-mail: order@sagepub.com

Sage Publications Ltd.
1 Oliver's Yard
55 City Road
London EC1Y 1SP
United Kingdom

Sage Publications India Pvt. Ltd. B-42, Panchsheel Enclave Post Box 4109

New Delhi 110 017 India

Printed in the United States of America

Library of Congress Cataloging-in-Publication Data

Morgan, Gareth, 1943Images of organization / Gareth Morgan. — Updated ed.
p. cm.
Includes bibliographical references and index.
ISBN 1-4129-3979-8 (pbk.)
1. Organization. 2. Organizational behavior. 1. Title.
HD31.M628 2007
658.4—dc22
2006002939

This book is printed on acid-free paper.

06 07 08 09 10 9 8 7 6 5 4 3

Acquisitions Editor: Al Bruckner
Editorial Assistant: MaryAnn Vail
Production Editor: Diane S. Foster
Typesetter: C&M Digitals (P) Ltd.
Proofreader: Scott Oney
Indexer: Molly Hall

Cover Designer:

Michelle Kenny

Contents

Acknowledgments xv

Preface

≱.

PART I: AN OVERVIEW

. INTRODUCTION

PART II: SOME IMAGES OF ORGANIZATION

2. MECHANIZATION TAKES COMMAND: ORGANIZATIONS AS MACHINES 11

Machines, Mechanical Thinking, and the Rise of Bureaucratic Organization 13

The Origins of Mechanistic Organization 15

Classical Management Theory:
Designing Bureaucratic Organizations 18

Scientific Management

Strengths and Limitations of the Machine Metaphor 26

3. NATURE INTERVENES:

ORGANIZATIONS AS ORGANISMS 33

Discovering Organizational Needs 34

Recognizing the Importance of Environment:
Organizations as Open Systems 38

Contingency Theory:

Adapting Organization to Environment 42

The Variety of the Species 49

		Understanding Conflict 163
		Analyzing Interests 157
	\$	Organizations as Systems of Political Activity 156
		Organizations as Systems of Government 151
	149	INTERESTS, CONFLICT, AND POWER: ORGANIZATIONS AS POLITICAL SYSTEMS
	140	Strengths and Limitations of the Culture Metaphor
	137	Organization: The Enactment of a Shared Reality
		Culture: Rule Following or Enactment? 134
		Creating Organizational Reality 134
		Corporate Cultures and Subcultures 125
		Organization and Cultural Context 118
		Organization as a Cultural Phenomenon 116
		Culture and Organization 116
		ORGANIZATIONS AS CULTURES 115
		CREATING SOCIAL REALTY:
	112	Strengths and Limitations of the Brain Metaphor
		Principles of Holographic Design 99
		Organizations as Holographic Brains 97
		Guidelines for "Learning Organizations" 87
		Can Organizations Learn to Learn? 84
	81	Cybernetics, Learning, and Learning to Learn
		Creating Learning Organizations 81
	76	Organizations as Information Processing Brains
		Images of the Brain 72
		ORGANIZATIONS AS BRAINS 71
		LEARNING AND SELF-ORGANIZATION:
2		Strengths and Limitations of the Organismic Metaphor
62		Organizational Ecology: The Creation of Shared Futures
		View of Organizations 59
		Contingency Theory: Promoting Organizational Health and Development 54

Ċu

Strengths and Limitations of the Political Metaphor	Managing Pluralist Organizations 194	Exploring Power 166
202	3	

.7 of the Psychic Prison Metaphor Strengths and Limitations Organization and the Unconscious 212 **EXPLORING PLATO'S CAVE: ORGANIZATIONS AS PSYCHIC PRISONS** The Trap of Favored Ways of Thinking Organization, Dolls, and Teddy Bears Organization and Anxiety Organization, Death, and Immortality Organization and the Patriarchal Family Organization and Repressed Sexuality The Unconscious: A Creative and Destructive Force Organization, Shadow, and Archetype 235 208 227 219 212 207 23.

UNFOLDING LOGICS OF CHANGE: ORGANIZATION AS FLUX AND TRANSFORMATION 241

œ

Autopoiesis: Rethinking Relations With the Environment 243
Enactment as a Form of Narcissism: Organizations
Interact With Projections of Themselves 246
Identity and Closure:

Shifting "Attractors": The Logic of Chaos and Complexity 251

Egocentrism Versus Systemic Wisdom

248

Managing in the Midst of Complexity 255

Loops, Not Lines: The Logic of Mutual Causality 263

Contradiction and Crisis: The Logic of Dialectical Change 273

Dialectical Analysis:
How Opposing Forces Drive Change 275

The Dialectics of Management 280
Strengths and Limitations of the Flux and Transformation Metaphor 287

9. THE UGLY FACE: ORGANIZATIONS AS INSTRUMENTS OF DOMINATION 291

Organization as Domination 293

How Organizations Use and Exploit Their Employees 297

Organization, Class, and Control 298

Work Hazards, Occupational Disease,

and Industrial Accidents 304

Workaholism and Social and Mental Stress 310

Organizational Politics and

the Radicalized Organization 31

Multinationals and the World Economy 315

The Multinationals as World Powers 318

Multinationals: A Record of Exploitation? 321

Strengths and Limitations of the Domination Metaphor 329

PART III: IMPLICATIONS FOR PRACTICE

10. THE CHALLENGE OF METAPHOR 337

Metaphors Create Ways of Seeing and Shaping Organizational Life

Seeing, Thinking, and Acting in New Ways 341

11. READING AND SHAPING ORGANIZATIONAL LIFE 345

The Multicom Case 346

Interpreting Multicom 349

Developing a Detailed Reading and "Storyline" 351

Multicom From Another View 358

"Reading" and Emergent Intelligence 361

2. POSTSCRIPT 363

Bibliographic Notes 367

1: Introduction 367

- 2: The Machine Metaphor 369
- 3: The Organismic Metaphor 374
- 4: The Brain Metaphor 379

- 5: The Culture Metaphor 386
- 6: The Political Metaphor 390
- 7: The Psychic Prison Metaphor
- 8: The Flux and Transformation Metaphor

401

- 9: The Domination Metaphor 410
- 10: The Challenge of Metaphor 417
- 11: Reading and Shaping Organizational Life 418
- 12: Postscript 421

Bibliography 423

Index 475

About the Author 503

—

Introduction

Hiffective managers and professionals in all walks of life have to become skilled in the art of "reading" the situations they are attempting to organize or manage.

This skill usually develops as an intuitive process, learned through experience and natural ability. Although at times a person may actually declare that he or she needs to "read what's happening in a particular situation" or to "get a handle on a particular problem," the process of reading and rereading often occurs at an almost subconscious level. For this reason it is often believed that effective managers and problem solvers are born rather than made and have a kind of magical power to understand and transform the situations they encounter.

If we take a closer look at the processes used, however, we find that this kind of mystique and power is often based on an ability to develop deep appreciation of the situations being addressed. Skilled leaders and managers develop the knack of reading situations with various scenarios in mind and of forging actions that seem appropriate to the understandings thus obtained.

AN OVERVIEW

They have a capacity to remain open and flexible, suspending immediate judgments whenever possible, until a more comprehensive view of the situation emerges. They are aware that new insights often arise as one approaches situations from "new angles" and that a wide and varied reading can create a wide and varied range of action possibilities. Less effective managers and problem solvers, however, seem to interpret everything from a fixed standpoint. As a result, they frequently hit blocks they cannot get around; their actions and behaviors are often rigid and inflexible.

This book explores and develops the art of reading and understanding organizational life. It is based on a very simple premise: that all theories of organization and management are based on implicit images or metaphors that lead us to see, understand, and manage organizations in distinctive yet partial ways.

Metaphor is often regarded just as a device for embellishing discourse, but its significance is much greater than this. The use of metaphor implies a way of thinking and a way of seeing that pervade how we understand our world generally. For example, research in a wide variety of fields has demonstrated that metaphor exerts a formative influence on science, on our language, and on how we think, as well as on how we express ourselves on a day-to-day basis.

We use metaphor whenever we attempt to understand one element of experience in terms of another. Thus, metaphor proceeds through implicit or explicit assertions that A is (or is like) B. When we say "the man is a lion," we use the image of a lion to draw attention to the lionlike aspects of the man. The metaphor frames our understanding of the man in a distinctive yet partial way.

One of the interesting aspects of metaphor is that it always produces this kind of one-sided insight. In highlighting certain interpretations it tends to force others into a background role. Thus, in drawing attention to the lionlike bravery, strength, or ferocity of the man, the metaphor glosses over the fact that the same person may well also be a pig, a devil, a saint, a bore, or a recluse.

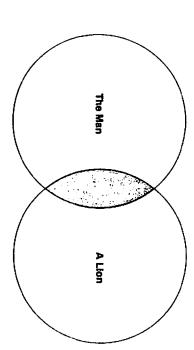
Another interesting feature rests in the fact that metaphor *always* creates distortions (Exhibit 1.1). Metaphor uses evocative images to create what may be described as "constructive falsehoods," which, if taken literally, or to an extreme, become absurd.

"The man is a lion."

He is brave, strong, and ferocious.

But he is not covered in fur and does not have four legs, sharp teeth, and a tail!

Metaphor invites us to see the similarities



But ignore the differences

Metaphor stretches imagination in a way that can create powerful insights, but at the risk of distortion.

Exhibit 1.1 The Nature of Metaphor

When we approach metaphor in this way we see that our simple premise that all theory is metaphor has far-reaching consequences. We have to accept that any theory or perspective that we bring to the study of organization and management, while capable of creating valuable insights, is also incomplete, biased, and potentially misleading.

To illustrate, consider the popular idea that "the organization is a machine." The metaphor may create valuable insights about how an organization is structured to achieve predetermined results. But the metaphor is incomplete. For example, it ignores the human aspects. The metaphor is biased. For example, it elevates the importance of the rational and structural dimensions. The metaphor is misleading. For example, the organization is not a machine and can never really be designed, structured, and controlled as a set of inanimate parts.

Metaphor is inherently paradoxical. It can create powerful insights that also become distortions, as the way of seeing created through a metaphor becomes a way of not seeing.

Yet when we recognize this we can begin to mobilize the true power of metaphor and its role in management. In recognizing theory as metaphor, we quickly appreciate that no single theory will ever give us a perfect or all-purpose point of view. We realize that the challenge is to become skilled in the art of using metaphor: to find fresh ways of seeing, understanding, and shaping the situations that we want to organize and manage.

AN OVERVIEW

INTRODUCTION

different points of view. plementary and competing insights and learn to build on the strengths of develop insights and perspectives that will be rather new. Collectively, they demonstrate how we can use metaphor to generate a range of comnization. Some of the metaphors tap familiar ways of thinking; others implications of different metaphors for thinking about the nature of orga-The following chapters illustrate how this can be done by exploring the

to organize in any other way. In demonstrating this, the chapter helps us of the whole. At times, this can prove highly effective; at others, it can become more open to other ways of thinking. our everyday conceptions of organization that it is often very difficult ern management is that the mechanical way of thinking is so ingrained in have many unfortunate results. One of the most basic problems of modinterlocking parts that each play a clearly defined role in the functioning machines they tend to manage and design them as machines made up of bureaucratic organization. When managers think of organizations as and illustrates how this style of thought underpins the development of Thus, Chapter 2 examines the image of organizations as machines

already contributed a great deal to the theory of modern management. us to see and understand organizations from a unique perspective that has ogy. As in the case of the mechanical metaphor, this kind of imagery leads between species and the evolutionary patterns found in the broader ecolchanging circumstances. We are also encouraged to consider relations tions are born, grow, develop, decline, and die and how they can adapt to different environments. We are encouraged to understand how organizabureaucratic type is just one. We see that different species are suited to ferent types of organization as belonging to different species, of which the organizational "needs" and environmental relations. We come to see difpopular metaphor focuses attention on understanding and managing Chapter 3 examines the idea that organizations are like organisms. This

provides a set of principles for creating "learning organizations." understanding and assessing modern organizations in these terms. It also processing, learning, and intelligence and provides a frame of reference for brains? The metaphor draws attention to the importance of information if we view organizations as brains? What if we attempt to design them as In Chapter 4, we pursue the implications of yet another metaphor. What

norms, rituals, and other patterns of shared meaning that guide organi and designing organizations: by focusing on the values, ideas, beliefs, writers on corporate culture, gives us yet another way of managing which has received increasing attention over the past few years from Chapter 5 explores the idea that organizations are cultures. This focus,

> of interests, conflicts, and power plays that shape organizational activithe detailed factors shaping the politics of organizational life. ties. The chapter explores organizations as systems of government and In Chapter 6 we use a political metaphor to focus on the different sets

styles of management. occupation with control? A form of repressed sexuality? A fear of death? it be that our favored modes of organizing manifest an unconscious preorganizations are "psychic prisons" where people become trapped by insights about the psychodynamic aspects of organization and favored unconscious processes of our own creation. It offers many important to see if, and in what ways, we have become trapped by conscious and The image of a psychic prison invites us to examine organizational life their own thoughts, ideas, and beliefs or by the unconscious mind. Could In Chapter 7 the focus shifts to a more abstract metaphor: the idea that

a societal level. and to appreciate some of the forces shaping the nature of organization at of a dialectical logic whereby every phenomenon generates its opposite. as the product of circular flows of positive and negative feedback. The study of chaos and complexity, viewing organizational life through One emphasizes how organizations are self-producing systems that create The insights help us to understand and manage organizational change images of competing "attractor patterns." The third views organization themselves in their own image. The second draws on insights from the ics." In effect, they offer four different metaphors for studying change. logics of change shaping social life. The chapter examines four such "logunderstand organization as flux and transformation by focusing on the fourth explores how the features of modern organization are the product Chapter 8 investigates another image. This time we are invited to

ends. An extension of the political metaphor examined in Chapter 6, the exploitative from another. standing how actions that are rational from one viewpoint can prove global corporations. This metaphor is particularly useful for understandchapter helps us understand aspects of modern organization that have their host communities, and the world economy to achieve their own ing organizations from the perspective of exploited groups and for underradicalized labor-management relations and the negative impacts of rate life. The chapter shows how organizations often use their employees. ination. Here the focus is on the potentially exploitative aspects of corpo-Chapter 9 explores the idea that organizations are instruments of dom-

core message of this book. Each chapter invites you to engage in a mode of thinking that generates important insights while having major As you read these different chapters you are going to experience the

limitations. You are likely to be attracted to certain metaphors and be impatient with others. Or you may find competing metaphors equally compelling or attractive. As you pursue a favored perspective you are going to find the insights of others eliminated from view.

In this way the book invites you to explore and deal with the paradox of metaphor. So, absorb and enjoy the process. Gain comfort in dealing with competing viewpoints, for this is one of the key competencies that needs to be developed as a basis for effective management.

Chapters 10, 11, and 12 develop this theme, showing how we can use and integrate the insights of different metaphors from a managerial perspective. Chapters 10 and 11 focus on the use of metaphor as a tool for improving our ability to see, understand, and interpret key aspects of organizational life. Chapter 12 sketches the broader implications for managing in a turbulent world.

Each chapter is accompanied by a set of bibliographic notes. They appear toward the end of the book and have been designed to provide comprehensive references and discuss specific points and arguments in greater depth, without disrupting the flow of the text.

The book thus stands as a treatise on metaphorical thinking that contributes to both the theory and the practice of management. The metaphors discussed have been selected to illustrate a broad range of ideas and perspectives. But they by no means exhaust the possibilities. As you read, you may find yourself disagreeing with the importance of the metaphors that have been chosen and wish to add ones of your own. That is the way it should be, for the aim is to open dialogue and extend horizons rather than to achieve closure around an all-embracing perspective.

In this respect, Images of Organization is very different from most management books. It has a clear point of view: that metaphor is central to the way we "read," understand, and shape organizational life. But at no point will you find that view being brought down to advocacy of a single perspective. There are no right or wrong theories in management in an absolute sense, for every theory illuminates and hides.

The book offers a means of coping with this paradox. It offers a way of thinking that is crucial for understanding, managing, and designing organizations in a changing world.

PART II

SOME IMAGES OF ORGANIZATION

The following chapters demonstrate how metaphor can be used to develop theories of organization and management. Some focus on metaphors that have already been well explored. Others open newer territory. Collectively, they show how we can use metaphor to generate a range of complementary and competing insights about the nature of organizations and how they can be designed and managed.