WORKING PAPERS OF THE

CENTER FOR RESEARCH ON SOCIAL ORGANIZATION

DEPARTMENT OF SOCIOLOGY

UNIVERSITY OF MICHIGAN

Paper #44

October, 1968

Copies Available Through:

Center for Research on
Social Organization
University of Michigan
219 Perry Building
330 Packard Street
Ann Arbor, Michigan 48104

ORGANIZATIONS AS BOUNDARY MAINTAINING SYSTEMS

Howard E. Aldrich

University of Michigan

I have benefitted from the comments of Edward Laumann, Allan Levett, John Magney, James L. Norr, Ted Reed, and Albert J. Reiss, Jr. William Gamson provided the stimulus for the original draft.

Open systems theory has stimulated a number of theoretical discussions, yet many implications of the theory still remain to be explored.[1] The concept of organizations as boundary-maintaining systems has received a great deal of attention, but much of this attention has been at the definitional level. The purpose of this paper is to suggest two applications of this concept to the study of organizational phenomena which have been previously viewed in another light: (1) ultimate power and ultimate sanctions, and (2) organizational conflict and member compliance. I have chosen these examples because I feel the idea of boundary-maintenance has been implicit in them; thus, this note is but a logical extension of work already done.

In what follows I have tried to avoid the trap of reasoning from an analogy to physical organisms. When we study individual members of a biological species the task of distinguishing the organism from its environment is rather easy; the parameters of the environment stop at the organism's skin. However, as Ashby has pointed out, this dichotomy between environmental parameters and organismic variables is overly simplistic.[2] In order for the environment to have an effect on the organism, it must somehow interact with it. Obviously, the environment must penetrate the organism's boundaries to achieve any immediate effect. However, the point still holds that we are able to use the "skin" or outer covering of the organism as a fram of reference in delimiting where the environment ends and the organism begins. In the case of social

organizations, no such short cut exists--we are still seeking the fundamental social unitss which will define social organization.

A potentially more serious problem has been pointed out by Walter Buckley, and involves using the individual organism instead of the species as the comparative reference point.[3] If we take the organism as our reference point, it seems clear that a definite steady state exists, e.g. body temperature. What Katz and Kahn call the preservation of the character of the system is a necessity for the organism if it is to continue to exist, since the viable range of its essential variables is rather narrow. However, from the point of view of the species, the survival of a particular organism is irrelevant, as long as enough of the species is kept alive to reproduce. Thus evolutionary theory in biology focusses on the species, not the organism, because while the potential for adaptation of any one organism is limited, the chances are that mutation will make several organisms adaptable enough so that survival to the reproductive stage is possible. In other words, the environment works for change at the species level, not at the level of the organism. In sociological terms, this dualism poses a dilemna for the theorist: If we conceptualize organizations in terms of an organismic analogy, very little change is possible in their structure. On the other hand, if we view organizations as analogous to the species, then a great deal of change in structure is possible. This perspective applies both to <u>an</u> organization and to categories or <u>types</u> of organizations.

Buckley makes this point rather explicit in his book, and it is implicit in Ashby's discussion of the use of the concept of "system." Concretely, adopting a species perspective means conceptualizing organizations as lossely joined systems, possessing only a moderate degree of interdependence. The elements of the system, conversely, are seen as having a great deal of functional autonomy. Indeed, as Ashby makes clear, if we insist on viewing complex systems as richly joined (highly interdependent) then it becomes difficult to account for system adaptation, since a change in any variable in the system would have an immediate effect on every other variable, leaving the system in a perpetual state of change, counter-change, and chaos. Needless to say, I have chosen the "loosely joined" perspective in what follows.

Ultimate Power and the Ultimate Sanction

The power of the state, as usually defined, rests on the state's control of the collective use of violence. This base of force enables us to discuss the power of nation-states and governments, but obviously breaks down when we consider other units of social organization. The notion to be developed here is that ultimate power rests on the ability of authorities to control entry and exit of persons into and out of their organization, and not simply on a base of force.

Weber defined power as "the chance of a man or a number of men to realize their will in a communal action even against the resistance of others who are participating in the action."[4]

Or, consider André Beteille's statement: "The power of the state is backed ultimately by the control and use of physical force."[5] As most theorists have been concerned with the power of the state, and the state has control over the means of violence, power has been to rest ultimately on the control of violence. Lasswell and Kaplan, for example, write of "severe sanctions" and of violence as the most severe sanction.[6] Weber included "monopolization of the legitimate use of violence" as one of the defining attributes of the state.[7]

But what is it about the attributes of formal authority in any organization which make it, in most cases, the effective authority? Clearly, in the case of the state, we may answer "violence." What, however, may we answer in the case of the administration of a public university?

It is here that the conceptualization of organizations as boundary maintaining systems proves useful. The concept of boundaries is present in all definitions of an organization: a distinction is made between members and non-members.[8] This definition applies not only to nation-states but also to other types of organizations. Some persons are admitted, while others are excluded. Authorities are given the task of making decisions as to entry and expulsion, and in this decision-making inheres their ultimate authority. They are invested with the power to sanction deviants in the system, and the ultimate sanction they wield is expulsion from the system. Note that nothing is said about the attainment of collective

goals--who benefits from the authorities' decisions is an empirical question.

The question immediately arises as to the place of coercive type organizations (such as prisons) in the above definition, since in coercive organizations the effort is made to prevent withdrawal from interaction by the participants.[9] However, this problem arises if we confuse the exercise of authority with the orientation which participants have toward authority. "Preventing withdrawal from interaction" involves controlling exit from the system, and the fact that entry and exit are controlled says nothing whatsoever about the attitudes of those being controlled. That is, the definition of authority at the level of boundary maintaining systems is entirely in behavioral terms, thus ignoring the question of "legitimate authority."

A second problem made slaient by the above definition is that of organizational dependence. As Norr has suggested, "Not all organizations have the ultimate authority to control entry and exit; e.g. schools have to keep children until they reach a certain age; prisons get their members from the legal system; army units are dependent upon the selective service; some universities have to take all high school graduates in their state; and so forth."[10] In other words, the fact that an organization is highly dependent upon another organization for resources (in whatever form) may mean a loss in its authority to control entry and exit, i.e. a loss of functional autonomy. This is especially true of organizations which are made up of other organizations, e.g. school systems, labor unions, diversified but centralized business firms, and so forth.

In practice, the exercise of authority often takes the form of setting conditions for entry into the system. For example, university students must pay tuition as a condition of their membership in the system. Business organizations, with the advent of formally free labor, are able to command compliance by the threat of dismissal. And in a nation-state, denial of entrance or of continued membership takes the form of immigration laws or of loss of citizenship, imprisonment, or deportation.

The use of force or violence can be seen as a special case of the ability of authorities to control entry and exit of the elements of the system through the use of sanctions. "Force" is simply one method removing deviants from the system and is a means for carryping out the ultimate sanction, not the ultimate sanction itself. Now we are able to deal with ultimate authority in all types of organizations, not only nation-states. It must be emphasized that here I am referring only to the basis of ultimate authority, and not to all authority. All authority, to the degree that it constitutes effective authority, is grounded in what I have called ultimate authority.

The concept of boundary maintenance leads, I think, to several alternatives for theory and research: (1) The scope of the organization's activities is relevant both to the determination of its boundaries and to the limits of organizational authority, and therefore we would want to know (a) How the boundaries came to be established, and (b) How they are

maintained; (2) Expansion or constriction of the boundaries should be investigated, both with a view toward the overlapping of boundaries with other systems leading to a conflict of authority, and in terms of the number of participants added or subtracted from the system. Perhaps a more fruitful conceptualization of the problem would be to think in terms of roles or role behavior instead of individuals as the units subject to organizational authority. In fact, if we are to refine the concept of organizational boundaries, we will eventually have to grapple with this formulation of the problem, viz. organizations as the intersection of role behaviors contributed by a number of individuals. For example, if we think of the family only as a set of individuals, then it becomes difficult to talk about changes in the boundaries or the authority of the family over the past several hundred years: if individuals still comprise the family, what has changed? On the other hand, the notion of partial inclusion does give us a different perspective on this dilemna.

With the development of the legal status of "minor" or juvenile, control over many aspects of the child's behavior passed to the courts. With the introduction of child labor laws, the family lost a measure of control over the labor of minor members. Moreover , changes in the legal status of marriages, e.g. laws of separation and support, added extra-familial sanctions to women's drive for independence. The growth of specialized organizations which perform activities once relegated to the family has resulted in a change in the

scope of authority of the family.

To summarize this section: Ambiguity does exist concerning the basis for ultimate authority and ultimate sanctions. However, if we view organizations in terms of boundary maintaining systems, authority may be defined as the ability to control entry and exit of the system. The ultimate sanction then becomes expulsion from the system. Note that this process refers only to the "lower bound" of the organization, and does not enable us to derive what the characteristics of the ultimate member would be (i.e. the perfect member). In short, altruistic suicide, or any other process by which one removes oneself voluntarily from the group, is a phenomenon which defines the "upper bound" of the group, and is not dealt with in this paper.

Organizational Conflict and Member Compliance

While many theorists have treated membership compliance as problematic, they have not generally done so within the framework of organizational conflict. For example, Etzioni's theory of compliance focusses on the relationship between the goals of the organization and member compliance, instead of on relationships between organizations and their effect on member compliance. In this section of the paper two different organizational strategies for dealing with compliance are discussed, and the probability of using one or the other strategy is related explicitly to conflict between organizations.

The members of an organization constitute resources for

the organization to utilize in its competition with other organizations in its environment whose goals are partly or wholly in conflict with its own. In such an instance, member participation is important to the organization for at least two reasons: (1) The maintenance of the organization is dependent on member participation; and (2) The more active the participation, other things being equal, the more likely the chances of success in the conflict.

Breaking down the more general approach, we may distinguish two different organizational strategies as far as membership is concerned. On the one hand, strategy may take the form of constricting the boundaries of the organization by strengthening the requirements of participation, with more being asked of each member in the way of conformity to organizational norms and ideology. On the other hand, the boundaries of the organization may be expanded so as to take in persons from the competing organizations in order to make them members (organizations may also be taken in). In other words, one method of girding the organization for conflict is to tighten the organizational boundaries while the other is to expand them.

Tightening and strengthening the organization's boundaries means either raising performance standards or appealing to the member's identification with the organization. Simmel discussed this process in his paper on conflict: "This need for centralization, for the tight pulling together of all elements, which alone guarantees their use, without loss of energy and time, for

whatever the requirements of the moment may be, is obvious in the case of conflict."[11] Simmel goes on to point out that there are two ways for the organization to achieve consensus in the face of an external threat: "either to forget internal counter-currents or to bring them to unadulterated expression by expelling certain members."[12] If the organization is able to paper over internal rifts, then all members will be counted on to participate in the struggle. For example, after the national nominating convention, political parties are usually expected to forget internal differences as they prepare for the November elections.

Organizations with economic goals seem to have a very wide range of tolerance of member behavior, outside of purely functional activities.[13] Indeed, it may be said that conflict between organizations with economic goals is ordinarily so benign that only a minimal degree of member compliance is required (at the lower levels of the organization). Organizations with normative goals are more likely to follow the tightening up strategy, since admission to the good graces of the organization itself constitutes one of their major control mechanisms. Furthermore, performance standards for the majority of members are ordinarily slight and therefore many of them are likely to desert when a true test of their convictions comes up. For example, the divisions of the Communist party in Russia, as well as the split in the German Social Democratic party in the latter half of the nineteenth century, followed this pattern. On the other hand, the Roman Catholic Church

and political parties in the United States are known for their ability to encompass within themselves a wide variety of positions. It may be that the first alternative to expulsion is calling for loyalty to the organization, with a consequent raising of the normative standards of what is to be considered "appropriate behavior" in the face of the conflict.

Organizations with order goals are a different case. In fact, they are continually oriented to minimal member participation; the primary type of conflict they become involved in has to do with inadequately controlling the behavior of their inmates. Carrying our argument to its exteme, we might say that if such an organization were attacked by an external organization attempting to free the controlled population (as in prisoner of war camps), the conditions for continued presence in the organization could be raised by liquidating most of the inmates.

Trade unions have a dual nature, as Etzioni points out, in that they are utilitarian-normative in the compliance structure.[14] Most of the time they function in their utilitarian capacity, and, according to Lipset, "membership apathy is the usual state of affairs."[15] However, in conflict situations (such as when a strike vote is being taken), union norms become salient and the organization can rely on raising the standards of participation while retaining compliance.

The second organization strategy for dealing with membership compliance in a conflict situation is an oblique one: the

organization expands to take into its boundaries persons or organizations from the competing organizations (or factions). This process can take the form of either absorption, co-optation, or amalgamation.[16] Obviously, any of these methods is a secondary strategy, since they all necessitate the organization's taking on new, unsocialized members. However, this is still a matter of member compliance, because without the conflict the new group of members would not exist. In the case of the TVA this mode of dealing with the conflict increased the problem of compliance since members came into the organization with values and goals in some ways opposed to those of the TVA.[17] Industries with economic goals may try to combat employee militantcy by absorbing them into a company union or even into the company "family."[18]

Even organizations with order goals may be able to use expansion to attain increased member compliance in a situation of potential conflict. Gresham Sykes has described such a process of expansion in an article on prisons, calling the result the "corruption of authority."[19] The case of organized crime and the urban police system is instructive: Organized crime is in conflict with the police department, yet instead of this leading to a higher degree of compliance on the part of police officers as they battle an external foe, the conflict seems in many cases to lead to decreased compliance with official duties, and a <u>de facto</u> co-optation of the "syndicate" in exchange

for a certain degree of ordered criminality.[20] This is increased compliance, of a sort, if we follow Etzioni's definition of lower-level participants literally and include criminals in the police organization.[21]

Organizations with pure social goals face an especially acute problem in certain types of conflict--those involving conflicts over membership loyalty. However, these types of organizations are also most able to solve this problem through expansion, by adding new interest groups. Indeed, one such organization studied had in its Los Angeles branch no less than 28 separate special interest groups, all peacefully co-existing.[22] Member compliance is thus retained through a reduction of the conflict, accomplished by incorporating the conflictual relationship into the organization.

In this section of the paper I have attempted to illustrate the utility of the boundary maintenance concept in analyzing membership compliance in organizations engaged in conflict. Two strategies were discussed, one focussing on an expansion of the organization's boundaries, and the other on a constriction of them. The probability of the use of the two strategies was discussed in relation to the goals of the organization. One type of conflict that has not been dealt with in detail is that between organizations which are coalitions or incoporations of other organizations. The problem of the compliance of organizations as members of other organizations will have to taken up

in subsequent studies.

Conclusions

This note is intended to serve as an illustration of the applicability of the theory of complex adaptive systems to the study of social organization. Only one concept was dealt with in the paper, but there is no inherent reason why the same type of application could not be carried out using other concepts from the theory. It is hoped that this limited exercise will encourage others to re-examine sociological concepts in the context of open systems theory.

FOOTNOTES

[1]Daniel Katz and Robert Kahn, The Social Psychology of Organizations (New York: John Wiley & Sons, 1966) Cf. also James Miller, "Toward A General Theory for the Behavioral Sciences," American Psychologist, 10, (September 1955), 513-531; and Walter Buckley, Sociology and Modern Systems Theory (Englewood Cliffs, New Jersey: Prentice-Hall, 1967).

[2]William R. Ashby, Design for a Brain (New York: John Wiley & Sons, 1952).

[3]Walter Buckley, op.cit., especially Chapter two, pp. 7-40.

[4]Max Weber, "Class, Status, and Party," in H.Gerth and C.W. Mills (trans. and eds.), From Max Weber: Essays in Sociology (New York: Oxford University Press, 1958), p. 180.

[5]André Beteille, Caste, Class and Power (Berkeley: University of California Press, 1965), p. 143.

[6]Harold Lasswell, and Abraham Kaplan, Power and Society, A Framework for Political Inquiry (New Haven: Yale University Press, 1950), pp. 74-102.

[7]Max Weber, The Theory of Social and Economic Organization (New York: Oxford University Press, 1947), pp. 154-157.

[8]Guy E. Swanson, University of Michigan, has made this point, as has W. Richard Scott, in his "Theory of Organizations," in Faris (ed.) Handbook of Modern Sociology (Chicago: Rand McNally, 1964), pp. 486-487.

[9]James L. Norr suggested this point in commenting on an earlier draft of this paper.

[10]Ibid.

[11]Georg Simmel, Conflict (New York: The Free Press, 1955), p. 88.

[12]Ibid., p. 92.

[13]The classification of organizations on the basis of their goals follows Etzioni's three types (coercive, utilitarian, and normative), as discussed in Amitai Etzioni, A Comparative Analysis of Complex Organizations (Glencoe: The Free Press, 1961).

[14]Ibid., p. 59.

[15]Seymour Martin Lipset, Political Man (Garden City: Doubleday & Company, Anchor edition, 1963), p. 406.

[16]Etzioni, op.cit., pp. 103-104.

[17]Philip Selznick, TVA and the Grass Roots (Berkeley: University of California Press, 1953).

[18]Cf. Robert Blauner, Alienation & Freedom (Chicago: The University of Chicago Press, 1964), Chapter Four, "The Textile Worker."

[19]Gresham Sykes, "The Corruption of Authority and Rehabilitation," Social Forces, 34 (1956), 257-262.

[20]Cf. William F. Whyte, Street Corner Society (Chicago: University of Chicago Press, 1937).

[21]Etzioni, op.cit., pp. 16-21.

[22]Howard Aldrich, The Sociable Organization (Ann Arbor: The University of Michigan, unpublished paper, 1966).