THE INFORMAL ORGANIZATION:
A DILEMMA FOR AN ADMINISTRATOR

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FOR AN ADMINISTRATOR

By

Lowell Hicks

AN ABSTRACT OF A THESIS

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APPROVED _____
                        Chairman

        _____
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ABSTRACT

THE INFORMAL ORGANIZATION: A DILEMMA
FOR AN ADMINISTRATOR

by Lowell Hicks

The existence of an informal organization, within
hierarchically structured organizations, is the subject of
the research contained within this thesis. It is hypothe-
sized that in every hierarchically structured organization
there exist informal groups which create situations requiring
administrative decisions. It is further hypothesized that
administrative techniques can be developed by which the in-
formal organization can be located, controlled and utilized.

The model is validated through supportive and com-
patible characteristics, to those set forth in each phase of
the model, produced as a result of a review and analysis of
the literature.

The model is further tested by empirical data
gathered through the analysis of depth case studies re-
sulting from research within a functioning organization.
This test, while limited to empirical data from only one
organization, supports the model by also producing character-
istics compatible to those set forth in each phase of the
model.

Like the model the hypothesis is also validated through support resulting from a review and analysis of the current literature. In testing the hypothesis against the empirical data gathered from the limited depth case studies, support necessary for validation is evidenced.

While incomplete, the literature was quite productive in theory from several disciplines. However, an inherent weakness, detected in the literature, is the lack of in depth research by which to test advanced theories.

The model is further validated as a functional guide in locating the informal structure within a formally structured organization.

This study is fruitful in producing evidence indicating a critical need for additional research in various areas pertaining to the subject under inquiry.

Another benefit resulting from this study is the formulation of various new hypothesis. When tested these new hypotheses should lend greater insight into and provide a more functional concept of the subject matter.

THE INFORMAL ORGANIZATION: A DILEMMA

FOR AN ADMINISTRATOR

By

Lowell Hicks

A THESIS

Submitted to
the College of Social Science
Michigan State University
in partial fulfillment of the requirements
for the degree of

MASTER OF SCIENCE

1966

TO: Father and Mother

Mom

Judge Ross F. Jones

Police Chief Paul E. Blubaum

Mr. Robert Coop

ACKNOWLEDGMENTS

To Mrs. Rose Pizzonia, Mrs. Grace Piacenti, the Andrews and Vadnais families words are inadequate to express my heartfelt gratitude for the privilege of being a member of their families this past year.

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CHAPTER I

THE PROBLEM AND DEFINITION OF TERMS USED

I. INTRODUCTION

A basic characteristic of society is that a good

deal of human behavior involves the coordinated activity of

a number of individuals toward the achievement of one or

more ends determined to be "desirable" or "important" ac-

cording to some human value. In those cases where the co-

ordination is more-or-less formalized and the structure of

the aggregate of individuals is functionally differentiated,

we use the term organization.

An organization may be defined as:

> The pattern of ways in which large numbers of
> pople, too many to have intimate face-to-face con-
> tact with all others, and engaged in a complexity of
> tasks, relate themselves to each other in the conscious,
> systematic establishment and accomplishment of mutually
> agreed goals.[1]

The success or effectiveness of the organization is usually

evaluated against the attainment of specific or "organi-

zational" goals.

A recognizable problem which created both the need

and desire for this research are the observable variations

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[1]John M. Pfiffner and Frank P. Sherwood, _Adminis-trative Organization_ (Englewood Cliffs: Prentice-Hall, Inc., 1960), p. 30.

in the success of organizations when compared to others or compared with their own past performance and desired objectives. A high degree of this variation can be assumed to be a direct result of behavior by members within and inherent to a hierarchically structured organization.

Lending credence to the foregoing statement is an observation of Chester I. Barnard:

> Executives are able to understand each other with very few words when men of radically different fields discuss such questions. To me it has long seemed probable that there are universal characteristics of organization that are active understandings, evaluations, concepts of men skilled in organizing not only in the present but in past generations.[2]

Throughout recorded history organizations have failed to attain maximum efficiency due to internal conflict. One major cause of internal conflict is the informal organization[3] or, informal groups within the formal hierarchy. The informal organization is defined as:

> A system of personal and social relations, animosities and friendships which develop among people as they interact in formal structures. It consists of primary groups, congeniality groups and cliques who have folkways, mores, norms, values sentiments,

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[2]Chester I. Barnard, The Functions of the Executive (Cambridge: Harvard University Press, 1938), pp. vii-viii.

[3]The term "informal organization" is apt to be misleading. It is used here because it is accepted by most writers on the subject. The reader, however, should be warned that it is meaningless to think of an operating organization as having two distinct and separate structures (i.e., a formal and an informal). Actually the formal and informal structures are intimately related--and knowledge of the one is relatively useless unless it is studied in relation to the other and in relation to the whole of which they are part.

rituals and ceremonies which guide and control the
behavior of group members, sometimes in the fulfill-
ment of the goals of formal organization and some-
times in the blockage of those goals. Informal
organization is a source of much social control. In
it a prestige and power structure evolves which may
be at variance with similar structures in the formal
organization. The informal group tendency toward
growing into a formal structure is evidenced
everywhere.[4]

Today the characteristics of society are determined
in large by the interacting influences of many organizations
i.e., governmental units, labor unions, business and in-
dustrial firms, educational institutions, voluntary associ-
ations and others. In addition, a large portion of the
activity expended by individuals involves their partici-
pation in one or more organizations for the purpose of in-
come, recreation, civic improvement, etc. It has been
pointed out that our contemporary industrial society, probably
more than any other period in history, is characterized by a
complex and highly differentiated structure in which specific
functions are allocated to a wide variety of specialists.[5]
The coordination and integration of these functions can,
then, only be attained through the development of sound ad-
ministrative techniques.

The recognition of the importance of organization is
certainly not unique to this effort. It is becoming

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[4]Delbert C. Miller and William H. Form, _Industrial
Sociology_ (New York: Harper & Brothers Publishers, 1951),
pp. 146 & 217.

[5]N. H. Smelser, _Social Change in the Industrial Revo-
lution_ (Chicago: .University of Chicago Press, 1959).

increasingly common to the introductory sections of a wide

variety of writings in the behavioral sciences dealing with

the administration of private and public organizations. The

foregoing is noted in an observation made by Blau.

> The mounting interest of social scientists in the
> study of the structure and dynamics of bureaucracy has
> several sources. Most apparent is the unprecedented
> growth on modern society of large-scale formal organi-
> zations within which must be developed hierarchical
> administrative and operating social machinery, if
> their tasks are to be achieved.[6]

Further observance to the foregoing is a statement by

Etzioni.

> Complex organizations constitute one of the most
> important elements which make up the social web of
> modern societies . . . The way to the understanding
> of modern man and the society in which he lives leads,
> therefore, to the study of complex organizations.[7]

Many observers have praised the advantages of ac-

complishments through organization. This fact can be ob-

served many times, in the areas of private enterprise, labor,

government, or civic activity when participants give the ap-

pearance of believing that all that is deemed necessary for

accomplishing a given objective is to create a good organi-

zation structure. It is readily ascertainable that people

probably belong to several organizations for various reasons.

The rapid growth of organizations has created a

great interest and concern as to their development. One such

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[6]Peter M. Blair, <u>Bureaucracy</u> <u>in</u> <u>Modern</u> <u>Society</u> (New York: Random House, 1956), p. 5.

[7]A. Etzioni, <u>Complex Organizations</u>: <u>A Sociological</u> <u>Reader</u> (New York: Holt, 1961), p. vii.

observable concern in our contemporary society, as it has been by varying, degrees during recorded history, is the concern with maintaining the rights and identity of the individual against group pressures toward conformity and subservience. Within this frame of reference McGehee and Thayer cite that Kurt Lewin's original interest in group dynamics had its genesis in his desire to develop and encourage democratic group decision-making whereby the traditional role of the autocratic leader would be minimized.[8] Others have shown more interest in employee satisfaction and reward, moralistic in addition to the legalistic considerations in the areas of employee relations, monetary remuneration and health both mental and physical are viewed by some as areas wherein organizations should direct additional attention.[9]

II. STATEMENT OF THE PROBLEM

Informal organizations are treated in various ways by administrators today. There are administrators who deny that such organizations exist anywhere, especially within their organization. Other administrators are powerless in controlling such informal organizations, while many due to a lack of understanding of informal organization, are required

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[8]W. McGehee and P. W. Thayer, _Training in Business and Industry_ (New York: John Wiley & Sons, Inc., 1961).

[9]C. H. Lawshe, _Psychology of Industrial Relations_ (New York: McGraw-Hill Book Company, Inc., 1953), pp. 7-13.

to cope with effects rather than cause. There are however, administrators who seek out the informal leader and utilize his leadership abilities toward the goals of the organization.

An organization may fail to realize its full potential due to the presence of the informal organization within which objectives differ from those of the organization.

Ineffective or impaired communications producing insufficient data resulting in impairment of decision processes can be traced to an informal organization. Economic losses are incurred due to inaccurate reports provoked by the power of the informal organization to alter production rates. Operating policies and procedures are varied resulting in observable deviation from uniform operating standards of an organization. Morale is weakened within an organization when conscientious employees observe a seemingly dual set of standards resulting from power which the informal organization has attained.

Informal groups will clash within an organization creating a high degree of inflexibility and immobility in the utilization of personnel (often key) to their full potential, thus affecting organization goals. Sometimes informal organizations are formed in order that favors, which are in conflict with organizational objectives, can be gained.

Criteria is established for membership in an informal organization. Standards of compliance are enforced within the organization. Persons throughout the hierarchy tend to place their greatest confidence in people who tend generally to be most like themselves. Thus, criteria develop. These serve to solidify and perpetuate the existing power of the formal organization within the organization.

The reverse also holds true in that persons tend to gravitate toward those persons who represent an image of what they would like to be. Thus, an informal leader can rise to prominence. A formal leader of a trade union, social or fraternal organization attended by persons from several levels of an organization can become an informal leader in that organization. Persons may attain informal leadership status by association with top level management personnel, technical or operational proficiency.

Several informal groups, each with its own leader, may be found within an organization. These may be found at various levels of the hierarchical structure with the possibility of more than one being at the same level. Informal leaders found at a lower level of the hierarchical structure may be found to be an important decision-making point for several members of the organization who are positioned at a much higher level. They may also be requested to render

decisions when persons for such decisions have been bypassed in a lateral communication.

To the reader it might appear that the writer views the informal organization and its leadership as strictly a negative force. If this connotation has been left perhaps the following attempt to clarify the intent of this paper becomes a necessity at this juncture.

It can be assumed that various managerial problems found within an organization are attributable to informal groups(s). These problems may be counteracted or eliminated by other informal group(s) whose goals are aligned with the formal organization, or whose goals were being thwarted by the other informal group(s) tactics. Management through the intelligent use of the informal organization can eliminate problems created by informal group(s) or the informal organization itself.

It is hypothesized that administrators of contemporary hierarchally structured organizations are enmeshed in the dilemma created and perpetuated by the presence of informal structures within the formal hierarchy.

Techniques can be established for the identification, control and utilization of the informal organization and its leaders. By employing these techniques an administrator can utilize the abilities of the informal leader and his organization toward the harmonious attainment and maintenance of

objectives deemed necessary for the success of the
organization.

III. METHODOLOGY

The methodology utilized in testing the above hy-
pothesis is divided into the following four steps:

1. A functional model, which is refinement for testing
   purposes of the hypothesis, will be constructed.
   The model containing those characteristics of an in-
   formal organization will also contain the following
   sub-categories.

   a. Those identifiable characteristics of an in-
      formal group(s) or organization whose goals are
      aligned with those of management.

   b. Those identifiable characteristics of an in-
      formal group(s) or organization whose goals are
      in conflict with those of management.

   c. Those identifiable characteristics peculiar to
      the informal leader, and how he rises to
      prominence.

   The model is constructed to assure greater accuracy
   in the comparison of like behavior characteristics
   found within unrelated organizations, to a working
   hypothesis.

2. The model will be subjected to a test of the review
   and analysis of pertinent literature.

3. Validity of the hypothesis will be further tested by
   the preparation and analysis of depth case studies
   resulting from research conducted within a function-
   ing organization. The participant-observation tech-
   nique for research was utilized to obtain the neces-
   sary data contained within the case studies.

4. Total analysis, summary, conclusions and recommen-
   dations resulting from the foregoing testing and com-
   parisons will be presented in a logical manner.

The desirability, in research of this nature, in gathering data from numerous organizations is unquestioned. However, due to circumstances surrounding this study, the methodology presented was deemed the most desirable.

Various terminology used within this study i.e., low production standards may lead the reader to believe that a theory of economics is the motivation for the research contained herein. The author hastens to reaffirm the position advocated in the hypothesis and implied by the title, that is, the dilemma created by the interaction of informal group(s), as the realization of organization goals are sought.

IV. IMPORTANCE OF THE STUDY

The purpose of this paper is to formulate a hypothesis, amenable to research, which will produce empirical data for objective presentation. To offer a contribution toward the better understanding of the informal organization which is believed by the writer to be inherent in all hierarchical structured and functioning organizations. An understanding upon which managerial decisions regarding its use and control will become more effective. The information developed is to be utilized as criteria for effecting change resulting in a higher degree of organizational effectiveness.

For those administrators who are managing through the use of antiquated theories and procedures, this study will

create an awareness of possible solutions applicable to ex-
isting areas of conflict within their organizations and a
conceptual framework reinforced by authoritative literature
depicting the inherent needs requiring fulfillment during
the daily activities of man.

Generally speaking, the theory of organization fol-
lowed by the American Police System is an example of manage-
ment through antiquated theories and procedures.

Throughout their history police organizations have
relied upon the Operational School (often referred to, ex-
pecially by its critics, as "traditional")[10] for their ap-
proach to management.

The traditional advocate structuring an organization
based on characteristics such as:

1. The regular activities required for purposes of
organization (goals) are distributed in a fixed way
as official duties. There is specialization and
division of labor.

2. The organization of offices follows the principles
of hierarchy in that each lower office is under the
control and supervision of a higher one.

3. Operations are governed by a consistent system of
abstract rules which define relationships, responsi-
bilities, and standards of performance.

4. The official conducts his office in a state of
formalistic impersonality, uses rational standards,
and does not allow personal considerations to inter-
fere with his decisions.

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[10]Harold Koontz and Cyril O'Donnel (ed.), _Principles_
of Management (New York: McGraw-Hill Book Company, Inc.,
1964), pp. 26-27.

5. Employment is based on technical qualifications,
    with protection against arbitrary dismissal and
    promotion based on senority or achievement.

These policies are to develop loyalty and esprit de
corps and consequent identification by the employee with the
organization, thus motivating him to exert greater effort in
advancing its interests. Requirements of the organization
are that individuals have the skills necessary to do their
jobs, and that discipline be used to keep the worker from
making decisions that benefit himself at the expense of the
organization.[11]

The foregoing analysis is a functional one, that is,
the social structure of the organization is explained by
demonstrating how each of the elements contributes to the
over-all operation. The key to effectiveness lies in a
rational strategy of administration in which the organization
is set up and operated in such a way that it can coordinate
and control the specialized activities of its sub-groups in
an efficient manner in order to cope with the complexity of
tasks in the operation of the total organization.

Also, to make the area of management intellectually
manageable, subscribers to this school do not include in
their theory entire areas of sociology, economics, biology,
psychology, physics, chemistry, other sciences or man's

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[11]James G. March and Herbert A. Simon, _Organizations_
(New York: John Wiley & Sons, Inc., 1958), et passim.

needs founded within these sciences not because these have

no bearing on management, but because all progress in

science has entailed partitioning of knowledge.[12]

Management has the responsibility and the where-with-

all by which to fulfill a number of those needs. By manage-

ment's use of outmoded theories, principles of personnel

management and employee relations areas of internal conflict

are created and perpetuated. An establishment of principles

and criteria by which the purported theory that "organi-

zational effectiveness" is based on the "extent to which an

organization, as a social system, fulfills its objective

without incapacitating its means and resources and without

placing undue strain on its members." Criteria of effective-

ness utilized is not only organizational productivity but

also organizational flexibility and absence of intraorgani-

zational strain and tension.[13]

> In recent years there has been great progress in the development of executive talent in the world of business and industry--but almost no attention given to this matter in the sphere of law enforcement.

> The demand of modern business for large numbers of skilled administrators and for individuals of out-standing executive talent is increasingly pressing.

> An examination of business and industry discloses that they have found a distinct solution to this

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[12]Koontz, op. cit., p. 29.

[13]Robert A. Sutermeister, People and Productivity (New York: McGraw-Hill Book Company, 1963), p. 2.

problem--a solution which in great measure, can be applied within police agencies.[14]

The International City Managers' Association, in its text _Municipal Police Administration_, states:

It is this area of administration that the American police find their greatest need. The police field has untold numbers of expert police-men--men who can patrol, investigate, and enforce with the greatest degree of understanding and pro-ficiency, but there is a lack of men who can satis-factorily control and direct these policemen toward the organizational objectives.[15]

V. LIMITATIONS

The testing of the hypothesis of this study will be attempted in the three previously mentioned steps, (con-struction of a model for comparative purposes, a review and analysis of the literature, and the development of in depth case studies).

In research of this nature it is fully understood that all possible data relevant to the hypothesis should be assembled and summarized to assure the hypothesis be tested in a quantitative form. However, due to previously mentioned lack of time and resources empirical data was collected from only one organization.

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[14]A. C. Germann, _Police Executive Development_ (Spring-field: Charles C. Thomas, Publisher, 1962), pp. 4-8, cited by Paul R. Falzone, "A Comparative Analysis of Executive's Role in Business and Law Enforcement" unpublished Master's thesis, Michigan State University, East Lansing, 1965), pp. 6-7.

[15]_Ibid_., p. 8.

There is a growing recognition of conflict between man and organization. This is evident by the increase of published material concerning the problem, from several disciplines. However, most of the material is of a theoretical nature. Relatively few experiments, by which to test new theories, have been conducted. Most of those experiments conducted were controlled to the point of manipulation, thus rendering the results questionable. The published material, concerning both theory and research, is very repetitious and quite obscure in places.

The primary concern of both theorist and researcher have been at the operational levels of organization. Only scant mention is made of interpersonal conflict within the managerial levels.

Inasmuch as the research for this study was conducted in a functioning police organization an attempt was made to locate literature in the field concerning the topic. However, this literature was conspicuous by its absence.

VI. TERMS USED AND THEIR DEFINITIONS

In reviewing the literature of the various doctrines mentioned herein, many definitions were found for the terms used in this study. However, some were not applicable, consistent nor desirable. In the opinion of the writer, the following best convey that for which they were designed.

Administrator. This term, as used throughout the study, refers to "people who are responsible for the performance of a total organization or for important segments or activities of it." The words administrator and manager are used interchangeably and carry the same connotation throughout the study.[16]

Clique. A small and exclusive set of persons.[17]

Folkways. The popular habits and traditions e.g., good manners. Breach is punished informally, by exclusion, avoidance, ostracism.[18]

Formal Leader. One who commands both positional and personal power.[19]

Formal Organization. An organization may be defined as " . . . the arrangement of personnel for facilitating the accomplishment of some agreed purpose through the allocation of functions and responsibilities."[20]

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[16]Carrol L. Shartle, Executive Performance and Leadership (Englewood Cliffs: Prentice-Hall, Inc., 1961), p. 3.

[17]Websters New Collegiate Dictionary (Springfield: G. & C. Merriam Co., Publishers, 1934).

[18]Henry Pratt Fairchild, Dictionary of Sociology (Patterson: Littlefield, Adams and Company, Inc., 1962), p. 123.

[19]Etzioni, op. cit., p. 88.

[20]J. M. Gaus, "A Theory of Organization and Public Administration," The Frontiers of Public Administration (Chicago: University of Chicago Press, 1936), p. 66.

<u>Grapevine</u>. Informal channels of information flow which operate outside the line of formal communications.[21]

<u>Informal Organization</u>. A label intended to describe those effective relationships which exist among people in a given setting by reason of specific affinities or common interests.[22]

<u>Group</u>, <u>Others</u>. All people outside of a group considered as the we-group or in-group; or, a specific group considered by members of the we-group as "others" alien. Difference and separateness are implied, and a degree of isolation may produce estrangement; but estrangement is not a necessary element in attitudes toward others-groups as thus defined.[23]

<u>Group</u>, <u>Pressure</u>. An actual or alleged group utilized by its leaders to force modifications in the policies of other groups or of a larger organization with which it is affiliated.[24]

<u>In-group</u>. Any group regarded from the point of view of one of its members in contrast to outside groups--virtually equivalent to we-group.[25]

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[21]Miller, <u>op</u>. <u>cit</u>., p. 862.

[22]Fairchild, <u>op</u>. <u>cit</u>., p. 135.

[23]<u>Ibid</u>.

[24]<u>Ibid</u>., p. 133.

[25]March, <u>op</u>. <u>cit</u>., p. 658.

Informal Leader. An individual whose power is chiefly personal.[26]

Informal Organization. Those aspects of the total organization not included in the formal organization area, this includes certain structural properties, processes, and products and it will quite properly consist of a number of related, perhaps overlapping small groups.[27]

Mores. Traditional definitions of the basic social structures and relationships of society that a given society regards as essential to its stability at a given time and place.[28]

Norm. A standard or criterion for judging the character or conduct of an individual, or any societal form or function.[29]

Primary Group. A small natural group of individuals characterized by intimate face-to-face association and co-operation whose members are interrelated by a network of personal relationships which may be of any type or degree, but, whether the feeling is liking, disliking or indifference,

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[26]E. F. L. Brech, Organization: The Framework of Management (New York: Longmans, Green and Company, 1957), p. 28.

[27]Unknown Author.

[28]Fairchild, op. cit., p. 199.

[29]Ibid., p. 205.

each member has a more or less clearly defined attitude to-
wards every other member.[30]

Secondary Group. The larger bodies within which the
primary group(s) function (factory, governmental unit,
etc.).[31]

Social Structure. The established pattern of in-
ternal organization of any social group. It involves the
sum total of the relationships which exist between the
members of the group with each other and with the group
itself.[32]

Structure. A relatively permanent or persistent
organization of parts which, as an organization, can go into
action in specified ways, and whose type is defined by the
kinds of action into which it can go.[33]

Value System. The quality of all the objects which
cause them to be of interest to an individual or a group,
identified by harmony in operation and the integration of its
structure.[34]

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[30]Sutermeister, op. cit., p. 328.

[31]Ibid.

[32]Fairchild, op. cit., p. 293.

[33]Ibid., p. 310.

[34]Ibid., p. 315 & 330.

VII. ORGANIZATION OF THE REMAINDER
OF THE THESIS

Chapter II presents a functional model of an informal organization to be utilized for testing the validity of the hypothesis of this study. It is hoped that the model will also lend itself toward establishing uniformity in terminology for the characteristics of informal organization.

Chapter III contains a review and analysis of the literature compared to the functional model which is the hypothesis of this study.

Chapter IV presents and analyzes the case studies which were prepared. A historical overview of the city, the police organization, its administrator's philosophy, past and present, and the governmental system within which they function is also presented. The case studies are also utilized to test the hypothetical model.

Chapter V contains a summary of the study based on a logical analysis of the research data collected. Conclusions are drawn and recommendations, pertinent to future research and study, are presented.

CHAPTER II

A FUNCTIONAL MODEL OF AN

INFORMAL ORGANIZATION

In order to assure greater accuracy in the com-
parison of like behavioral characteristics found within unre-
lated organizations and literature, to a hypothesis, re-
quires utilization of a functional model. This is necessary
because many identical characteristics of human behavior
have been labeled inconsistently.

Due to a great divergence in documented opinion
found in the limited literature concerning administrative
theory and administrative practice relating to the existence
of an informal organization, there are few, if any, defini-
tive models of the informal organization. The following is
an attempt by the writer to construct such a model to be
tested for validity. One test to be conducted consists of a
comparison of the model to the results of a review and an-
alysis of current literature dealing with the subject matter.
The model will further be tested by empirical data gathered
through the analysis of depth case studies resulting from
research within a functioning organization.

I. THE INFORMAL ORGANIZATION

A. An informal organization exists in all
organizations

    1. Which cannot be deliberately destroyed be-
cause it is not constructed

    2. At all levels of the hierarchial structure

    3. With the possibility of several existing at
any one level

B. The informal organization consists of natural
groupings of people in their work situation who:

    1. By the nature of their assignment within the
organization have frequent face-to-face
contact;

    2. Usually perform similar or related tasks;

    3. Have common interests;

        a. Or might band together for a common cause;

C. Characteristics of informal groups

    1. They arise spontaneously

    2. They act as agencies of social control by pro-
ducing a culture based on norms of conduct
which demand conformity from their membership.

        a. members who fail to observe the pre-
scribed norms are subjected to harassment,
pressure to conform or ostracism.

    3. Each group supports a status system inde-
pendent to that supported by the formal
organization.

        a. A member might hold like status in both
the formal and informal organizations.

    4. Each group maintains a communication system
independent to that of the formal
organization.

        a. Referred to by both the formal and the informal organizations as the "grapevine."

   5. Each group recognizes a leader.

        a. Who has authority granted him by the group, but this authority is not permanent and can be rescinded at the discretion of the group.

II. INFORMAL LEADERS: THEIR EMERGENCE AND IDENTIFIABLE CHARACTERISTICS

A. Informal leaders rise from within a group to prominent status due to various criteria. Some basic criteria for leadership in informal groups are:

   1. Age

   2. Seniority

   3. Expertise

   4. Position within formal organization

   5. Mobility within formal organization

   6. Nice guy, good guy, square shooter

   7. Identification: a leader emerges because he represents an image of what others would like to be. Thus he is imitated.

B. Informal leaders also rise due to their associations outside the formal structure. Such associations are among:

   1. Political groups

        a. City government

        b. State legislative body

        c. Administrative members of governmental sub-divisions.

2. Other pressure groups

    a. Service clubs

    b. Schools

    c. Churches

C. A member of an organization who is closely identified with the administrator can become an informal leader with varying degrees of power, (almost equal to that of the administrator). This closely identifiable member might hold a position primarily clerical in nature, i.e., administrative secretary.

III. IDENTIFIABLE CHARACTERISTICS OF AN INFORMAL GROUP(S) OR ORGANIZATION WHOSE GOALS ARE SUPPORTIVE OF THOSE OF ADMINISTRATOR

A. Will readily identify themselves with administrator and organization goals by:

1. Furthering policies, procedures and standards of production (i.e., performance or behavior) of organization.

2. Striving to strengthen organization by seeking improved methods of operation.

3. Attempting to counteract non-supportive group(s) or organization.

    a. Caution: this can be a cover for sabotage.

4. Will assist implementation of change by explanation and assistance.

    a. Helps those involved to understand change

        (1) Caution: this can be done to accomplish subversive goals.

    b. Instills confidence that management is not trying to pull a fast one.

5. Utilization of grapevine to

    a. Disseminate correct information regarding policies and procedures where effective formal lines of communication have been disrupted.

    b. Feedback of vital information to administrator regarding all aspects of the organization.

6. Provides necessary data for administrative planning, timing for and implementation of those changes deemed desirable in attaining organization goals.

IV. IDENTIFIABLE CHARACTERISTICS OF AN INFORMAL GROUP(S) OR ORGANIZATION WHOSE GOALS ARE NON-SUPPORTIVE OF THOSE OF ADMINISTRATOR

A. Some identifiable characteristics of an informal group(s) or organization whose goals are non-supportive of those of administrator are:

1. Resistance to change including those innovations by which the efficiency of the organization will be increased.

2. Hostility to supervision by management personnel.

3. Hostility to those informal groups or personnel who have identified themselves with management. Also creating friction between other groups by subtly pitting them against each other.

4. Denying membership to persons assigned same task by management.

5. Extremely strict enforcement of norms concerning functions of the formal organization.

    a. Minimum standards

    b. An existing policy or procedure might prohibit task performance yet through informal procedure task has always been completed yet for informal group to adhere will cause conflict.

     c. Acceleration in production until competition between groups begin to create internal conflict and deviations from minimum standards and complaints from outside the formal organization.

6. Creating pressure on formal organization through associations outside the organization.

7. Abuse and misuse of equipment creating work restrictions, intergroup conflict (i.e., operations blames maintenance, maintenance blames operations and staff might blame both).

8. Absenteeism in an area of operation to the extent that performance of several groups would be affected.

9. Anti-management rumors are initiated.

10. Preventing the free flow of administrative communications throughout the formal organization and the necessary feedback to the administrator, or the informal group altering communication content flowing from and to administrator resulting in:

     a. Diversity of operating procedures;

     b. Incorrect information on which to base administrative decisions;

V. CRITERIA FOR MEMBERSHIP IN INFORMAL GROUPS

A. Criteria which establishes eligibility for membership in informal groups are extremely diversified. Some of the more common are:

1. Membership in a similar outside formal organization.

     a. Military

        (1) National Guard, etc.

     b. Religious

        (1) Mormon

        (2) Catholic

      c. Social

         (1) Elks

         (2) Shriners

      d. Civic

         (1) Rotary

         (2) Lions

2. Similar hobby and non-employment activities

      a. Golf

      b. Guns and their uses

      c. Mountain climbing

3. Similar schools and training

      a. Northwestern University Traffic Institute

      b. Federal Bureau of Investigation - National Academy

      c. Delinquency Control Institute

4. Similar Background

      a. Geography

         (1) Came from same hometown, the South, etc.

      b. Employment

         (1) Employed by same organization or same trade

      c. Ethnic

         (1) Italian

         (2) Mexican

         (3) Negro

         (4) Irish

    d. Family

        (1) Size, number and age of children, attend same school

        (2) Wives--belong to mutual groups

            (a) P.T.A., Fraternal Order of Police Auxiliary, bridge

            (b) Mutual ambitions and drives

                1. Economic

                2. Sexual

                3. Recognition

5. Similar needs and/or escapes

    a. Psychological - physical

        (1) Drinkers

        (2) Body builders

        (3) Sexual

        (4) Pistol team

6. Similar commitment to the use of group as vehicle for indirect accomplishment of goal.

    a. The person is not completely enough equipped characteristically for individual accomplishment

    b. Fears identification with group

    c. Satisfies ego

    d. Vents aggression

CHAPTER III

REVIEW AND ANALYSIS OF THE LITERATURE

I. INTRODUCTION

In the search for validation of any theory a complete review and analysis of the current literature, pertaining to the subject, should be conducted. This chapter is devoted to a presentation resulting from such an endeavor.

The hypothesis and model will be tested for support and validation, using as criteria the data produced by the aforementioned review and analysis.

II. THE FORMAL ORGANIZATION

The formal organization of a firm vitally influences the social conditions of the job, which in turn play an important part in motivating employees toward either improved or impaired job performance. What is meant by formal organization?

"Formal organization is that existing on paper (the logical relationships prescribed by the rules and policy of the organization) . . ."[35]

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[35] Sutermeister, op. cit., p. 23.

The formal structure indicates the hierarchy of jobs and tasks performed in each position.[36] The philosophy and objectives of the formal organization are implemented by means of policy, organizational structure, and procedures.[37] It is established to obtain certain objectives through functional and scalar division of tasks. Some of the classical assumptions of organizational theory are: that each position on the organizational chart is occupied by a person who has a known and unchanging task, that formal authority is the central indispensable means of managerial control, that an individual should have only one boss (unity of command), that tasks should be reduced to specialized units, that there should be a division between line and staff functions, that the span of control (number of individuals supervised by one person) should be relatively small and that responsibility and authority be equated.[38] Classical organization theory views an organization member as a direct instrument to perform assigned tasks and as a "given" rather than a variable.[38]

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[36]William B. Wolf, The Management of Personnel (San Francisco: Wadsworth Publishing Company, 1961), p. 16.

[37]Keith Davis, Human Relations in Business (New York: McGraw-Hill Book Compnay, 1951), p. 21.

[38]Ibid., p. 15. Also Chapter II, "Classical Organizational Theory," in James G. March and Herbert A. Simon, Organizations (New York: John Wiley & Sons, Inc., 1958), cited by Sutermeister, op. cit., p. 24.

[39]March, op. cit., p. 29.

Tannenbaum[40] illustrates how the classical views of organization either ignore the individual or they make over-simplified assumptions about him. A result of this over-sight is the breach between theory and practice in organizations between the way organizations should work and the way they do work. For instance, informal organization (which stems in part from the personal need and interpersonal relationships of members) is not accounted for in the formal plan.

"The outstanding characteristic of man, is his personality."[41] Traits of individuality are a product of a person's personality. Various aspects of personality are especially pertinent to a person's behavior. Allport[42] cites three aspects from the conceptual framework of personality. First, a person's personality is formed and becomes relatively stable during childhood. The personality of an adult employee does not change readily. Secondly, individuals attempt to express their personality traits in a variety of situations, both on and off the job. Thirdly, personality is motivational, it implies strivings, wants or

[40]Arnold S. Tannenbaum, Social Psychology of the Work Organization (Belmont: Wadsworth Publishing Company, Inc., 1966), p. 27.

[41]Gordon W. Allport, Personality, A Psychological Interpretation (New York: Holt, 1937), p. 3.

[42]F. H. Allport, "Teleonomic Description in the Study of Personality," Character and Personality, Vol. V, No. 3, pp. 202-214.

needs. The characteristics of an individual's personality
give indications as to what the individual is characteristi-
cally trying to do consciously or unconsciously.

Employee Needs. Maslow in "A Theory of Human Moti-
vation," lists needs as: physiological, safety, love, es-
teem and self-actualization. Sutermeister, for reasons of
simplification, combined them into the following three cate-
gories physiological, social and egoistic.[43]

Physiological Needs are those items necessary for
maintaining sustenance of life. Included are air, water,
food, housing and clothing. Security in employment fulfills
the physiological needs of the employee. McGregor has
stated that a satisfied need is not a motivator of behavior.[44]
As management provides security to the employee by employ-
ment man tends to seek the satisfaction of other needs.
Psychological research in industry has clearly demonstrated
that other incentives--non-financial in character--plays a
tremendous role in satisfying workers' needs and wants.[45]

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[43]Sutermeister, op. cit., p. 13.

[44]Douglas McGregor, The Human Side of Enterprise (New
York: McGraw-Hill Book Company, Inc., 1960), p. 36, cited
by Robert A. Sutermeister, People and Productivity (New York:
McGraw-Hill Book Company, 1963), p. 13.

[45]Morris S. Viteles, Motivation and Morale In In-
dustry (New York: W. W. Norton & Company, Inc., 1953),
p. 385.

Social Needs can be satisfied only by contacts with others, either on or off the job. Social needs include such group needs as friendship, identification with the group, teamwork, helping others and being helped. Many explanations have been forwarded for this tendency toward social contact. Regardless of explanation the need for social contact is highly potent in many people.[46]

Some experiments have given indications that a threat that produces fear raises the affiliation motive as well as frustration. Persons experiencing such adversity tend to seek out those persons experiencing like adversity. The presence of others seems to alleviate some of the anxiety. This phenomenon can be understood partly in terms of the affection, love, sympathy, or sense of succorance that may accompany affiliative behavior.[47] There is little room for these sentiments, however, in the formal organization. Yet they are present where there are people, and they form an important motivational basis for the informal organization.[48]

Egoistic Needs are those that an individual has for a high evaluation of himself, and include such needs as

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[46]Tannenbaum, _op. cit._, p. 27.

[47]J. D. Birch and J. Veroff, _Motivation_ (Belmont: Wadsworth Publishing Company, Inc., 1966).

[48]Tannenbaum, op. cit., p. 28.

knowledge, achievement, competence, independence, self-respect, respect of others, status, and recognition.[49]

Some ego motives give indication of a persons self-identity. Self-respect or self-esteem, based on the reactions of others implying approval, acceptance, respect, recognition or attention enhance a sense of ego. Individuals continue to seek assurance that others hold them in esteem. Although a person's egoistic needs are satisfactorily met today, the same needs must continue to be fulfilled daily.

Another significant social need is that of power. Society has placed emphasis on the attainment of power to the degree that is has become a symbol of success. Power can be perceived both in positive and negative relationships. Those feelings of superiority, inferiority, independence and dependence all have ego centered motives.

Psychologists have investigated the tendencies of individuals to be dependent or independent, or to control or be controlled, and have developed tests to measure authoritarianism, egalitarianism, the need for independence, and the need for power. These measures relate significantly to conformity behavior and to other reactions of persons to authority.[50]

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[49]Sutermeister, op. cit., p. 14.

[50]Tannenbaum, op. cit., p. 29.

In summarization of the foregoing, we find various fragments of personality and organization being sought, for the purpose of achieving a total organization. Thus, one of the major problems confronting organizations is the integration of their various parts to insure effective over-all performance.

Recently psychologists have contributed a greater understanding toward organizational behavior. However, the organizational psychologists have been asked the following questions by the classical organizational theorist: Why is organizational behavior a psychological problem rather than one of plain organizational theory? Why cannot integration be insured simply by a more careful over-all organizational plan which allocates functions in such a way that overlap and competition are eliminated?

The answers to these, and many more questions, involve the concept of informal organization, according to Schein.[51] He reiterates an earlier postulate of this paper that even though organizational roles demand only certain limited activities from each person, it is the whole person who comes to work. The employee brings with him many attitudes, feelings, and perceptions which are not anticipated by the organization and are not a part of its present or future plans. Employees meet and interact to each other,

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[51]Edgar H. Schein, Organizational Psychology (Englewood Cliffs: Prentice-Hall, Inc., 1965), p. 14.

thus relationships are developed, informal agreements and patterns of coordination, none of which were contemplated or planned for by the formal organization. These informal procedures find their origin in the administrative and managerial omissions of adequate policies and procedures. The feelings, attitudes and informal procedures of the employee emphasize a loyalty to the group which he has chosen to identify himself. When this identification process is acknowledged, the self-esteem of the employee is attached to its performance. It then becomes increasingly difficult for the employee to understand and sympathize with the problems of other units and especially the formal organization. An increased degree of indifference or hostility may become apparent as the employee experiences a continued identification with the group.

III. THE INFORMAL ORGANIZATION

Beneath the cloak of formal relationships in a business there exists a more complex, complicated system of informal relationships. The informal organization is significant to management because it is a powerful influence upon productivity and job satisfaction.

The informal organization is a network of personal and social relations which is not planned, established or required by a formal organization.

Barnard, in his pioneer study of this phenomenon, pointed out that when formal organizations come into operation they create and even require informal organizations. He goes so far as to state that prior contact and preliminary interactions are required to precede formal organization. Many administrators are ready to deny the existence of informal organizations within their formal organization or conveniently to overlook them. This may be due to their concern with the problems of formal organization. Many managers find it difficult to define and describe something which is not concrete, therefore, they are reluctant to acknowledge its existence. Hence administrators are often unaware of the widespread influences, attitudes and agitations within their organizations. He emphasizes the point that informal organization exists without and in many instances even in spite of the sanction of formal authority.

However, the same administrators will say that it is impossible to fully understand the organization and how it works merely by studying the organization chart, its manuals, rules, regulations and from observing its personnel. "Learning the organization ropes in most organizations is chiefly learning who's who, what's what, why's why, of its informal organization."[52]

Within the same frame of reference, Simon points out that each new organization member must establish informal

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[52]Barnard, op. cit., p. 121.

relations with his colleagues before he can become a signifi-
cant part of the working organization.[53]

In every organization an informal structure will de-
velop which reflects the spontaneous efforts of individuals
and groups to influence the conditions of their existence.[54]
"They are spontaneous, nebulous, and difficult to
recognize."[55]

Formal features of an organization tend to provide
the ecology necessary for the formation of informal groups.
Two studies, which lend emphasis to this theory, are: "The
Hawthorne studies"[56] and a "housing project study."[57] The
overall structure of an organization, its conceptual frame-
work, influences the behavior of the individuals and groups
contained within it. Just as the individuals acts can only
be understood in relation to the group in which he is
functioning, so the behavior of a group can only be

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[53]Herman A. Simon (ed.), Administrative Behavior (New
York: The MacMillan Company, 1961), p. 149.

[54]Theo Haimann, Professional Management Theory and
Practice (Geneva: Houghton Mifflin Company, 1962), p. 134.

[55]Davis, op. cit., p. 21.

[56]Fritz J. Roethlisberger and William J. Dickson,
Management and the Worker (Cambridge: Harvard University
Press, 1939).

[57]Leon Festinger, S. Schacter and K. Back, Social
Pressures in Informal Groups: A Study of a Housing Project
(New York: Harper & Brothers Book Company, 1950).

understood in the context of the larger group to which it
belongs.[58]

IV. THE STRUCTURE AND CHARACTERISTICS OF
THE INFORMAL ORGANIZATION

It was heretofore noted that the formal hierarchical
lines of an organization fail in a functional description of
the organization. The importance of the informal structures,
which have their genesis in employee social interaction, can-
not be disregarded or even minimumized. They are spontaneous,
nebulous and sometimes hard to locate.[59]

Both membership and leadership in the informal
structure is earned as differentiated by the conferring of
both in the formal structure. A complete social system is
established, which includes rules, regulations (norms),
interests, expectations and habits. Thus, assurance of
membership action and reaction, to formal or other informal
organizations, is established. Probably the most signifi-
cant explanation for the emergence of an informal structure
is it is a proven vehicle for satisfying the needs and de-
sires of its members. Davis cites three additional functions
of the informal structure.[60]

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[58]J. A. C. Brown, The Social Psychology of Industry
(Baltimore: Penquin Books, Inc., 1954), p. 123.

[59]Supra.

[60]Davis, op. cit., p. 101.

1. It perpetuates the group culture.

2. It serves to communicate and keep members informed.

3. It regulates and influences the behavior of the members.

An informal organization can be characterized as a social unit (1) which consists of a number of individuals who, at a given time, stand in more or less definite inter-dependent status and role relations toward one another and (2) which explicitly and implicitly possesses a set of values or norms of its own regulating the behavior of indi-vidual members, at least in matters of consequence to the group.[61]

Sherif characterized the social unit as an "in-group" when viewed by a member. Using the same frame of reference, any social unit of which he is not psychologically a part are known as out-groups. The term "intergroup re-lations" is used to refer to relations between two or more in-groups and their respective members. Intergroup relations have been found both in relations between two or more in-groups and in the interpersonal relations between members of the in-groups in the course of daily living. A low threshold is apparent in interaction of groups or their representatives.

In order to understand group attitude one must first understand the varied motives of men. In order to label

[61]Muzafer and Carolyn W. Sherif, Groups in Harmony and Tension (New York: Harper & Brothers, Publishers, 1953), pp. 151-152.

intergroup relations as being positive or negative one must first identify the goal(s) sought by the group. Sherif cautions that, the motives and goals in question in intergroup relations are not the motives and goals of individuals in an isolated state.

> They are motives and goals of men as deflected, organized, and transformed in group settings. If the motives or goals of individual members are perceived by the membership as out of step with or contrary to the shared and sanctioned direction and goals of the group, such individuals are either brought in line or discarded as undesirables.[62]

A very important rationale for the study of intergroup behavior, is that human relations today are not composed of discreet and unrelated acts of friendship or hate directed toward individuals or groups.

In-groups scrutinize the intergroup relations of individual members. Observation of directional trend by in-group members is the primary purpose for close scrutiny.

When deviate behavior in directional trend is detected in a member remedial measures are taken or else the member is rejected.

A grave problem confronting contemporary organizations is the participation of the great body of individual members in the intergroup trends that are shaped within their respective in-groups.

Individual members participate in various ways, some of which are:

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[62]Ibid.

1. By shaping and direction of positive or negative trends in relation to out-groups.

2. As initiators of a trend toward a particular out-group with all the means of communication and other appeals at their disposal.

3. Eager recipients of these appeals.

4. As personally involved followers.

Whether a person participates as a leader or a follower all participate in the intergroup trend. They come to consider it proper to contribute their part to the trend of their in-group, or leave the group. Here one can readily see the problem of conformity to the standards of the group by each member.

Writers and research indicate there are strong demands and pressures for conformity to the norms and trends of the group. These demands for conformity come from both the group and the individual member. Emphasis is usually placed on group rather than individual pressure by current writers.

Both positive and negative measures are used to assure conformity to group standards. Conformity is encouraged and rewarded whereas nonconformity is reacted to by techniques to assure group solidarity, some of which are: ridicule, scorn, silent treatment, ostracism and actual physical abuse. In several societies death is meted out for certain acts of nonconformity to group standards.

Conformity is required by all structured groups whether formal or informal. An excellent illustration of informal group pressures applied to rate-busters of production norms found in the Roethlisberger and Dickson study.[63]

Most group conformity is a result of the individual members desire to attain and maintain acceptance. Once a member has attained identity with the group he wants to uphold the group.

Sherif lends credence in the following statement:

> Conformity to one's group norms is the inevitable functional consequence of belongingness in a group. Being a part of the group, identifying oneself with a group and having a definite status in it is not an inconsequential matter. It necessarily means making the values and norms of the group one's own values and norms--in short, constituent parts of one's ego.[64]

Festinger adds greater positive attributes in his summation of group membership:

> Friendships, companionship and the warmth and pleasures of close emotional ties are, of course, available only as a result of our relationships with other people. Prestige, social status and approval of others are in themselves group-oriented goals. They exist only as a particular kind of relationship with other persons. Membership in groups also tends to make accessible to people goals which otherwise would be far out of reach.[65]

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[63]Roethlisberger, op. cit., p. 423.

[64]Sherif, op. cit., p. 188.

[65]Festinger, op. cit., p. 3.

Informally organized groups have or are formed for various activities and goals. However, regardless of purpose research reveals that all informal groups have the following minimum common characteristics.[66]

1. Common motive or motives conducive to interaction among individuals.

2. Differential effects of the interaction process on individuals.

3. Rise of a group structure with hierarchial statuses within it and clear cut in-group demarcations.

4. Standardizations of values or norms and other group products in terms of which activities within the group are regulated.

5. The intense and constantly policed unity that makes for near unanimity among its members.[67]

6. Protection of the group from outside interference by manifesting a strong resistance to change or threat of change, in conditions of work and personal relations.[68]

V. LEADERSHIP IN THE INFORMAL ORGANIZATION

The psychology of leadership as Sherif points out, develops as the process of common activities toward common goals continues. Direction replaces hit-and-miss or trial and error methods of achievement. The initiative and responsibility for regulating group interaction and attainment

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[66]Sherif, op. cit., p. 192. (1-4)

[67]Robert Dubin (ed.), Human Relations in Admininistration (New York: Prentice-Hall, Inc., 1951), p. 48.

[68]Roethlisberger, op. cit., p. 525.

of group goals, tend to become polarized around certain indi-
viduals. These persons have enjoyed a higher degree of
achievement in matters of concern to the group.[69]

Authority in informal organizations is earned or
given permissively rather than delegated.[70] Informal
authority is derived from the membership of the informal
group seeking control and guidance, whereas formal authority
is derived from higher in hierarchy. Another contrast is
noted between formal and informal authority, that being the
flow of authority. In a formal organization the flow of
authority is downward whereas in an informal organization
the flow is either upward or horizontally. Thus, authority
within an informal organization carries the connotation of a
privilege rather than a right. Due to the unique fact that
informal authority is based upon the sentiments of people,
it is usually more unstable than hierarchally based formal
authority. Another unique characteristic of informal
authority is that although found within a formal hierarchy,
management does not exercise any control over it. This fact
also is due to its origin in sentiments of people.

Growth in both types of organizations is dependent
upon authority. Formal organizations may grow to become
large and greatly decentralized, however, cohesive informal

[69]Sherif, op. cit., p. 152.

[70]Davis, op. cit., p. 99.

organizations remain small because both their origin and authority are founded in personal relationships within a close proximity. This is why several informal organizations, and at various levels, can be found in a formal organization. Informal organizations are usually found to be completely within an organization, however, there are those that exist partially external to it.[71]

One of the previously discussed characteristics of the informal organization was that of strict conformity to group norms. This strict scope of adherence also includes the leader. The informal leader receives his authority from the group therefore his position is within not outside the group. "His authority is not arbitrary, it is invested in him and must be exercised within the limits set by the group."[72]

Most writers agree that the pressures of the group for conformity will be directly proportional to the degree of importance attached to the norm in question by the group. An extremely narrow tolerance toward deviation is allowed for those norms relating to the identity of the group. This norm requires the same degree of conformity from leaders as from other members.

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[71]Davis, op. cit., p. 99.

[72]Sherif, op. cit., p. 153.

Leadership in an informal organization is bestowed upon the chosen for a number of reasons. The criteria for leadership in an informal organization parallels those required for initial membership. Some of these are:

1. Age

2. Seniority

3. Technical competence

4. Work location

5. Freedom to move about the work area

6. A pleasant, responsive and emphatic personality

7. Ethnic or religious background

8. Education

9. Status elsewhere in the organization

10. Membership in other in-groups with the organization

11. Social affiliations outside the organization

It is readily apparent to the reader that the foregoing is a very meager list of criteria for membership in an informal organization. Many leaders arise due to situations confronting the group.

Unlike the work group of the formal organization the informal group may have several leaders of varying importance. Although there may be several leaders within a group there still remains one who is still the primary leader.

Management has inherently, for a variety of reasons, failed to recognize the informal organizations and their leaders. "Each manager needs to learn who the informal

leader of his subordinates is and to work with that person to assure that his leadership is furthering the company's objectives, rather than hindering them."[73]

Duncan maintains that when the informal leader is working against the company, his effect is far greater than his numerical proportion in the group. A biological analogy is drawn portraying the informal leader as the "dominant gene" in his interaction with others. His influence is illustrated statistically in the following example. "Assume that **A** is the informal leader in group **ABCDE**. There are twenty-six interpersonal combinations as follows:

AB	ABC	ABCD
AC	ABD	ABDE
AD	ABE	ACDE
AE	ACD	ABCE
BC	ACE	BCDE
BD	ADE	ABCDE
BE	BCD	
CD	BCE	
CE	BDE	
DE	CDE	

The number of combinations for any group may be computed by the combinatorial formula $C\,^{N}_{r} = \dfrac{N!}{r!\,(N-r)!}$ which indicates the number of ways in which n things can be combined r at a time."[74]

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[73]Davis, op. cit., p. 100.

[74]Acheson J. Duncan, Quality Control and Industrial Statistics (Chicago: Richard D. Irwin, Inc., 1952), pp. 81-82.

It has been shown the degree of influence exerted by
the informal leader is in his interpersonal contacts. In
the event that an informal leader would have an anti-
management orientation, it is readily discernible the re-
sulting effect upon an administrator's program.

VI. FUNCTIONS AND CONSEQUENCES OF THE INFORMAL ORGANIZATION

The effectiveness of the formal organization depends
upon its relationships with the informal. The informal
group may be indifferent, attracted, or opposed to the
formal purpose of the organization and its related formal,
or blueprint, structure.

The informal organization is a good place for po-
tential formal leaders to develop.[75] The rationale of the
foregoing is predicted on the fact that "even the formal
leader must maintain some social affinity with informal
groups of subordinates, and as a result he accepts and ex-
presses their norms to some extent."[76] The foregoing state-
ment by Schull not only lends credence to Barnard's state-
ment that "when formal organizations come into operation
they create and even require informal organization,"[77] but

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[75]Davis, op. cit., p. 101.

[76]Fremont A. Schull and Andre L. Delbecq, Selected
Readings in Management (Homewood: Richard D. Irwin, Inc.,
1962), p. 247.

[77]Barnard, op. cit., p. 121.

causes one to consider the following warning by Davis. "It should be remembered that an informal leader does not always make the best formal manager."[78] The literature cites examples of good informal leaders becoming arrogant bosses when given formal authority. The informal organization grants authority while retaining the control of withdrawal, thus eliminating arrogance. The formal organization provides no such control for delegated authority.

Informal leaders also fail as formal leaders due to the responsibility that is inherent with authority. Some fear the responsibility as this is nonexistent in an informal organization. The fearful leader tends to be overly cautious which affects his judgement and causes mistakes, others fail due to the scope of formal responsibility compared to the small functional area experienced in the informal organization.

The informal organization has primarily been looked upon as a negative force within an organization. This concept is due to a lack of understanding of the informal organization and the phenomenon surrounding it. Lack of understanding and uncertainties result in fear which is manifested in irrational acts. All of these on the part of management result in failure in attainment of organization goals. If management integrates its interests and goals

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[78]Davis, op. cit., p. 101.

with those of the informal organization it will then work
for the organization rather than against them. One of the
greatest problem areas and responsibilities facing adminis-
trators today is the unification of both structures toward
common goals.

Dubin, Shartle, Barnard and a host of other writers
see this merger of the formal and informal as the most ef-
fective method of work accomplishment.

Formally structured organizations are inherently in-
flexible, thus decreasing their effectiveness in meeting the
unforseeable day-to-day problems. The spontaneous and
flexible nature of informal organizations lend themselves to
a situational approach to problem solving and task ac-
complishment. Dubin states, "Informal relations in the
organization serve to preserve the organization from the
self-destruction that would result from literal obedience to
the formal policies, rules, regulations, and procedures."[79]
After extensive research on leadership, Shartle said, "The
informal structure is one index of the dynamics of getting
work done, and it appears that for efficiency it will
necessarily deviate from the formal structure."[80] Davis has
similar views which he has embodied in a concept entitled,
"The Principle of Informal Organization." This principle

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[79]Dubin, op. cit., p. 68.

[80]Carroll L. Shartle, "Leadership and Executive Per-
formance," Personnel (March, 1949), p. 378.

states that "an integration of the interests, goals, methods, and evaluation systems of formal and informal organizations tends to increase productivity and job satisfaction."[81]

Previously mentioned was the fact that formal organization is a social tool for the conscious coordination of activities toward a goal. Informal organization as Barnard has pointed out, necessarily precedes it.[82]

Here an attempt by the writer to describe the circular process implied by Barnard. We have seen that people seek associations and the satisfactions that result. Man's inherent gregarious impulse plus unity for the accomplishment of goals he alone cannot attain is the primary basis for formal organization. Group behavior resulting from the interaction of the persons within the formal organization creates informal organizations. Communication and authority must be implemented in order that sufficient coordination for goal realization can be attained. Authority is used in conjunction with communications here because "authority (the cement of organization) furnishes the primary line of communications in an enterprise, since it deals with those communications which are comprised of decisions."[83] As these operations proceed more informal groups will appear forming

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[81]Davis, op. cit., p. 244.

[82]Barnard, op. cit., p. 116.

[83]Koontz, op. cit., p. 386.

more formal organizations thereby completing the circular process. However, this is a never ending process.

From the preceding discussion of informal groups, it is evident that they serve two important needs: first, to assure the individual a personal position in an otherwise impersonal system, at the same time protecting that position from within and without, and second, to supplement the functioning of the formal organization structure.

Lawshe makes the following admonition to all administrators concerning the informal organization, regardless of what they add to or detract from the overall effectiveness of a particular organization, their existence is something that must be accepted and reckoned with by the organization."[84]

Informal organization can be found on all levels within the managerial hierarchy from the bottom to the top.[85] Such groups are to be found in all kinds of organizations regardless of their nature.[86] Although most of the material concerning informal organizations deals with operative personnel, the behavior manifested by executives is just as human as the reactions exhibited by employees within the

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[84]Lawshe, op. cit., p. 290.

[85]Haimann, op. cit., p. 314.

[86]Dubin, op. cit., p. 57.

organization.[87]   "Informal organization at the executive
level, just as at the work level, may either facilitate or
impede purposive cooperation and communication."[88]

Selznick[89] makes the following analysis considering
bureaucracy as a special case of the general theory of
purposive organization. Recent sociological research, which
made explicit several conceptions, was utilized for this
analysis. The following three hypotheses, based on that re-
search, were introduced.

1. Every organization creates an informal structure.

2. In every organization, the goals of the organization
    are modified (abandoned, deflected or elaborated) by
    processes within it.

3. The process of modification is effected through the
    informal structure.

Each of the following three sociological studies
have elucidated these hypotheses.

The first of these studies was conducted at the
Hawthorne Works of the Western Electric Company in Chicago,
Illinois by F. J. Roethlisberger and William J. Dickson.[90]
Inquiry for the collection of source data continued for five
years, 1927 to 1932. However, the complete study covered a

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[87]Burleigh B. Gardner and David G. Moore, Human Re-
lations in Industry (Homewood: Richard D. Irwin, Inc.,
1952), p. 1.

[88]Roethlisberger, op. cit., p. 562.

[89]Litterer, op. cit., p. 146.

[90]Roethlisberger, op. cit.

period of twelve years. This study can be entitled an intensive examination, as the original observation of five workers was expanded until in included studies of about 20,000 individual employees.

Selznick states that,

> Roethlisberger and Dickson found clear evidence of an informal structure. This structure consisted of a set of procedures (binging, sarcasm, ridicule) by means of which control over members of the group was exercised, the formation of cliques which functioned as instruments of control, and the establishment of informal leadership.[91]

"The men had elaborated, spontaneously and quite unconsciously, an intricate social organization around their collective beliefs and sentiments."[92] It was determined by the research that the informal structure of the workers grew up out of the day-to-day practices of the men as they groped for ways of taking care of their own felt needs. There were no predetermined methods for instituting the procedure utilized, however, this made them no less binding. These needs largely arose from the way in which the men defined their situation within the organization. The informal organization was found to serve a triple function:[93]

1. It served to control the behavior of the members of the worker group.

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[91]Litterer, loc. cit.

[92]Ibid.

[93]Ibid.

2. Within the context of the larger organization
   (the plant), it was an attempt on the part of
   the particular group to control the conditions
   of its existence.

3. It acted as a mechanism for the expression of
   personal relationships for which the formal
   organization did not provide.

Thus the informal structure provided those avenues

of aggression, solidarity, and prestige construction re-

quired by individual members.

The consequences resulting from the activity of the

men were:[94]

1. A deleterious effect upon the professed goal of
   the organization as a whole.

2. It resulted in the restriction of output, in as-
   serting its control over the conditions of the job.

3. An exhibition of strong resistance to change, as a
   result of wanting to protect itself from outside
   interference.

Thus the facts in this empirical investigation illus-

trate the hypothesis noted above; the creation of an in-

formal organization, the modification of the professed goal

(maximum output), and the effectuating of this modification

through the informal structure.

In addition, three important characteristics of the

informal structure were observed in the study:[95]

1. It arises spontaneously

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[94]Ibid.

[95]Ibid.

2. The bases of the relationships are personal, in-
   volving factors of prestige, acceptance within
   the group, friendship ties, etc.

3. The relationships are power relationships, oriented
   toward techniques of control.

Selznick hastens to state, "these characteristics are
general, and they are important for conceiving of a theory
of bureaucratic behavior as a special case of the general
theory of organization."[96]

The second study presented by Selznick is a theoreti-
cal analysis by C. I. Barnard, of organizational structure,
concerned primarily with the problem of the executive. He
discusses explicitly the character and function of informal
structures which arise out of the attempts to solve those
problems. Barnard defined informal structures as, "the
aggregate of the personal contacts and interactions and the
associated groupings of people which do not have common or
joint purposes, and which are, in fact, indefinite and
rather structureless."[97] Barnard further explains that,
"though common or joint purposes are excluded by definition,
common or joint results of an important character neverthe-
less come from such organization."[98]

He lists, three functions of informal structures as
they operate in formal organizations, which Barnard set
forth:[99]

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[96]Ibid., pp. 146-147.

[97]Barnard, op. cit., p. 115.

[98]Ibid.

[99]Litterer, loc. cit.

1. A means of communication, establishing norms of conduct between superordinates and subordinates.

2. The maintenance of cohesiveness in formal organizations through regulating the willingness to serve and the stability of objective authority.

3. The maintenance of the feeling of personal integrity, of self-respect, of independent choice.

The last function mentioned assures that the individual's integrity is protected by the appearance of choice, at the same time that subtle group pressures guarantee control of his actions.

"Barnard's view of the functions of the informal structure is primarily in terms of the needs of the executive (control through friendship ties, personal authority, a 'grape-vine' system, etc.)."[100] However, it is clear that his analysis agrees with Selznick's hypothesis that the informal organization is oriented essentially toward the techniques of control. Unlike the Roethlisberger and Dickson study, where the worker group was attempting to control the conditions of its existence, here the executive is doing the same thing.

The third case presented by Selznick is a discussion by Waller and Henderson based on the study of institutions of segregative care. During this study a fourth hypothesis is formulized and will be presented at the close of the following discussion.

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[100] Ibid.

The general hypotheses about organizational pro-
cesses are confirmed by the examination of such
structures as private schools, transient camps,
prisons, flop houses, reformatories and military
organizations.[101]

Waller and Henderson set the problem in the following

manner:

Each of our institutions has an idea or purpose--
most of them have several purposes more or less com-
patible with one another and this idea or purpose
gives rise to an institutional structure. The insti-
tutional structure consists of a system of organized
groups. The interaction of these elements is a
principle clue to the understanding of institutions
of segregative care. Without a structure, the pur-
pose of an institution would be an empty form of
words, and yet the process of translating the purpose
into an institutional structure always somehow de-
flects and distorts it.[102]

Here Selznick refers to what he defines as an

organization-paradox:

The tension created by the inhibitory conse-
quences of certain types of informal structures with-
in organizations--this does not mean that individuals
themselves are in quandaries. It is the nature of the
interacting consequences of divergent interests within
the organization which creates the condition, a result
which may obtain independently of the consciousness or
the qualities of the individual participants.[103]

In the present case he adds that, "the ideals of

those who construct the organization are one thing, while

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[101]Ibid.

[102]Ibid.

[103]William B. Wolf, Management Readings Toward A
General Theory (Belmont: Wadsworth Publishing Company, Inc.,
1964), p. 42.

the 'facts of life' operating independently of and often

against those ideals are something else again."[104]

This research study developed some areas of organi-

zation discourse. It was determined that while directing

an organization, as a specialized and essential activity,

problems which have no necessary (and often opposed) re-

lationship to the professed or designed goals of the organi-

zation become apparent.

The day-to-day behavior of the group becomes

centered around specific problems and proximate goals which

have primarily an internal relevance. Then, since these

activities come to consume an increasing proportion of the

time and thoughts of the group they are, in behavior, substi-

tutes for the professed goals.

Appendix A provides a managerial checklist by which

an administrator can, through analysis, determine those areas

creating specific problems and activities which are being

substituted for the professed goals of the organization.

The daily problems encountered by employees, which

concern the tools of their employment, direct their activi-

ties. Again Selznick attacks what he considers an inherent

organization weakness:

> Ultimate issues and highly abstract ideas which
> do not specify any concrete behavior have therefore
> little direct influence on the bulk of human activi-
> ties. (The general ideas, of course, may influence

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[104] Litterer, loc. cit.

action by setting its context and, often defining
its limits).[105]

He hastens to add that the foregoing is not because
men are evil or unintelligent, but because the "ultimate"
formulations produced by the organization structure do not
help the employee solve the behavioral problems and conflicts
encountered in everyday work situations. Organization
structure does not account for the functions being conducted
by human beings. There are also goals which require actions
which conflict with what must be done daily in a functioning
organization.

When this conflict occurs the professed goals of the
organization tend to be defeated by being ignored. The fore-
going constitutes the fourth hypothesis in the general theory
of organization previously indicated by the author.[106]

Reference has been made previously to some of the
functions of the informal organization. A more detailed de-
scription of each of the most important functions is hereby
set forth indicating both its positive and negative aspects.

The first function of an informal organization is
that of perpetuation of culture. Groups arise and persist
because they satisfy the social needs of their members.
These needs are defined by the group. They will naturally
vary to a great degree between informal groups found at the

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[105]Litterer, loc. cit.

[106]Litterer, loc. cit.

operation level of an organization. Needs may include accumulation of wealth, glorification of service, continuation of hostility and sacrifice to maintain group traditions. All continuing groups feel the need, and do everything possible to perpetuate themselves from the time they arise.

Customs, mores, rituals, traditions and mythology attached to the group are assumed to be important and necessary for the survival of the group. The perpetuation of a custom or tradition can create administrative and managerial problems. Should anyone ask why a custom should persist the probable answer would be, that is the way it has always been done so why change. This is the first step to the administrative dilemma of resistence to change. Therefore what is found to be satisfying to the group will be perpetuated.[107]

A major danger or difficulty arising from this function is the resistence to change. A tendency to perpetuate the status quo and become very rigid in the face of change. Davis has entitled this the, "What has been good, is good and shall be good," principle.[108] In most modern organizations changes are inevitable, therefore administrators must understand the informal organization in order to prepare their memberships for necessary change.

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[107]Miller, op. cit., p. 298.

[108]Davis, op. cit., pp. 240-242.

Another function is the provision of social satisfactions. Informal organizations give an employee recognition, status, prestige and further opportunity to relate to others.

The concepts of status, role and prestige are often confused. Generally speaking, status implies a position within a group, role is the appropriate behavior which goes with the position, and prestige is something more personal which the individual brings to his status and role.

Anthropologists have sub-divided status into two types, intrinsic or functional and derived or non-functional. A person commands deference on the basis of skill, knowledge or physical attributes in the former, rank and prestige are derived from occupying a certain position or office in the formal hierarchy, in the later class.[109]

Based on the foregoing, intrinsic status would be identifiable with the informal organization, while derived status would be identifiable with the formal. Some organization theorists suggest that contemporary organizations should restore functional prestige to work, thus avoiding non-functional, derived, or artificially created prestige. They suggest that status, pay and privileges should be in direct proportion to the contribution made to the organization. Sutermeister, while agreeing with the theory,

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[109]Sutermeister, op. cit., pp. 340-341.

hastens to inject reality by adding this comment, "this cannot be done until each individual with improved communications is enabled to understand the value of the contribution each other individual makes to the whole."[110]

In the informal work group an employee's status is based on the degree to which he contributes to the goals of his group. These contributions may or may not be those of the formal organization. His status might result from various sources, i.e., technical skills, a friendly ear in the managerial circles, seniority or the best joke teller in the organization.

It is in this area that defective managerial communications become apparent. Employees can be transferred or promoted to what appears, to persons outside the group, a level of greater status only to find several disgruntled employees. This can produce involuntary or voluntary reduction in group effectiveness.

Another informal group function is that of communication. In order to meet wants and to keep its members informed of what is taking place that may affect want satisfaction, the group develops systems and channels of communication.

Many patterns of group behavior can be labeled informal organizations. As Barnard said, "formal organization,

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[110] Ibid.

create additional informal organizations."[111] Previously

indicated were various patterns of behavior witnessed in an

organization that indicate informal relationships which are

uncharted as part of the formal organization. These re-

lations are found at every level of the hierarchy.

One of the most interesting and significant of these

informal relationships found in any formal organization of

any size is known as the grapevine. The membership of this

structureless organ or organization are from every level and

segment of the organization. The motivation which feeds

information into the grapevine has been found to be extreme-

ly varied. It might be made up of members of the formal

organization who know each other well enough to pass on

information concerning the organization itself. This is a

normal behavior in a typical organization where its members

spend many hours a day and from which both material security

and status are obtained. The desire for information con-

cerning the organization furnishes the social motivation for

a rapid transmittal of this information between persons who

know and trust each other.[112]

For varied reasons, the grapevine thrives on infor-

mation that is not available to all members of any group

[111]Barnard, loc. cit.

[112]Harold Koontz and Cyril O'Donnel (ed.), Principles
of Management (New York: McGraw-Hill Book Company, Inc.,
1955), p. 286.

formal or informal. This can be attributable to the fact that the information is of a confidential nature, the formal lines of communication are inadequate or by the nature of the information (scandal) it should not be either disseminated or disclosed completely.

For the hate or anti-management group, the grapevine is a very effective device for personal consternation and rumor mongering.

The following is taken from comments concerning rumor by Davis and should become an intrinsic portion of all administrators' techniques of control.

Rumor is a devastating disease that sweeps through an organization as fast as a summer storm and usually with as much damage. Rumor should be fought firmly and consistently. It is suggested that the cause of rumor should be dealt with rather than the effect of the grapevine, which is merely a vehicle. Due to lack of causative factors, a cooperative high morale group participates in very little rumor mongering. He cites the following as some causes for rumor being initiated. Persons poorly selected for work group, emotionally maladjusted, or inadequately informed about their functional assignment or environment. Rumor initiating and spreading is a normal defense reaction whereby an attempt is made to make one's situation more meaningful and secure. An analogy can be drawn here to the child that is not gaining enough attention who then commits overt

acts of unacceptable behavior in order to gain recognition realizing fully the possibility of negative consequences.

It is well known that, although management utilizes all control techniques available, rumors will persist. Administrators then ask, what if anything, can be done? Those rumors that have a significant bearing on the organization should be stopped or corrected as rapidly as possible. This is due to the fact that research has shown that once a rumor's general theme is known and accepted, then employees distort future happenings to conform to the rumor.

All rumors cannot and should not be fought, but those having a probability of organization damage must be controlled expeditiously. Facts issued in any way tend to weaken or stop a rumor. Davis issues what he terms, a critical warning, for this phase of rumor control.

> The facts must be given directly without first
> mentioning the rumor, because research suggests
> that when a rumor is repeated at this time, it is
> remembered just as well as the refutation!

Management has the responsibility of listening to and carefully analyzing rumors. Each rumor could carry a subtle indication of a potential managerial problem, which acted upon rapidly enough could be averted.[113]

Festinger states that,

> Participation should also help combat rumor be-
> cause it gives members some part in determining the
> things which affect them. It is a well recognized

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[113]Davis, loc. cit.

principle that rumors will tend to arise in situations where developments especially relevant to people's existence lie largely outside their control.[114]

The philosophy, relevant to Festinger's statement, is one of group preservation. Informal groups tend to believe that management will initiate actions against their members. Therefore every attempt is made to ascertain management's future plans as soon as possible in order that plans for counteraction can be readied. Suspicion and anxieties are raised within informal groups when policies and motives regarding specific procedures are not adequately disseminated throughout the organization.

It indeed would be an unique organization whose administrator could correctly state that the communication system of the informal organization was not tied directly to the formal. This is due to friendships that are interwoven throughout the organization. It becomes quite apparent why secret plans or policies do not retain such status long.

The foregoing discussion clearly indicates the necessity for management to establish a functional communications system which intergrates the informal system. In the event a rumor or erroneous information is being spread through an organization management can immediately disseminate information to counteract any deteriorative effects. Many

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[114]Leon Festinger, et al., "Study of Rumor: Its Origin and Spread," Human Relations, I (August, 1948), 483.

administrators, who understand the foregoing facts, con-

sciously use the informal organizations as channels of com-

munications and molders of employee morale.[115]

As Barnard has emphasized, informal organizations

bring cohesiveness to formal organizations.[116]

The fourth and last function of the informal organi-

zation to be discussed is that of social control or con-

formity. Much has been written in fiction and non-fiction[117]

about the supposed evils of conformity as it has developed

within formal organizations. For the past several decades

organization theorists and writers have been proclaiming con-

formity as a virtue of structured formal organizations. How-

ever, today the movement crediting the informal organization

with employee conformity seem to have equaled their

counterparts.

Two types of social control will be discussed also;

two types of conformity as well as a generalized discussion.

Internal Social Control. The working group regards

its members by giving them status and function, or stated

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[115]Koontz, op. cit. p. 384.

[116]Barnard, op. cit., p. 122.

[117]William H. Whyte, Jr., The Organization Man (New York: Simon and Schuster, Inc., 1956) and Eugene Raudsepp, "The Shine on the Gray Flannel Suit," Management Review (July, 1961), 4-12, cited as examples by Keith Davis, Human Relations in Business (New York: McGraw-Hill Book Company, 1951), p. 242.

differently, emotional security and self respect. In return, the informal group expects members to conform to its customs. These customs may involve the ideology of the group as a unit, or at times they relate toward expected behavior of an individual in a particular status role. Conformity may be enforced by techniques of ridicule, ostracism and violence. The need rarely arises for the use of these techniques, because members do not wish to lose acceptance in the group due to the personal security it affords them.

The individual member is protected only from external force, however when he creates an infraction of an informal organization rule he will be at least resented. The same rules will be found to exist in most informal organizations. One of the most basic rules is that each member contribute his share of the work. This is especially true if the function is one of joint effort. However, a group member will be criticized if, while working alone, he causes a supervisor to focus attention toward the work area of the informal organization. Where strong informal groups are present, there is no need for the supervisor to enforce minimum standards of work, because the group will do it for him, and much more effectively.[118] Another basic rule, that has existence in all informal organizations is that no one will profit at the expense of either the group or an individual

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[118]Roethlisberger, op. cit., p. 523.

member. Those who "squeal," seek favoritism or go outside

legitimate channels seeking advancement are highly censored.

External Social Control. The control that informal

groups extend over their members may be seen in their ef-

forts to control the formal structures of management.[119]

Management personnel realize that carefully laid plans are

either modified or violated many times by employees. In all

formal organizations there is a constant struggle between

the formal to manage the working force, and the working

force to manage or adjust in order to manage their

managers.[120]

The effectiveness of the informal group to enforce

managements minimum requirements has been established. Here

a correlation is found to exist within the informal organi-

zation. Sutermeister found the informal group usually has a

fairly clear estimate of what constitutes a fair days work

which tends to keep production within the range of the aver-

age worker. This type of restriction of production is,

therefore, based on factors within the informal group and on

the relationship, good or bad, which the group feels to ex-

ist between itself and the firm as a whole. When it is felt

that the weaker members of the group are unlikely to be pena-

lized and that the organization is fair in its dealings with

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[119]Miller, op. cit., p. 302.

[120]Ibid.

the workers, restriction of production due to these causes will cease.

Not only do informal groups react inwardly toward its members and outwardly toward the formal organization but also outwardly toward other informal groups. The conflict between the supervisor and the bank wiremen as well as between the technologist and the bank wiremen which were observed in the Hawthorne Studies are excellent examples of this type of conflict.[121]

The study, conducted by the Sherifs',[122] of in-group formations and intergroup relations is quite noteworthy. The empirical data obtained from this study is to be used in a later study concerned with the integration between groups. Although, the factors involved in this study were controlled almost to the degree of a laboratory experiment, they were not manipulated. The subjects were young boys at a summer recreation camp and were oblivious to the study. This fact sets the study apart from the classical Hawthorne Studies which were both controlled and manipulated, due to their being a pioneering effort.

> The Sherifs' study has confirmed the literature coming from sociologists and more recently psychologists on the formation and functioning of in-groups. The results of the intergroup relations between experimentally formed in-groups in situations competitive in nature and frustrating to the groups in

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[121]Roethlisberger, op. cit., pp. 546-547.

[122]Sherif, op. cit., pp. 287-289.

question substantiate the observations of sociolo-
gists and others of relations between small groups
in life situations.

Underlying the conception of this study is the
guiding principle that the reactions of individual
members must be understood in terms of the group
setting in which they take place, in addition to
their individual contributions to this group
setting. The group setting constitutes not merely
the in-group, its relationships and norms govern-
ing in-group activity, but the in-group in its re-
lationships to out-groups and the norms which arise
on the basis of these group relationships.[123]

The literature reveals two types of conformity,

that of action and of attitude. Uniformity of action is

called group standards. Standards of both performance and

behavior become a necessity when the coordination of large

work groups are required. However, when standards emulate

from the work process there appear to be no overtones of

conformity. Conformity is charged when standards appear to

be arbitrary.

Although business and government certainly do
have some arbitrary conformity, much of what ap-
pears to be conformity is actually a requirement
of the work process, but is not understood as such
by the employee. Thus, better communication is the
answer; it would provide evidence that no boss is
arbitrarily requiring employees to conform.[124]

The most serious area concerning conformity is that

of behavior away from work. Research of the current litera-

ture reveals this to be another area where formal organi-

zations do not seem to be the main influence. Davis cites

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[123]Ibid.

[124]Davis, op. cit., p. 243.

attitude as the most serious conformity, followed by this explanation:

> If attitude conformity can be induced, then the man loses his individuality and can be manipulated by unscrupulous leaders. Group requirements for attitude consistency are known as norms. Informal norms and reference groups are powerful forces in work society. They consistently guide opinion and wield power contrary to the leadership of formal management.[125]

VII. BENEFITS OF INFORMAL ORGANIZATION

Many managements view informal organizations as competitors and as being subversive of the purpose of formal organization. Managements usually feel that informal groups come into being in order to effectively oppose demands coming from higher authority and work counter to the purposes set by management. While the pages of recorded management history reveal extensive evidence of the foregoing, informal organizations also play a highly productive role.

Shartle, as a result of his field research on leadership saw the informal structure as an index of the dynamics of getting work accomplished. It also appeared to him that by necessity the informal would deviate from the formal structure. His views and ideas have been stated as "the principle of informal organization" as follows: an integration of the interests, goals, methods, and evaluation

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[125]Ibid.

systems of formal and informal organizations tends to increase productivity job satisfaction.

The result of the above integration may be seen through a variety of benefits within an organization. Some of these benefits are listed herein.

It can result in a lighter workload for the formal leader. Davis contends, that if employees know that their manager has the support of the existing informal organization, they are more likely to respond to his ideas, to be motivated to work efficiently, and to proceed with their assigned tasks without consuming their managers' valuable time, just to be sure.[126] There are managerial side benefits which can be derived from the situation illustrated above. A manager who finds himself in such an enviable situation can begin to "manage by exception."

The informal organization on occasion may act to fill in voids found in formal orders or in their manager's abilities. In the event a manager indicates a weakness in an area a member of the organization may assist him informally in that area either through suggestions or actions. This results in creating an effect of good management. Shartle, reports that executives tend to choose principle assistants who complement their own abilities. He adds the possibility that this may be because the situation has been ripe for

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[126]Ibid., p. 102.

that type of informal leader to arise within the group.[127]
Mentioned earlier was the fact that the informal organization is a good place to develop leaders, although informal leaders are not consistently found to be the best formal leaders.

Another benefit of the informal organization is that it provides satisfaction and stability to work groups by fulfilling their inherent social and egoistic needs. It is through its functions that workers attain and maintain a sense of belonging and security. Control devices are established to assure protection from outside pressures and to protect the culture of their group. The informal organization has an unique control device that differentiates its process for attaining members from that of the formal organization. The formal organization recruits and accepts for membership utilizing primarily the criteria of ability. The criterion for membership in the informal organization can be many and varied. Although the employee gained membership into the formal organization in a very brief period of time, he may never have attained membership in the informal organization. An employee does not join the informal organization, he must be accepted into its membership.

The informal organization as a channel for communication throughout both the formal and informal organizations

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[127]Ibid., p. 103.

is a well known but infrequently used postulate.

The grapevine emphasizes the use of informal organization to make formal organization work. As Barnard has emphasized, informal organizations bring cohesiveness to formal organization. Finally, it brings to the members of a formal organization a feeling of belonging, of status, of self-respect, and of gregarious satisfaction. Barnard observes in this connection that informal organizations are rather an important "means of maintaining the personality of the individual against certain effects of formal organizations which tend to disintegrate personality.[128]

A subtle benefit of informal organization is that of cautious restraint against management. Its presence requires a manager to plan and act more prudently than he might otherwise. The power of the informal organization acts as a restraint against the managers use of unlimited formal power. Also all changes or innovations must be planned for as the informal organization may use its power to thwart them.

Bendix makes the observation that, in theory, informal relations are secondary to formal, but it is the informal group that gets the formal administrative hierarchy's work done.[129]

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[128]Barnard, loc. cit.

[129]Reinhard Bendix, "Bureaucracy: The Problem and Its Setting," American Sociological Review (October, 1947), p. 493.

After reviewing the benefits of the informal organization, Davis issued the following ominous warning:

> Each of the benefits of informal organization can be reversed to become disadvantages under different circumstances. The informal group can lighten the load of the manager but it can also cause him extra burdens when it works against him. Its communication system can carry useful information, or it may carry useless rumor and gossip. One of the worst effects of informal organization is its support of restriction-of-work practices in order supposedly, to protect its members.[130]

VIII. INFLUENCING AND CONTROLLING THE INFORMAL ORGANIZATION

Selekman[131] states that employees' job satisfactions are of three types and that almost any change threatens at least one of these types and that almost any change threatens at least one of these satisfactions:

1. Economic reward in the form of wages and benefits

2. Personal satisfaction in a particular job and skill

3. Group association and interaction

Each of the foregoing categories have inherent reasons which manifest themselves in resistance to change by employees.

1. Economic reasons

    a. Fears technological unemployment

    b. Fears reduced work hours

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[130] Davis, _loc_. _cit_.

[131] Benjamin M. Selekman, _Labor Relations and Human-Relations_ (New York: McGraw-Hill Book Company, Inc.), p. 118.

      c.   Fears demotion and reduced base wages

      d.   Fears speed-up and reduced incentive wages

2.   Personal reasons

      a.   Resents implied criticism that present method is inadequate

      b.   Fears that his skill, and personal pride in it, will be reduced

      c.   Expects greater specialization resulting in boredom, monotony, and decreased sense of worthwhileness

      d.   Dislikes effort required to relearn

      e.   Fears harder work will be required

      f.   Resists change because he does not understand it

3.   Social reasons

      a.   Dislikes making new social adjustments

      b.   Dislikes breaking present social ties

      c.   Fears the new social situation will bring reduced satisfaction

      d.   Dislikes outside interference and/or some of the persons making the change (management, out-group, etc.)

      e.   Resents lack of participation in setting up change

      f.   Visualizes the change as mostly benefiting the organization, rather than him, his fellow workers, or the general public.

It is generally understood that people tend to resist organization change because it upsets their patterns of adjustment and threatens their security. A strongly purported tenet of psychology is that, fear of change, can be as disrupting as change itself, because it reproduces identical worries and unrest.[132]

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[132]Davis, <u>Human Relations in Business</u>, <u>op. cit.</u>, p. 143.

The division of social activity into ordinary living on the one hand and business on the other was not the result of custom or of the direct needs of human intercourse. Its dependence was the chance evolution of technological procedures. Most contemporary organizations are controlled without adequate regard for the social lives of those involved by a type of man highly skilled in the logical, reflective thinking suitable to the rapid evolution of technology.

The foregoing observations are those of Thomas North Whitehead who is considered by many as the most philosophical and articulate of the Hawthorne researchers. As a researcher and scholar he has been concerned with the disorganization found in organization. As the result of his research he views many of the activities of the formal organization as quite valuable in that they establish horizontal coordination not provided for in formal organization and that their value and control may be enhanced by simple changes in managerial thinking and procedures. The evaluation of technological procedures has divided social activity between business and ordinary living.[133]

>Organizations are controlled without adequate regard for the social lives of those involved by a type

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[133]Ernest Dale, Readings in Management (New York: McGraw-Hill Book Company, 1965), p. 231, citing Leadership in a Free Society (Cambridge: Harvard University Press, 1936), pp. 78-89.

of man highly skilled in the logical, reflective thinking suitable to the rapid evolution of technology.[134]

Whitehead then explains the evolution of the informal organization and the development of its beneficial horizontal collaboration. Management views this as dangerous because it does not flow along normal lines of authority. Realizing that no complex organization can survive without this arrangement poses the question: shall this be recognized and persuaded to organize itself around the purposes of management by a recognition of its function, and by assisting that function to improve itself?

If some department is habitually obtaining information from another by unofficial means, this indicates the information being obtained is needed, also that more efficient procedure for its procurement might be arranged. These procedures are usually devised where the need is experienced in the upper levels of the hierarchy. However, the same need is not usually recognized or approved of in the lower levels.

In suggesting control or remedial measures for such an existing situation, Whitehead advances the following thesis: "That management, to be successful in leading its groups through successive changes, must ensure that the changes are designed with reference to the actual social activities of those groups."[135]

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[134]Ibid.

[135]Ibid.

The following procedures were suggested for accomplishing the foregoing.

1. Initiative should be placed so far as possible at the level at which the change is to take place, and where its need is visible in terms of daily activity.

2. The evolution of an organization to be such that it will naturally fall to the relevant body of people to take the initiative.

3. Know the human situation within the firm, and to be alert for evidence of attempted initiative.

He further gives a technique for locating initiative in an unsuitable organization as, that such evidence often takes the form of unofficial, or even officially discouraged action. If activity of this sort is viewed not merely as a breach of discipline, but as the (possible unwise) expression of a need, then the necessary rearrangement will often suggest itself.[136]

As illustrated in the foregoing, management devised procedures for obtaining necessary information horizontally, while such practices at a lower level (although necessary for the achievement of organization goals) did not meet with management approval.

Prior to the Hawthorne studies management believed employees were all against organization goals and that all resistance was aimed at limiting production. Most contemporary managers feel the only method of working with work

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[136]Ibid.

groups is through autocratic control with strong punitive measures provided for deviancy. This philosophy, no doubt, can be traced to the early theory that for a person or group to disagree with management in thought or action must be wrong.[137]

The following discussion is concerned with management attaining maximum effort and cooperation from the informal organization by utilizing the concepts of change, control, integration and participation.

Roethlisberger's research at Hawthorne[138] began a period of enlightenment in the understanding of work groups and informal organization and their benefit to the formal organization. Roethlisberger's research indicated that the informal work group set up its own norms but held that restriction was based on a non-logical appraisal of the work situation, not on laziness, opposition to management, or poor supervision. He felt that management pressure was countered by worker pressure.

On this basis a series of steps were erected for management to follow to counteract resistance to change. They were:[139]

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[137]Brown, op. cit., p. 127.

[138]Roethlisberger, op. cit.

[139]Keith Davis, Human Relations in Business (New York: McGraw-Hill Book Company, 1957), p. 145.

1. Prevention of unnecessary change.

2. Recognition of the effects of change.

3. Sharing the benefits of change.

4. Diagnosis of the problems of change.

5. Careful communication regarding proposed changes.

6. Careful timing for instituting proposed changes.

The manager must determine if all subordinate levels of management understand what is needed and how it is to be accomplished. If not change must first be induced in the behavior of the subordinates. The following techniques and implications regarding change are those seen by Koontz. He views them applicable for both formal or informal groups regardless of level in the organization.

For any change to be realized the techniques of communication and timing can never be omitted. To all affected personnel the advantages of changing and the penalties of not changing are pointed out.

The manager may give notice to all affected by a proposed change evaluating the change as he sees it. However, this method should be utilized in only emergency conditions. The conference method whereby affected personnel are afforded the opportunity to ask questions is poor, as many valuable questions aren't asked and many interpretations of answers result.

A very time consuming method for implementing change which has had wide acceptance is the multi-conference

approach. Beginning with the manager who holds a conference to explain the proposed change to his subordinates. The subordinates in turn hold other conferences with their subordinates. This process continued throughout the organization and suggestions for modifying the change to make it more acceptable and effective are elicited.[140]

Brown purports the theory that,

> The primary (informal) group is instrument of society through which in large measure the individual acquires his attitudes, opinions, goals, and ideals; it is also one of the fundamental sources of discipline and social controls.

He explains that although some of the individual's attitudes and ideals are acquired actually within the primary group, others come from his culture or subcultures. However, it is mainly through the primary group (and especially the family) that these are enforced and passed on. Outside a few fundamental regulations, it is the social pressure of the primary group which, in most people, becomes the instrument of discipline and moral control. The primary group then, is the most potent influence in regulating the individual's behavior.

The foregoing has two very important implications for managers.

The first is when an attempt is made to change human behavior (personality, at least), the attack must be made

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[140]Koontz, op. cit., pp. 526-527.

through the medium of the group rather than through the individual. Some of the many writers sharing this same view are, Thrasher, the Sherifs, Mayo and Lombard who illustrate this point by data obtained through research. In dealing with the subject, most writers take an opposite view and recommend that managers should encourage the formation of various types of groups within the organization.

The second emphasizes the importance of the manager realizing that the informal working group is the main source of social control, that he should strive to exercise legitimate control through these groups, and that these groups should be understood instead of attempts made at breaking them up. Common beliefs held by management that such groups are subversive, based on bad morale and mob psychology are very erroneous. The reason managers feel that the morale of the group is bad is usually founded on the fact that its interests are not the same as those of management. The manager would be most happy if the planning, discipline, control, energy and enthusiasm being displayed by the group were being displayed toward organization goals.[141]

It has been well established that management can not create or destroy the informal organization. Neither should management have the desire to do so. However, management should be alert to its presence and functions in order that

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[141]Sutermeister, op. cit., pp. 328-330.

necessary control may be exercised. By virtue that the informal organization is an integral part of the working force management then does exercise a measure of control over it. Managerial controls such as communications, work assignments and the degree of acceptance or rejection afforded informal organization, may be utilized.

Davis sets forth management's responsibilities, and their rationale, regarding the informal organization as:[142]

1. To let employees know that management accepts and understands informal organization.

2. To consider influence upon informal systems when taking any action.

3. To integrate interests of informal groups with those of the formal organization.

4. To keep formal activities fron unnecessarily threatening or disrupting informal systems.

Criteria for the evaluation of people vary between the formal and informal organizations. The greater the degree of evaluation between them is the degree to which conflict will be found. If the two evaluation systems can be brought into closer agreement, less conflict will result, thus better morale and a greater degree of organization attainment.

Davis cautions that management, in order to maintain control, should keep the informal organization secondary to the formal organization. Theories have been advanced that

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[142]Davis (1962), op. cit., p. 255.

when formal management is incompetent an overriding informal organization is necessary and desirable in order to keep the group functioning effectively. The better approach has been to locate incompetent leadership and take the necessary remedial measures as promptly as possible. The rationale here is that informal leadership will not continue to keep the group moving toward formal organization goals. Interests of the two organizations will eventually conflict, thus necessitating the use of formal authority to.resolve this conflict. This widely used managerial concept is stated as: "considering all an organization's activities, formal organization should be the primary control, although certain single activities may be primarily controlled informally."[143]

In discussing participation Tannenbaum advances the following:

> One aspect of participation--an especially in-
> triguing aspect because it is subtle and has not al-
> ways been recognized explicitly--is its capacity to
> enhance the control exercised by managers while in-
> creasing that of rank-and-file members.[144]

March and Simon's discussion of "participative manage-
ment" makes the point explicit:

> Where there is participation, alternatives are
> suggested in a setting that permits the organization-
> al hierarchy to control (at least in part) what is
> evolked. 'Participative management' can be viewed
> as a device for permitting management to participate

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[143]Davis (1957), op. cit., p. 114.

[144]Tannenbaum, op. cit., p. 99.

more fully in the making of decisions as well as a
means for expanding the influence of lower echelons
in the organization.[145]

IX. RESEARCH REPORTS

Contained herein are excerpts from a report result-

ing from research conducted by Melville Dalton.[146]

Data were drawn from three industrial plants in which

the writer had been either a participating member of one or

both of the groups or was intimate with reliable informants

among the officers who were. These plants were in related

industries and ranged in size from 4,500 to 20,000 employees,

with the managerial groups numbering from 200 to nearly

1,000.

Research, focused on the processes inside the ranks

of management. More specifically Dalton's report centers on

the functioning interaction between the two major vertical

groupings of industrial management: (1) the staff organi-

zation, the functions of which are research and advisory;

and (2) the line organization which has exclusive authority

over production processes.

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[145]James G. March and Herbert A. Simon, Organizations
(New York: John Wiley and Sons, Inc., 1938), p. 54, cited
by Arnold S. Tannenbaum, Social Psychology of the Work
Organization (Belmont: Wadsworth Publishing Company, Inc.,
1966), pp. 99-100.

[146]Melville Dalton, "Conflicts Between Staff and Line
Managerial Officers," American Sociological Review, Vol. XV
(June, 1950), pp. 342-351, cited by Joseph A. Litterer (ed.),
Organizations: Structure and Behavior (New York: John
Wiley and Sons, Inc., 1963), pp. 401-410.

Relations among members of management in the plant could be viewed as a general conflict system caused and perpetuated chiefly by:

1. Power struggles in the organization stemming in the main from competition among departments to maintain low operating costs;

2. Drives by numerous members to increase their status in the hierarchy;

3. Conflict between union and management;

4. The staff-line friction.

These conflict areas were interrelated and continually shifting and reorganizing.

The relatively high turnover of staff personnel quite possibly reflected the dissatisfaction and frustration of members over inability to achieve the distinction in status they hoped for. Data showed that the desire of staff members for personal distinction often over-rode their sentiments of group consciousness and caused intrastaff tensions. Several factors appeared to be of importance in this restlessness of staff personnel. Among these were age and social differences between line and staff officers, structural differences in the hierarchy of the two groups, and the staff groups' lack of authority over production.

Age-conflict was a significant factor in staff-line antagonisms. The older line officers didn't like receiving what they regarded as instruction from men so much younger than themselves, and staff personnel clearly was conscious of this attitude within line officers.

The unsophisticated staff officer's initial contact with the shifting, covert, expedient arrangement between members of staff and line usually gave him a severe shock. He had entered industry prepared to engage in logical, well-formulated relations with members of the managerial hierarchy, and to carry out precise, methodical functions for which his training had equipped him. Now he learned that:

1. His freedom to function was snared in a web of informal commitments;

2. His academic specialty (on which he leaned for support in his new position) was often not relevant for carrying out his formal assignments; and that

3. The important thing to do was to learn who the informally powerful line officers were and what ideas they would welcome which at the same time would be acceptable to his superiors.

Usually the staff officer's reactions to these conditions is to look elsewhere for a job or make an accommodation in the direction of protecting himself and finding a niche where he can make his existence in the plant tolerable and safe. If he choses the latter course he is likely to be less concerned with creative efforts for his employer than with attempts to develop reliable social relations that will aid his personal advancement.

Behavior in the plants indicated that line and staff personnel belong to different social status groups and that line and staff antipathies were at least in part related to these social distinctions.

Staff members were also much concerned about their dress, a daily shave and a weekly hair-cut. On the other hand line officers especially below the level of departmental superintendent were relatively indifferent to such matters. Usually they were in such intimate contact with production processes the dirt and grime prevented their concern with meticulous dress shown by staff members. The latter used better English in speaking and in writing reports and were more suave employed in social intercourse. These factors, in the recreational preferences of staff officers for nightclubs and "hot parties," assisted in raising a barrier for them and most line officers.

The social antipathies of the two groups and the status concerned with staff officers were indicated by the behavior of each toward the established practice of dining together in the cafeterias reserved for management in the two larger plants. Theoretically, all managerial officers upward from the level of general foreman in the line, and general supervisors in the staff, were eligible to eat in these cafeterias, however, in practice the mere taking of one of these offices did not automatically assure the incumbent the privilege of eating in the cafeteria. One had first to be invited to "join the association." One such staff officer, a cost supervisor dropped the following remark:

> There seems to be a committee that passes on you.
> I've had my application for three years, but no soap.
> Harry (his superior) had his in for over three years
> before he made it. You have to have something, be-
> cause if a man whose in moves up to another position
> the man who replaces him doesn't get it because of
> the position--and he might not get it at all.

Relations between staff and linein all three of the plants were further irritated by a rift inside the line organization. First--line foremen were inclined to feel that top management had brought in the production planning, industrial relations, and industrial engineering staffs as clubs with which to control the lower line. Hence, they frequently regarded the project of staff personnel as manipulative devices, and reacted by cooperating with production workers and/or general foremen (whichever course was the more expedient) in order to defeat insistent and uncompromising members of the staff. Also, on occasion, the lower line could cooperate evasively with lower staff personnel who were in trouble with staff superiors.

Every member of the staff knew if he aspired to higher office he must make a record for himself a good part of which would be a reputation among upper line officers of ability to "understand" their informal problems without being told. This knowledge worked in varying degrees to pervert the theory of staff-line relations. When the line resisted the findings and recommendations of the staff, the latter was reduced to evasive practices of getting some degree of acceptance of its programs, and at the same time

convincing top management that "good relations" exist with officers down the line.

Staff personnel particularly in the middle and lower levels, carried on expedient relations with the line that daily evaded formal rules. Even those officers most devoted to rules found that, in order not to arouse enmity in the line on a scale sufficient to be communicated up the line, compromising devices were frequently helpful and sometimes almost unavoidable both for organizational and career aims. The usual practice was to tolerate minor breaking of staff rules by line personnel or even to cooperate with the line in evading rules, and to exchange a claim on the line for cooperation on critical issues. In some cases line aid was enlisted to conceal lower staff blunders from the upper staff and the upper line.

Another area of staff-line accomodations growing out of authority relations revolved around the staff use of funds granted it by top management. Middle and lower line charged that staff research and experimentation was little more than "money wasted on blunders," and that various departments of the line could have "accomplished much more with less money." According to staff officers, those of their plans that failed easily did so because line personnel "sabatoged" them and refused to "cooperate." Whatever the truth of the charges and counter-charges, evidence indicated (confidants in both groups supported this) that pressure from the line

organization (below the top level) forced some of the staff groups to "kick over" parts of the funds appropriated for staff use by top management.

These compromises were of course hidden from top management but the relations described were carried on to such an extent that by means of them--and line pressures for manipulation of accounts in the presumably impersonal auditing department--certain line officers were able to show impressively low operating costs and thus win favor with top management that would relieve pressures and be useful in personal advancement. In their turn the staff officers involved would receive more "cooperation" from the line and slant or recommendation for transfer to the line. The data that in a few such cases men from accounting and auditing staffs were given foremanships (without previous line experience) as a reward for their understanding behavior.

Summary and Analysis. Research in the three industrial plants indicated conflict between the managerial staff and line groups that hindered the attainment of organizational goals.

The younger staff members naivete caused them to become frustrated, when their freedom to function was snared in a web of informal commitments; thus their reaction was either to quit the organization or become an organizational recluse. In either event the organization had lost a valuable employee due to informal-group conflict.

Informal social status generated inner group conflicts that were manifested in a spirit of non-cooperativeness on the job, thus the organization lost the efficiency of everyone working toward the goals of the organization.

Very evident were the informal primary groups at various levels of both line and staff, who cooperated with each other to defeat not only organizational goals, but the goals of the secondary group.

A tragic observation (while somewhat humorous) indicating the widespread existence of informal groups within an organization, was the informal manipulation of accounting and auditing staffs to gain status and security for their memberships. Since auditing and accounting are usually considered the "watch dogs" of an organization, one is reminded of the old cliche, "Who watches the watch dog while the watch dog watches?"

The foregoing summary and analysis of the research conducted by Dalton when compared to the characteristics and criteria of the model contained within this study indicate a high level of compatibility.

X. SUMMARY

In a logical analysis of the literature concerning the informal organization, the model-hypothesis has been validated. Although literature concerning the subject was found to be extremely limited, there were characteristics

compatible to those found in each area of the model.

While reviewing the various theories which have been advanced, it appears that the scope of some areas form the basis for most discussion concerning organization.

Although touching upon individual satisfactions, social values, etc., most of the theories are primarily concerned with understanding the process by which organizations attain their goals.

Most of the theorists subscribe to the view that the performance of an individual, as a part of the group, affects the performance of the organization. As the same time, the structure and processes of the organization exert influence upon the individual and affect his behavior. However, the particular aspect of the interaction which the theorists emphasize may vary a great deal. Thus, the classical structural-functionalists (traditionalists) pay greatest attention to the nature of the organization itself; sociologists and social psychologists are more interested in the social processes occuring between the individual and the organization. The current clinically-oriented psychological theories pay particular attention to human needs and perceptions.

Closely allied to the foregoing is the question raised by the theorists, the question of whether the variables of human behavior in organizations is to be explained primarily by relying upon the personality characteristics

the employee brings with him, or is the explanation to be gound in the social situation. It appears that the trend has been toward the situational even by phsychologists. The greatest interest in individual differences appears to be greatest with the personnel psychologists and those interested in the unique traits of leaders.

Other theorists have demonstrated the existence of group behaviors not specified by, and often at variance with, those prescribed by the formal organization structure. This realization by theorists and students alike has created an awareness that "legal-rational" structure of the organization does not adequately describe its processes.

The classical models have been based largely on the economics theory which indicate that all decisions are aimed at achieving maximum gains for the organization. However, here a change has been seen in that more recent theories have injected a "non-rational" basis for human behavior such as motivational considerations into the processes of decision making. Models have been constructed in which the employee's motivational and cognitive characteristics permit him to approach, but rarely attain, optimal solutions.

In this context organizations are viewed as cooperative systems of consciously coordinated personal activities or forces. Here interest is shown in techniques of how administrators can successfully implement the cooperative system into patterns of performance which will facilitate the

realization of organization goals. These theorists have created an awareness to the fact that people do not necessarily conform to the behavior patterns prescribed by the formal organization. Instead, their behavior is motivated by self-interest. They contend that it is the task of the administrator, through various techniques and processes such as communication and integration, to coordinate the physical, biological and social factors for goal realization also advanced is the theory that loss of effectiveness is due to lack of objectivity and to the introduction of biases into executive decision making.

Industrial sociologists have found work behavior which was not prescribed by rules and procedures of the formally structured organization. They placed the blame on "informal" social behavior. This variation in behavior was assumed to be found at the group level rather than the individual level, and was explained in terms of subtle group norms and pressures within the social structure of the group. Thus, the informal organization was superimposed upon the formal organization structure.

It was within this interdisciplinary literature the model found its greatest validation. However, most of the literature is of a theoretical nature. Relatively few experiments or research studies, by which to test new theories, have been conducted. Most of the experiments conducted were controlled to the point of manipulation, thus rendering the

result questionable. The published material, concerning both theory and research is not only limited but very repetitious and displays areas of obscurity.

Literature, in the field of police administration, concerned with the informal organization was conspicuous by by its absence. This, while extremely regretable, is understandable due to its being a sub-unit of a traditionally structured bureaucracy.

Although, the literature favorably compared and supported characteristics set forth in the model, an awareness that additional research is desirable was created.

CHAPTER IV

CASE STUDIES

I.   INTRODUCTION

Presented within this chapter are case studies and
analyses. They were prepared in an attempt to test the
validity of the model, which is the hypothesis of this study.

II.   METHODOLOGY

The case materials contained within were collected
from a functioning metropolitan police organization while
utilizing the participant-observation approach for research.

The writer has spent twelve years as a participating
employee in this organization. During the past seven the
participants role has been that of sergeant, while function-
ing in broad scope of assignments.

As a participating employee, the author became acute-
ly aware and perplexed by the breach between official and un-
official procedures for task completion. Emotional splits,
character assassination and sabotage of personal and group
efforts among employees who supposedly were striving to at-
tain the same goals were incomprehensible. Recurring problems

and situations raised questions which the author began to

seek answers for.

Some of the questions were:

1. Why was there conflict between the detective and uniform division to the point that goal achievement was impaired to the point of disruption?

2. Why were some assignments considered "a penal colony?"

3. Why were the police chief and some of his captains openly hostile toward each other?

4. If people attain rank based on required abilities why the disparity between their assigned and exercised influence and authority?

5. Why among members of the same rank, were some distressed and some not?

6. Why were there such sharp differences in viewpoint, moral concern and approach to various functions?

7. What was the meaning of the often repeated phrase about advancement as being dependent on knowing someone rather than on possessing skills and abilities? As an oldtimer said to the author, "Son, there are two groups here, the inners and the outers, with no place for in-betweeners. You are hard working, conscientious and loyal to the organization, but that isn't enough around here, you had better be careful."

8. Why such a contradiction between policy and practice in personal behavior for some but not for all members?

9. The burning question that was the thread woven through all others was: Where does this official and unofficial action start, stop and merge?

It is to the answers of these and like questions that

this study is dedicated. The study is limited by the fact

that it is beyond the scope of the writer to survey and test

the results of empirical data from more than one organization.

However, it is the sincere desire of the writer to regain
in motivation what is lacking in sophistication of
methodology.

To assure the greatest degree of anonymity possible,
to the organization providing the data for the research con-
tained within this study, the city hereafter will be re-
ferred to as Leslieville.

III. LESLIEVILLE

A Historical Overview

The city of Leslieville dates back to incorporation
in 1881. Not much is known about the early days of the
city, or the beginning of its police department. However,
the city had grown to about nine square miles with a popu-
lation of sixty-five thousand by the end of World War II.
Some of this growth was recent and the department began re-
cruiting men immediately after the end of the war. The de-
partment grew to approximately one hundred men. Its member-
ship consisted largely of men with fifteen to twenty years
service or new men with little or no experience.

The city government was unstable and this was re-
flected in frequent change in police administrators. It is
reported that once there were three different chiefs ap-
pointed during the period of one day. There were many
changes in administrators during the years of 1946-1947, but

in 1948 a sixteen year veteran of the department was appointed and served until 1952. This four year period was a record for longevity.

These four years represent an era of disrepute for the city and the police department. The city was notoriously open to prostitution, gambling etc. Members of the department were indicted for bribery, theft, etc. The city manager committed suicide when investigation focused on a reported large financial personal conversion of public funds and contract mismanagement.

The community established and elected a reform slate of candidates. A new city manager was appointed and he then selected a new police chief from within the organization.

IV. CASE STUDIES

CASE STUDY I

The new chief had been a member of the organization for ten years which included wartime service with the Navy. Most of his experience with the organization had been that of an accident investigator and three-wheel motorcycle officer assigned to parking control. He had, however, served approximately one year as a traffic sergeant, and had just been promoted to Lieutenant. (The Sergeant's examination which had been conducted by the previous regime became the subject of litigation and was proven to have been "fixed"; consequently the results of the examination were disregarded.) The new chief was one of those who instituted the litigation. He later built an exceptionally strong formal organization. An even stronger organization was forged, (that never appeared in any charts or writings depicting the functions of the organization), utilizing those members of the organization who had joined in litigation resulting from the "fixed" sergeant's examination.

An example of this is evident in the fact that one such member, a patrolman-detective was elevated rank-by-rank to assistant chief. His wife was secretary to the chief of police during the entire twelve years he remained chief.

The new chief was considered an impertinent upstart by the captain as well as other members of the department

who had more rank and seniority and who felt that they should have been given the appointment. As a group, they were in general grossly unprepared, incompetent and politically allied to the previous type of administration under which the city and police department had functioned. This group made no pretense of cooperation and were, in fact, openly hostile. They indicated a conviction that they could affect the chief's removal from his newly appointed position. In the beginning, it was therefore necessary that the chief be a dictator.

As it was necessary not only to clean up the city, but the organization as well, he viewed, justifiably, everyone as a potential threat. He could be likened to the historical western gunman.

One of the chief's first functions was to conduct a new sergeant's examination. Thus, not only a very strong formal organization began to emerge, but a rare phenomenon, unique to the annals of organization history. During his tenure, the chief promoted rank-by-rank every sergeant. lieutenant, captain and assistant chief from the rank of patrolman.

The chief began to neutralize the "old corps." As the members of this group became eligible for retirement he encouraged them to leave the organization. His encouragement consisted of such techniques as degrading assignments, psychological abuse in the presence of their subordinates,

etc. The following is an example of the degrading assign-
ments meted out to various captains: A captain was assigned
to write a procedure manual for the organization. However,
the work area assigned this captain was completely out of
sight in a back corner of the records and identification
bureau. His assigned working hours were from nine p.m. un-
til five a.m. He was not permitted to make or receive tele-
phone calls. The additional psychological abuse of being
required to sign out for lunch with the desk sergeant, who
was required to note the exact times the captain departed
and returned, was used.

As the members of this group left, one by one, a
strong informal organization was structured within the ex-
isting organization. Many of the positions in this new
structure were filled by persons selected for their personal
loyalty, pliability and the ability to manipulate without
identification. It was obvious the chief did not consider
them capable of sharing the administration, as he would not
completely trust anyone. Therefore, he continued to handle
everything personally, with little real delegation.

Both the chief and the formal organization became in-
creasingly rigid. The organization was ruled by fear,
threats of punishment and repeated pronouncements of personal
inadequacy, these being made in front of other employees,
and in a voice that could be heard throughout the building.

Another technique used was the polygraph which became known as "the box." Everyone in the organization knew that any officer should he be accused, by a citizen or by the informal organization, could expect a polygraph examination. The accused would be asked if he wanted to sign resignation papers or take a polygraph test. Should the accused display reluctance toward both alternatives he would be told in no uncertain terms that refusal meant dismissal. The latter was based on a California Supreme Court case upholding a police chief in a similar situation. All polygraph operators were firmly entrenched in the informal organization. When conducting an examination on a member of the organization, the operators seemed to function under the philosophy that he and the polygraph had to find the man guilty. On one occasion, after the accused had successfully passed three consecutive tests, the chief was heard to say, "Well you fudged on the test, but I'm letting the matter drop." While conducting tests two and three, the operator was described as having the appearance of, " . . . a man walking the last thirteen steps to the gallows."

Such techniques, by the administrator deprived the organization of individual initiative, innovation, morale and motivation. The attitude of the administration was "don't rock the boat."

The chief continued this concept of management until his nerves began to deteriorate and he was constantly on

medication. Several others from the upper strata of the hierarchy who were caught up in this dilemma suffered nervous breakdowns, ulcers, and similar emotionally triggered disorders.

During this period the informal supportive structure that he had developed began to create administrative problems with petty hate campaigns and their own spoils system.

The chief reacted violently to anything resembling competition. Therefore it became increasingly easy for the informal supportive organization to "step on" anyone they disliked. A mere suggestion that a person was disloyal was enough. Devoted career seeking personnel were constantly being relegated to such assignments as the jail, the jail annex or a strictly desert patrol beat. These assignments became known as "trips to the penal colony" or "assignment to Siberia." Agreement was mutual throughout the organization that unless certain "in-people" were catered to, there would be no chance for ideas for organization improvement to reach top management. Or, in the event ideas eventually did reach top management, they would be ridiculed, and not supported.

The informal non-supportive group became increasingly difficult to identify and finally became practically inactive or non-existent.

Complete restaffing and restructuring of the formal organization was necessary to compensate for an explosive

growth, (organization strength increased from one hundred to seven hundred and fifty). This provided an excellent opportunity for additional informal groups to form in the informal organization.

At times two or three of these groups would have a common leader, although their previous leader remained within the group. Often there would be a small group located in each division that looked to such a person for guidance. (His position as well as that of the small groups he led were all uncharted on the formal organization chart.) Usually such a leader held formal rank one or two levels higher than the group members. If any such informal leader should, in the eyes of the group he led, exceed his authority he would lose his position. Due to such a powerful informal organization structured with the formal, these fallen leaders would be ostracized.

Many of these informal groups were formed for a single purpose i.e., to eliminate a threat to a member of the group or to perpetuate a friend. One such small "in-group" controlled assignments to the traffic division. The composition of this group was warrant-servers and those men assigned to parking-control. If this group liked a person, whose name was under consideration for transfer into the division, then the transfer would proceed; otherwise, rejection. A person had to meet certain criteria to be accepted, i.e., do a lot of moonlighting (off duty work such

as bouncing at night-clubs etc.), like to hunt, fish and play poker. This group controlled the off-duty work, and kept it largely within their own group.

The organization was structured to facilitate the granting of maximum authority, effectiveness and maximum possible financial rewards to the informal organization. This was the basis for the chief to say, with pride as he was leaving upon retirement, that he would still be "running the organization for the next three years."

He was well aware that most of the top supervisors had approximately three years service remaining, prior to becoming eligible for retirement. An additional fact (as previously noted) was that every supervisor in the organization had been promoted from patrolman to his current rank by this chief. (Not one person had ever received an advancement in rank from anyone but this chief.)

A conditioned response, within which he had confidence, was that the majority of the supervisors, from the upper strata of the organization, would feel they still owed him continuing loyalty. If correct this response would grant him informal control over the organization for at least three years. The author is confident that he was acutely aware that this group was non-original and non-creative because he had originally selected them for this trait.

<u>Analysis</u>. In Case Study I an uncharted organization within the formal organization was seen to emerge. It

appeared to have had as a basis for formation common interests of job security and perpetuation of the group. Also detected was the possibility that the secretary to the police chief might be a strong member of the informal group or at least have a degree of influence upon both the formal and informal organization.

Another informal group's pressure was seen. Where the first group was seen as supportive to the administrator, the second group although their interests weren't clearly seen showed definite intentions to be non-supportive to the new police chief.

A unique use of the traditional principles of management was the chief's structuring the formal organization after he had structured the informal organization for security.

Informal leaders were selected on the basis of personal characteristics, while other members of the informal organization were selected for key formal positions. This resulted in a device which could block off all communications formal as well as informal. Once the informal organization was formed it began to act as a unit of internal security.

Individual effort for the increased efficiency of the organization was blocked in an effort to resist change. However, a dilemma appeared in that the organizations structured by the chief were creating problems he had sought to eliminate by such structuring.

Small groups with their leaders were found to exist at several levels and each was seeking to perpetuate itself. Basis for as well as answers to several of the author's perplexing questions were found.

The foregoing facts appear to compare favorably to some of those criteria found within the functional framework of the model.

CASE STUDY II

It is often reported that the person who really runs the police organization is the chief's secretary. I have seen this demonstrated in numerous cases. The previous chief's secretary was an excellent example of the foregoing. In fact she had grown so strong that when the present police chief assumed his duties she attempted to play the same role. The first morning the present chief assumed his position two of the assistant chiefs were waiting to see him. As the three started to engage in conversation the secretary entered the office and ordered the assistant chiefs out, stating that she would be the first to see him. The two assistants having been so used to her issuing orders to them they immediately complied without hesitation.

A year passed before the chief was able to arrange for her to leave his service, however, he set about immediately to reconstruct the organization in order that she would be unable to exert any power above her formal position in the organization. Meanwhile to lessen the effectiveness of this individual another person was selected from within the organization as secretary and the chief moved his office to another floor in the building. The chief began to train and hold responsible his division heads as they knew nothing about several of the administrative functions of the organization. An example of such a function was the departmental

budget which the former secretary had been taking care of personally even to the point of preparing it at her home. This technique was an effective control device for her keeping everyone within the department completely in the dark regarding the budget, thus requiring the assistant chiefs to consult her if they wanted to make purchases, hire additional personnel, etc.

The present secretary had extreme difficulty in learning the procedures of her various functions, because very little was written and the old "in-groups" were reluctant to assist her. Gradually the new secretary learned those things necessary by which to properly fulfill her role. With the passing of time she has gained status and is wanting to venture into areas not properly included in her function. Her rationalization is that if she is better acquainted she can then be of more assistance. In my discussing the foregoing with the chief's secretary she feels his reluctance to grant her additional authority is withholding training from her. During the twelve years the author has been a participant within this organization, his observations have lead him to believe that this one area of informal organization is probably the second most time consuming and difficult to an administrator. This situation many times is further complicated by the man-woman relationship.

Although the author has portrayed a rather dismal
picture concerning police administrators and their relation-
ships with secretaries with the Leslieville department,
there are definite benefits which have been derived from
this relationship.

Prior case studies have indicated the present ad-
ministrators use of informal groups and their leaders. The
present administrator-secretary relationship has provided an
excellent opportunity to utilize an informal group, its
leaders and their informal system of communication.

In every division, bureau and section of the organi-
zation there are female employees functioning as secretaries,
stenographers, typists, and service clerks. Each of these
formal groups have within them informal groups with their
leader(s). Intergroup friendships and conflicts have been
observed.

Intergroup relations with the male formal and in-
formal group members provide for a constant flow of infor-
mation regarding the organization from beat patrol to ad-
ministrative staff meetings.

For various and obvious reasons the administrative
secretary usually enjoys leadership status of the female in-
formal organization. The leader of the informal group will
relinquish her role in the presence of the administrative
secretary.

Members of the informal group not only exchange information received they make a concerted effort to impress their leaders.

To a casual observer, whether it be a male or female group, much of the information being relayed and discussed would be labeled gossip. However, this "gossip" has been observed as the heart beat of this functioning organization. In addition to the foregoing rationale to which the chief finds the basis of his successful use of the female organization lie in the following observation he has made.

The chief contends that females are more status conscious than males and are quicker to note symbols of rank, differences in influences, and to spot certain factors involved. They are also more interested in events and social details and remember them better. With this orientation they possess considerable knowledge regarding unofficial activities and developing strategies and policies of various informal groups.

The chief pointed out his position hinders him from group participation therefore he tends to confide in his secretary to a degree and at times seeks her judgement.

An interesting observation passed to the author by the chief was that where secretaries are treated as intellectual inferiors, they are prone to talk freely with those who show awareness of their insight and knowledge of the situation concerning the organization.

The chief's utilization of the communication system maintained by the female informal organization for both receiving and the dissemination of information has proven an invaluable administrative technique. Not only has it provided a greater insight to the organization but has provided information by which situations, that would have been embarrassing were averted.

Analysis. Case Study II is concerned with the rise to a role of informal leader a person within the formal organization who is closely identified with the administrator.

The particular member mentioned has not only been the topic of many administrative jokes in our contemporary society but the source of the gravest dilemma ever faced by some administrators.

Throughout this study there are noted characteristics concerning the rise and perpetuation of informal leaders, their possible disruptive effects on the formal organization, techniques for locating them and techniques for their successful use in supportive goals.

When these empirical data are compared to the criteria set forth in the functional model, a high degree of compatibility is noted.

CASE STUDY III

The long time ruling political group in Leslieville has been a group called the Charter Government group. One member of the department became identified as having strong political influence within this group. He progressed from sergeant to lieutenant and then to the rank of captain. It was felt that the protective arm of the charter group was responsible for these moves, particularly since this man had not demonstrated knowledge and leadership to department members. He made many references to his friends in politics and let it be known that he went hunting with the assistant manager and his wife played golf with the city manager's wife.

He often made outspoken calculated analysis of the handling of a particular incident by department members in light of its positive or negative effect on the charter government group. He made many decisions with regard to the politics of the people involved. Some of these brought criticism to the department and to the city government.

Contrary to policy he ordered a red light and siren escort for Marilyn Monroe when she made an appearance in Leslieville. Contrary to policy he failed to report dismissable conduct on the part of a city judge. He sought to cover up the latter incident by encouraging other members of the department to give false accounts of the incident. He

felt very secure that his friends in politics would keep any-
thing from happening to him. The chief would have dismissed
any member of the department for similar behavior, but after
lengthy discussion with the political power structure the
man was reduced from captain to lieutenant and allowed to
complete a few months remaining until retirement.

Because of his obvious reliance on political support
and his deviation from departmental procedures the captain
became a threat to the chief and caused the chief to have to
take a stand opposed to some of the power structure in order
to demonstrate his freedom from political control and his
control over the members of the organization. Due to his
apparent immunity this member had become an informal leader
for a small group who felt by supporting this man that they
too could possibly attain higher rank more rapidly than the
prescribed method of rank attainment.

Analysis. The foregoing case depicts a member whose
affiliation with the political group gained him status as an
informal leader.

This criteria is illustrated in that portion of the
model concerning itself with the characteristics of the in-
formal leader.

CASE STUDY V

A patrolman who had been assigned for many years to the school safety detail became an informal leader within the department. He talked about his future in politics due to the fact that thousands of kids he had met would soon be able to vote.

He performed fewer and fewer of the functions prescribed for his job and spent more time handling administrative problems of the various school principals.

Any member of the department that encountered difficulties with any school personnel would to go this officer and he in turn would go to the appropriate school personnel and straighten the situation out.

School personnel attempted to get a promotion for this officer by exerting political pressure. Several other occurrances caused the chief's concern regarding this officers continuing control by the chief. However, this brought great influence and pressure to return the officer to his school job.

Although the chief held firm, the officer in another assignment was still the "school man" as far as the school administrators were concerned and because of his knowledge and acquaintanceships he was still sought out by departmental personnel.

Shortly thereafter he retired from the department and retained employment with a private utility. His employment for the utility is in the schools doing much the same as he did when he was a member of the police department. Although he was never promoted as a member of the department he now calls himself Sergeant Safety. This man performs a very valuable service for the community and the schools. Due to the fact no one with his expertise has been found the police department has abandoned the program in deference to the program this man is conducting.

Analysis. Case Study IV illustrates the dilemma created for an administrator by a member of the organization who achieves the role of informal leader through various strong associations with organizations outside the formal organization. This was characterized by an extreme difficulty by the administrator in exerting formal control over the man and his activities. The employee becomes extremely inflexible and tends to disregard formal assignments, procedures and orders. Many times an added factor is added to the dilemma of the administrator, that being that the members of the formal organization also tend to support this person in his informal role.

The characteristics derived from this study meet those criteria set forth in the model.

CASE STUDY V

The chief's secretary motivated thirteen girls to indicate dissatisfaction with the management of their function (the girls were service-clerks who receive requests for police service).

The single purpose of this maneuver was to have the chief drop from probation status the captain responsible for this function. This then would facilitate the secretary's husband being promoted to the rank of captain.

The chief had earlier confided to the captain that he wanted to promote his secretary's husband, and asked the captain to waive promotion. A subtle indicator was, that the captain could save face by waiving the promotion compared to the alternative of being reduced as an unsatisfactory probationer.

When this move proved unsuccessful the dissatisfaction among the girls deteriorated and a solidarity of the group disappeared. The leader among the thirteen girls remained close to the chief's secretary. For her "loyalty and pliability" she was rewarded during a later department restructuring, with the second highest clerical position in the department working in the same office with the chief's secretary.

Analysis. This case study indicates a formation of an informal group for a single purpose. Then disbanding upon completion or failure of its original purpose.

Contained within are characteristics of a pliable person being manipulated by a person hoping not to be identified. Implied within are devastating effects upon the morale of a formal organization, thus creating a dilemma for the administrator. These facts and implications can be found quite readily within the model.

CASE STUDY VI

In the area of punishable behavior the administration created a paradox. In handling the age old problem, of extra-curricular activities between police officers and members of the opposite sex, a seemingly dual set of standards existed. One set applicable to the formal organization, the other to the informal.

Complaints of this nature were received by the department either by citizens reporting them or by members of the supportive-informal organization. Complaints of this nature were investigated by members of the internal security unit. This unit was known as the "head hunters." The following is an example of a seemingly dual set of standards:

The police chief received a complaint from a citizen that a single officer was spending several nights a week in the home of a divorcee and her teenaged children. By ten o'clock that evening the members of the internal security unit had proven the complaint false. However, it was known by the married member of the internal security team that the single officer in question was dating an attractive single legal-secretary who lived nearby. The married officer had repeatedly been spurned in his request for a date, by the lady. In an attempt to salvage what so far had been a fruitless search for evidence against an "outer" the team placed the secretary's home under surveillance.

Evidence, sustaining the claim of an existing paradox is found in the following instance.

During the early morning hours the shift commander, a married captain, paid an "unofficial" visit to a lady reputed to be of easy virtue as far as police officers were concerned. Later, due to a knock on the front door, the captain made a hasty retreat out the back door. As he got in the police car, which had been parked in the alley, he noticed that he had forgotten to retrieve his uniform cap from under the lady's bed. The captain, whose responsibility included the actions of every police officer on-duty at that time, was forced to drive around the neighborhood for quite sometime until he could retrieve his cap.

This incident "leaked-out," and was told repeatedly amid gales of laughter in the chief's office, and at staff-meetings. However, this "inner" captain was never disciplined regarding the incident.

Analysis. Case Study VI describes an example whereby the morale of employees can be effected by this seemingly dual set of standards existing within an organization due to the power attained by an informal group or organization.

The facts set forth in the foregoing study fit those set forth by the model.

CASE STUDY VII

The current administrator was appointed to the position two and a half years ago. Since his appointment he has projected an organizational philosophy of responsibility equal to his rank and has encouraged a democratic participation in management. Having been selected from the ranks of the department he had full knowledge of the fact that the organization had spent the past several years under a very autocratic administration. From the beginning the new administrator attempted to assure the staff and employees that they could relax and that reason would prevail. He constantly projected flexibility and change as well as administration as necessary to overcome the deficit of bad public image and a high crime rate. He has often been met with the following rationalizations by his subordinates as they attempted to explain poor performance. "That was the way we were taught to do it," "That is what the former chief wanted," "Remember! we were not allowed to think for ourselves for many years," "You can't expect the organization to change overnight," "We need more personnel."

This democratic approach has brought changes and new ideas that have resulted in improved performance and improvement in public acceptance. But at the same time it gave the old organization opportunities in their attempts to restrain the emerging organization, and to structure it in order that

they might still maintain control. The unsettled conditions brought about by these changes coupled with the resistance to change by the old organization has been used in an attempt to convince unaligned persons that it would be poor practice to align with the new organization. With new freedom problems arose as the result of several top staff men trying to put together new groups testing their own organization ability and their ability as informal leaders. As the informal group created synthetic problems and carried exposure in the local press there appeared the usual hue and cry for a change in the administrative head. As these high cycles of non-supportive activity occurred there developed a need for the organization to defend its actions and eventually fit the supportive organization against the non-supportive activity in order to survive. The long period of permissiveness caused the non-supportive tendencies of certain individuals to become apparent. This now requires a tightening up and more autocratic approach, particularly toward the sign of negativeism with respect to the goals of the organization.

The new administrator like the old encountered the informal organization that had as its purpose the unseating of the administrator of the organization. This group consisted of several contenders for the position even though they were immensely jealous of each other and considered the others competition to be dealt with later. There was no

loyalty or honor among them, yet they would collaborate to use any vehicle or method that would accomplish the group's goal. This group consisted of and was aided by varying degrees by the supporters of the various members of the contenders group. The supporters hoped to gain favor later on in the event their man should be elevated to the top position. Rumors were often traced to supporter group but rarely to the contender himself.

The supporters were more overt and aggressive than those who were actually contenders. The logical contenders tried to avoid being drawn into the group in order to protect their current positions. They projected aloofness and confidence in the current administrator in any setting that might be reported to him. They often gave aid and comfort to the informal group by locating sub-standard performance and encouraging the release of this information to channels outside the formal organization. A good example, occuring within the organization were the leaks that developed and found their way to an anti-administration newspaper.

These leaks were often acknowledged to the administration as mistakes or misunderstandings. They often were given to the administrator when it seemed to serve the purpose of character assassination of another contender.

As the administrator attempted to combat the informal organization that was trying to unseat him, he would get offers of help from some of the contenders. As a rule, it

was of very little value, but by careful analysis over a
period of time, the administrator gained concrete identifi-
cation of the contenders and the extent of their aggressive-
ness. The foregoing process was quite time consuming and
tended to drive the administrator farther away from his
staff and to cause him to be more confident in his suppor-
tive informal organization.

The contender group consisted largely of the ad-
ministrative chief, two deputy chiefs, and ten captains.
These men competed against the administrator for the po-
sition two and one half years ago. These are men who visual-
ize themselves capable of handling the position who feel
that they have good political support in the community.
Most of them have been members of the organization for a
period of seventeen to eighteen years. They project a con-
tender image for self ego gratification and to put up a
solid front of qualified internal personnel to combat the
ever present threat of appointment of an outsider.

The contenders participate in the informal organi-
zation by varying degrees. This appears to be related to
how they rate themselves as contenders, and modified by
their position in the formal organization. Two or three
have been identified as being very active. One of these was
serving as a lobbyist to the state legislature for the
Fraternal Order of Police. He had a large annual expense
account. He used this to develop strong alliances among

powerful members of the legislature. Members of the legis-
lature, then, on his behalf, called on the city manager and
told him that the city would not get any favorable legis-
lation unless the city manager got rid of and replaced the
present administrator with this particular captain. This
attempt failed, the captain decried responsibility saying
the legislators were acting on their own initiative.

This captain is still a member of the department.
He has committed many other similar acts to create problems
for the organization. He is recognized as a leader of the
informal organization whose goal it is to unseat the present
police chief. However, he is losing his effectiveness due to
repeated failures and due to exposure of those he enticed to
act for him. He has been placed in the least sensitive po-
sition possible and surrounded by other competitors who are
best suited to negate his efforts. He has announced his in-
tention to retire in December 1966.

Analysis. The foregoing case study portrays the
interaction of personnel during a recent change of police
administrators in Leslieville.

It is immediately recognizable that the organization
is being directed under a new administrative philosophy.
The rigid lines of a traditionally structured organization
have become more flexible under a democratic philosophy of
administration.

However, it appears that as soon as this new found freedom was recognized that several non-supportive informal groups began to appear. In fact an informal organization was formed through the organization. Lines seemed to be drawn and both the supportive and non-supportive informal groups began to form. Synthetic problems were manufactured by the non-supportive groups to be published in order to create an unfavorable image of the newly appointed administrator. Two informal groups with divergent goals were seen to join forces against the administrator. Had either of these groups attained their goals then the other would have gained favors. The grapevine was utilized for the spread of rumors of an anti-management nature. Several members of the non-supportive groups were manipulating agitators without themselves being identified due to their formal position.

The informal non-supportive groups were observed to also have used formal rules, regulations and procedures to resist change, embarrass and assassinate the character of the administrator.

The administrator identified the membership of the non-supportive groups then pitted them against the supportive groups who had already began to counteract some of the adverse effects created by the non-supportive groups.

This study appears to contain a greater amount of characteristics, compatible to those of the model, than any other.

CASE STUDY VIII

The Fraternal Order of Police is a formal-informal organization with a large passive membership in which certain members often band together and become "active" if management is doing something considered a threat to them individually. When this threat passes they become passive again. The next threat will bring together in active capacity different members. Examples are the men effected by the twenty year retirement plan, who are not supported by the men who were employed under a twenty-five year retirement plan.

The group who desires Fraternal Order of Police participation in sports is different from the group desiring Fraternal Order of Police participation in handling activities and conventions. The criteria for sub-grouping are related to the social nature of individual and concurrent non-professional interests as well as membership in other community sub-groupings i.e., religious, social-ethnic, scientific, educational etc.

The prior police administrator sought to control any pressure from this organization by coercive tactics against those "active" officers or members.

Several lodge members who sought to improve the working conditions of police officers were seen as a personal threat by the administrator and usually were relegated to

obscurity if original threats were ignored. However, when he desired cooperation from the lodge membership, an ultimatum was usually given to seek this cooperation. An example was when during a United Fund campaign the president of the lodge was informed of the amount the lodge would donate. This approach created hostility within the membership, whereas had he suggested a certain amount per capita was in keeping with the amount of contributions by employees from other city departments a more positive relationship would have resulted.

The present administrator from the beginning has utilized a democratic-cooperative approach in recognition of the lodge and its membership.

He has attempted to keep the lodge fully informed of issues, never compromising his responsibility to management, yet fostering greater cooperation throughout the governmental system.

A technique used by the administrator, by which to accomplish this is by inviting the president of the lodge to his office for the purpose of discussing thoroughly those organization changes which will be felt by its membership. The chief has adopted an open door policy whereby the president of the lodge feels at ease to sit down and discuss matters of mutual concern. This democratic approach to cooperation has lessened the tension that had usually been

apparent between the lodge and the administration. This type of "control" appears to have superior effects when compared to the former dictatorial approach.

Analysis. This study exhibits group-formation within an association whose membership is identical to that of the formal organization. Criteria for group membership as well as group goals are outlined.

Two administrative techniques, and their observable results, for lessening conflict between the two organizations are discussed.

Many of the foregoing exhibited items are as set forth in the model while others fit the model only to a modified degree. This is because the later deals primarily with control whereas control is an item only implied by the model.

CASE STUDY IX

A small informal group existed whose members are found throughout the organization and whose common interest and goals appear to be in forwarding information to the administrator concerning those areas of the organization which are not functioning properly. This group has its own system of communication, independent to that of the formal organization. The membership of this group consists primarily of personnel who have worked with the administrator and had a friendly relationship for almost twenty years. Some of the members of this group are not personal friends of the administrator but are men who have mutual respect for each other, have strong individualistic tendencies and seem to possess extra strong loyalty to the formal organization. They have helped the administrator identify statistical mismanagement of the organization records section, mismanagement of the pistol range and recruit academy where conversion and trading of city equipment and supplies was being conducted. Information pertaining to the misconduct of personnel that was formerly being withheld, as well as other vital information is being relayed by this group.

The men who are closely identified as being the administrator's friends are not too effective because the informal organization as a non-supportive tried to neutralize these people. Members of non-supportive group's attempt to

use their position in an informal organization to transfer the administrator's friends elsewhere. This act in itself produces significant results and has identified the administrative problems.

This informal group developed naturally and in order to maintain a degree of usefulness, without undue upset to the formal organization, the administrator of this group kept from reporting petty matters. Having identified its membership the administrator will not permit its members to concentrate in any one part of the organization. Thus, by utilizing the group, there is also an element of control present, exercise of the administrator.

Analysis. The foregoing study indicates an informal group supportive to the administration. Its system of communication is functioning to the advantage of the administrator who is exercising a degree of control over its content and membership.

Also illustrated are tacks taken by non-supportive informal groups to counter the effects of supportive groups and their membership.

In comparing the foregoing findings to the model, the author finds the comparison compatible.

CASE STUDY X

Recently a policy controversy erupted concerning the rotation of detectives. This policy was recommended to the administrator by his staff in the formal organization. Some members of the staff who are active in the informal organization which has been seeking to unseat the administrator began to covertly release information to the press decrying this policy. They joined with the leaders of the informal group in the detectives who acted in this case to protect themselves from transfer and the concurrent loss of status.

The result of these two groups acting together was a prolonged public discussion of the merits of this policy. This included statements from the county attorney saying it was bad and wouldn't work as well as statements from various police administrators in the area saying it would, because they had been using this approach for some time. The foregoing did not have any adverse effects, however, the many emotional misstatements emanating from these groups had the gross effect of lessening the public confidence in the organization as a whole. It became obvious that to prevent loss of status and reassignment which would reveal lack of depth of knowledge and ability these men were willing to sacrifice the well-being of the total organization.

Analysis. This case study is illustrative of a group within and without a formal organization banding

together against the administrator, while countering outside groups aligned with the administrator.

Resistance to change motivated by an attempt to perpetuate culture of the informal group and protection against loss of status by it with the possibility of some of the individuals fearing their personal inadequacies being revealed, thus creating a traumatic effect on their ego.

Through comparing the foregoing to the model strong support is indicated for various criteria established by it.

CASE STUDY XI

One of the largest informal groups found while con-
ducting research for this study had as its leader a captain.
This phenomena seemed to result from the fact that he por-
trayed not only the image of the ideal police officer but an
image of the type of man his followers would like to be them-
selves. The captain, in fact, represents the ideal police-
man to most officers within the organization. He is manly
in his appearance and bearing. He spends a great amount of
time outdoors and has become quite proficient as a horseman
and hunter which is evidenced by his collecting eight of the
ten big game trophies native to the state. Being one of
the nations top amateur marksmen he has won the departmental
trophy for the past five years with averages in excess of 99
out of a possible 100. While attending the National Academy
of the Federal Bureau of Investigation he became a member of
the possible club as a result of his firing a perfect 100 in
the qualification on the practical pistol course. In addi-
tion the captain wears a mustache, smokes cigars and is con-
sidered a ladies' man as well.

It is quite uncommon for members of the organization
to wear mustaches, as this privilege requires special written
permission from the police chief. It is amusing to observe
the various men who work closely to the captain, for shortly
after coming in contact with him, many of them begin smoking
cigars and also request permission to grow a mustache. When

these men are assigned to other functions within the organization they usually change back to their original habits and appearance.

This individual has a large ego need which is partially satisfied by the following naturally he develops. The administrator has used this trait in his following to solve some difficult departmental problems. A recent such problem was the solution to a crime classification problem within the records bureau. Currently this drive-ego-and following is being utilized by the chief to direct a federal grant research project. To be successful this project requires the beat patrolmen to furnish a great amount of data concerning their function. Resistance to change as well as false rumors circulated by non-supportive informal groups would cause these patrolmen to be reluctant in giving the necessary data and cooperation. Therefore, the administrator is utilizing the captain for this role as he is a person they both admire and have great confidence in. The captain's leadership role has been verified on several occasions. This case study illustrates not only the emergence of informal leader, but the seeking out and successful utilization of this persons leadership abilities toward the goals of the organization.

Analysis. This case study meets a wide variety of the criteria in the following areas of the model: (1) Individual characteristics meeting various criteria for status as

an informal leader. (2) Criteria for locating and utili-
zation of the informal leader and his followers toward the
realization of the formal organizations goals. (3) The re-
sistance to change and the spread of rumors by non-supportive
informal groups by the utilization of the informal communi-
cations system known as the grapevine.

CASE STUDY XII

A police captain with considerable seniority was a lobbyist for the State Fraternal Order of Police lodge. He spent considerable time each year at the legislature and in company with many legislators. He wined and dined them on Fraternal Order of Police money. He projected himself as being able to secure legislation desirable to law enforcement. He also encouraged anyone wanting legislation to come to him for help. The captain had previously held many offices and had been very active in lodge functions. This man had poise, was an excellent speaker, and was very knowledgeable. On many occasions he had proven himself as a very capable situational police supervisor. Due to his capabilities and status in the lodge many men sought his counsel and identification with him. Thus, he became an informal leader of considerable power and influence beyond his formal position within the organization. His leadership role was easily verified because whenever he spoke for or against anything in Fraternal Order of Police lodge meetings, he was able to quickly rally the group to his point of view.

His assignment within the department was that of headquarters captain having responsibility for functions concerning records, jail, radio, etc.

He had been for several months assigned as liaison officer to the local press. He was supposed to help them

whenever they had any trouble getting information from the organization, or any problems of mutual concern. He worked so closely with them that he became a member of the press club, often attending press functions. Reporters spent a great deal of time in his office daily.

This captain who was a constant contender for the chiefs' job used this relationship to build himself up in the eyes of the press. At the same time however, he used the press as a vehicle to tear the department down.

Because of his informal status and his anti-administration activities it was decided to move the captain to a less sensitive spot within the organization. This change in assignment was made with the approval of the captain himself. This move was attacked by the press as a demotion and for several days the press was vicious in their attack on the administration of the department. One paper owned by a former legislator, led the hue and cry against the administration.

The captain had been so successful in establishing himself with the press that they considered him as the real administrator of the department.

Even though he no longer has press responsibility, the captain still has the ear of the press and can get them to publish articles that are detrimental to the organization. He retains much of his influence although he has been exposed on several occasions.

Analysis. Case Study XII indicates the dilemma a
non-supportive informal leader who has strong influence with-
in the informal organization as well as a strong alliance
with outside pressure groups, can create for an administrator.

Various criteria for the rise of a person to the
status of an informal leader indicated in the model were
conspicuous throughout the foregoing study.

Those criteria concerning seniority, position within
the formal organization, mobility throughout the organi-
zation, image projected to others in addition to his affili-
ation with powerful groups outside the formal organization
were all adequately met.

CASE STUDY XIII

Departmental members who belong to various religious denominations often make this membership known and tend to associate with each other so as to become an informal organization. The member with the most formal rank will tend to become the titular head of the religious group within the department.

The current titular head of the Catholic group is a deputy chief. A recently retired assistant chief was the department head of the Mormon members. Whenever any matter develops that involves the church, this informal organization is activated and exerts its influence to keep the church from receiving adverse publicity.

Recently the department received a report of an adult male who was being blackmailed by juveniles who had prostituted themselves to this man. Investigation disclosed the adult was a homosexual Roman Catholic priest. The Catholic informal organization sought to handle the matter for the church. They approached the chief for permission to handle the matter discreetly. They were permitted to handle the matter, after assuring the chief the matter would be handled legally.

The deputy chief contacted the monsignor who in turn restricted the priest to quarters. The deputy chief then in company with two non-police church lay leaders contacted the

county attorney regarding prosecution. These non-police lay leaders are members of the local bar association. One was a previous member of the city council, the other a former county attorney and ambassador to an African nation.

The county attorney decided the juveniles had been willing conspirators therefore he decided to nolleprosequi the case. The church then advised that the priest be relieved of his duties and moved out of town immediately, and would probably be defrocked.

Recently a member of the Mormon church was arrested for indecent exposure. The informal group of those of the Mormon faith within the department tried to help this person. They consulted with the arresting officers to determine how strong the case was and if there were any non-police witnesses. They were able to have the case tried before a judge of the same religion, who was also a relative of the defendent. The judge dismissed the charges and directed the defendent to see a psychiatrist.

A similar routine was repeated when a Mormon bishop was recently arrested for a "peeping tom" incident. The judge in this matter even went farther and traveled to Salt Lake City, Utah in order to make a personal appearance before the Council of Twelve on behalf of the local bishop.

Analysis. In comparing this study to the model two areas of compatibility are noted.

One area concerns itself with the basic criteria used in selecting informal leaders. The other area concerns itself with the administrative dilemma of group pressure being exerted from outside the formal organization. This dilemma is intensified, because the vehicle for conveying the pressure generated outside the organization to the point of decision making, is a member of the formal organizations administrative staff.

CASE STUDY XIV

The role of a police administrator is further compli-
cated today, by militant groups concerning themselves with
the civil rights of minority groups.

One such group is the Congress of Racial Equality,
commonly referred to as **CORE**. The local **CORE** group is very
vocal in criticizing the police department. They often
claim police brutality in an attempt to make a case for im-
proper action of the police in every arrest of a colored
person if possible.

They are vocal also in claiming inability to communi-
cate with the police department. Recently their representa-
tives insisted on having someone within the police depart-
ment appointed as liaison officer to their group allegedly
to improve communications. After lengthy discussion with
his staff, the police chief appointed a white captain, who
was to report directly to him. This did not satisfy the
organization of **CORE**.

They insisted that it would be much easier to talk
to a colored officer. At their insistance the police chief
changed appointments and assigned a colored sergeant to act
in this capacity. This gave the colored sergeant immediate
status as the chief is now required to deal directly with
him in order to communicate not only with the **CORE** group but
to seek his advice on all matters related to the colored

community. He has become the informal leader of all colored officers within the organization and speaks for them as they know he has the chief's ear.

Since the change in assignments no noticeable change has taken place in relations with CORE, and this sergeant has been unable to assist the police department in the planning and handling of disturbances.

Analysis. This study is indicative of group pressure from outside the organization creating an informal organization within the formal structure. In this case, as the possibility always exists, resulting in lessening the efficiency of the formal organization in its performance of a critical function.

The formal function to be performed by this person created characteristics favorable to the selection of an informal leader. These characteristics are mobility and position within the formal organization and membership within an ethnic group. These characteristics meet some of the criteria set forth in the model.

CASE STUDY XV

Among the colored officers of the organization, un-
til recently, was one recruited by the NAACP (National Associ-
ation for the Advancement of Colored People) in South
Carolina for the purpose of becoming a police officer in
Leslieville. He was a very poor policeman, but due to his
relationship to the NAACP he was a leader among the other
officers.

This officer seemed to feel that he was beyond disci-
pline since he had the support of the NAACP. He often came
to work late and his supervisors failed to take any action.
The administrator learned one day that this officer had ar-
rived for work two hours late and again nothing had been
done. The administrator instructed that this officer be
verbally warned. The verbal warning provided no deterent as
later the act of tardiness was repeated. A written reprimand
was issued the officer this time, however this too had no
detering effect. A few days later the officer was given a
day off without pay for the same type of behavior. To this
remedial measure he bitterly objected, stating he didn't
think his supervisors were serious. This officer failed to
stay within the boundaries of his patrol beat and it was al-
so reported that when working alone he would park his patrol
car and sleep thus constituting the necessity of him working
with another officer. In a situation of this nature he

would sleep while the other officer drove. His supervisors strongly felt that due to his NAACP connections he couldn't be fired. The administrator recommended that he be fired as this man's actions began to show a deterioration to the morale of the department. The police administrator was refused any dismissal action against the officer and he was transferred to another area of the city to work.

Some time later this officer was caught in several cases in misconduct involving white girls. This time the administrator's recommendation for dismissal held only after several attempts by colored leaders of the community to set the judgement aside failed. Pressure came from a colored newspaper editor, a colored mortician-realtor. Pressure also came from attorneys representing the American Civil Liberties Union, private attorneys, the city attorney, the city personnel director, the city human relations director, etc.

Analysis. The foregoing case illustrates the deterioration of morale brought on by a seemingly dual set of standards being applied in the case of an informal leader. Also indicated are the tremendous pressures brought upon the administrator of an organization from several outside groups whose inner-relationships have interceded for the informal leader. Both the characteristics of the pressure group as well as those characteristics necessary for an individual to rise to status of informal leader within an organization portrayed in this study compare quite favorably with those in the model.

CASE STUDY XVI

This study contains observations whereby members of a formal organization exert great influence over other members not assigned as subordinates or as working companions. These observations are from all levels of the hierarchy.

The top marksmen of the organization are admired by all members of the organization, however they gather about them a few followers who are interested in acquiring this skill, thus they receive the attention and affection of a following. This informal group can be identified by the guns they possess and carry on duty. Their service revolvers often have target grips, trigger shoes and are much higher priced than the average gun furnished by the organization. They can be observed talking gun talk and shooting techniques with anyone that will listen.

Another such example is the top motorcycle rider who will usually be the informal leader and spokesman for the motorcycle patrol group. The current leader of this group is assigned to the detective bureau. However, due to his seniority as a former motor officer and his recent formal assignment as the departments motor training officer, he is looked to for guidance. This officer is also very active in the Fraternal Order of Police, having held the state presidency and is also on the police Pension Board. These are elected positions therefore it is obvious that he can secure the vote

of the uniform officers although not working in uniform. He
obtains this vote of confidence because he has maintained
his leadership role among the motor officers who relate more
closely to the uniform force than do the detectives or other
departmental specialists. The foregoing is an excellent ex-
ample of influence exerted over a much wider area than the
contacts an informal leader has within informal group he
heads.

One man was observed to have probably the largest
informal following within the organization. He holds a
formal rank of sergeant and is currently assigned as head of
the property custody section. His subordinates consist of
two civilian personnel. It appears safe to say that all
patrolmen seek this man's advice if they have a problem.
These patrolmen will discuss things with him that they would
not discuss with their own sergeants or lieutenants.

He has obtained this respect and following through a
combination of events. First, he is older than most men on
the department, and he has been active in the law enforcement
field for a period of twenty-five years having worked for
the highway patrol and another police department. He enjoys
a wide range of police experience resulting in knowledge and
application of practical approaches to law enforcement work.
His judgement has proven uncannily proper over the years and
he seems to know and point out all the pitfalls connected
with this type of endeavor.

He relates well with any and all types of persons and has the ability to project confidence with those with whom he associates. By taking a genuine interest in other peoples problems encourages others to confide in him. However, probably his most valuable trait in gaining confidence in others is that he will not discuss a third persons problems or will not repeat stories or rumors. A personal philosophy he follows which many people would profit by is that if he cannot say something good concerning a person he will decline to discuss him. This close-mouthed fatherly sergeant has an extremely large following yet has never used this for any personal gain. He remains out of departmental politics and will not participate in the affairs of the Fraternal Order of Police Lodge.

He exerts a very stabilizing effect on young officers and received special merit pay for this service from the former police chief. Coincidental is the fact that he and the present police chief are close personal friends which is well known by the members of the department; however, to this mans credit is the fact that no one considers him an informant, and they do not ostracize him or shy away from him. It appears to the writer that this man leads by reason of expertise in human relations.

Analysis. The foregoing example dealing with the emergence and functions of informal leaders portray characteristics which meet those found in the model.

Notable are those criteria by which status as informal leaders and group membership are determined. Expertise, efficiency, common interest or goals, association with same or similar outside formal groups, age, seniority and identification as a square shooter are all interwoven throughout the foregoing case study.

V. SUMMARY

While testing the validity of the model the following observations became apparent.

In each of the case studies presented characteristics were found that found compatibility to those set forth in the model.

Several characteristics set forth by the model, when identified by an administrator will systematically lead him to a logical decision concerning a method(s) of control unique to traditional concepts of administration. An example of such a control device is the pitting of the supportive against the non-supportive informal group.

The validity of several characteristics set forth by the model were not tested, therefore their utilization remains obscured. The foregoing is readily understandable due to the research being limited to sixteen case studies from one organization.

However, while remembering the foregoing, the validity of the model appears to have been established by the case studies, thus, confirming its use as an administrative tool by which to assist in the identification, location, controlling and the utilization of the informal organization.

CHAPTER V

SUMMARY AND CONCLUSIONS

I. SUMMARY

Encouraging support for the hypothesis of this study
was found in both the review of the literature and the case
studies.

Through a review and analysis of the extremely
limited literature it became apparent that: (1) A phenome-
non known as "the Informal Organization" does in fact exist.
(2) The informal organization exists in all organizations,
regardless of purpose, that provide work situations which al-
low face-to-face relationship. (3) While the literature
does not provide a wide scope of techniques by which the in-
formal group(s) and/or organization can be identified, lo-
cated, controlled and utilized, it does support the achieve-
ment of such goals. (4) The informal organization cannot be
destroyed as it was not constructed. (5) The informal organi-
zation has the where-with-all to become a disruptive dilemma,
therefore an administrator must either control or utilize it.
(6) A wide variety in terminology exists in areas critical
for understanding and utilization of the informal group(s),

i.e., norms, criteria etc. (7) Results from experimental research of the subject are questionable due to their being so highly controlled that the possibility if not probability of manipulation is projected. (8) Most administrators of organizations structured through the use of traditional concepts do not recognize the informal organization. Therefore these administrators are faced with the constant dilemma of dealing with effects rather than causes. (9) Extremely sparce mention concerning the possibility of informal group(s) being present in the upper levels of management.

In a review of the case studies, which were obviously the result of research of but one organization, it was determined that: (1) Informal group(s) and organization were found to exist in a hierarchally structured organization. (2) It is possible to identify, locate, control and utilize the informal organization. (3) Supportive as well as non-supportive informal groups were found within the organization. (4) More than one informal group was found at the same level of the organization and various informal groups were found to exist in the upper levels of the hierarchy. (5) All the characteristics hypothesized by the model were not found to exist, however due to the limited research sample those lacking validation in this study should be retained pending future research.

The case studies prepared for this study provided a high degree of support and compatibility for both the model

and hypothesis. However, additional research should be conducted before validation for all types of organizations can be advanced.

II. ADDITIONAL RESEARCH NEEDED

As a result of the foregoing study the need for additional research was noted. It is within the following areas the writer feels additional research is needed: (1) Research resulting in hypotheses that when tested will facilitate the construction of a more inclusive concept of organizations through the linking present concepts as well as providing the mechanics for implementation. (2) Research that integrates Pareto's theory of the social system into a meaningful method of analysis for the study of human behavior in organizations. (3) Research into the operation of the grapevine in various types of organizations. (4) Research to determine the influence of non-work groups i.e., car pool, lunch, outside social etc., upon work group behavior. (5) Research to determine the effects of dissention in work groups. (6) Research to determine the extent and effects of informal managerial groups and cliques. If further research should prove that staff-line behavior of the character presented in this study is widespread in organizations, and if top management should realize how such behavior affects its cost and goal attainment and be concerned with improvement of the organization, then remedial measures

could be considered. (7) Research to determine the effects of management and supervisory insecurity. (8) Research to determine the effects upon the organization due to management wives in their roles as well as through their social processes. (9) Research to develop more and varied ontrols applicable to informal group(s) and organizations. (10) More experiments and research to develop new hypotheses.

III. NEW HYPOTHESES DEVELOPED

As a result of the research and testing conducted in conjunction with this study the following hypotheses were developed.

1. Norms oriented toward work behavior may be viewed as criteria of performance by many employees.

2. The basis for disruptive informal behavior may be the result of inadequate or unclear criteria, limited perception of task or managements failure to determine motivational factors on individual basis.

3. In an organization which is autocratically controlled there will be only one informal organization whose goal is to counteract the effects of the formal organization. This informal organization will be extremely difficult to locate.

4. In an under controlled organization there will be many informal groups with many sets of criteria as each individual or work group seeks to determine for itself its position or function within and in relation to the organization.

IV. CONCLUSION

The model and hypothesis was validated through a review of the literature and the research studies presented. The presence of informal group(s) and organizations are in fact dilemma producing agents for an administrator.

APPENDIX

APPENDIX A

A MANAGERIAL CHECKLIST TO ASSIST IN THE

LOCATING AND ANALYSIS OF PROBLEM

AREAS AND ACTIVITIES WITHIN

AN ORGANIZATION

The below managerial checklist is a compilation and adaptation of an analysis guide proposed by Miller[147] and altered by the writer as a result of this study.

As the research of an organization is conducted tension and adjustment points, creating specific problems and activities which are being substituted for the professed goals of the organization, should be sought. The most frequently occurring tensions are indicated by being enclosed in parenthesis. Record for future analysis the nature of such tensions as may be associated with the appropriate structural part.

    I. Organization-Community Relationships

        A. Brief history of community

            1. "Reputation" of the community

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[147]Miller, op. cit., p. 876.

B. Brief history of organization with the community

   1. "Reputation of the organization"

      a. Hostility of community directed to the organization

         (1) Hostility directed against the officers or groups of officers

            (a) Charges of: Indiscriminate ticket writing

                                 Indiscriminate arrests

                                 Graft

                                 Ticket fixing

                                 Brutality (physical or psychological)

                                 Undesirables

         (2) Hostility directed against administration

            (a) Charges of: Poor policies and procedures

                                 No attempts at public relations

                                 Lack of training for officers

C. Social contacts of officers in the community

   1. Hostility of organization directed against the community

      a. Hostility of officers toward the community

         (1) Charges of: Unfriendly

                                 Apathetic

                                 Discriminates in housing

                                 Discriminates in credit

       b. Hostility of management toward community

          (1) Charges of: Lack of understanding of problems

              Unsympathetic

              Apathetic

              Etc.

D. Status of officers in community

    1. Discrepancies between role and status achieved in organization as compared with the community

       a. Example: Low status in organization in contrast to higher status in community organizations may induce dissatisfaction

II. Culture Content of Organization

A. Material culture

    Invoice culture traits

    Identify culture complexes and core traits

B. Physical and social atmosphere

    1. Dissatisfaction with physical conditions and services, Particularly differential facilities for different groups of officers and/or supervisors. Civilian employees.

C. Jargon and argot

    1. Bewilderment and frustration from failure to understand or to communicate

D. Folkways, mores, rules

    1. Discrepancies between mores and rules

E. Social myths about work

    1. Dissillusionment about equity in pay advancements

       Civil Service

Fringe benefits

Shift work

F. Public values and ideals

1. Discrepancies between ideals and actions

speeding officer

Demeanor of officer on call

G. Style of life induced

1. Conflict in different styles of life:

Officer v. Supervisor

Conflict in organization between officers who
hold certain values of hard work and those who
hold "group norms" of work and think super-
visors are no better than they are

H. Cultural integration

Content of culture uniformities, specialties, and
alternatives

Contradictions between culture patterns in the
work organization

1. Lack of meaning or purpose for work

a. No sense of belonging

2. Confusion of motives and rewards

III. Grouping and Contacts

A. Make a rough floor plan of the organization show-
ing arrangement of workers at their work stations.
Show work route

1. Inadequate definition of work routes and work
stations

2. Differences in the estimated time to arrive
at the work station, in reporting to work, in
rest periods, in other allowed time, in
writing reports and leaving work

B. Describe size and number of separate work groups

    1. Discrepancies between the work group desired by the officer and the actual work group in which he has been placed

        a. Physical and Social isolation from other officers

        b. Conflicting values or attitudes produced by heterogeneous work groups

    2. Differences in the estimated number of officers deemed necessary for the assignment as judged by officers, or as judged by supervisors.

C. Identify the kind of interaction

    Primary

    Secondary

    1. Improper social placement; i.e., placement on assignment either demanding social skills not possessed by the worker or lacking the social skill for which the worker desires expression

        a. Officers not wanting to make public appearances

    2. Differences in the judgments of supervisors and of workers as to effect of social interaction on worker efficiency

D. Describe the officers: list age, sex, and background; indicate where they live and some of the characteristics of their route to and from work

    1. Strains produced in getting to and from work because of traffic congestion, length of time in travel, etc.

        a. Lives near one sub-station yet is required to report for work to the farthest from home

IV. Formal Structure of Management

    A. Describe the chain of command showing line and staff

        1. Examine "span of control"

            a. Inadequate definition of the chain of command causing confusion in the authority and responsibility relationship

            b. Span of control is too great to give direction needed; span of control is too short to develop self-reliance and initiative in the supervision leadership

    B. Describe the segmentation of the structure

        Time

        Space

        Divisional, sub-divisional and departmental

        Breaks between supervisory levels

        Breaks between line and staff

        1. Certain segments claim they are not being used or that their functions have been usurped by other segments

        2. Blockage of action by superior officers or coordinate officers in other segments

        3. Blockage of action caused by difficult job conditions, lack of equipment, space, complicated or inadequate procedures

        4. Differences in the estimates of quantity or quality of work that is expected by supervisor and officers of various shifts or details

        5. Tensions over values, hours of work (wife's value)

V. Communication

    A. Communication structure downward throughout the hierarchy

        1. Order-issuing procedures and contacts of supervisors and officers

        Use of blotter

            Bluebook

            Briefings (conference)

        2. Effects and defects of downward communications

        Blockage

        Distortion

            a. Lack of adequate channels for communication

            b. Failure of structure to deliver information to supervisors and officers

                (1) Inadequate definition of responsibility for delivering communication

            c. Dissatisfaction with slowness or manner of communication from the top or any other position in the chain of command

            d. Misinterpretation of the meaning of communication induces tension

    B. Communication Structure upward throughout the hierarchy

        1. Procedures

        Access to supervisors

        Grievance procedure

        Suggestion procedure

        Personnel department channel

2. Effects and defects of upward communication

Filtered information

Short-circuiting

Deliberate blockage

    a. Lack of adequate channels for communication upward

    b. Social distance maintained by supervisors blocks access

    c. Dissatisfaction with grievance procedure

    d. Ideological resistances to criticisms and reports

C. Coordinate status or peer communication

    1. Describe:

        Work flow contacts

        Rest Period contacts

        Lunch group contacts

        Transportation contacts

        Others

        a. Fragmentary or distorted horizontal communication causes misinterpretation

D. Oblique communication,

    1. Describe:

        Contacts with staff and service personnel

        Operation of grapevine (overt medium)

        Secret sharing (covert medium)

        a. Inability to achieve confidence and rapport

        b. Secret sharing induces jealousy and charges of favoritism

VI.   Work Flow

    A.   Diagram the main stream of work flow by:

       Division

       Bureau

       Detail

       1.   List defects in arrangement of organization restricting physical movement of personnel resulting in:

          Strained body posture

          Isolation from other personnel

          Communication disruptions

    B.   Diagram the tributaries of work flow

       1.   Lack of supplies, equipment, transportation

       2.   Limited labor force available to do varying assignments which must be accomplished

          a.   Tensions arising in the ensuing competition among departments for more personnel

    C.   Mark the points where action originates and chart the line or lines of pressure

       1.   Excessive demands placed on any part of the main flow of work

       2.   Pressure applied by various tributaries on each other to get the various assignments accomplished in order that any particular tributary may go ahead

    D.   Describe the manner in which pressure is transferred or absorbed

       1.   Pressure transferred from person to person by delegating assignments to others, trying to speed up the work pace of others, projection of blame to others, etc.

       2.   Pressure absorbed by working faster, crying, joking, laughing, rationalizing, etc.

E. Describe human relations problems and tensions induced

    1. Fears due to inherent dangers of profession

    2. Frictions between work positions under greatest pressure

    3. Conflicting definitions of performance standards

        a. Norms seen as performance standards

        b. Sense of unjust work load

VII. Work positions and work roles of managerial personnel

A. List the work positions and analyze the work roles which are observed

    1. Patterns of routine behavior

    2. Exceptional behavior

        a. Differential judgments of desirable standards in managerial performance

        b. Differences in formulating or executing policies

        c. Discrepancies alleged between managerial ability and authority

        d. Conflicts over qualifications desired in the selection, assignment, and promotion of supervisory personnel, specialists, officers and civilian employees

        e. Ambiguity and inconsistency in managerial roles exhibited by one or more managers

B. Examine the manner in which personnel with authority exercise their power or influence over their subordinates

    1. Authoritarian, arbitrary, and/or unreasonable exercise of authority

C. Indicate any real or potential cleavages and con-
    flicts

    1. In the line

    2. In the staff

    3. Between line and staff

        a. Promotional and status conflict between
            management personnel

        b. Staff influence is contested or ignored
            by line officers

D. Describe the informal organization of management

    1. Talk patterns

        a. Who talks

        b. Amount of talk

    2. Sociometric patterns

        a. Cliques

        b. Lunch associations

        c. Recreation associations

        d. Club, lodge or other outside associations

        e. Clique of management's wives

            (1) Exclusion of some of management person-
                nel from informal group because of
                personality, social background, or
                other considerations

            (2) Demands that management personnel
                affiliate with social clubs or other-
                wise maintain a standard of living be-
                yond economic means

            (3) The conflict or ostracism of one or
                more of the wives by the other wives

VIII. Informal Group Structure

    A. Kinds of technical, sociotechnical, and social be-
        havior in which the officers engage

1. Discrepancy between managerial/supervisory goals based on cost and efficiency and officers goals and satisfactions

   a. Refusal of workers on the job to conform to technical, sociotechnical, and social behavior expectations of management personnel

B. Talk patterns

   Who talks   1. Who talks

   Amount of talk   2. Amount of talk

   Content   3. Content of talk

                         (a) Interest subjects

                         (b) Avoidance subjects

                         (c) Patterns of ideas and sentiments

   1. Discrepancy between group standards and individual patterns

      a. Employee talks too much, especially ego-centered talk

      b. Employee introduces topics not the concern of the group

      c. Employee refuses to participate in lunch group, adhere to group standards of work, group standards of behavior toward supervisors, etc.

      d. Group refuses participation to individual

C. Sociometric patterns

   1. Cliques

   2. Car pools

   3. Lunch association

   4. Recreation Association

   5. Interpersonal relations and feelings

6. Reciprocal behavior patterns such as job trading, assisting one another, etc.

    a. Clique antagonisms

    b. Work assignment isolates worker shunting informal group participation

D. Initiation, ceremonies, and rituals

  1. Naming

  2. Hazing

    a. Changes in rituals resisted

E. Work play such as gambling, horseplay, practical joking, singing, joking relationships, etc.

  1. Suppression of these activities resisted

F. Conflicts such as fighting, "politicking," and sabotage

  1. Individual rivalries contesting for popularity, prestige, or power in the work group

G. Informal group code

  1. Social controls to enforce the code

    a. Violations of the informal group code "rate-buster," "sandbagger," "chiseler,"

H. Cooperative/supportive and conflict/non-supportive behavior evidenced between formal and informal organization

  1. Conceptions of:

    a. Fair day's work

    b. Just wages

    c. Safe, dependable and/or desirable tools, equipment, etc.

I. Race and ethnic relations

IX. Status Structure of Organization

    A. Status hierarchy

        1. Discrepancies between formal status and informal status

            a. Seniority vs. ability

            b. Position or pay vs. ability or function

    B. Status symbols

        1. Discrepancy between status position and the status symbols rewarded or assumed by the employee

    C. Rights and limitations surrounding various status positions

        1. Inadequate or ambiguous definition of status rights and limitations resulting in tension over use of equipment, assignments, etc.

    D. Status problems and grievances

        1. Violations between status position and the status rights and privileges assumed

        2. The exploitation by particular individuals of their status, such as burdening lower status persons with disagreeable assignments, preferential treatment of those with higher status

    E. Relationships and adjustments demanded by the status structure

X. Class Structure of Organization

    A. The salary and wage structure

        1. Discrepancies between employees' expected standard of living and his economic return

        2. A wage incentive system which sets employee against employee in violation of group standards

    B. Material evidence of differences in class position

C. Prevailing mores regarding pay

    1. Lack of relationship between skill and re-
        sponsibility on assignment required and wage
        return

        a. Within wage structure of organization

        b. In comparisons of wage structures in like
            organizations

        c. Violation of merit in administration of
            wage system

D. Problems of gross or felt inequality

    1. By individual employee

    2. By groups of employees

        a. Discrepancies between individual's sub-
            jective evaluation of his effort and the
            recognition received in pay

        b. Differentials in living standards

        c. Misunderstanding or lack of information of
            wage system

E. Way pressure is exerted to relieve gross or felt
    inequalities

    1. By individual employees

    2. By groups of employees

        a. Threats, organizing, resistance, sabotage,
            etc.

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        tation. New York: Holt, 1937.

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