In this issue

Mackenzie's "Organizational work"

Mackenzie explores the nature of what the interrelated collectivity of people in an organization does, i.e., what is the *nature of work* done in and "by" the organization.

In recent decades, individual and organizational work have appeared to be taken as given and most organizational research is being done on everything else but that.

Yet, individual tasks and activities are interrelated into processes and processes interrelated into the broader matrix of work (as opposed to labor) and it is this work which is currently being reengineering in the search for new ways of doing things, new ways of working and new patterns of organizing work. So, organizational work – as opposed to strategy, behavior, power structures and forms – has become pretty fundamental.

On the face of this, organizations would appear to be places for political struggles, conflict resolution, decision making, personal fulfillment, etc. – everything *except working*. This is not so. Work is the fundamental mission of human business organizations and – every few decades or so – it does undergo revolutionary changes.

Work is fundamentally, a *purposeful coordination of action*, inseparable from knowledge. Only labor lacks any intertask coordination and can be separated from knowledge. People performing labor can be "told" and coordinated by those who know; people performing work have to know. There is a lot of research on derivatives of work and labor – ranging from attributes and motivation to behavior. There is recently very little work being done on the work itself.

Mackenzie presents his *ABCE model* of organizational work which puts into the right context the strategic direction (A), organizational technology and process (B), organizational results (C) and the larger environment (E). Organizations interact with their environment by selecting A, enabled by B, in order to produce C, in a never-ending cycle.

Organizational work is based on a process at the levels of planning, DCC task (directing, controlling and coordinating), and execution. So, it represents the "glue" connecting people and organizations into productive wholes. Ignoring organizational work is thus tantamount to ignoring crucial information for strategy formation, organizational design, business process reengineering and total quality management. It forces us to take organizational work as given – which could constitute a major shortcoming in taking global competition seriously.

Volkema's "Team problem formulation"

Formulating problems, if they exist, is a crucial component of any problem-solving effort. The better the problem formulation, the sharper the focus, the easier the solution. Vague, nebulous, routine or rushed problem formulations are at the root of subsequent failures and disappointments.

How is the crucial problem formulation stage managed in teams and team-based horizontal organizations? How can team leaders assure that a problem really exists or that the identified problem is the right one to solve, or that it is worthwhile and cost-effective to solve a problem at all? Is the prevailing philosophy of viewing business management as a continuous succession of separate and separable "problems" a sound one? What are the cost of continually solving "wrong" problems?

What about seeing the business world as a stream of opportunities rather than a string of problems?

Prof. Volkema tries to grapple with some of these unwieldy issues, thinking about the necessary conditions for the "right" problem formulation. He concentrates on facilitating a team problem formulation session and provides some guidelines for leading and facilitating such meetings.

For example, having the right people on the team, people with the right expertise and motivation, seems to be an obvious prerequisite for a good outcome. Also, getting to know these people, being aware of their strengths and weaknesses, their areas of poten-

Human Systems Management 16 (1997) 5–7
ISSN 0167-2533 / $8.00 © 1997, IOS Press

tial contribution, seems to be a good first investment effort for a meeting leader. The amount of knowledge embedded in the group is often overlooked and neglected: how can a group of people (no matter how prominent) who know very little to start with, hope to formulate the problem or even to pretend to solve it?

Knowledge is one of the necessary conditions.

For the problem formulation process itself, clarifying the expectations, restating and reformulating the problem and avoiding rushing to solutions seem to be key experiences. In fact, problem solution can be viewed as a natural and spontaneous outcome of successive problem reformulations, and reformulations of reformulations ... absorbing the apparent contradictions, the main obstacles to "solutions".

The process should not start from a few "givens" and end with many "givens" within the shortest possible period of time. On the creativity and competence of teams and their leaders rests the future of team-based organization.

Dawson's "Group-based manufacturing"

The success of cellular work arrangements, work cells and other group-technology based manufacturing schemes is crucially dependent on technology design, organizational redesign and industrial collaboration. Prof. Dawson of Adelaide argues that as a growing number of companies increasingly embark on collaborative initiatives, it is important to be aware of the issues and longer term consequences implied for the development of technology.

Today, Compaq's three-person work cells or Kyocera's amoebas represent the modern culmination of the early pioneering efforts by Volkswagen and Volvo, where cellular forms of work were used to decouple assembly-line operators from the fixed assembly line and reform them into semi-autonomous self-managing teams.

Significant productivity and quality improvements can be achieved by the heterogeneous grouping of technology (dissimilar tools and machines) and labor (different skills and trades) into work units, cells and teams, for the purpose of manufacturing related parts that are similar in their proceeding requirements. Such approaches contrast sharply with the traditionally homogeneous job-shop layout where machines used to be grouped by function.

Dawson reports on the longitudinal study (1989–1995) of industrial collaboration between CSIRO and GM leading to a cell-built software system which can, within hours, provide a rough guide for rearranging plants into cellular form. Such linkages between technology design and the development of new forms of work organization represent an area in dire need of further empirical analysis and investigation.

This cellular manufacturing project lasted ten years. By 1995, the plant was operating under cellular arrangement, with six manual kanban systems.

Modern technology research is being used to develop and design systems that can provide working plans for reengineering the operations and rearrange plant and equipment into cellular form. In this sense, advanced technology is not only the enabler and facilitator of new production arrangements, but it can also be instrumental in the very implementation process of such new arrangements.

In business process reengineering, for example, reengineering process support systems (RPSS), helping companies to move from hierarchical and functional organizations to the process-oriented ones safely, reliably and fast, are increasingly needed.

Luo's "Principles of *Guanxi*"

In China and some Asian economic dragons, like Taiwan, Hong Kong, Singapore, etc., personal and family relationships are at the basis of business behavior and entrepreneurship. *Guanxi network*, i.e., the web of personal relationships, is responsible for many aspects of the fast-paced business dynamics in China. *Guanxi* appears to be a distant relative of the wave of American "networking" in the eighties.

Millions of Chinese firms are closely interconnected through this personal reciprocity "Internet" of *guanxi*, forming a coherent social and business whole that is even less penetrable to foreigners than the fabled Japanese old boys' networks.

China's reputation as a low-trust society (compared to Japan) does not extend to within the membranes of *guanxi*, but mostly to the outsiders, both foreign and domestic. Mutual obligation, reciprocity, reliability and assurance, understanding and interdependency are all traits simulated by *guanxi* in an otherwise suspicious and non-trusting society. The fear of losing one's face makes it work.

The difference with individually-centered, star-shaped Western networking, is that *guanxi* is transitive: A friends with B and B friends with C makes also for A friends with C. That is why formal business

correspondence is unlikely to receive a reply until a direct *guanxi* contact has been established. Many US managers can achieve the same feat even *after* establishing such contacts; losing one's face is inoperative and inconsequential in the US.

Guanxi operates on a strictly personal level and is untransferable to groups and firms. But the firms do reward the individuals who are their *guanxi* linchpins with other firms.

A practical consequence of *guanxi* is that personal connections and loyalties are often more important than organizational affiliations or legal standards. Trying to implant the mechanistic rules of democracy and law on the living human organism of *guanxi* is bound to be frustrating.

The growth and success of networking and the increasing popularity of Internet are the signs of similar "*guanxi*" networks emerging and replacing some of the older mechanistic and hierarchical rules in the West. This is important because *guanxi* networks are part of *social infrastructure*, the most important part of human capital in recent decades. Stronger *guanxi*-net societies might have a better chance in the global competition, especially if they develop their human capital consciously and harmonize it with the newly enabling technologies.

Tung and Turban's "Integrated office system"

Tung and Turban report on the use of Lotus Notes software on a large scale of some 3000 users at the Housing Development Board (HDB) in Singapore. The office automation is crucial for raising productivity of HDB staff and their responsiveness to customers. The Integrated Office System facilitates organization-wide communication and provides shared access to information and documents. Its basic platform has become the Lotus Notes software.

Among the main features of Lotus Notes are:

- mail-enabled workflow applications;
- integrated imaging and voice functionality;
- databases replications;
- department filing registries;
- Microsoft Windows interface and Novell LANs.

Lotus Notes provides a fully integrated electronic mail network, similar to intranet. It also allows end-users to develop their own applications at departmental levels, and to be integrated with the Internet.

After some four years of usage, Tung and Turban report generally positive feedback from users and strong support of the management. The expected cultural, technological and psychological changes have been accommodated without major difficulties.

Many departments now want to extend the system to more users. Going beyond the core applications, efforts are now focussed on developing and implementing image-enabled workflow applications that will enhance the delivery of HDB services to the public.