Enabling knowledge flows in hierarchical, bureaucratic and diverse organizations: Towards flexibility increasing strategies

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Abstract

Hierarchical, bureaucratic and diverse organizations need to increase flexibility. Based on data from 100 interviews with Austrian employees in the United Nations and the European Commission, we found that both, the organization and its workforce develop flexibility-increasing strategies. To cope with its inherent diversity these organizations' HR systems strongly emphasize bureaucratic roles and task fulfilment of individuals. The resulting rigidities are overcome with help of teams or narrowly defined task forces, which are set up only for limited time periods or until a specific goal is met. Individuals employ collaborative group work and boundary spanning to increase flexibility. Being aware of these interrelated aspects will allow organizations to increase flexibility in its given hierarchical and bureaucratic context.

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[1] short version. A previous version of this paper has been presented at EGOS 2008, Amsterdam

Introduction

We investigate into the issue whether or not intergovernmental organizations and their staff can keep up with the new needs and requirements induced by a changing and volatile environment? Intergovernmental organizations at the beginning of the 21st century are very much different from the organizations, which emerged some decades ago. The number of member states, of headquarters and missions around the globe are permanently growing. Consequently, intergovernmental organizations, such as the United Nations and the European Commission, are a work place for a continuously growing number of people who come from different parts of the world and belong to different cultures and religions. Simultaneously, the criticism of these world organizations has increased. Today's intergovernmental organizations are considered being too inflexible, hierarchical and bureaucratic. There is a need to increase flexibility to cope with the challenges of a volatile environment (Sanchez, 1995). Organizations need flexibility to adjust their current structures and practices in response to changes in the environment. In order to become flexible, organizations need to be able to identify changes in the environment and to develop appropriate strategies to accommodate to these changes (Weick, 1979). So far, the reaction of intergovernmental organizations and their diverse workforce on the increasing need of flexibility has not been extensively researched. Previous research into the field of efficiency of public organizations has mainly focused on analyzing organizational change towards the development of a post-bureaucratic organizational culture (e.g. Parker & Bradley, 2000). Relative little is known about the operational strategies applied by the organizations themselves and the individuals employed by these organizations to increase flexibility in the context of hierarchical, bureaucratic and diverse organizations.

Building on previous research into flexibility (De Leeuw & Volberda, 1996), we apply a case study design and aim at advancing our understanding of strategies to manage flexibility applied by hierarchical and bureaucratic organizations and by their diverse workforce.

Methodology

This study deals with the issue of how intergovernmental organizations manage flexibility and diversity. We choose the European Commission (EC) and the United Nations (UN) as the macro-level of unit of analysis. To address our research question, we conducted 100 open-ended and mostly unstructured interviews (Yin, 2003) with Austrian employees in the UN and the EC (see table 1 + 2). To avoid cultural misunderstanding in the interviews we specifically focused on the perceptions of Austrian staff. In the UN, 75 semi-structured, face to face and individual interviews at three locations (New York, Geneva, Vienna) of five Organisations of the United Nations were conducted between June 2005 and June 2006. In the EC, we conducted 25 semi-structured interviews in February 2004. The interviewed individuals served as the embedded units of analysis and the study's main target (Yin, 2003). Table 2 shows the respondents' main characteristics. The interviews were conducted in the native language of the interviewees, i.e. Austrian German. This allowed controlling for any culturally determined construct bias. If interviews are conducted in a foreign language, there is a higher risk that interviewer and interviewee would attribute different meanings and interpretations to the events/behaviour described by the interviewee. The interviews had an average duration of 90 minutes. All interviews were tape-recorded and transcribed.

INSERT TABLES 1 & 2 HERE

Our text analysis followed typical content analysis procedures (e.g. Glaser and Strauss, 1967). The interpretative approach to data analysis was supported by Atlas.ti©, a computer assisted qualitative data analysis software package. If data collected from the various sources were inconsistent or contradictory, we went back to the interviewee to clarify issues and compared the findings with existing literature. All data were coded independently by two of the authors and then compared, using a process of analyst triangulation (Yin, 2003). If the codes did not converge, they were omitted from the subsequent data analysis process.

Findings: Four strategies towards flexibility

With the analysis and iterative comparison of the interview data we identified four strategies related to the management of flexibility in the context of hierarchical, bureaucratic and diverse organizations. The organizations itself implement teams and task forces to become more flexible and to make use of the value-in-diversity. Since implementation of organizational strategies takes time, individuals build on their previous behavioural scripts to implement strategies towards more flexibility. Collaborative group work and boundary spanning have been identified as individuals' strategies towards more flexibility.

The quest for organizational flexibility: teams and task forces

According to the interviews, hierarchical structures are supportive for fulfilling routine tasks, which have to be executed on a regular basis and according to well defined rules and regulations. In this case, hierarchy and established bureaucracy guarantee smooth and fast accomplishment of routine tasks. However, interviewees

underline that the organizations have realized that they need to implement teams and task forces as strategies to increase flexibility in order to fulfill non-routine.

Even though the implementation of teams seems to be an adequate strategy towards flexibility in principle, our findings emphasize that the given organizational HR practices do not foster successful team work. In the EC, the performance appraisal system is in general geared towards the individual. This influences the implementation of cooperative thinking as individuals have to deliberate about individual interests or team interests. This is in line with previous research by McHugh & Bennett (1999) who state that "the new agencies have experienced some difficulty with the implantation of their often disintegrated programs of strategic change. The root cause of these difficulties might lie in a rigid adherence to an outmoded set of cultural values, a bureaucratic structure and old reward systems coupled with a panic crazed obsession with efficiency, all of which may act as impediments to longer term organizational performance".

We found that if the organization gets aware of the mismatch between HR practice and the applied strategy of team work to increase flexibility, it starts to implement task forces. Task forces are compatible with appraisal systems geared towards the individual. Thus, with regard to non-routine challenges, organizations establish task forces as a strategy towards flexibility.

Similarly to teams, task forces are set up depending on the task which needs to be executed. By task force we understand a temporary unit established to undertake a well-defined task or activity. Our research shows that task forces are particularly put into practice for non-routine purposes and for emergency events. Task forces are flexible and in a reciprocal way increase the flexibility of the organization and of the individual. They can focus on whatever problem of immediate importance. Rules and

regulations are sometimes simplified for task forces. Our data show that task forces established within or outside existing bureaucratic structures facilitate task fulfilment of individuals. Subsequently the organization enables itself to act in a more flexible way. Since task forces often bring together people from different sections or divisions of the organisation to work on a cross-functional purpose, task forces can make use of the value-in-diversity by sharing information and knowledge from several sources. This may induce new ideas and approaches towards problem solving.

The quest for individual flexibility: boundary spanning

While teams and task forces are implemented by the organization, individuals pursue their own strategies in their quest for individual flexibility. Individuals use two approaches to increase flexibility: collaborative group work and boundary spanning.

While the organization establishes teams and task forces to increase flexibility, individuals increase their flexibility by engaging in informal ways of interaction. Collaborative group work enhances their flexibility within hierarchical structures. Our findings show that individuals are aware of the value of the diverse cultural and functional backgrounds for getting their tasks done. However, even though individuals recognize the value of the inherent diversity, they need to learn how to identify and deal with it within the rigid hierarchical and bureaucratic organization. Our findings emphasize the importance of the establishment of norms that support collaborative group work among individuals. Interestingly, we found that even though collaborative group work is supported by enabling norms in principle, individuals tend to stick to their culturally-determined behaviours if they are working under time pressure (Neyer & Harzing, 2008).

Boundary spanning is another important individual strategy to increase flexibility within a hierarchical and bureaucratic organizational setting. Boundary spanning

activities as described by Cross, Yan & Louis (2000: 843) are those "in which an organisational entity engages to create and maintain its boundaries and to manage interactions across those boundaries". This organisational entity may be an organisational unit, a group or team or an individual. Our interview partners emphasize that the main reason for boundary spanning is to overcome information deficits grounded in the hierarchical structure and bureaucratic procedures. In line with previous research (Ancona & Caldwell, 1992; Katz & Kahn, 1966), we find that if individuals realize that communication within organizational boundaries is inefficient, time consuming or too costly, they engage in boundary spanning to increase flexibility in the way 'things are getting done'. Our analysis reveals that individuals start to span boundaries through networking, communication and exchange of information across hierarchical boundaries to get the information needed. Thus, individual boundary activities create networks beyond hierarchical structures as well as parallel systems to the official system.

Conclusion

The original premises and research questions for this study sought to explore flexibility-increasing strategies applied by bureaucratic, hierarchical and diverse organizations. In overall we found, that both, the intergovernmental organizations and its employees apply operational strategies to increase flexibility. With regard to organizational strategies we found that the nature of the task and the HR practices in use influence if teams and task forces are implemented. With regard to individual strategies we found that collaborative group work and boundary spanning help to increase flexibility in a bureaucratic and hierarchical context.

Empirical evidence on flexibility-increasing strategies in bureaucratic, hierarchical and diverse organizations has so far been limited. Our research has shed

some light on these strategies, and thus can help both individuals working in such organizations, and researchers doing research in the field of intergovernmental organizations.

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Table 1: Interviews in the UN

Demographics of sample in the UN	N	Demographics of sample in UN	N
Age		*Time of tenure in the UN*	
20-30	8	1-5 years	24
31-40	22	5 – 10 years	12
41-50	21	Over 10 years	39
Over 50	24	*Position in the UN***	
Gender		Head of Department/Director	5
Male	40	Professional Staff	18
Female	35	Junior Professional Officer	8
No. of foreign languages spoken		General Staff	14
2	42	Intern	5
3	26	**Organizational Unit**	
4	7	IAEA	43
		UNIDO	9*
		UNDP	8
		UNOPS	5
		WIPO	5
		Others	5

*one person has been interviewed twice (before and after leaving the UN)
** no information available for 25 interviews in the IAEA

Table 2: Interviews in the EC

Demographics of sample in the EC	N	Demographics of sample	N
Age		*Time of tenure in the EC*	
35-40	6	1-5 years	3
41-50	11	5 – 10 years	20
Over 50	5	Over 10 years	1
N/A	3	N/A	1
Gender			
Male	18		
Female	7		

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No. of foreign languages spoken		*Position in the EC*	
1-2	16	Head of Department/Director	8
3-4	8	Officer	3
N/A	1	Member of Cabinet	1
		Coordination	3
		N/A	10