

*Nebojša Janićijević**

ORGANIZATIONAL MODELS AS CONFIGURATIONS OF STRUCTURE, CULTURE, LEADERSHIP, CONTROL, AND CHANGE STRATEGY

ABSTRACT: *Starting from the axioms of consistency, stability, contingency, and configuration, research on organizational structure, culture, control, leadership, and change management strategy has shown that their typical configurations, or models, can be differentiated according to the same two criteria: distribution of power and dominant organizational dimension. On the one hand there are models of structure, culture, control, leadership, and change management strategy that are based on an unequal, or authoritarian, distribution of power within organizations, while on the other hand there are models that are based on democratic, or equal, distribution of power. Also, on the one hand there are models of structure, culture, control, leadership, and change strategy that are based on work structure and tasks, while on the other hand there are models of*

these organizational components that are based on social structure, people, and their relationships. Harmonization of typical configurations of organizational structure, culture, control, leadership, and change strategy occurs due to the harmonization of the differentiation criteria. Based on this harmonization, four organizational models have been identified as typical configurations of structure, culture, control, leadership, and change strategy: the autocratic, bureaucratic, innovative, and task models. Each of these models is effective in a different environmental contingency.

KEY WORDS: *organizational model, organizational culture, organizational structure, leadership, organizational control, change strategy*

JEL CLASSIFICATION: M10

* University of Belgrade, Faculty of Economics, jnebojsa@eunet.rs

1. INTRODUCTION

In the theory of organization – and in an even broader sense, in management theory – there are not many axioms. Perceived as statements or propositions that are assumed to be true without proof (Webster 2016), axioms are the fundamental basis of a paradigm in a scientific field (Khun 1970): knowledge is built based on them and around them. Starting from an axiom we can establish and test hypotheses through which we gain knowledge on causal relationships between variables. In the field of organization there are several unquestionable axioms.

The axiom of consistency, harmony, and balance states that an organization is superior to other organizations if its components, dimensions, or characteristics are in accord with each other. Since an organization functions through the interaction of its components, the consistency, harmony, and balance of the components ensure that the organizational functioning will be harmonious and without unnecessary friction and tension, and that the organization will be more effective and perform better.

The axiom of stability states that organizations are inherently inert, always strive to reach stability, and oppose change. Once internal consistency and harmony are achieved organizations have a tendency to remain unchanged, and hence they resist any kind of change that might jeopardize this harmony. The concept of negative feedback is fundamental to this axiom. Negative feedback between organizational components occurs when changes in one of the organization's components cause changes in other organizational components that neutralize the initial changes. The consequence of negative feedback is stability and inertness. Radical changes occur only when, for some reason, negative feedback is replaced by positive feedback, due to which the initial changes in one of the organization's components cause further changes to occur in the same direction in other of the organization's components, and the changes start to accelerate and spread (Gersick 1991).

The third axiom states that every organization is an open system which is affected by the impacts of its environment. Thus, every organization must adapt to the environment in which it operates in order to achieve its goals: it must subdue its structure and functioning to environmental factors. In fact, this axiom is an extension of the harmony and balance axiom, since its essence is that organizations must achieve not only internal harmony between its own components but also external harmony between itself and its environment. The organization that achieves both internal and external balance, or harmony, will perform better.

The fourth axiom states that the environment itself is affected by the axiom of consistency: some sectors, or environmental slices, contain mutually consistent components. These systems of mutually consistent environmental components that impact organizations are called 'contingencies', so we may call this axiom the contingency axiom. Organizations that have achieved consistency with external contingencies will perform better. This is the basis of the contingency approach in organizational structuring that Mintzberg (1979) and his associates (Miller 1990) promoted.

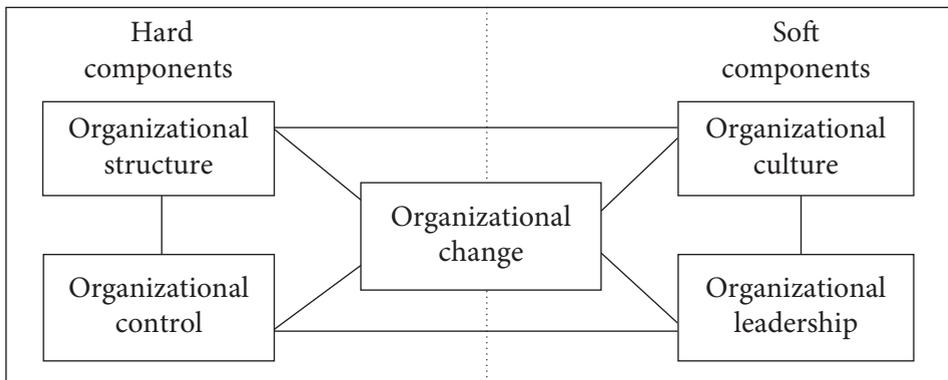
Finally, the axioms of harmony, stability, openness, and contingency lead to the axiom of configuration, which states that in one sector of an economy or society there is always a limited number of organizational configurations, which represent internally consistent organizational components adjusted to internally consistent factors that are impacted by the organization's environment (Ranson, Hinings, Greenwood 1980, Mintzberg 1979). The well known 'economic Darwinism' is the basis of this axiom. The term 'economic Darwinism' describes the idea that only the best-adapted organizations survive in a competitive market, just as only the best-adapted species survive in nature. Therefore, if internally consistent organizations are superior in performance to those that have not yet achieved harmony of components, if stable organizations that do not jeopardize their internal harmony are superior to those that are constantly changing, and if the organizations that are in harmony with environmental contingencies are superior in performance to those that have not adapted, then after a while only the organizations with stable and consistent configurations of components adapted to environmental contingencies will survive in an economic sector or society. Due to the small number of environmental contingencies, typical organizational configurations, which are called organizational models, will develop over time. Organizational models are typical configurations of internally consistent components that are adapted to environmental contingencies. This conclusion is very close to the so-called configurational perspective in the theory of organization and management, which has existed for some time in the literature (Miller 1990; Dow 1988; Mintzberg 1979).

Through the entire history of organizational research, identifying typical organizational models has been very challenging. However, the problem with the theory of organization is its fragmentation. An organization is a multidimensional phenomenon because it contains very different components and has very different dimensions. Research has been fragmented and has focused on each component separately. Thus, separate fields within organizational research have developed, such as organizational design or structure, leadership, motivation, group and

teams, decision-making, communication, power and conflict, and change management. The above-described axioms of organization have been applied in each of these fields, and in each of them typical configurations adapted to different environmental contingencies have been identified.

The object of examination in this paper is the configurations of five organizational components: organizational structure, control, culture, leadership, and change management strategy. These five components have been chosen because in the literature their configurations, or typical models, have been differentiated according to the same or very similar criteria. In addition, these five components are balanced to include two hard organizational components (structure and control) and two soft organizational components (culture and leadership), with organizational change as a combination of hard and soft components.

Figure 1. Model of Organizational Components



The objective of this paper is to identify typical organizational configurations of organizational models comprising culture, leadership, control, and change, adapted to specific typical environmental contingencies. The harmony of these typical configurations of organizational components is based on the fact that they are defined according to similar or the same criteria.

The structure of the paper is as follows. First, typical configurations in each of the five organizational components are identified in order to pinpoint the harmony of their differentiation criteria. These are then used to construct organizational models in the final part of the paper as typical configurations of structure, culture, leadership, control, and change.

2. ORGANIZATIONAL CULTURE TYPES

Organizational culture is a system of assumptions, values, norms, and attitudes manifested through symbols that the members of an organization develop and adopt through mutual experience and which help them determine the meaning of the world around them and how to behave in it (Schein 2004). The literature includes many classifications of organizational culture configurations (Cameron and Quinn 2006; Balthazard et al. 2006; Denison 2003; Trompenaars 1994; Deal and Kennedy 1982; Handy 1991). In this paper, Handy's classification of organizational types will be used. According to his classification, there are four organizational culture types, which represent typical configurations of values and attitudes. These are: Power Culture, Role Culture, Task culture, and People Culture.

Power Culture is based on the assumption that power should be concentrated at the organization's top. This type of culture implies the metaphor of the family, with members regarding the organization as a sort of patriarchal family led by the 'father', i.e., pater familias. The relationships in this type of organization reflect the relationships that exist in families. Thus, the 'father' of the family centralizes all power in his hands, and makes almost all the decisions. As in families, in Power Culture organizations the relationships between members have priority over tasks.

Role Culture is the culture of bureaucratic organizations and predominantly values rationality, so the organization must first of all be a rational tool for achieving stakeholders' objectives. In order to be rational, the organization must be specialized, standardized, and formalized. It follows that Role Culture organizations emphasize work structure, division of labour, and tasks, while social relations between people are of secondary importance. This type of culture is also authoritarian, since the top of the organization prescribes the rules with which the members are obliged to comply.

In Task Culture the organization is represented by the metaphor of a tool for solving problems and completing tasks. This type of culture values results, competence, creativity, accomplishments, and change. In Task Culture organizations, professionals with the required knowledge solve complex problems. In order to perform their tasks they need autonomy in their work and the possibility of independent decision-making. Therefore, in Task Culture organizations the power is more or less equally distributed between its members.

In People Culture, individualism and individual growth represent the highest values. To its members the organization is a mere context in which to realize their personal goals, and consequently equality in distribution of power is preferred. Since everything is perceived through the prism of the personal growth of the organization members, People Culture focuses on social structure and people, while work structure is of secondary importance.

Handy’s (1991) classification of four types of organizational culture is based on two dimensions. The first involves values and norms regarding the distribution of power. Power Culture and Role Culture favour an unequal or authoritarian (hierarchical) distribution of power, while Task Culture and People Culture adopt values that foster an equal or egalitarian distribution of power. The second dimension relates to the predominant focus of the organization. Every organization involves both work (task) and social (people) components, and different components predominate in the different types of organizational cultures. People Culture and Power Culture value people and the social component, while Task Culture and Role Culture value the task or work component. By combining both dimensions a matrix of four types of organizational culture is generated.

Figure 2. Types of organizational culture

	People or social component values		
Low autonomy, Restrictive unequal, authoritarian distribution of power	Power Culture	People Culture	Equal, egalitarian distribution of power
	Role Culture	Task Culture	
	Highly formalized, Depersonalized Work or task component values		

Source: Handy, C. (1991). *Gods of management: the changing work of organizations* London: Business Books

3. ORGANIZATIONAL STRUCTURE MODELS

Henry Mintzberg’s (1979) classification of the configurations or models of organizational structure dominates the literature of organizational structuring.

His comprehensive classification is based on nine structural parameters and five organizational parts and differentiates five basic organizational models: the simple model, the bureaucratic model, the professional model, the adhocratic model, and the divisional model.

The simple model is distinctive of small, young firms that are oriented to entrepreneurship and led autocratically. In this type of structure the leader makes all the decisions with his/her associates, and the employees' only role is to execute these decisions. This organizational structure is undeveloped, insufficiently formalized, with few rules, procedures, instructions, etc. As a result it is highly flexible but inefficient.

The bureaucratic model is characteristic of large and mature companies, as well as public administration. In this model all business processes are executed according to strictly followed rules, procedures, and instructions that are prescribed in advance. Structure and systems within the organization are highly developed and formalized. The bureaucratic model has a highly developed hierarchy and is very centralized, with many hierarchy levels and low participation in decision-making by employees in the operative sphere.

The most prominent characteristic of the professional model is that the professionals/experts working in the operative sphere play the key role in it. Since they solve complex problems and work with sophisticated technologies they must have a high level of authority in decision-making, so this structure is decentralized. On the other hand, professionals deal with these problems according to programmes, protocols, and procedures that are prescribed in advance; hence this structure is also highly formalized.

Adhocracy is an organizational model in which teams of experts realize ad hoc projects. Similarly to the professional model, in this configuration experts are the ones who perform complex business procedures in an organized manner and use sophisticated technology. Therefore, they must have the authority in decision-making, so the organization is decentralized. However, unlike the professional model, in this model experts do not follow procedures: instead, with each new task or project they invent a new way of working, so the level of formalization is low.

Four of Mintzberg's five organizational models can be differentiated according to two basic criteria. The first criterion is the level of decision-making centralization. The simple and bureaucratic models of organizational culture are centralized,

while the adhocracy model and the professional model are decentralized. The second criterion is the degree of structural formalization, or the extent to which processes are covered by formal procedures and the extent of specialization and task standardization in the given structure. The bureaucratic and professional models have a high level of formalization, while the simple model and the adhocracy model have a low level of formalization. Mintzberg’s fifth configuration, the divisional model, is complex and consists of two or more divisions which can be structured by any of the other four models, so it cannot be unambiguously classified in a specific category.

Figure 3. Models of organizational structure

		Low formalization			
High centralization		Simple model of organizational structure	Adhocracy model of organizational structure	Low centralization	
		Bureaucratic model of organizational structure	Professional model of organizational structure		
		High formalization			

Source: According to Mintzberg, H. (1979). *The Structuring of Organizational Structures*, Englewood Cliffs: Prentice Hall.

4. LEADERSHIP STYLES

Leadership is one of the most researched organizational phenomena. It is generally accepted that there are three approaches in the research on leadership: the trait approach, the behaviour approach, and the contingency approach. In the behaviour approach, researchers have strived to identify typical styles of leadership, while in the contingency approach they have strived to bring these styles into a causal relationship with contingencies, that is, with situations in which they are effective. Thus, studies of leadership at the University of Iowa (Luthans 2005) has identified authoritarian, democratic, and laissez-faire styles, differentiated according to the level of followers’ participation in decision-making. Leadership research at Ohio University has identified two main dimensions that distinguish leadership styles: initiating structure and consideration of people (Schermerhorn, Hunt, Osborn 2005). Research at the University of Michigan has identified two very

similar dimensions of leadership behaviour: production-oriented and employee-oriented (Northouse 2007). The leadership styles model or Managerial Grid also recognizes two main leadership styles: concern for production and concern for people (Schermerhorn, Hunt, Osborn 2005). On the other hand, Likert recognizes four main styles of leadership that are distinguished by the degree of followers' participation in decision-making: exploitative-authoritarian, benevolent-authoritarian, participative, and democratic (Likert 1967). These classifications of leadership style are most often differentiated according to two main criteria: 1) the authoritarianism of the leader, i.e., the degree to which followers participate in decision-making, and 2) people-orientation versus task-orientation in solving organizational problems (Northouse 2007; Yukl 2006). Thus, leaders differ according to the degree to which they make decisions autonomously and allow their followers (employees) to participate in decision-making; and according to whether they strive to achieve goals through formal components like structure, roles, procedures, and tasks or through informal components like interpersonal relationships and influencing people.

These two dimensions of leadership style, each with two poles, result in four possible leadership styles. The people-oriented authoritarian leader will make the majority of decisions autonomously and accept responsibility, but in implementing those decisions s/he will rely on influencing others and interpersonal relations. This type of leader values highly the social structure of the organization, has strong interpersonal abilities, and is very competent in people management. The second type of leader is authoritarian and task-oriented. S/he does not include employees in the decision-making process and organizational action-shaping, is focused on work, and achieves organizational goals through structures, roles, procedures, orders, etc. The third type of leader considers it good for the organization to have as many of its members as possible participating in both making and executing decisions. This type of leader is oriented towards work or formal structure and tasks, cares little about social structure and interpersonal relations, and believes that employees should adapt to the work structure. Finally, the fourth type of leader has a participative style and is people-oriented. This type of leader includes employees in decision-making and decision-implementation, while relying on his/her influence on others, interpersonal relationships, and social structure.

Figure 4. Leadership styles

		Socially or people-oriented			
Low participation		People-oriented, authoritarian leadership style	People-oriented, participative leadership style	High participation	
		Task-oriented, authoritarian leadership style	Task-oriented, participative leadership style		
		Work- or task-oriented			

5. ORGANIZATIONAL CONTROL METHODS

It is necessary for an organization to control the behaviour of its members (Ranson, Hinings, Greenwood 1980; Mintzberg 1979). An organization is a system of collective action through which mutual goals are achieved. In order to achieve this the behaviour of the organization members must be restricted, directed, and controlled. The method of behaviour control is a necessary element of organizational design, and the process of control is one of the four primary tasks of management (along with planning, leadership, and organizing). Henry Mintzberg’s (Mintzberg 1979) classification of methods of control is the most frequently quoted in the literature. In his analysis of the structure of organizations he differentiates five basic mechanisms of behaviour control.

Work process standardization allows employees a very low degree of autonomy or discretion and is a very restrictive behaviour control mechanism. Process standardization controls the manner in which the members of an organization do their job, i.e., perform each work activity. It is achieved by means of formal documents that prescribe standards, procedures, regulations, and instructions.

Knowledge and skills standardization controls employee behaviour by standardizing knowledge, skills, and ethical standards through persistent education and training. This control mechanism is used mainly in professional jobs; for example, economic analyst, doctor, lawyer, professor, etc. It provides the professional with a high degree of autonomy, as it only determines input into the work process and not the work process itself or its effects.

The manager who through his/her position in the organizational structure has authority over subordinate employees exercises direct managerial supervision over their work process, decisions, and actions, in particular through immediate contact and communication with employees. The manager gives instructions to the subordinate regarding how, when, and what should be done and reacts immediately if he/she notices deviations from his/her instructions. This method of control is restrictive and leaves little room for autonomy.

Control can also be conducted through direct interpersonal communication between employees (the members of an organization). Employees who comprise a team coordinate their activities and influence one another. This mechanism of control is very flexible and allows employees the highest degree of freedom. Direct interpersonal communication is an informal method of control, since the behaviour of organization members is restricted not by some formal document but by the other team members.

In divisional organization the control mechanism implemented is output standardization, where the top level of the company prescribes the level of performance that the divisions must achieve (e.g., percentage of profit, level of sale, market share) while leaving them the freedom to make their own decisions about how to accomplish it. Thus output standardization is not a mechanism to control individuals, but to control organizational units. As such, it is not of interest to our analysis.

These methods of controlling organization members' behaviour can be differentiated according to two criteria: the degree of restrictiveness/autonomy that the method of control allows employees in selecting the way in which they work, and the degree of personalization/formalization of control (see Figure 5). Restrictive methods of control leave the members of an organization with little room to select the method and manner of working and a low degree of discretion or autonomy, and impose a large number of restrictions. Process standardization and direct supervision by management are restrictive methods of control. Non-restrictive methods of control are those that impose less restrictions on organization members' behaviour, give them greater discretion and autonomy, and leave them more room to select the manner of work. Non-restrictive methods of control are standardization of knowledge, standardization of outputs, and direct interpersonal communication.

The second criterion distinguishes between formalized and depersonalized methods of control and personalized, informal methods of control (see Figure 5).

Methods of control that are depersonalized and formalized restrict the behaviour of organization members through formal documents such as plans, standards, procedures, instructions, etc. Standardization of processes and standardization of outputs fall under this type of control. Personalized and informal methods of control focus primarily on people and their behaviour and only secondarily on the tasks they perform. The restrictions on organization members' behaviour are not formal documents but other people: managers, colleagues, and the employees themselves (their knowledge and ethics). Direct supervision, standardization of knowledge, and direct interpersonal communication are personalized and informal methods of control. Combining the two criteria that differentiate the methods of behaviour control in an organization we arrive at the following matrix.

Figure 5. Mechanisms of organizational control

		Informal, personalized			
Low autonomy, restrictive		Direct supervision	Direct interpersonal communication	High autonomy, nonrestrictive	
		Standardization of processes	Standardization of knowledge		
		Formal, impersonal			

6. ORGANIZATIONAL CHANGE STRATEGY

Organizational change strategy includes the approach, method, or manner by which changes are implemented in an organization (Nickols 2010). In the classification of organizational change strategies almost all authors start with the seminal work of Chin and Benne (1969), which recognizes three basic ways to implement change in a social system: rational-empirical, power-coercive, and normative-reeducative.

Rational-empirical strategy is based on the assumption of rationality of organizations and the people within them. Organizations are viewed as a rational means for achieving the mutual goals of their members through collective action. People are treated as rational beings led by self-interest. Therefore, changes are

implemented by showing the members of an organization that they are rational, i.e., justified and useful from the perspective of achieving organizational goals, and that they are useful for the self-interest of the organization members. The assumption is that the members of the organization in which changes are made will, as rational beings, behave according to their objectively given interests.

Power-coercive strategy views an organization as a political system in which those who have the power have the right to manage and thus change the organization. Man is not a rational but a political being who submits to the will of those more powerful. Therefore, power is the key driver and tool for change in power-coercive strategy. Changes are made by those who have power – usually the leader or top management – who plan the changes and use their power to impose them on the other members of the organization. The organization members are expected to obey and implement the changes unquestioningly.

Normative-reeducative strategy is based on the assumption that an organization is a social system in which the behaviour of its members is determined by shared assumptions, values, norms, and attitudes. People are, above all, social beings who, in the process of social interaction, construct an image of reality and set the rules of behaviour in this reality. Organizational changes are conducted through the construction of a different image of reality which implies changes in the assumptions, beliefs, and values of the organization members, and in turn implies changes in their behaviour.

A significant number of authors have found the Chin and Benne classification of organizational change strategy to be incomplete (Quinn and Sonenshein 2008; Miles et al. 2002; McWhinney 1997) and in need of a fourth, supplementary strategy (Nickols 2010). The fourth strategy we choose to supplement and balance the Chin and Benne classification is creative strategy, which is based on the individual creativity of organization members (Janićijević 2012). Creative strategy assumes that people are creative beings, and that an organization is itself a form of improvisation in which all processes, even the process of change, happen as a consequence of the free will, actions, and ideas of its members. Hence, changes are conducted through the articulation of new ideas by an organization member, and by the acceptance of these ideas by the rest of the members.

Apart from their basic assumptions and the drivers of change, the four described strategies for change differ according to two basic criteria: the direction of the changes and the basic means (tools) of change. The direction in which changes are made is either directive or participative. Directive strategies are unilateral and the

information flow is top-down. Rational-empirical strategy and coercive strategy are both directive. In participative change strategies the direction of change flows from the top down, and information flows are multilateral. Normative-reeducative strategy and creative strategy are participative. The second criterion distinguishes strategies in which change is implemented through structure and tasks, and strategies in which change is implemented through interpersonal relations. Rational-empirical strategy and creative strategy are strategies of change based on structures and tasks. Power-coercive strategy and normative-reeducative strategy are strategies of change based on people and interpersonal relations.

Figure 6. Strategies of organizational change

		People and relations as the means of change			
		Power-coercive change strategy	Normative-reeducative change strategy		
Directive		Rational-empirical change strategy	Creative change strategy		Participative
		Tasks and structures as the means of change			

7. CRITERIA FOR DIFFERENTIATION OF ORGANIZATIONAL MODELS

Two interesting facts emerge from this review of the configurations of organizational structure, control, culture, leadership, and change strategy. First, all classifications of the configurations of the organizational components are based on two fundamental criteria, and criss-crossing them results in four main configurations or types. This is a simplification of reality, but it enables effective and practical typification of the organizational components. Second, in order to get its configurations, each of the five organizational components – structure, culture, control, leadership, and change strategy – is differentiated according to two similar criteria, distribution of power and organizational dimension, which are very similar in content and meaning (see Table 1 and Table 2). This is the most important conclusion of this paper, and the basis of its contribution.

Table 1. Congruence of the first criterion for differentiation of organizational component configuration, **distribution of power**

Organizational component	Distribution of power	
	Authoritarian, hierarchical	Democratic, egalitarian
Structure	High centralization	Low centralization
Culture	Values of unequal distribution of power	Values of equal distribution of power
Leadership	Low participation	High participation
Coordination and control	Low autonomy, restrictive	High autonomy, non-restrictive
Change management	Directive	Participative

Table 2. Congruence of the second criterion for differentiation of organizational component configuration, **organizational dimension**

Organizational component	Organizational dimension	
	Work structure, tasks	Social structure, people, relations
Structure	High formalization	Low formalization
Culture	Values of task and work component	Values of people and social component
Leadership	Task-orientated	People-orientated
Coordination and control	Highly formalized, depersonalized	Informal, personalized
Change management	Tasks and structures as the means of change	People and relationships as the means of change

The first criterion on which the classification of organizational components is based is distribution of power. The first configuration of structure, culture, control, leadership, and change strategy is based on authoritarian (unequal) distribution of power, while the second is based on democratic (equal) distribution of power.

Decision-making in the authoritarian organizational structure with unequal power distribution is centralized, while in the egalitarian organizational structure based on equal distribution of power it is decentralized, In the former organizational culture configuration the organization members believe that unequal distribution of power is better and more useful, while in the latter the organization members believe that equal distribution of power is better and more useful. The two main leadership types differ regarding the followers'

participation: authoritarian leadership is characterized by low participation, while democratic leadership style is characterized by high participation. Low participation implies unequal distribution of power, while high participation requires equal distribution of power. The restrictive type of organizational control implies that power is unequally distributed, while the non-restrictive type of control implies equal (egalitarian) distribution of power. Finally, directive change management is only possible with unequal (authoritarian) distribution of power, while participative change management is only possible with equal (egalitarian) distribution of power.

Thus, centralized organizational structure, authoritarian organizational culture, autocratic leadership style, restrictive organizational control, and directive change management have one common characteristic: they are all based on unequal distribution of power within organizations. By contrast, decentralized organizational structure, democratic organizational culture, democratic leadership style, non-restrictive organizational control, and participative change management strategy also have one common characteristic: they are all based on equal (egalitarian) distribution of power.

The second criterion for differentiation of organizational components' configuration is related to the key dimension of organization. A dichotomy between the two main dimensions of organization has been present in the literature for a long time: 1) the formal, working, or hard dimension and 2) the informal, social, or soft dimension. This dichotomy is also present in the differentiation of configurations of organizational structure, culture, control, leadership, and change management. According to this criterion, classification of organizational structure configurations recognizes two opposite types of structure: highly formalized and informal. Highly formalized structures imply orientation to tasks and structures, while informal structures imply the dominance of an organization's soft dimension, that is, an orientation to people and their relationships. Organizational culture classification also differentiates two main types of organizational culture. In one of them the members of the organization believe that the hard dimension, i.e., tasks and structure, is more important, while in the other the members of the organization believe that soft dimension of the organization, i.e., social structure, people, and their relationships, is more important. A very common criterion in leadership styles differentiation is orientation to tasks and orientation to people. In the former style the leaders strive to accomplish their visions primarily through structure and tasks, while in the latter the leaders try to accomplish their visions primarily through people and their relationships. Organizations' control systems are

also differentiated according to the criterion of organizational dimension: formalized and depersonalized control is achieved through structure and tasks, while informal and personalized control is achieved through people and their relationships. There is a similar situation in the differentiation of change management strategies. In one type of change management strategy the changes are achieved primarily through changing tasks and structures, while in the opposite change management strategy changes are achieved primarily through changing people and their relationships.

Therefore, formalized organizational structure, a culture with task and structure values, task-oriented leadership, formalized and depersonalized control, and a change management strategy performed thorough tasks and structures share one common characteristic: they are all based on the dominance of the formal over the informal organizational dimension; that is, on the dominance of the work dimension of organization over the social dimension. On the other hand, informal structure, a culture with people values, people-oriented leadership, informal and personalized control, and a change management strategy performed through people and their relationships also share a common characteristic: they are all based on the dominance of the informal over the formal dimension of organization, that is, on the dominance of the social dimension over the work dimension of an organization.

8. ORGANIZATIONAL MODELS AS CONFIGURATIONS OF STRUCTURE, CULTURE, LEADERSHIP, CONTROL, AND CHANGE STRATEGY

The congruence of the configurations emerges from the congruence of the two criteria according to which the configurations of structure, culture, control, leadership, and change strategy are differentiated. From the congruence of the configurations of organizational structure, culture, control, leadership, and change strategy we get four configurations of organization or four organizational models (see Figure 7). The main characteristic of these models is that they represent internally consistent configurations of organizational components that are adapted to different environmental contingencies. Thus, the organizational models emerge from the basic organizational axioms: consistency, stability, openness, contingency, and configuration.

Figure 7. Organizational models

Informal, soft dimension of organization: social structure, people					
Authoritarian, unequal distribution of power	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>Autocratic model Simple structure Power culture Autocratic, people-oriented leadership Control through direct supervision Coercive change strategy</p> </td> <td style="width: 50%; vertical-align: top;"> <p>Innovative model Adhocracy structure People culture Democratic, people-oriented leadership Control through direct communication Creative change strategy</p> </td> </tr> <tr> <td style="width: 50%; vertical-align: top;"> <p>Bureaucratic model Bureaucratic structure Role culture Autocratic, task-oriented leadership Control through process standardization Rational empirical change strategy</p> </td> <td style="width: 50%; vertical-align: top;"> <p>Task model Professional structure Task culture Democratic, task-oriented leadership Control through knowledge standardization Normative-reeducative change strategy</p> </td> </tr> </table>	<p>Autocratic model Simple structure Power culture Autocratic, people-oriented leadership Control through direct supervision Coercive change strategy</p>	<p>Innovative model Adhocracy structure People culture Democratic, people-oriented leadership Control through direct communication Creative change strategy</p>	<p>Bureaucratic model Bureaucratic structure Role culture Autocratic, task-oriented leadership Control through process standardization Rational empirical change strategy</p>	<p>Task model Professional structure Task culture Democratic, task-oriented leadership Control through knowledge standardization Normative-reeducative change strategy</p>
	<p>Autocratic model Simple structure Power culture Autocratic, people-oriented leadership Control through direct supervision Coercive change strategy</p>	<p>Innovative model Adhocracy structure People culture Democratic, people-oriented leadership Control through direct communication Creative change strategy</p>			
<p>Bureaucratic model Bureaucratic structure Role culture Autocratic, task-oriented leadership Control through process standardization Rational empirical change strategy</p>	<p>Task model Professional structure Task culture Democratic, task-oriented leadership Control through knowledge standardization Normative-reeducative change strategy</p>				
Formal, hard dimension of organization: work structure, tasks					
Democratic, equal distribution of power					

An autocratic model of organization is the configuration of a structure, culture, form of control, leadership, and change strategy that are based on unequal distribution of power and the dominance of social structure and people over work structure and tasks. As an organizational configuration it is a simple model of organizational structure, Power Culture, autocratic people-oriented leadership, control based on direct supervision, and coercive strategy in change management. In the autocratic model of organization the structure is centralized and informal. The leader of the organization makes all the decisions, and the structure itself is rather undeveloped, with few formal rules, procedures, or regulations. This organizational model is also distinguished by a Power Culture with values that emphasize the role of the leader as pater familias, and is in perfect harmony with a centralized and informal, simple model of organizational structure. The leadership

style practiced in autocratic organizations is authoritarian and oriented to people, not tasks. Again, this is in harmony with a simple structure and Power Culture. In this organizational model, control and coordination are conducted through managers' direct supervision, which is in perfect harmony with a centralized and informal structure, authoritarian Power Culture values, and an authoritarian, people-oriented leadership style. Finally, when such an organization changes, its leader conducts the changes through a strategy of coercion, which is in harmony with the centralized structure, authoritarian culture and leadership, and control by direct supervision. Generally speaking, the main characteristic of this organizational configuration is an authoritarian leader; hence its name. The autocratic organizational model is usually very flexible, but it is also cost-ineffective. Since everything depends on the leader, this model can be highly entrepreneurial, but also unstable and risky. At its best, it is one flexible family of devoted employees led by a charismatic leader. At its worst, it is a dictatorship of a leader who rules over passive employees through intimidation and punishment. A patriarchal family with a strong father figure role is the metaphor for this organization. Autocratic organization is most often present in small and young organizations with relatively simple but variable technology, which operates in a simple but dynamic environment. Authoritarian and national cultures with low uncertainty avoidance favour this organizational model. Autocratic organizations usually follow a cost-focused competitive strategy.

The bureaucratic model of organization is the configuration of a structure, culture, method of control, leadership, and change strategy that are based on unequal distribution of power and dominance of work structure and tasks over social structure and people. As an organizational configuration it is a bureaucratic model of organizational structure and Role Culture, control based on process standardization, autocratic task-oriented leadership, and rational-empirical change management strategy. The bureaucratic model of organization is centralized and highly formalized. Its role culture values unequal distribution of power and unequal task and structure orientation: hence it is completely in harmony with a centralized and formalized bureaucratic structure. The authoritarian leadership style distinctive to this organizational configuration emerges from unequal distribution of power, while the leader's orientation to tasks and not people emerges from the dominance of the work structure. Such leadership style is in harmony with both bureaucratic structure and Role Culture. Process standardization is a highly formalized and depersonalized mechanism of coordination and control, and as such it is in harmony with the dominance of work structure over social structure in the bureaucratic configuration of organization. Finally, rational-empirical change management strategy, which

relies on directive changes and changes through the work structure, is also in harmony with other components of this organizational configuration and its main characteristics: unequal distribution of power and dominance of work structure. As a rule, bureaucratic organization is highly cost-effective, but due to this it is also inflexible. Strictly followed procedures and rules are the basis of this organizational model. A pyramid is the metaphor for organization in this configuration. At its best, this organization truly functions as an effective and well-oiled machine in which everybody plays a role which has been prescribed in advance. The downside of this organizational configuration is its rigidity and dehumanization: employees in such configurations can feel like 'just another brick in the wall'. Bureaucratic organization is found most often in large and mature organizations, with simple and invariable technology, and that operate in a relatively stable and simple environment. A national culture with high uncertainty avoidance and high power distance favours this organizational configuration. Cost leadership is the appropriate competitive strategy for this kind of organization.

The task model of organization is the configuration of a structure, culture, method of control, leadership, and change strategy that are based on equal distribution of power and dominance of work structure and tasks over social structure and people. It is the organizational configuration of professional structure, Task Culture, democratic task-oriented leadership, control through knowledge standardization, and a normative-reeducative strategy of change management. This professional model of organizational structure, with a high degree of formalization but low centralization, is suited to an equal distribution of power and orientation to work structure and tasks. In this structure, professionals who perform sophisticated processes but follow procedures standardized in advance play the key role (e.g., doctors, judges, professors). Task Culture is compatible with a professional structure because its core value is the effective performance of tasks. The leadership must be democratic in order to allow a significant role for the professionals, but it must also be task-oriented in order that tasks are performed successfully. Control is conducted through standardizing the knowledge of the professionals who perform the sophisticated tasks, and who are almost impossible to control in a different way. Management change strategy in this type of organization is normative-reeducative and based on changing the professionals' values and attitudes. The organizational task model is dedicated to completing tasks and achieving results, which is also the main measure of the organization's success. Such an organization is highly effective in situations where complex tasks are performed using sophisticated technology. Professionals who do their job according to the standards and ethics of their profession are the

core of the organization. Organizations of this type face the risk that comes with the high autonomy of professionals, which can lead to coordination problems and conflict. Also, professionals are often more loyal to their profession than they are to their organization. The metaphor for this organization is a machine that operates under procedures prescribed in advance and in which every part is equally important and has its own role. Task organizations are usually large and mature organizations that operate in a complex but stable environment and in sectors with invariable but highly sophisticated technology and a highly educated work force. A cultural context characterized by low power distance and high uncertainty avoidance favours this organizational configuration. Task organizations usually follow a differentiation strategy.

An innovative model of organization is the configuration of a structure, culture, method of control, leadership, and change strategy that are based on equal distribution of power and dominance of social structure, people, and their relationships over work structure and tasks. It is the organizational configuration of adhocratic structure, people culture, democratic people-oriented leadership, coordination and control based on direct interpersonal communication, and creative change management strategy. An adhocratic structure combines high decentralization and low formalization, which are implied by equal distribution of power, and dominance of social over work structure. Such a structure often uses teams and working by projects and is in complete harmony with people culture, which values supporting individuals' growth and the development of their creative potential. Therefore, the leadership style in this organizational configuration is democratic and people-oriented. Coordination and control are conducted in the only possible way: through direct communication between employees organized in teams, in accordance with team organization, People Culture, and people-oriented democratic leadership. This type of organization can only change through creative strategy, which implies spontaneity and a bottom-up approach. Innovative organizational configurations are highly flexible. They are usually a pleasant place to work for highly educated and creative people. The central point of these organizations is the team who works on a project, and the driving force is the people and development of their potential. Individual innovativeness and growth are the main criteria for success in this type of organization. The metaphor for a creative organization is a sports team. The challenges for this organization are low cost-effectiveness, high risk of innovation failure, and sensitivity to interpersonal relations. It is usually a small organization with highly sophisticated technology and highly educated employees. Innovative organizations are common in complex and dynamic environments where innovation is the key to success. They usually employ

variable and sophisticated technology. National cultures with low uncertainty avoidance and low power distance are the most suitable environment for this organizational configuration. Differentiation focus as a competitive strategy is most suitable for this type of organization.

The next figure summarizes the internal and external contingencies of each of the four recognized organizational models.

Figure 8. Internal and external contingencies of the four organizational models

Informal, soft dimension of organization: social structure, people					
Authoritarian, unequal distribution of power	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>Autocratic model Environment: simple and dynamic Technology: simple and variable Size and maturity: small and young Cultural context: large power distance and low uncertainty avoidance Competitive strategy: cost focus</p> </td> <td style="width: 50%; vertical-align: top;"> <p>Innovative model Environment: complex and dynamic Technology: sophisticated and variable Size and maturity: small and young Cultural context: low power distance and low uncertainty avoidance Competitive strategy: differentiation focus</p> </td> </tr> <tr> <td style="width: 50%; vertical-align: top;"> <p>Bureaucratic model Environment: simple and stable Technology: simple and invariable Size and maturity: large and mature Cultural context: large power distance and high uncertainty avoidance Competitive strategy: cost leadership</p> </td> <td style="width: 50%; vertical-align: top;"> <p>Task model Environment: complex and stable Technology: sophisticated and invariable Size and maturity: large and mature Cultural context: low power distance and high uncertainty avoidance Competitive strategy: differentiation</p> </td> </tr> </table>	<p>Autocratic model Environment: simple and dynamic Technology: simple and variable Size and maturity: small and young Cultural context: large power distance and low uncertainty avoidance Competitive strategy: cost focus</p>	<p>Innovative model Environment: complex and dynamic Technology: sophisticated and variable Size and maturity: small and young Cultural context: low power distance and low uncertainty avoidance Competitive strategy: differentiation focus</p>	<p>Bureaucratic model Environment: simple and stable Technology: simple and invariable Size and maturity: large and mature Cultural context: large power distance and high uncertainty avoidance Competitive strategy: cost leadership</p>	<p>Task model Environment: complex and stable Technology: sophisticated and invariable Size and maturity: large and mature Cultural context: low power distance and high uncertainty avoidance Competitive strategy: differentiation</p>
	<p>Autocratic model Environment: simple and dynamic Technology: simple and variable Size and maturity: small and young Cultural context: large power distance and low uncertainty avoidance Competitive strategy: cost focus</p>	<p>Innovative model Environment: complex and dynamic Technology: sophisticated and variable Size and maturity: small and young Cultural context: low power distance and low uncertainty avoidance Competitive strategy: differentiation focus</p>			
<p>Bureaucratic model Environment: simple and stable Technology: simple and invariable Size and maturity: large and mature Cultural context: large power distance and high uncertainty avoidance Competitive strategy: cost leadership</p>	<p>Task model Environment: complex and stable Technology: sophisticated and invariable Size and maturity: large and mature Cultural context: low power distance and high uncertainty avoidance Competitive strategy: differentiation</p>				
Democratic, equal distribution of power					
Formal, hard dimension of organization: work structure, tasks					

9. CONCLUSION

Starting with the axioms of harmony (i.e., consistency), stability, contingency, and configuration, research in the field of organization has searched for typical configurations of organizational culture, structure, control, leadership, and change management strategy. Research has shown that each of these organizational components can be differentiated according to two identical or similar criteria. The first criterion is related to power distribution, which can either be authoritarian and unequal or equal and egalitarian, depending on the type of configuration of structure, culture, control, leadership, and change strategy. The second criterion is the dominant dimension of organization: whether the typical configuration of organizational structure, culture, control, leadership, and change strategy is based on work structure and tasks or on social structure and people and their relationships.

Since these organizational elements are differentiated according to the two same criteria, and each criterion has two typical configurations, we arrive at four typical configurations of organizational culture, structure, control, leadership, and change management. Since all elements of organization are differentiated according to the same criteria they are in mutual harmony. This harmony of the four typical configurations of organizational structure, culture, control, leadership, and change management strategy results in four organizational models. The autocratic model of organization is a simple model of Power Culture, autocratic people-oriented leadership, control thorough direct supervision, and change management based on a strategy of coercion. The bureaucratic model of organization is a configuration of bureaucratic structure, Role Culture, autocratic task-oriented leadership, process standardization, and rational-empirical strategy in change management. The task model of organization is a configuration of professional structure, Task Culture, democratic task-oriented leadership, knowledge standardization, and normative-reeducative strategy in change management. The innovative model of organization is the combination of adhocracy, People Culture, democratic people-oriented leadership, direct interpersonal communication, and creative change management strategy. Each of these organizational models is internally consistent and harmonic in structure, culture, leadership, control, and change strategy, and strives to reach stability. Finally, each of the described organizational models is effective in specific external and internal contingencies.

REFERENCES

- Balthazard P., Cooke R.E. & Potter R.A. (2006). Dysfunctional Culture, Dysfunctional Organization: Capturing the Behavioural Norms that Form Organizational Culture and Drive Performance. *Journal of Managerial Psychology*, 21(8), pp. 709–732. doi.org/10.1108/02683940610713253
- Cameron, K.S. & Quinn, R.E. (2006). *Diagnosing and Changing Organizational Culture: The Competing Values Framework*. 2nd ed. San Francisco, CA: Jossey-Bass.
- Chin, R. & Benne, K. (1969). General strategies for effecting change in human systems. In W. Bennis, K. Benne & R. Chin (eds.), *The Planning of Change* (pp. 32–59). New York: Holt, Rinehart & Winston.
- Deal, T. & Kennedy, A. (1982). *Corporate Cultures: The Rites and Rituals of Corporate Life*. Reading, MA: Addison Wesley.
- Denison, D.R. (2003). Organizational Culture and Effectiveness: Can American Theory Be Applied in Russia? *Organization Science*, 14(6), pp. 686–706. doi.org/10.1287/orsc.14.6.686.24868
- Dow, G.K. (1988). Configurational and Coactivational Views of Organizational Structure. *Academy of Management Review*, 13(1), pp. 53–64. doi:10.5465/AMR.1988.4306781
- Gersick C. (1991). Revolutionary Change Theories: a Multilevel Exploration of the Punctuated Equilibrium Paradigm. *Academy of Management Review*, 16 (1), pp. 10–36. doi:10.5465/AMR.1991.4278988
- Handy, C. (1991). *Gods of Management: The Changing Work of Organizations*. 3rd ed. London, UK: Business Books.
- Janićijević, N. (2012). The Influence Of Organizational Culture On Organizational Preferences Towards the Choice of Organizational Change Strategy. *Economic Annals*, LVII (193), pp. 25–52. DOI: 10.2298/EKA1293025J
- Kuhn, T. (1970). *The Structure of Scientific Revolutions*. Chicago, IL: University of Chicago Press.
- Likert, R. (1967). *The Human Organization: Its Management and Value*. New York, NY: McGraw-Hill.
- Luthans, F. (2005). *Organizational Behaviour*. Boston, MA: McGraw Hill.
- McWhinney, W. (1997). *Paths of Change*. Thousands Oaks, CA: Sage Publications.
- Miles M., Thangaraj A., Dawei W. and Huiqin M. (2002). Classic Theories – Contemporary Applications: A comparative study of the implementation of innovation in Canadian and

ORGANIZATIONAL MODELS AS CONFIGURATIONS

Chinese Public Sector Environments. *The Innovation Journal*, 12/12. Retrieved from <http://www.innovation.cc/scholarly-style-articles.htm>

Miller, D. (1990). Organizational Configurations: Cohesion, Change and Prediction. *Human Relations*, 43(8), pp. 771–789. doi:10.1177/001872679004300805

Mintzberg, H. (1979). *The Structuring of Organizations*. Englewood Cliffs, NJ: Prentice Hall.

Nickols, F. (2010). Four Change Management Strategies. *Distance Consulting*. Retrieved from <http://www.nickols.us/>

Northouse, P.G. (2007). *Leadership: Theory and Practice*. Thousand Oaks, Ca: Sage.

Ranson S., Hinings B. & Greenwood R. (1980). The Structuring of Organizational Structure. *Administrative Science Quarterly*, 25(1), pp.1-17.

Quinn, R. & Sonenshein, S. (2008). Four general strategies for changing human systems. In T.G. Cummings (ed.). *Handbook of Organizational Development*, (pp. 69–79). Thousand Oaks: Sage Publications.

Schein, E. (2004). *Organizational Culture and Leadership*. 2nd ed. San Francisco, CA: Jossey Bass.

Schermerhorn J., Hunt J. & Osborn R. (2005). *Organizational Behaviour*. New York, NY: John Wiley & Sons.

Trompenaars, F. (1994). *Riding Waves of Culture*. New York, NY: Irwin.

Webster dictionary (2016) retrieved from: <http://www.merriam-webster.com/>

Yukl, G. (2006). *Leadership in organizations*. New Jersey, NJ: Pearson Education.

Received: November 21, 2016.

Accepted: April 03, 2017.

