

# Overview of public administration organizations pt2

[Business](#)



Introduction This research attempts to show the differences between closed and open systems of organizations. The terms open and closed organizations were derived from the Popper's theory concerning closed and open society (Schramm, 2005).

The research will deploy two fictional organizations Centrica and Xstrata Companies. Centrica is an open company headquartered in Windsor, UK. The company's main activity is supplying gas and electricity to consumers and business within the UK and North America. On the other hand, Xstrata is a closed organization headquartered in Zug, Switzerland, though it has a registered office in London, UK. The company is a chief producer of nickel, copper, coal, and zinc. According to Schramm (2005), open systems of organizations interact with their environment via giving and receiving information.

On the other hand, closed systems of organizations are closed off from the environment. The research will deploy the two fictional organizations to differentiate between open and closed organizations. According to Schramm (2005), Centrica and Xstrata differ in the manner in which they deal with their external and internal affairs because of the divergent philosophies. As a reflected in Popper's theory of open and closed societies, the following characteristics demonstrate the distinctions between Centrica (open) and Xstrata (closed) organizations. The two companies differ in terms of culture. Schramm (2005) defined culture as a collection of knowledge art, beliefs, law, morals, customs, and habits acquired by an individual who is a member of society.

Organizational culture, similar to other societies, can be either closed in one dimension and open in another (Schramm, 2005). Centrica, an open organization, believes that it has the capability of active influencing the market, selecting between various options, and drawing up plans. The values of open organizations are engagement, independence, and initiative.

According to Schramm (2005), the level of artifacts is reflected by organizational learning and innovations. On the contrary, closed organizations view the market as a plan drafted by another person and a higher power but not by the participating organization. Xstrata, closed organizations, believes that it has no control over the market.

Consequently, the organization has to adapt to the market and, therefore, acts passively. Centrica and Xstrata differ in terms of leadership. Open models of organization deployed by Centrica offers its management body benefits such as the opportunity to do without the regulation of employees (Schramm, 2005). This is because leaders in these models of organizations have the ability to organize their work by themselves and take appropriate initiative. Employees have many opportunities for creation, development, and flexibility in their work. This is because of the less and rigid hierarchical structures present in closed organizations.

Organizational learning and innovations appear more frequently because of experimentations and the regular search for improvements (Schramm, 2005). On the contrary, leaders in closed organizations are capable of counting on their employees, therefore, saving time to work more effectively. The relationships in closed models of organizations are typified by consensus

and harmony that makes the workplace comfortable (Schramm, 2005).

Charismatic leadership can be viewed, particularly from its cognitive dimension, as an efficient instrument for a closed style of leading. According to Schramm (2005), a charismatic leader acts as a model for every employee. The mission and ideals of charismatic leaders in open systems of organization need to be respected and achieved by all the employees.

In closed leading style, the judgments of the charismatic leader are made based on case-by-case as decrees or proclamations. The employees strongly believe in the mystic holiness and power of the leader and his decision (Schramm, 2005). The employees seem to idealize and admire the leader.

This implies that employees in closed models of organization have to exhibit certain level of readiness for the charismatic style of leadership.

Consequently, such leaders will gain more acceptances, if the employees are members of a closed society. On other hand, open models of organization seem to deploy situational style of leadership (Schramm, 2005).

Leaders who are open on the social dimension seem to deal with plurality opinions, interests, and abilities of the employees. Leaders have to treat their employees differently based on their needs. According to Schramm (2005), these leaders have to adopt their leadership to their respective employees and situation. Closed organizations such as the Xstrata have to consider the qualifications of each employee (Schramm, 2005). Because it is not practical to be in the same place, at the same time and practice closed and open leadership at once, organizational managements have to split up their efforts according to the situation (Schramm, 2005).

On one hand, the manager will be forced to change between open and closed leadership. On other hand, the manager will be forced to practice open leadership where experienced employees do the job. A spatial coexistence of closeness and openness can be a strategy o preempting the shortcomings of the temporal changes between extremely closeness and openness (Schramm, 2005). In conclusion, the two fictional organizations used by the study have differences. Centrica and Xstrata differ in the manner in which they deal with their external and internal affairs because of the divergent philosophies. Centrica and Xstrata differ in terms of leadership.

Because it is not practical to be in the same place, at the same time and practice closed and open leadership at once, organizational managements have to split up their efforts according to the situation. Closed organizations deploy charismatic style of leadership, unlike open organizations that deploy situational style of leadership.