

Chapter summary

Government, Capitalism



Chapter Summary Society is organized "to get its job done". It does so through formal organizations and bureaucracies. The same system that can be frustrating and impersonal is also the one on which we rely for our personal welfare and to fulfill our daily needs. The society of today, however is not the society of yesterday, nor will it be the society of tomorrow. The rationalization of society refers to a transformation in people's thinking and behavior over the past 150 years, shifting the focus from personal relationships to efficiency and results. Karl Marx attributed this transformation to capitalism, while Max Weber, who disagreed with Marx, related it to Protestant theology. As a result of rationality, formal organizations, secondary groups designed to achieve specific objectives, have become a central feature of contemporary society. With industrialization, secondary groups have become common. Today, their existence is taken for granted. They become a part of our lives at birth and seem to get more and more complex as we move through the life course. The larger the formal organization, the more likely it will turn into a bureaucracy. Bureaucracies are defined as formal organizations characterized by five features that help them reach their goals, to grow, and endure. These five features are (1) clear levels, with assignments flowing downward and accountability flowing upward, (2) a division of labor, (3) written rules, (4) written communications with records, and (5) impartiality. Although bureaucracies are the most efficient forms of social organization, they can also be dysfunctional. Dysfunctions of bureaucracies can include red tape, lack of communication between units, and alienation. Examples of these dysfunctions include an overly rigid interpretation of rules and the

failure of members of the same organization to communicate among one another. According to Max Weber, the impersonality of bureaucracies tends to produce workers who feel detached from the organization and each other. According to Karl Marx, workers experience alienation when they lose control over their work and are cut off from the finished product of their labor. To resist alienation, workers form primary groups, banding together in informal settings during the workday to offer each other support and validation. They also personalize their work space with family photographs and personal decorations. Not all workers, however, succeed in resisting alienation. One reason bureaucracies endure and are so resilient is because they tend to take on a life of their own through a process called goal displacement. Once a bureaucracy has achieved its original goals, it adopts new goals in order to perpetuate its existence. A classic example of goal displacement involves the March of Dimes. Originally founded to fight polio, the organization was faced with being phased out after Jonas Salk discovered the polio vaccine. Rather than disband, it adopted a new mission, "fighting birth defects", which was recently changed to a vaguer goal of "breakthrough for babies". In addition to bureaucracies, many people in the United States become involved with voluntary organizations, groups made up of volunteers who organize on the basis of some mutual interest. But even voluntary organizations are not immune from the affect of bureaucratization. Although formal organizations provide numerous beneficial functions, they also tend to be dominated by a small, self-perpetuating elite, a phenomenon Robert Michel referred to as the iron law of oligarchy. Even volunteer and non-profit organizations are affected by the iron law of oligarchy. Sociologists use the term, "corporate

culture" to refer to an organization's traditions, values, and unwritten norms. Much of what goes on in corporate culture, however, is hidden. To ensure that the corporate culture reproduces itself at the top levels, people in positions of power groom other people they perceive to be "just like them" for similar positions of power. In the United States, personal achievement is central; workers are hired on the basis of what they can contribute to the organization that hires them. To counter the negative side of bureaucracies, many corporations have begun taking steps to better humanize work settings. This includes the establishment of work teams, corporate day care, employee stock ownership plans, and the quality circles. There has been a great deal of research directed at comparing the Japanese corporate culture to the American corporate culture. The Japanese corporate model differs significantly from the American corporate model in the way it views work, workers, and work organizations. Although considered as superior to the American corporate culture, more recent inspection shows this to be more of a myth than a reality. Successful Japanese businesses have adopted many of the American methods. The real bottom line is that we live in a global marketplace of ideas as well as products, with no single set of cultural values being universally superior.

Key Terms in Chapter Seven

alienation: Marx's term for the experience of being cut off from the product of one's labor that results in a sense of powerlessness and normlessness. (p. 181)

bureaucracy: A formal organization with a hierarchy of authority; a clear division of labor; emphasis on written rules, communications, and records; and impersonality of positions. (p. 176)

capitalism: An economic system characterized by private ownership of the means of producing goods and services, the pursuit

of profit, and market competition. (p. 176) corporate culture: The orientations that characterize corporate work settings. (p. 186) formal organization: A secondary group designed to achieve explicit objectives. (p. 176) goal displacement: A goal displaced by another; in this context, the adoption of new goals by an organization; also known as goal replacement. (p. 182) humanizing a work setting: Organizing a workplace in such a way that it develops, rather than impedes, human potential. (p. 188) Peter principle: A bureaucratic “ law” according to which the members of an organization are promoted for good work until they reach their level of incompetence, the level at which they can no longer do good work. (p. 182) rationality: The acceptance of rules, efficiency, and practical results as the right way to approach human affairs. (p. 174) rationalization of society: A widespread acceptance of rationality and a social organization largely built around this idea. (p. 174) self-fulfilling prophecy: As applied to corporate culture, predictions that later come true based upon values and stereotypes. (p. 186) the iron law of oligarchy: Robert Michels’ phrase for the tendency of formal organizations to be dominated by a small, self-perpetuating elite. (p. 185) the McDonaldization of society: The process by which ordinary aspects of life are rationalized and efficiency comes to rule such things as food preparation. (p. 179) traditional orientation: The idea, characteristic of tribal, peasant, and feudal societies, that the past is the best guide for the present. (p. 174) voluntary association: A group made up of volunteers who have organized on the basis of some mutual interest. (p. 183) Key People in Chapter Seven Alexis de Tocqueville: In his report of his travels across the United States, Democracy in America, Tocqueville observed the tendency of

Americans to join voluntary associations. (p. 183) Peter Evans and James Rauch: Evans and Rauch found that the most prosperous countries are those with central bureaucracies that hire workers on the basis of merit and offer them rewarding careers. (p. 182) Elaine Fox and George Arquitt: Studying local posts of the Veterans of Foreign Wars, Fox and Arquitt found that leadership positions in organizations are typically decided behind the scenes with current leaders choosing their favorite candidates for other leadership roles. (p. 185) Rosabeth Moss Kanter: In her organizational studies of corporations, Kanter discovered that corporate cultures reproduce themselves at the top levels by selecting workers that they think best match the corporate model; providing those workers with the opportunities and resources to do well; and after they succeed, promoting them to high-level positions. (p. 186). Gary Marx: Noting technology's role in the control of workers, Gary Marx warned of a maximum-security workplace where computers keep track of every movement workers make on the job. (p. 190) Karl Marx: According to Karl Marx, the rationalization of society was due to the transformation to capitalism, which, in turn, created alienation—workers who lost control of their work and were cut off from the finished product of their labor. (p. 174) Robert Michels: Michels coined the phrase “the iron law of oligarchy” to describe the tendency of formal organizations to be dominated by a small, self-perpetuating elite. (p. 185) William Ouchi: Ouchi identified five ways that the Japanese corporate model differed from the American corporate model. (p. 191) George Ritzer: Ritzer coined the term “the McDonaldization of society” to describe the process by which ordinary aspects of life are becoming more and more rationalized. (p. 179) David Sills:

Sills identified four of the seven functions of voluntary associations. (p. 184)

Max Weber: According to Weber, a change in people's religious orientation and their way of thinking produced capitalism. Weber also argued that the impersonality of bureaucracies tends to produce workers who feel detached from their organizations and each other. (p. 175)