SEVEN PITFALLS IN ORGANISATION LITERATURE

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--- *Abstract* ---

Current organisation literature is rife with several incorrect and confusing assertions which continually create problems for students and researchers alike. Seven of these unfortunate beliefs are presented here and provocatively called 'pitfalls'. The aim of this article is to draw attention to some of these theoretically incorrect assertions and how they can be avoided in scholarly work. The implications for managers are also presented.

Key words*: goals, anthropomorphism, organisational member, flat organisations, hierarchy and bureaucracy, effective leaders*

1. INTRODUCTION

Current organisational literature is rife with several incorrect and confusing assertions that continually create problems for students and researchers alike and plague descriptions of the phenomenon of organisations, regardless of whether they are private enterprises, public agencies or voluntary organisations. This article presents seven of these unfortunate descriptions or assertions and provocatively calls them 'pitfalls,' which is to say that these various formulations are often unsuspected sources of trouble that stem from a host of unwarranted assumptions. These seven pitfalls are: (1) organisations are based on common goals; (2) organisations are (like) humans; (3) organisational member; (4) flat organisations; (5) hierarchy and bureaucracy; (6) leadership and effectiveness; and (7) organisations have no owners. Some of these pitfalls have their origins in the classical literature or in misunderstandings thereof, while others are

due to theoretical shortcomings. Some assertions are outright mistakes or objectively incorrect. One of the pitfalls (organisations have no owners) in particular flies in the face of overwhelming evidence. The theoretical implications relate to how one might avoid these pitfalls when writing about organisations. Likewise, the implications for managers point to how managers can avoid creating misunderstandings in their own organisations.

2. PITFALL 1: ORGANISATIONS ARE BASED ON COMMON GOALS

Many textbooks characterise organisations – irrespective of what kind of organisations they are describing – as having common goals or purposes. This characterisation is incorrect and due to a misreading or misunderstanding of Barnard's seminal work in which he used the term "common end" (1938: 104). Andrews' foreword to Barnard (1938: viii) also states that the existence and acceptance of purpose is essential to the *survival* of an organisation.

Barnard (1938: 55) himself claims: "It is apparent that an objective of cooperation is non-personal, that it is an aim of the system of cooperation as a whole". Further, Barnard (1938: 86) states that "a purpose does not incite cooperative action unless it is accepted by those whose effort will constitute the organization". However, these statements do not entail that organisations are based on common goals but that goal acceptance is important for organisations. Barnard (1938: 88) is very clear on this difference: "… we have clearly to distinguish between organization purpose and individual motive". In addition, Barnard (1938: 104) asserts that, "The organization comes into being when two or more persons begin to cooperate to a common end". Finally, Barnard (1938: 137) observes that an "Understanding or acceptance of the *general* purpose of the complex is not, however, essential. But in general complex organizations are characterized by obvious lack of complete understanding and acceptance of *general* purposes and aims". Barnard refers to common goals (ends) in terms of the employees' personal motives and satisfaction that could be achieved by contributing to attainment of the organisation's goal. By overlooking this crucial point, many writers have strewn this misunderstanding throughout the literature. This mistake can explain the flaw in statements about organisations having common goals.

Scott (2003: 11) states: "Most analysts have conceived of organisations as social structures created by individuals to support the collaborative pursuit of specified goals". The majority of organisations are private enterprises and public organisations. The owners and managers and other employees of a company do not have common goals. Private and public organisations are *not* collectives of individuals who have common goals. Those who are employed in private and public organisations do not have common goals. However, it is the *owners* of the organisations who have common goals, and not the people who work there. Further, corporate legislation in many countries makes it absolutely clear that the limited company is established in order to achieve the goals of the owners.

3. PITFALL 2: ORGANISATIONS ARE (LIKE) HUMANS

Many scholars argue that organisations are human or like human beings. This is anthropomorphism, that is, (the fallacy of) attributing human characteristics to non-human entities. But an organisation is not a human being and has no human characteristics. The negative consequences of anthropomorphism in organisation literature are evident. Anthropomorphism creates confusion and hinders advances in the field of organisation theory.

Greiner (1972) proposes that an organisation passes through sequential growth stages during the course of organisational evolution. Similarly, Adizes (1979, 1988) presents the life cycle of organisations from the infant phase to death. Jones (1993: 436) writes that the way an organisation manages the problems it confronts determines whether "[....] it will survive and prosper or fail and die". Weitzel and Jonsson (1989) present a model of organisational decline and describe organisational decline by degrees ending in death.

The notion that organisations act and behave as humans is found in innumerable texts. A few examples are presented here. Miles and Snow (1986: 68) write about, "A healthy industry's needs for innovation and

efficiency ...". Cooper and Cartwright (1994) use the phrases "healthy mind" and "healthy organisations". Hilton Brown (1997) employs "organisational health", "pathology", "adrenaline", "trauma", "disease", and "rebirth". McHugh (2002) addresses the overall health of the organisational system and draws from aetiological vocabulary to claim that a viral infection is the cause of disease. Cunningham (1997: 472) writes "organisational death" and "organisation's death" and says that organisations can "recreate themselves". Kets de Vries and Miller (1984) identify common neurotic organisational forms, and that some organisations suffer from "mental diseases" (ibid.). Hellriegel and Slocum (1992: 555) equate an organisational culture with an organisation's personality. Robbins (1998: 594) writes, "But organizations are more. They have personalities too, just like individuals". Jones (1993: 435) writes, "If they [organizations] do not take corrective action". Miles and Snow (1986: 67) write, "... a few firms must behave...".

For many years now, the nature of organisational cognition and its relation to individual cognition has been the subject of lively debate. If organisations have cognitive abilities, then it implies that organisations can think, analyse, understand and possess knowledge. This in turn implies that organisations have brains. The very title of Douglas' (1986) book, *How Institutions Think*, is illustrative. Jones (1993: 474) writes that all organisations have to develop the capacity to make decisions. Creativity and innovative abilities also require mental capacity and a brain. Stacy (1993: 17) uses the term "innovative human organizations". Stacy (1993) believes organisations are creative in themselves.

Vast amounts of literature tell us that the organisation is human or like a human. But organisations are not human beings. They are not even *like* human beings. Organisations do not think. They do not act. Organisations have no behaviour, no imagination, no creativity, and no needs. They cannot think and they have no feelings. Organisations have no cognitive capabilities. Only human beings (and some animals) can act and have these capabilities.

Why have some writers conceived of organisations as human beings or like human beings? Three causes can be traced. The open-system approach tends to attribute 'human' characteristics to the system as a whole. The open-system theory has an anthropomorphic bias. The idea that organisations and their way of functioning can be understood based on the same principles as those of biological organisms is unfortunate. The second cause is the use of human metaphors. The metaphors of "organisation as organism" and "organisation as brain" have led to the idea of an organisation being a human. What was originally meant to be "organisations *as if* they are human", rapidly turned into "organisations are human". The third cause has to do with the problem of levels of analysis – a problem not yet solved in the social sciences. Writers on organisations need to acknowledge that statements relevant at the individual level are not valid at the group and organisational levels.

An organisation may be perceived in many ways, including by the use of metaphors and by studying it from different perspectives. Organisations may be understood and interpreted in different ways. Several meanings can be attributed to organisations. The understanding of organisations is socially constructed. No matter how organisations are understood, perceived, interpreted, constructed or deconstructed, one fact

remains: the phenomenon of organisations exists. Organisations cannot be established, abolished, repealed, nullified or dissolved by intellectual exercises. Private enterprises and public agencies are social phenomena and legal entities.

When stating that an organisation is "mature", one implies that birth, maturity, and death apply to organisations. Birth, maturity, and death, however, do not apply. Organisations are not natural phenomena but contrived. They are something that man has made. Organisations are established as a possible solution to human problems. They do not emerge by themselves. Organisations are established because certain people have decided so and they cease to operate for the same reason. An organisation is just that – an organisation (Andersen, 2008).

4. PITFALL 3: ORGANISATIONAL MEMBER

The term "organisational member" is found in the classical writings on organisation and administration. Barnard (1938: 163), for instance, used the terms "contributor to or 'member' of the organisation", but always with member in quotation marks. However, the term *member* is Simon's. Already in the introductory chapter, Simon ([1947] 1957: xii) uses the term "member" when writing " .... and link together the component choice processes of their members". Likert (1961) and Katz and Kahn (1966) also used the term "member" frequently.

Contemporary writers on organisation appear to use the term member more often than the classical ones. Here is one example. Hatch (2006: 104): "In the past, many managers believed that every member of the organisation should report to only one person so that each member has one clear path through the

hierarchy stretching from themselves to their boss …".

One exception is Robbins and Judge (2009) who consequently use the terms "manager" and "employee". Another exception is Jackson and Carter (2007) who consistently and consciously use the terms "manager" and "worker".

According to Abrahamsson (1993), the conceptualisation of the word "member" is problematic in that the formal aspects of membership are not separated from the informal ones. The fact that the individual has a contractual relationship with the company, that is, they are an employee, tends to be associated with the assumption that they are also a member who is in general agreement with the organisation's goals and values. Membership implies an individual actively participates and supports the organisation in which he or she is working. However, formal employment (objective membership) must be distinguished from the degree of support and positive sentiments given to the organisation (subjective membership).

The problem one meets when using the term "member" is well illustrated when organisations are classified according to the prime beneficiary, as done by Blau and Scott (1962). According to these scholars, the prime beneficiaries of business enterprises are the owners, while for service organisations like hospitals and schools, the prime beneficiaries are the clients and students. Associations have members. For mutual-benefit associations, like trade unions, the members of the organisations are the prime beneficiaries. Jaques (1976) contrasted bureaucracy with association. An association is a type of organisation in which no individual member has the authority to instruct any other member to do anything, nor can he be held individually accountable for the

activities of any other member (ibid.: 90). Membership of associations, such as co-operative societies and trade unions, is obtained by application and acceptance, in contrast to membership of a company which is simply achieved by buying shares in it. Consequently, employees, whether they are managers or not, are not members of a company unless they also possess shares in the same company.

Scott (2003) uses the terms "participants" and "social actors". He is very careful when using these terms. He (ibid.: 21) writes: "For example, a single individual may simultaneously be an employee of an industrial firm, a member of a union, church member …". The crucial point here is that a member of an organisation has organised himself or herself with other individuals and they are also the owners (mandators) of the organisations. The general assembly of these organisations, where members of the association take part and vote, is where only the members can participate and decide the goals and strategies of their own organisations. In private and public organisations the employees are not members. They have not organised themselves, they are not the owners, and they do not decide the goals and strategies of the organisations. The owners of private organisations, however, have organised the employees (usually through the managers).

The term "member" is deeply misleading as it gives us the impression that employees in a private or public organisation have organised their work or that the employees have organised themselves. Blau and Scott (1962: 1) put this right by stating that "in all organisations a number of men have become organised into a social unit that has been established for the explicit purpose of achieving certain goals". Abrahamsson (1993: 127)

strengthened this argument by stating that "there are reasons to be sceptical about the term *member* when it is used by organisational writers". This word often serves to conceal the fact that organisations are structures that have been deliberately constructed to meet the purposes of some major interest group or class (ibid.). In reality, it is the owner and managers who have organised the employees. It is worthwhile to note that this fact is evident in Simon's own writings, for example, "The organization divides work among its members" (1957: 102).

We are not members of a private company or a public agency. We are employees, regardless of whether we are in managerial or subordinate positions. It is only in associations like voluntary organisations that we can be members and even employees.

5. PITFALL 4: FLAT ORGANISATIONS

Hatch (2006: 104) states: "Today, dual reporting relationships are more acceptable. Likewise, lateral (i.e., non-hierarchical or network) connections are recognised for the increasingly important part they play in integrating an organization's diverse activities and promoting flexibility of responses to environmental pressures".

A universal characteristic of organisations is that work and authority are unequally distributed; that is, they have structures. The division of work is a natural and logical consequence of people working together, according to Gulick (1937). The division of work is an observable, objective fact, and the reason behind the establishment of organisations. When work is divided among employees, the need for coordination emerges immediately. Gulick (ibid.) argues that since the division of work is inevitable, coordination is necessary.

How to achieve coordination and by whom and with what means must therefore be solved, either informally or formally. Formally, the solution involves the allotting to a limited and specific number of employees the responsibility and authority to coordinate operations within an organisation etc., and this leads to the emergence of a division of authority in the organisation. When the division of work has been completed and the authority to coordinate other employees' work is in place, a structure emerges (i.e., a division of work and a division of authority) in the organisation (Gulick, 1937).

Blake and Mouton (1985) point out that several characteristics of organisations are constant. They are present regardless of the type of work: purpose(s), people, power (hierarchy), and organisational culture (ibid.: 8f). Power is one of the organisational universals because some individuals are *supervisors* and others are *supervised*. Further, some supervisors have more power than others. This is the hierarchy of rank. Blake and Mouton (1985: 9) then add: "The process of achieving organisational purpose (the first universal) through the efforts of people (the second universal) results in some people attaining authority to set direction and coordinate effort; that is, to exercise the responsibility for the activities of others".

Organisational structure implies that there are always individuals who are superior to others because they have more authority and responsibility. Here lies the blessing of the structure, for this model has an inherent mechanism of problem-solving. When disagreement and conflict occur between individuals or representatives of different departments, the decisions by the individuals on the next, higher level solve these problems.

When formal authority is introduced into an organisation, it becomes hierarchical.

We cannot find any organisation in which all individuals have an equal degree of responsibility and authority. This is theoretically and practically impossible and would imply that the organisation is without a structure; viz., the organisation is flat. A flat organisation would only have one level, that is, it would be without a structure. Flat organisations have never been found, do not exist and will never be found. There are no flat organisations.

6. PITFALL 5: HIERARCHY AND BUREAUCRACY

Senior and Swailes (2010: 74) write: "One of the best-known forms of organization structure is the bureaucratic form ...". The phrase "hierarchical organisation" is a pleonasm. All organisations are hierarchical. The term "bureaucratic organisation" is a misunderstanding of Weber's theory. Weber's writings on bureaucracy (Weber, 1947) have been given two completely different interpretations. In the North American literature on organisation, we quite often find that Weber's bureaucracy is a concept of structure (cf. Mintzberg, 1979). The other interpretation is given by, for instance, Abrahamsson (1993). He claims Weber's writings on bureaucracy deal with the way in which a special kind of organisation functioned. Bureaucracy is regarded as a functional concept. A closer look at this issue is therefore required.

The concept of bureaucracy may be the most prominent example of the confusion between form and function in organisation literature. Weber's method employs ideal types, of which the ideal type of bureaucracy is perhaps his most well-known. Weber's

description of bureaucracy as the "purest type of exercise of legal authority" is shown below (Weber, 1947: 220-221):

a) They are all personally free and subject to authority only with respect to their impersonal official obligations.

b) They are organized in a clearly defined hierarchy of offices.

c) Each office has a clearly defined sphere of competence in the legal sense.

d) The office is filled by a free contractual relationship. Thus, in principle, there is free selection.

e) Candidates are selected on the basis of technical qualifications. In the most rational sense [....]. They are *appointed*, not elected.

f) They are remunerated by fixed salaries in money, for the [....].

g) The office is treated as a sole, or at least the primary, occupation of the incumbent.

h) It constitutes a career. There is a system of 'promotion' according to seniority or to achievement, or both. Promotion is dependent on the judgment of superiors.

i) The official works entirely separated from ownership of the means of administration and without appropriation of this position.

j) He is subject to strict and systematic discipline and control in the conduct of the office.

It is this description of bureaucracy by using the ideal-type method – and its structural character – which has misled many to regard Weber's discussion on bureaucracy as primarily a matter of organisational design and structure (Abrahamsson, 1993). But that is not the case.

The ideal bureaucracy type is actually nothing more than an instrument for the investigation of how bureaucracy in different countries and cultures *functions* (ibid.).

The examination of these ten criteria makes it evident that they all are expressed in static terms. By comparing any given organisation with the ideal type, we can assess to what degree a particular organisation is bureaucratic *by form*. In one particular organisation candidates are not selected according to technical qualifications (item 5). Promotion is not according to seniority or achievement, but by the judgement of the owner based on other criteria (item 8). Employees are not subject to strict and systematic discipline and control (item 10). That particular organisation has, according to Weber, a less bureaucratic form. The ideal type is only an instrument for studying the functioning of organisations.

Bureaucracy is a functional concept. Much of the misunderstanding is rooted in an erroneous interpretation of Weber's (1947) writing on bureaucracy. Weber (1947) was not an organisational theoretician in the pragmatic, business-economics sense of the word that modern management literature often seems to indicate. His ideal type of bureaucracy has been perceived to be a tribute to the effectiveness of the bureaucratic form of rule. Nothing could be more wrong, Abrahamsson (1993) claims. Weber was not interested in what makes organisations effective. Rather, his concern was the principles that made authority (or domination) in a modern society legitimate. The purpose of Weber's investigation of bureaucracy was to demonstrate the negative effects that the increasing spread of legal-administrative methods of organising was having on society (Mommsen, 1974; 1980). Mommsen (1980) showed that Weber's main research interest was in the analysis of

bureaucratisation (i.e., the general spread of formal authority) and not in the narrow organisational or sociological analysis of bureaucracy as a specific administrative form. Put differently, Weber's aim was to demonstrate the historical process of bureaucratisation.

Bureaucracy for Weber is first and foremost a concept of function (Abrahamsson, 1993). The study of bureaucracy is important not only to arrive at a description of its administrative structure, but primarily to address the effects bureaucratically functioning organisations have on modern humanity and on our social climate. Weber's main interest was the problems that arise from the bureaucratisation of society. To assess the degree of bureaucratisation, Weber devised the method of ideal types. The more organisations in a society with the bureaucratic form (according to the ideal type), the more bureaucratised that society is.

Bureaucracy has to do with the illegitimate exercise of power by the executive of the organisation as a process, that is to say, the tendency for the work of the executive to depart from the interests and goals of the rightful mandator (owner, founder, members or electorate). Weber believed the important issue was how the legitimate mandators (the citizens) can retain their control over the administration of public institutions in society (Abrahamsson, 1993).

Weber did not develop the concept of bureaucracy in order to establish a science of organisations. His ambition was not to analyse the internal structure of particular organisations. The ideal type of bureaucracy was developed to facilitate comparisons across geographical areas and historical periods.

The conclusion drawn here is that Weber's main concern was the bureaucratisation process in society and its negative effects as he saw them. However, bureaucracy is also an organisation model as described by the ideal type. A consequence of this conclusion is that organisations that are bureaucratic by form do not necessarily function that way. A strong hierarchical form may entail the lesser or greater participation of employees or members and may function in a more or less bureaucratic way. Conversely, an organisation which looks less hierarchical may exhibit extensive bureaucratic practices.

The difference between hierarchies and bureaucracies can now be clarified. Hierarchy exists in all organisations because they all have a certain division of work and a division of authority. Bureaucracies are hierarchical organisations that conform imperfectly to the characteristics described by Weber (1947). Denoting an organisation which has many departments, several levels, and a high degree of formalisation as bureaucracy simply reveals theoretical shortcomings.

All organisations are hierarchical. Hierarchy is an expression of the inner logic of the organisation. All organisations have been, are at present and will always be hierarchical as a given division of work and authority is found in all organisations. Hierarchy is not the same as bureaucracy. All organisations are hierarchies, but not all organisations are bureaucracies. Bureaucracy is primarily a term to describe the way in which organisations function. There is no reason to search for non-hierarchical design alternatives since there are none to be found (Andersen, 2002).

7. PITFALL 6: LEADERSHIP EXPLAINS ORGANISATIONAL EFFECTIVENESS.

The claim that leaders or managers are the prime reason for effective and profitable organisations is often found in organisation

literature. This claim is most doubtful considering the 100 years of empirical research.

Researchers have followed three different approaches when testing the relationship between leadership and organisational effectiveness: (1) leader-succession studies; (2) leader-contribution studies; and (3) instrumental theories.

Leader-succession studies show that managerial change has little impact on team performance. In general, these studies support a sceptical view of the significance of organisational leaders (Thomas, 1993). Hogan et al. (1994: 494) claim the fact that "some coaches can move from team to team transforming losers into winners is, for most people, evidence that leadership matters". This statement does not concur with scientific evidence. Grusky (1963) examined the frequency of succession of managers of baseball teams and found that teams that changed managers more frequently tended to occupy lower positions. Gamson and Scotch (1964) found that managerial change had little impact on team performance. Eitzen and Yetman (1972) studied the impact of new team coaches in basketball and concluded that their performance could not be attributed to team-coach successions.

Allen et al. (1979) found that changing managers only had a slight impact on baseball team performance. Brown (1982) reached the same conclusion after studying football teams in the USA. In their study of basketball teams, Fizel and D'Itri (1999) found that winning, not efficiency, was the key criterion used in determining managerial retention. When managers of losing teams were dismissed, the teams tended to do even worse. In the world of business, there is very little evidence that changes in the top management of companies affect in important ways the magnitude of such

traditional performance measures as sales, income and rates of return (Samuelson et al., 1985).

Studies of how much of an impact leaders have in comparison with other factors, namely, leader-contribution studies, can also shed light on this controversy. Thomas (1993) pointed out that such studies indicate that each of the performance measures was very heavily influenced by environmental conditions and hardly influenced by leadership. Jaffee (2001) suggests that organisational effectiveness is more likely to be influenced by organisational structure and environmental characteristics.

If effectiveness has to do with achieving a given goal and obtaining results in relation to something else, then it follows that actions or activities are preconditions. In order to achieve a given goal, actions have to take place first. It is first and foremost the *instrumental theories* which may give us answers to the question of whether leadership causes organisational effectiveness or not. One group of theories holds that certain forms of leadership are the direct cause of organisational effectiveness (universal theories). The other group of theories includes an intermediate variable between leadership and effectiveness (contingency theories). What insights have the instrumental theories given us? For more than 35 years Blake and Mouton (1964) claimed there is a single best style of leadership ("9, 9", team management).

Fiedler (1967) is the prime advocate of the contingency model which contends that leadership behaviour must adjust to the situation in order to generate organisational effectiveness. Almost 40 years of research based on this model has shown its shortcomings. The contingency theories have been unable to pinpoint the successful combinations of leader behaviour and

leadership situation. Indeed, some investigations have given no support for the contingency model (e.g., Andersen, 1994). Jaffee (2001: 86) states that "a big question remains: Is there any evidence for a systematic relationship between leadership style and organisational performance?" The claim by Hogan et al. (1994: 493) that "there is a causal and definitional link between leadership and team performance" is contradicted by Yukl (2002). He concludes that, "several thousand empirical studies have been conducted on leadership effectiveness, but many of the results are inconsistent and inconclusive" (ibid.: 423).

The relationship between leaders' behaviour and the consequences of their behaviour on the efficiency, performance and effectiveness of organisations are still the most important and challenging tasks according to most researchers. The question "what makes a manager effective" remains largely unanswered, despite numerous studies (Vinkenburg et al., 2001: 211). We still do not know for sure if, and to what degree, managers affect the outcome of organisations. We do not know what leadership factors enhance organisational effectiveness. What we do know is this: leadership is not unimportant, but leadership appears to have far less impact on organisational effectiveness than is commonly claimed in organisation literature (Andersen, 2006).

8. PITFALL 7: ORGANISATIONS HAVE NO OWNERS

One may look in vain through many textbooks on organisation to find the term "owner" in the subject index. "Owner", "owners" or "ownership" is not listed at all in these randomly selected textbooks: Senior and

Swailes (2010), Hatch (2006), Jones (1993), and Robbins and Judge (2009). Jackson and Carter (2007) listed the phrase "ownership rights", but it does not relate to the issue at hand here.

However, organisations are contrived and established by human beings as a means to achieve specific goals decided by the founders. The owner or owners decide the goals and strategies. They have the final say on all decisions to be made, not the managers. The absence of owners in the literature may be due to the open-system theory and its stakeholder model, which has pushed the owner to the periphery. Exceptions to the unfortunate fact are the principal-agent theory and the corporate-governance theory. However, the fact remains that all organisations have owners.

9. IMPLICATIONS FOR THEORY AND MANAGERS

In order to avoid the pitfalls highlighted in this article, it is suggested that writers focusing on organisations recognise that organisations are based on the goals decided by the owners. Further, organisational literature needs to be free from anthropomorphic descriptions of organisations. The term "organisational member" ought to be reserved for associations and voluntary organisations. It is equally incorrect to claim that organisations or organisation structures are or can be flat. In addition, writers concentrating on organisations need to be careful when dealing with the concepts of hierarchy and bureaucracy as they are not comparable. Since more than 100 years of research has failed to prove that leadership explains effectiveness in organisations, this statement needs to be avoided. Finally, the organisational literature is bereft of references to the fact that all organisations have owners. The fact stubbornly

remains: all organisations are contrived and established by individual human beings, that is, the owners, as a means of achieving their goals.

Regarding *"Organisations are based on common goals"* managers are advised not to express the view that the organisations they are in charge of are based on common goals. It would be more advantageous to seek the subordinates' understanding and acceptance of the goals formulated by the owner. Most likely, the subordinates will perform better when they understand and accept the goals of the company or public agency in which they work.

It is not evident that the notion "Organisations are (like) humans" has any direct implication for managers. However, statements like "we have a healthy organisation, our organisation is creative" or "our organisation has learned a lot" are to be avoided.

In reference to "Flat organisation", it is worthwhile stressing that this term will probably create confusion amongst colleagues and subordinates. No organisation has a flat structure and therefore terms like "flatter organisation, few level organisation" are to be preferred. In some organisations it may sometimes be necessary to remind the subordinates that some people have more responsibility and therefore more authority than others.

Regarding "Hierarchy and bureaucracy" the main point is that all organisations are hierarchical and no alternative to this organisational form is available. Sometimes it may be useful to remind the subordinates that the hierarchical model has an inbuilt blessing. It has a problem-solving mechanism.

With regard to "Leadership explains organisational effectiveness", it is imperative that managers themselves do not think so.

Managers who believe they are the main reason for successful operations behave in detrimental ways. Some try to save the organisation singlehandedly and act like John Wayne. The subordinates witness this in a shock-like state and become passive. Other managers find this as a tremendous burden and work excessive hours and do not take holidays or time off from work. It is useful to keep in mind that some 90% of the workforce consists of non-managers. All of their work clearly has a significant impact on the effectiveness of their organisations.

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