

Book Review

Organization Theory and the Public Sector: Instrument, Culture and Myth By Tom Christensen, Per Laegreid, Paul G. Roness, Kjell Arne Rovic

Umm-e-Farwa Mubasher¹

Umm-e-farwa.ias@pu.edu.pk

Prof. Dr. Nasira Jabeen²

Director.ias@pu.edu.pk

Public sector organizations are imperative for societies across the globe. They are primarily different from private sector organizations in terms of philosophy, core values, goals, leadership, effects, outcomes and reform. The scope of public sector activity is also fundamentally different to that of private sector. Public sector organizations are multi-functional, political, more influenced to external as well as internal pressures, legislation and governmental regulations. They are inherently more complex and bureaucratic nature. The study of organization theory, in the mainstream of public administration, tends to be approached as a necessary response to

¹ Lecturer, PhD Scholar Institute of Administrative Science, University of the Punjab, Lahore

² Dean Faculty of Economics and Management sciences, Director Institute of Administrative Science, University of the Punjab, Lahore

ongoing changes and reforms introduced world over. Organization theories provide explanations and predictability of the social phenomenon occurring in the organizations. Much of the literature on organization theories focuses on the need for creation of diverse organizational theories in order to respond to changes which are diverse in cause and context.

Keeping in view the above requirement, this book is devoted to exploring the classical economic analysis of ubiquitous public sector organizations through recently introduced instrumental and institutional perspective with democratic-political approach to the decision making or public policy making. The basic difference of these standpoints is: “*instrumental perspective views public sector organizations as apparatuses for leaders*”, while “*institutional perspective acknowledges that organizations possess their particular culture, values and norms which employ a sovereign effect on decision-making*”. Henceforth, the organizations do not only acclimatize to following the commands of leaders.

The book consists of nine chapters. First chapter sheds light on the difference among the public and private sector organizations. Moreover it sets the grounds while introducing the instrumental and institutional perspective under the umbrella of organization theory. Chapter 2, 3 and 4 further explain the instrumental and institutional perspective. Rest of the chapters discusses the leadership and steering, goals and values, reform and changes and effects and implications with reference to these two perspectives. The book clinches with the understanding and design.

The first chapter offers a rich understanding of the variances between public and private sector organizations. The chapter presents the multifunctional aspects, context and scope of public sector organizations and concludes that public sector organizations are complex, bureaucratic, have politically elected leadership, prone to internal and external influences and commonly do not function in an exterior marketplace and open competition.

Second chapter explains the “*Instrumental Perspective*” – includes the two of hierarchically based (the rational calculations and the control of leader in the situations are significant elements) and negotiation-based alternatives (the actors having the conflicting goals are permitted for the conciliations, expression of interests, and cooperation). The formal organizational structure and the manipulation of this structure can cause the instrumentally

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rational actions. The choice of organizational system is contingent on the type of technical environment.

Chapter three explains the “*Cultural Perspective*” (where the key conception is that the institutionalized organizations have footings in a distinctive internal organizational culture and customs) under the domain of institutional perspective. This chapter enriches the understanding of readers on key factors of a cultural perspective. The principal components of organizational culture have been discussed in the context of public sector organizations. These include; the logic of appropriateness, informal norms and values, path dependency, integrative processes, critical decisions. The chapter concludes that the development of cultural norms and values is a gradual process. This is done from side to side via adaptation to internal and external pressures. This is also swayed by the acute choices leaders opt for. Logic of appropriateness rules in the public sector and individuals turn as per to norms and values and what is considered as appropriate.

Chapter four explains “*A Myth Perspective*” (the notion of institutionalized environments is embraced, and the ultimate emphasis is on the importance of norms and values prevailing in an administration’s milieu) and shed light on the key features of a myth standpoint. It pinpoints the key features of prevalent organizational recipes (myths). Their ingredients, formation, and wrapping, spreading, adaptation by some prevalent organizations, and their effects on the functioning of public organizations have been discussed. The chapter concludes when the public sector organizations officially accept the prevalent myths (recipes), this can have numerous consequences i.e. decoupling, quick coupling and refusal/rejection etc.

Chapter five offers a strong thoughtfulness of how “*Goals and Values*” are well-defined and in what way they grow and what inferences they may have in public sector organizations with reference to “Instrumental, Cultural and Myth Perspectives”. The concept of Management by Objectives with the special focus on its implementation in public organizations has been elucidated. The chapter concludes that goals and values are frequently multifaceted and abstruse in public sector organizations, and current reforms such as “NPM” attempt to classify them indistinct and instrumental.

Chapter six explicates the concepts of “*Leadership and Steering*” with reference to the three of instrumental, cultural and myth perspectives. The concepts of Leadership and Steering in public sector organizations embrace the multidimensional consolidation of instrumental elements

(steering instruments), cultural elements (integration and interaction), and symbolic elements (myths). The chapter concludes that the fundamental title roles in public sector organizations; including both political and administrative are contingent to variation with respect to contextual elements. These contextual elements are both internal and external.

Chapter seven discusses the “*Reform and Change*” in the public sector organizations in connection with institutional, cultural and myth perspectives. Reform programs and initiatives have been analyzed while utilizing these perspectives. The chapter concludes that the concepts of reform and change differ in the context of public sector organizations. The difference of degree of connection and form among reform and change differs from one theoretical perspective to another.

Chapter eight briefly explains the “*Effects and Implications*” of public sector reforms i.e. what can be the possible tasks are done in order to measure the outcomes of reforms in public sector organizations. The chapter concludes with the discussion of the effects of “New Public Management” (NPM).

Chapter nine is the last chapter of the book titled as “*Understanding and Design*”. It provides a rich understanding of how the diverse perspectives correlate and conjointly affect each other. The chapter concludes with the standpoint of how to understand the establishment, sustainability and alteration in public sector organizations, it is inadequate to recourse to a one perspective elucidation or a solitary factor. For this, a transformative approach is needed. A transformative approach is the consideration of interconnection of varied elements of influence related to a change or reform. The importance of context cannot be denied in the understanding how public sector organizations work, how they change and how reform processes should be structured.

The effort (Organization Theory and the Public Sector: Instrument, Culture and Myth) is a productive source of both theory and practice with contextual illustrations of actual analysis of the implications of the new instrumental and institutional perspective for public administration field. The authors seem to be pursuing the convergence as well as divergence approach while elucidating the contextual illustrations from empirical studies of the operational mode of representative public organizations and actual administrative reforms (i.e. NPM). Logical coherence is also evidently exposed through presenting the local examples of various countries and emphasizing the need for careful adaptation of reforms in line with the specific cultural

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context of countries. However, the reading remains partial and prescriptive due to its focus on developed countries context while not including the developing countries context in the analysis. The book is reader friendly besides offering insightful learning for organization theory for public sector. Being the first of its kind the publication has the potential to be used as a text book for all students of organizational theory and public administration to understand and explain the phenomenon of public sector reforms in specific countries contexts.

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