Sturing in organisaties: Een empirisch onderzoek naar de relatie tussen sturing en succes in 52 bedrijven

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Summary

The question of how an organisation can best be designed to succeed in pursuing the defined goals, is a significant one in management and organisation literature. Formal structure is important, but the way in which the behaviour of organisational members is organised and controlled can also influence the achievement of the desired goals.

Different forms of organisational control can be distinguished. The management of an organisation has to make a choice between distinct forms of organisational control. This choice is a significant one, because it may effect the efficiency and effectiveness of an organisation and the well-being of the members of an organisation. The options a management has, however, are limited. The success of a form of organisational control depends on the nature of the environment to which an organisation relates, the specific goals an organisation wants to achieve and the preferences of the members of the organisation.

In this research, different forms of organisational control and their relation to success, are compared. The purpose of the research is to obtain a greater insight in the concept of organisational control as well as in elements that are related to this concept and that influence organisational control, or its relation to the success of the organisation. Given this purpose, we will try to answer the following three research questions:

1. What is the most successful form of organisational control in the organisations that are included in this research, given the nature of the environment they operate in?
2. Do different forms of organisational control generate different forms of success?
3. Is there a difference between the form of organisational control that is most successful and the form of organisational control that is most appreciated by the employees of the organisation?

The concept of organisational control and its relation to success is a topic that is covered by a number of theoretical approaches. A few of them are discussed in the second chapter of this thesis. The research questions are derived from this discussion.

To answer the research questions some central concepts have to be measured. The methods used to measure these concepts are discussed in chapter three. The statistical tests on these measures and the statistical analysis on the data, are described in chapter five.

The concept of organisational control is central in this research. It is complex and contains a number of dimensions. Here, organisational control is defined as:

- the way in which management makes clear to members of an organisation what is expected of them,
- the means management uses to make clear these expectations and
- the way they see to it that members accomplish these expectations.

Besides information on organisational control, we gathered information on effectiveness of individuals (customers' satisfaction with the performance of employees) and group performance (customers' satisfaction with items that are influenced by group performance). In 11 of the 52 organisations, we gathered information on financial results (organisational performance). In all organisations, management was asked to evaluate organisational performance and give their own organisation a grade on a scale from one to ten. In this
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Some aspects of the 'well-being' of employees are examined through what we call 'social output measures'. We used interviews with management to examine the characteristics of the environment of the units and organisations. Two characteristics were measured: complexity and stability.

The data for this research were collected in 52 companies in the electrotechnical branch in The Netherlands. Characteristic features of these companies are described in chapter four of this thesis. To be able to compare the different companies, we selected companies with almost identical activities. All companies repair or install electrotechnical equipment, ranging from telecommunication equipment to complicated electronical data communication networks. We chose to give the questionnaires to the service technicians, because even if they work in different companies, their tasks are more homogeneous than the tasks of other employees.

In the first part of this research (chapter seven) we examine the relation between dimensions of organisational control and the effectiveness of organisations. In the second part (chapter eight), our approach is more 'holistic'. We distinguish four forms of organisational control; a plain form of organisational control, a social form of organisational control, a flexible form of organisational control and a social-flexible form of organisational control, and examine if one of these forms generates more effectiveness or employee satisfaction than other forms. The results of the second analysis are supported by the results of the first analysis.

Results

Based on the classical contingency theory one would expect that, in a complex and unstable environment, a flexible or social-flexible form of organisational control generates more effectiveness than other forms of organisational control and therefore these forms of organisational control would be more common in this type of environment. In a stable and simple environment one would expect the plain form of organisational control to generate the most effectiveness and to be more common. The results show that this is not quite the case in the sample of organisations examined for this research.

In an unstable environment the flexible form of organisational control generates the most effectiveness. The plain form of organisational control is the most common in this type of environment.

In a stable and simple environment the most effective form of organisational control is the social form of organisational control. This form of control and the social-flexible form of control are also the most common forms in this type of environment.

The results of this research also show that in the sample of organisations examined, a plain form of organisational control is most successful and most common in a complex environment.

As is stated above, research also shows that different forms of organisational control can be successful in different ways. This assumption is supported by the results of this research. The social form of organisational control generates high scores on the variable 'group performance' but low scores on the variable 'individual effectiveness'. The plain form of organisational control on the other hand generates high scores on the variable 'individual effectiveness' and low scores on the variable 'group performance'. The focus of the social
form of organisational control is on group performance, individual performances are made less visible, this might explain the results.

The social form of organisational control also generates the highest scores on the 'social output measures'. The results show that this form of organisational control is most appreciated by employees. That means that the form of organisational control that is most appreciated by employees is not the one that generates the highest score on the variable individual effectiveness. So there is a difference between the form of organisational control that is most appreciated by employees and the form of organisational control that is most successful, but only if you define success as individual effectiveness.

Discussion

The assumption that different forms of organisational control can be successful in different ways is supported by the results of this research. Part of the assumptions of the contingency theory is also supported by this research. An organisation is successful if the form of organisational control is congruent with some contingencies facing it.

A flexible form of organisational control generates the most effectiveness in an unstable environment. The fact that the flexible form of organisational control is not the most common in this type of environment can be explained by the fact that maybe the environmental conditions have changed and the form of organisational control has yet to follow.

The assumption that a plain form of organisational control is successful in a stable and simple environment is not supported by the results of this research. Mintzberg however, states in a summary of results of studies in the contingency tradition, that the fact that an organic type of organisational control is most successful in a complex and unstable environment, does not necessary mean that a mechanical type of organisational control is most successful in a simple and stable environment. A mechanical type of organisational control can be successful in a simple and stable environment, but other forms of organisational control can, for different reasons, also be successful in this type of environment. A social form of organisational control may be successful for other reasons than the fit with the nature of the environment of the organisation.

The result that, in the sample of organisations examined, a plain form of organisational control is most successful and most common in a complex environment does not support the assumptions of classical contingency theory, nor can it be explained by Mintzbergs assumptions. This result does however support some research into the effectiveness of different forms of leadership in different types of environments. House and Mitchell (1983) for example, show that consideration leadership can motivate employees best in simple environments while initiating leadership alleviates the ambiguity and stress for employees in a complex environment and is therefore more successful. Maybe leadership theory provides a better explanation for some of the results than the contingency theory.

Different forms of organisational control can be distinguished and the management of an organisation has to make a choice between distinct forms of organisational control. The results of this research show that, when making this choice, management has to consider the nature of the environment, especially when an organisation operates in an unstable environment. She also has to consider the fact that different forms of control generate different forms of success, and that the form of organisational control that generates the most success is not always the form of organisational control that is most appreciated by employees.