Introduction: Managing Modernity: Beyond Bureaucracy?

MARTIN HARRIS, STEWART CLEGG, AND HARRO HÖPFL

Bureaucracy has long been seen as a cornerstone of the advanced industrial societies, and even as constitutive of modernity itself. Yet, one of the most striking features of contemporary debate is that this hitherto dominant form has been dismissed as outmoded by commentators of virtually all persuasions. Whilst 'post-bureaucratic' has become one of the most widely used terms to describe a new and emergent organizational type, other coinages employed in the same sense include 'the boundaryless corporation', 'the virtual organization', and the 'network enterprise'. A recurrent theme is the belief that we are seeing an historical 'end' to the era of large complex organizations (Davidow and Malone 1992; Dent 1995; Miles et al. 1997; Heckscher 1991, 1994; Heckscher and Applegate 1994; Kofman and Senge 1993; Child and McGrath 2001). Thus, as Reed has argued:

> ... a neo-liberal management theorist such as Bennis, a neo-liberalist economist such as Schumpeter, a social democrat such as Schumacher, a neo-corporatist such as Elias a technological determinist such as Bell or Castells and a theorist of radical participatory democracy such as Illich can all agree that the underlying currents of history will eventually, make bureaucracy an obsolete form of administrative power and organization. (Reed 2005: 115–16)

The critiques noted by Reed are as old as modern bureaucracy itself. They also resonate strongly with a *Zeitgeist* whose acute sense of historical discontinuity came to define the closing decades of the twentieth century. During these years, the social sciences were permeated by a 'discourse of endings', premised in large part on the belief that the age of high modernity had given way to 'late' or 'post'-modernity. This *fin de siècle* mood manifested itself in a variety of different ways. The sense that the advanced industrial societies had reached an historic 'ending' was germane to Claus Offe's thesis of 'disorganized capitalism' (Offe 1985), and the master theme of discontinuity was reflected in the work of those who rejected the rationalist 'control' model o

organization (Cooper and Burrell 1988; Clegg 1990). An even more momen-
tous 'ending' derived from the perceived decline of the welfare state, disen-
chantment with heavily bureaucratized public sector organizations, and the
rise of 'the new public management' (Hood 1998; Greenwood et al. 2002).
The increasing power and ubiquity of information technology added to the
growing sense that bureaucracy was being undermined in the emergent
'network society' (Castells 2000). Recent debate on the post-bureaucratic
organization suggests, however, that this tale of 'endings' has not gone
unchallenged. Research in this field points to a rather more nuanced view
of bureaucracy and its contemporary relevance. Whilst large complex orga-
nizations have become increasingly heterodox, what has emerged is not the
'end' of bureaucracy, but a more complex and differentiated set of post-
bureaucratic (or neo-bureaucratic) possibilities that have had the effect of
undermining some distinctions previously deemed incontestable (e.g. market
versus hierarchy; centralization versus decentralization; public versus private
sectors). Whilst there can be little doubt that real and significant change is
underway, changes in the bureaucratic form cannot be characterized as a
straightforward trajectory of historical decline, still less a necessary one. On
the contrary, the market reforms of the 1980s and 1990s were quickly followed
by a proliferation of regulatory controls, and recent years have seen the return
of the state as a central actor in the economic management of the advanced
industrial societies. The social and cultural purposes of many public sector
bodies have, meanwhile, been expanded rather than contracted, precisely
because these societies have become more complex and diverse.

This volume gathers together scholarly contributions from academics
working across a range of disciplines including political science, sociology,
management studies, and organizational theory. Some chapters are centred
on the issues of power, legitimacy, and historical embeddedness in contem-
porary bureaucracies. Others focus on organizational hybridity, professional
identity, and new forms of 'soft domination'. The overall picture is one of
paradox and contradiction: new hybrid forms promise new forms of social
action and new conceptualizations of control (Ackoff 1994), but these new
forms may also create new forms of 'centralized decentralisation' (Hill et al.
2000; Alvesson and Thompson 2005). Whilst the current preoccupation with
'networked' organizational forms seems to suggest a much more diverse and
open future for the bureaucratic form, some of the research presented here
suggests a much more perplexing view of those organizations (in both public
and private sectors) whose core operations have been 'hollowed out' and
fragmented by outsourcing and quasi-privatization.

As noted above, the last two decades have been dominated by an intellectual
climate that has emphasized indeterminacy, market values, and the rolling back
of the state. The neoliberal orthodoxies of the 1980s and 1990s suffered a setback
of world-historical proportions (Gray 2009) as this volume was being prepared

for publication in early 2009—yet the precipitous decline in the credibility of 'the
market' has done little or nothing to dispel the prevailing climate of uncertainty
that hangs over contemporary organizations. The chapters presented here paint
a picture of complexity and variability across a diverse range of bureaucratic
contexts. They are presented in four groupings. The first two contributions
(by du Gay and Höpfl) address some fundamental issues raised by 'the post-
bureaucratic turn' in government settings. Chapters 3, 4, and 5 (by Buchanan
and Fitzgerald, Speed, and Harris, respectively) examine the changes now
underway in the UK National Health Service, an institution that can be under-
stood as a model 'traditional' bureaucracy and as a test bed for some ostensibly
'post-bureaucratic' reforms. The three succeeding chapters (respectively by
Kallinikos, Alvesson and Karreman, and Ackroyd) show the diverse ways in
which interactivity, power, and structures of control are conditioned in funda-
mental ways by a variety of 'bureaucratic' organizational forms. Finally, the
chapters by Clegg, Reed, and Willmott draw more explicitly on social theory,
reframing the bureaucratic archetype in the light of the preceding chapters.

Bureaucracy Old and New

Bureaucracy has a long and distinguished history, not least because of its central
place in Max Weber's understanding of modernity (Weber 1978). For Weber,
bureaucracy was neither a novel nor even a distinctively European phenomenon,
but Germany's rapid development after 1871 owed much to its modern rational-
legal form. This volume examines the idea that the management of late modern
societies is now increasingly reliant on organizational forms that go 'beyond
bureaucracy'. We begin with a chapter by Paul du Gay, one of the foremost
contemporary interpreters of Max Weber and the bureaucratic archetype. Du
Gay takes issue with the tendency of contemporary organizational theory to see
Weber as a theorist of overarching rationalization. Weber was at pains to
emphasize the social embeddedness of different value systems, and his account
of bureaucracy centred not just on formal rules, but also on the idea that the
ethics of office implied a form of practical wisdom. The chapter questions the
tendency to dismiss Weber as either a celebrant of narrow instrumentalism or as
a prophet of metaphysical pathos. Both tendencies underestimate the complexi-
ty of Weber's historical account. Du Gay links contemporary debates on gover-
nance to the Weberian corpus, arguing that there has been an 'unbedding' of
public institutions and a tendency for political elites to abandon the existing
norms and machinery of government. A closely related tendency is that due
process is being usurped by an emphasis on 'delivery' and transformational
leadership. One significant casualty of this 'unbedding' of public institutions has

been the 'disinterested' public servant *sine ira et studio*, whose vocation was the impartial, impersonal, and efficient execution of official duties, independent of any political or moral 'enthusiasms'. For many contemporary critics of bureaucracy, it is precisely this ethical separation of person, office, and authority that has been seen as problematic. The search for greater control over state bureaucracies has undermined the important role played by the bureaucratic ethos—with its spirit of formalistic impersonality—in the responsible operation of a state and in the effective running of a constitution. Du Gay puts the case for bureaucratic reform based on a revived ethics of responsibility. Contemporary demands for an increased emphasis on 'responsiveness' and 'enthusiasm' on the part of political appointees and special advisors should be treated with considerable scepticism.

The chapter by Harro Höpfl examines the New Public Management (NPM) in specific relation to the question of bureaucratic accountability. NPM draws on elements of 'public choice' theory, the managerialist cult of 'excellence', and a belief that markets or quasi-markets should supplant 'bureaucracy' in public administration (Osborne and Gaebler 1992). The chapter points up the equivocal nature of the improvements promised by NPM. NPM may have created new modes of accountability, but it has done little or nothing to resolve the long-standing question of who is accountable to whom for what. The accountability of senior civil servants was traditionally framed by notions of 'ministerial responsibility' to Parliament and public, whilst the 'fourth estate' could be construed as a proxy for the public good. The internal work of departments and ministries was held to account internally, through the hierarchy of office. Today's senior civil servants are subordinate to the responsible minister, but responsibility for the implementation of policy has become much more diffuse as relations between ministers and civil servants have increasingly been mediated by the actions of *ad hoc* committees, task forces, and special advisors. Höpfl argues that these developments have produced an executive that is becoming progressively more detached from the *status quo ante* of the Westminster model. Both the old public administration and the new public management are rooted in the liberal/utilitarian tradition of institutional engineering and design. These cannot reconcile the 'operational autonomy' and expertise of bureaucratic agents with ministerial or Parliamentary control.

The Largest Civilian Bureaucracy in the World?

The British National Health Service (NHS) marked its 60th year in 2007, and we have devoted three chapters to this largest of European bureaucracies.[1] The chapter by Buchanan and Fitzgerald examines some of the organizational consequences of outsourcing, 'agentification', and continued

experimentation with quasi-markets. The chapter shows that the old archetype of professional bureaucracy and clinician governance has not been displaced by these changes. The NHS is dominated by powerful clinical disciplines that have maintained their professional autonomy in the face of the managerial controls, and recent managerial reforms have added yet another layer to what is revealed as a deeply sedimented institutional form. This has created what Buchanan and Fitzgerald call an *accessorized bureaucracy*—an organizational form that retains many of the characteristics of professional bureaucracy whilst 'accessorizing' it with the trappings (structures, processes, discourses) of modern commercial enterprise. Accessorized bureaucracy mediates between a traditional, stable, and predictable system and one that is simultaneously characterized by innovation and radical change. Legitimacy is a perennial issue for those who seek to manage this elaborate *pas de deux*.

The chapter by Ewen Speed examines the ways in which market mechanisms are conditioned by the 'soft rhetorics' of bureaucratic power advocated by Courpasson (2000). Speed shows that currently influential notions of patient choice owe little or nothing to the consumer sovereignty favoured by neoliberal economics. Patient choice is discursively constituted, and practically constrained, by the preferences of NHS clinicians. The 1983 Griffiths Report established the idea that economic management could be seen as synonymous with better clinical management, and this in turn signalled a cultural shift away from professional judgement towards measureable targets. Subsequent waves of reform further entrenched managerialist doctrines of efficiency, internal markets, and competition. New Labour policy after 1997 replaced fiscal metrics with what Speed calls a 'quality metric' whose ostensible purpose of empowering patients is underpinned by a variety of centralized controls. Speed argues that the emphasis on quality operates not only as a formal measure, but also as a mode of governance exercised on the basis of 'soft domination'. The quality and differential pricing of health-care services remains tied to the expert judgements of clinicians whose control of diagnosis and treatment remains largely unhampered by managerial controls. UK healthcare professionals are, however, also being managed according to bureaucratic controls that are all the more constraining for being softer and more 'liquid'.

The following chapter, by Martin Harris, relates case study findings on the implementation of new information technologies to questions of organizational resistance and the restructuring of the NHS. Many commentators have noted the centralizing imperatives of the *National Programme for Information Technology* (NPfIT) and the recurrent tendency to subject the 'local' shaping of these technologies to the dictates of business process reengineering. This chapter shows that the specific form taken by this huge initiative has also been influenced by broader shifts in the political economy of health care, and by

the 'networked' forms of governance now being enacted by *Connecting for Health*, the agency responsible for implementing the initiative. Moves towards networked forms of governance have resulted in a 'hollowing out' of NHS organizations—a theme that resonates strongly with post-bureaucracy and the 'politics of forgetting' (Harris and Wegg-Prosser 2007; Pollitt 2009). The chapter argues that the vision of a seamless digital future is fundamentally at odds with some long-standing questions of power and legitimacy that have dominated successive attempts to reform the NHS (Klein 2001; Webster 2002; Harrison and McDonald 2008). The broader picture is one of continued political dissension and resistance, as the values of NHS clinicians have conflicted with a new institutional logic of outsourcing and marketization.[2]

A New Hybrid Institutional Landscape?

The chapter by Jannis Kallinikos, examines new Internet-based modes of social production that blur the line between working and living, producing and consuming. Kallinikos sets great store by these developments, but questions the 'epochalist' tendency to view new production concepts in binary opposition to existing institutional and organizational forms. The chapter uncovers 'a deeper layer of relations' that transcends the stereotypical depiction of formal organizations as concentrated, monolithic, and inflexible. Seen in a wider context, the current 'informatization' of work organizations can be understood as part of a long-run cultural tendency to put the manipulation of symbols at the heart of social development.[3] The collaborative arrangements that underpin new forms of social production can also be understood as part of an institutional landscape that is fundamentally Janus-faced. The 'grand fusion' of text, sound, and vision creates a symbolically rich environment that creates new forms of communication and social experience. However it would also appear that this environment offers a medium of transactional exchange that is well suited to the creation of online value chains, interactive marketing techniques, and new forms of social codification. Kallinikos concludes that the precise character of the emerging information habitat will be determined in large part by battles over digital copyright and other impediments to the free exchange of information.

The next chapter, by Alvesson and Kärreman examines human resource management (HRM) practices in two detailed case study examples. The chapter shows that 'knowledge intensive' firms may be grounded in very different assumptions about how employee identities and structures of motivation are managed. Whereas the literature on psychological contracts has tended to focus exclusively on individual perceptions of mutual obligations, this chapter puts the case for a more robustly sociological view of identity formation and

'aspirational control' in 'high commitment' work environments. The authors develop the idea of a 'personnel concept', arguing that key elements of HRM strategy are reproduced as employees become 'normalized' and standardized in line with particular HRM practices. The chapter presents two contrasting manifestations of this concept. Management in one consultancy firm (described as a 'meritocratic technocracy') emphasized standards, rules, and procedures. In a second consultancy (described by the authors as a 'sociocracy'), technical qualifications were downplayed in favour of interpersonal skills and sociability. Here, the emphasis was on cooperation, close contact with clients, and the negotiation of shared understandings. Whilst the practices described have a strong bearing on the recruitment, motivation, and mobilization of key personnel, they are subject to a significant degree of variation. The personnel concept also appears to function as a politically 'hybrid' organizational form. HRM policies may, on one hand, facilitate cooperation and the creation of bonds that tie skilled personnel to the firm. But these policies may equally be played out in ways that contribute to conformist behaviours, thus delimiting the criteria set for recruitment, promotion, and reward. Alvesson and Kärreman put the case for further research in this field in the hope that this will encourage more ambitious and innovative employment practices.

The chapter by Stephen Ackroyd highlights the cultural embeddedness of the bureaucratic form. The chapter takes a broader historical view of the post-bureaucratic turn. Fragmentation and disaggregation, far from representing an emergent new paradigm, are revealed as long-standing and endemic features of British industrial organization. Whilst a number of large UK manufacturers emerged in the twenty-five years that followed the Second World War, the chapter shows that these firms lacked the centralized direction and unitary structures suggested by classic models of bureaucracy. UK firms may appear large when considered in aggregate, but they are frequently comprised of relatively small subsidiary companies that are governed in accordance with 'loose tight' models of management. Whilst this mode of governance confers a very substantial degree of operating autonomy on local management, culturally based constraints on the availability of capital have long inhibited the technological capabilities of UK industry. The institutional landscape of this British exceptionalism—based on radically 'disaggregated' firm structures—derives not from the exigencies of markets or functional requirements, but from the values, policies, and strategic objectives of UK managerial elites. The years since 1995 have seen the emergence of a new type of UK-based 'capital extensive' firm. These firms have ceased to operate in their original industrial sectors and now occupy strategic positions in a number of selected global supply chains. They are run by an increasingly internationalized cadre of shareholding managers who have little or no commitment to particular countries, locations, or industrial sectors.

The chapter by Stewart Clegg views the bureaucratic form through a dialectical lens, one that sees modern organizations as simultaneously

decomposing and recomposing. The theme of decomposition is redolent of extended supply chains, outsourcing, the virtual organization, and call centres. The theme of recomposition takes us into the world of new, but as yet ill-defined organizational forms. Clegg notes that the shift to outsourcing and organizational disaggregation may coexist with some very familiar politics of surveillance and control. Recomposed (or 'refurbished') bureaucracies feature a range of more innovative developments in which the central figure of the bureaucrat has been superseded by that of the project leader. Clegg suggests that the 'politics of the project' has become the arena in which the strategic interests of aspirant elites are played out, and the chapter concludes that the theoretical object of 'bureaucracy' may now be of far more limited utility than was the case in the immediate post-War period.

Manuel Castells is one of the world's foremost commentators on the social, economic, and cultural consequences of the information revolution. Castells' work on 'the network society' and the 'network enterprise' (Castells 1996, 2000) continues to provoke intense debate on the nature of the transformations now under way in the organizations of the advanced capitalist societies. In the penultimate chapter, Mike Reed takes issue with Castells' dismissal of bureaucracy as an outmoded form, arguing that the 'network enterprise' thesis has emphasized collaboration, partnership, and high-trust working relationships whilst neglecting the key issue of power. The chapter offers a critique of the changing logics of control that inhere in 'bureaucratic', 'post-bureaucratic', and 'neo-bureaucratic' modes of organization. For Reed, the political reality of corporate life is one in which a diverse range of hybridized control regimes allow power elites to devolve operational autonomy whilst retaining a streamlined and effective centralized strategic control over productive organizations. The chapter concludes that separate, but related market, hierarchy, and networked modes of control are determined not by the abstract logic of a new informational paradigm, but by the 'dynamics of domination' that inhere in the process of network formation.

The final chapter, by Hugh Willmott, offers a comprehensive rethinking of the bureaucratic archetype and its significance for late modernity. Willmott questions the technicist bias of the ongoing debate on post-bureaucracy, arguing that the most pressing dilemmas confronting late modern societies are ethical and political, rather than technical in nature. An excessive preoccupation with the 'variable geometry' ascribed to new organizational forms has obscured the ways in which the constraints of formal rationality have been tightened at precisely the historical moment when the moral and technical capacities of many public sector bureaucracies have been 'hollowed out' and disaggregated. Willmott strikingly illustrates the ways in which an erosion of the bureaucratic ethos has led to the fragmentation of community and childcare services in a UK local authority, and he also notes the alacrity with which central government sought to re-assert bureaucratic principles when the dire

consequences of this fragmentation were widely reported. Whilst we may yet see the emergence of institutions that break free of formal rationality, the chapter concludes that the exigencies of contemporary 'risk societies' demand a revitalization of the bureaucratic ethos. Willmott notes that the alternative prospect may be one of further 'descent into social division and disarray'.

☐ NOTES

1. One media critic of President Obama's healthcare reforms noted that the huge scale of the NHS bureaucracy was matched only by that of the Chinese People's Liberation Army (Hannan 2009). Some commentators have argued that the Indian railway system should be regarded as the world's largest non-military bureaucracy (Lister 2004).
2. The *National Programme for Information Technology* (NPfIT), widely reported as the largest civil IT project in history, may yet be seen as a telling example of 'network failure'. Whilst the huge scale of the programme reflects a commitment to capacity-building and infrastructural development across the NHS, the NPfIT has been adversely affected by a succession of politically contentious project overruns, 'IT failures', and data security problems. Some senior managers within the NHS were predicting the collapse of the initiative as the final version of this volume was being prepared in December 2009. Pre-budget statements issued by the Chancellor of the Exchequer indicate that large parts of the initiative deemed to be 'not essential to the front line' will be scaled back in 2010 (BBC 2009).
3. Strathern (2002) offers an authoritative account of virtuality as a reflection of 'audit culture' and formalisation. This is cognate with Robert Cooper's 'bureaucratic' conception of information technology as 'abbreviation' and 'control at a distance' (Cooper, 1992).

☐ BIBLIOGRAPHY

Ackoff, R. (1994) *The Democratic Corporation*, New York: Oxford University Press.

Alvesson, M. and Thompson, P. (2005) Bureaucracy at Work: Misunderstandings and Mixed Blessings, in P. du Gay (ed.), *The Values of Bureaucracy*, Oxford: Oxford University Press 89–114.

BBC News (2009) Troubled £12bn NHS IT system to be scaled back, http://news.bbc.co.uk/1/hi/uk_politics/8397854.stm (accessed 12 December 2009).

Child, J. and McGrath, R.G. (2001) Organizations Unfettered: Organizational Form in an Information-Intensive Economy, *Academy of Management Journal*, 44(6m): 1135–49.

Castells, M. (1996) *The Rise of the Network Society*, London: Blackwell.

—— (2000) Materials for an Exploratory Theory of the Network Society, *British Journal of Sociology*, 51(1): 5–24.

Clegg, S.R. (1990) Modern Organizations. *Organization Studies in the Post Modern World*, London: Sage.

—— Courpasson, D. and Phillips, N. (2006) *Power and Organizations*, London: Sage.

Cooper, R. (1992) Formal Organization as Representation: Remote Control, Displacement and Abbreviation, in M. Reed, and M. Hughes (eds), *Rethinking Organization: New Directions in Organizational Analysis*, London: Sage.

—— and Burrell, G, (1988) Modernism, Postmodernism and Organizational Analysis: An Introduction, *Organizational Studies*, 9(1): 1–12.

Courpasson, D. (2000) Managerial Strategies of Domination: Power in Soft Bureaucracies, *Organization Studies*, 21(1): 141–61.

Davidow, W.H. and Malone, M.S. (1992) *The Virtual Corporation*, New York: Edward Burlingame Books/Harper Business.

Dent, M. (1995) The New National Health Service: A Case of Postmodernism?, *Organizational Studies*, 16(5): 875–900.

Gray, J. (2009) *False Dawn: The Delusions of Global Capitalism*, 2nd edn, London: Granta Books.

Greenwood, J. et al. (2002) *New Public Administration in Britain*, London: Routledge.

Hannan, D. (2009) Glenn Beck: Daniel Hannan (MEP) Warns America about ObamaCare [FOX News], http://www.youtube.com/watch?v=1wcWlHTRcTE&eurl=http%3A%2F%2Fwww.dailymail.co.uk%2Fnews%2Farticle-1206264%2FBrowns-Tweet-nothings-NHS.html&feature=player_embedded (accessed on 9 October 2009).

Harris, M. and Wegg-Prosser, V. (2007) Post Bureaucracy and the Politics of Forgetting: The Management of Change at the BBC 1991–2002, *Journal of Organizational Change Management*, 20(3): 290–303.

Harrison, S. and McDonald, R. (2008) *The Politics of Healthcare in Britain*, London Sage Publications.

Heckscher, C. (1991) Can Business Beat Bureaucracy, *The American Prospect*, 2(5): 114–28.

—— (1994) Defining the Post-Bureaucratic Type, in Heckscher, C. and A. Donnelon (eds), *The Post Bureaucratic Organizational: New Perspectives on Organizational Change*, Thousand Oaks, CA: Sage.

Heckscher, C. and Applegate, L.M. (1994) Introduction, in C. Heckscher, and A. Donnelon (eds), *The Post Bureaucratic Organizational: New Perspectives on Organizational Change*, Thousand Oaks CA: Sage.

Hill, S., Martin, R. and Harris, M. (2000) Decentralisation, Integration and the Post Bureaucratic Organization: The Case of R&D, *Journal of Management Studies*, 37(4): 563–85.

Hood, C. (1998) *The Art of the State: Culture, Rhetoric and Public Management*, Oxford: Clarendon Press.

Klein, R. (2001) *The New Politics of the NHS*, 4th edn, Harlow: Pearson/Prentice Hall.

Kofman, F. and Senge, P.M. (1993) Communities of Commitment: The Heart of Learning Organizations, *Organizational Dynamics*, 22: 5–23.

Lister, S. (2004) NHS is World's Biggest Employer After Indian Rail and Chinese Army, Timesonline, 20 March 2004, http://www.timesonline.co.uk/tol/news/uk/health/article1050197.ece, (accessed 9 October 2009).

Miles, R.E., Snow, C.C., Matthews, J.A. and Coleman, H.J. (1997) Anticipating the Cellular Form, *Academy of Management Executive*, 11(4): 7–19.

Offe, C. (1985) *Disorganized Capitalism*, Oxford: Blackwell.

Osborne, D. and T. Gaebler (1992) *Reinventing Government*, Reading, MA: Addison Wesley.

Pollitt, C. (2009) Bureaucracies Remember, Post Bureaucratic Organizations Forget? *Public Administration*, 87(2): 198–218.

Reed, M. (2005) Beyond the Iron Cage? Bureaucracy and Democracy in the Knowledge Economy and Society, in du Gay (ed.), *The Values of Bureaucracy*, Oxford: Oxford University Press.

Rhodes, R.A.W. (1994) The Hollowing Out of the State, *Political Quarterly*, 65: 138–51.

Strathern, M. (2002) Abstraction and Decontextualisation: An Anthropological Comment, in S. Woolgar (ed.), *Virtual Society: Technology, Cyberole, Reality*, Oxford: Oxford University Press.

Weber, M. (1978) *Economy and Society. An Outline of Interpretive Sociology*. R. Guenther and C. Wittich (ed) Berkeley: University of California Press.

Webster, C. (2002) *The National Health Service: A Political History*, Oxford: Oxford University Press.

1 'Without Regard to Persons': Problems of Involvement and Attachment in 'Post-Bureaucratic' Public Management

PAUL DU GAY

It used to be reasonably easy to outline the contours of the administrative state, to distinguish public administration from other forms of organized activity, and to identify the professional role of state bureaucrats, public administrators, or career civil servants in the conduct of government. No longer. Over the last two to three decades, public administration, particularly but not exclusively its Anglo-Saxon variant, has been subject to extraordinary degrees of turbulence. As the American scholar of public management Gerald Caiden (2006: 515) has argued, there have been periods in the past when the public administration as an institution of government 'has undergone considerable upheavals ... but rarely ... at so fast and furious a pace, rarely so radical and revolutionary'. For another American scholar, Michael Lind (2005: 37), this continuous reform of the public administration is best seen as a vast political and managerial experiment 'as audacious in its own way, as that of Soviet Collectivism'. Among its most significant consequences has been what the French legal theorist Alan Supiot (2006: 2) terms the '*délitement*' or 'unbedding' of public institutions. He points in particular to the role of political elites themselves in this process of de-institutionalization, not least in their enthusiastic desire to be unencumbered by existing norms and machineries of government that might in some way abrogate their freedom to experiment (see also Quinlan 2004). He argues that one significant casualty of this process of *délitement* has been a prized achievement of Western political and juridical practice—the distinction between a public office and the person who occupies it. 'Initially intended to characterise the office of

9 Under Reconstruction: Modern Bureaucracies

STEWART CLEGG

Introduction

Modern bureaucracies are under reconstruction. First, bureaucracy no longer being 'modern', those organizations formerly known as bureaucracies are seeking to become 'post'- bureaucratic, and second, as the ecology of the dot.com boom indicates, newly founded organizations often strive not to be bureaucratic. What, precisely, constitutes the post-bureaucratic is less clear. Often, the post-bureaucratic is defined in terms of hybrid new organization forms.

In this chapter I shall argue that bureaucracy, far from being superseded, is becoming embroiled in complex processes of hybridization (du Gay 2000; Courpasson and Reed 2004). To understand post-bureaucracy today, we need to see bureaucratic organizations through a dialectical lens, one that sees them as simultaneously decomposing and recomposing. Decomposition takes us to the world of supply chains and outsourcing, of which the phenomenon of call centres is probably the most pertinent example. Recomposition takes us into the world of new organizational forms. In the former, there are some very familiar politics of surveillance and control; in the latter there are more innovative developments that centre on the replacement of the central figure of the bureaucrat with that of the project leader, and the central life experience of the occupational career followed largely in one organization being replaced by that of the individual's management of projects. The politics of the project are the testing ground for elite reproduction. But first, a little prehistory...

Bureaucracy and Empirical Studies of Organizations

Bureaucracy is 'the primary institutional characteristic of highly complex and differentiated societies' (Landau 1972: 167), epitomizing 'the modern era' (Blau and Meyer 1971: 10). Its greatest theorist was Max Weber (1978), who foresaw that future states and organizations would be in step with the rhythms of bureaucracy irrespective of whether a capitalist or socialist drumbeat.

Weber's conception of bureaucracy was one aspect of his overall attempt understand the features of Western civilization through the process of ra nalization. For Weber, rationalization signifies increasing use of calculatio master phenomena and things through the domination of rules and ins mental systems. Weber's insight was that in a social context, such as organization, the process of bureaucratization entailed by the rationaliza process results in a diminution of freedom, initiative, and individual po People would be expected to become obedient objects, trapped in 'iron cage', enhancing the power of the machine as a tool. The cage is metaphorical instrument of dominant authority within which bureauc appears as a system of legitimate power 'over' its members, neutralizin potential sources of countervailing power.

In situations of bureaucratic rule, the domination of bureaucratic leade fundamentally based on knowledge. 'Bureaucratic domination means fu mentally domination through ... technical knowledge ... [and] ... knowl growing out of experience in the service' (Weber 1978: 225); thus, knowl is directly related to power expressed in terms of length of service, discipli formation, and progression through a career structure. It is, indeed, a s tion of power/knowledge. One way of reading Weber's account of bureauc is as a treatise on the formation of a particular type of moral character bou by an emotionally strong sense of duty as a vocation. The type was capture terms of a mastery of technical rationality.

Weber's ideas about bureaucracy were transmitted through the methc ogy of ideal types. Weber's account of bureaucracy was not a representa for all seasons, an essential and eternal characterization of a functio necessary social form. As Weber conceived them, ideal types were hypot cal, not a reference to something normatively ideal, but to an ideational serving as a mental model that can be widely shared and used because ana agree that it captures some essential features of a phenomenon here-now. The ideal type does not correspond to reality but seeks to conc essential features of it in the model so that one can better recognize its characteristics when it is encountered. It is not an embodiment of one si aspect but the synthetic ideational representation of complex phenoi from reality.

Later, Schutz (1967) was to take issue with one aspect of Weber's appr to ideal types: were they a construct by the analysts or were they the ana account of the constructs in use by the members of the research setti question? For Schutz it was not clear whether Weber's ideal types, in basis in social action, were a member's category or one that belonge analysts. He thought that the construction of types out of the concep everyday life should be such that they were grounded in the member's u Once they were refined by an analyst, the risk was that they became some

dissociated from everyday usage; they could become reifications that related unreflexively to the evolving grounds of their own existence.

The history of the concept of bureaucracy is an example of the slippage that Schutz feared could occur. Bureaucracy had been identified by Weber with constructions that were widely known in common and shared amongst elite German echelons; these, in turn, were subsequently taken to be the literal depiction of the bureaucratic phenomenon wherever and however it might subsequently have evolved. Thus, a historical conception of bureaucracy, identified with top managerial prerogative in German state organizations, initially defined what bureaucracy was taken to be. Increasingly, as the concept was translated into post-Second World War empirical social science, Weber's concern with bureaucracy as a tool of technical rationality was replaced with the narrower conception of efficiency (Pugh 1966). The cultural, historical, political, and economic analysis which Weber (1978) pioneered, the institutional context, within which his conception of bureaucracy was embedded, was overshadowed. What was lost was the institutional character of bureaucracy.

Weber regarded bureaucracy as both an institution and an organization form. Institutionally, he focused on the ethos of bureaucracy, the specific character of the bureaucrat, and the experience of things being done according to rule rather than caprice. Recent writers such as Fligstein (1990, 2001) and above all, du Gay (2005), focus on these institutional aspects. Kallinikos (2006: 20) observes that the institution of bureaucracy is an 'outcome of complex cultural and social developments. These reflect, among other things, the institutional embeddedness of property rights and the employment contract and the legal and socio-political processes for assigning jurisdictions and laying out the rules of accountability in democratic societies'. Thus, all specific contexts in which bureaucracies flourish would be bureaucratic in their own way.

Because the ideal type was a construct from a highly specific place and time, it would have been odd for later and different realities to correspond to it. Nonetheless, some sociologists made such comparisons. When writers such as Gouldner (1954) investigated organizations, they compared the realities they found with the type that they had inherited. However, since the type was always an imaginary and synthetic construct from a specific place and time, doing so is not an immediately sensible activity. It ends up privileging the subjectivities of those members whose everyday usage first grounded the construct. The type becomes reified. It takes on a life of its own. The analysts' casting of the ideal type sets it in concrete long past its use-by date.

How current constructions necessarily relate to the different circumstances in which other members' constructs occurred might raise questions about the foundational limits of the initial conception, and why it should so frame and circumscribe debate. It might, but for a long time it rarely did. In the 1950s,

bureaucracy became the object of critical attack on a dehumanized world in which the bureaucratic machine was seen to be destroying emotions and individualities in pursuit of efficiency (Gouldner 1955). Such views were hardly novel; for instance, Marx (1867) had explored them in *Capital*, nor was the most important point that Weber had left out the unintended consequences of the internal working of a concrete bureaucracy (Merton 1940; Dubin 1949; Gouldner 1955; Crozier 1964).

Weber's famous ideal type of bureaucracy became widely used as the basis for case studies (Selznick 1949; Burns and Stalker 1961; Selznick 1949). Later bureaucracy was both heralded by, and then seen as superseded in, taxonomic approaches to organizations (Pugh and Hickson 1976). These saw the ideal type elements, abstracted by Weber with respect to German nineteenth-century bureaucracy, become the definitive features of a functionalist conception of organization structure as an essential form, determined in its particular patterns by specific local contingencies, such as size or technology. Conceptualized as a set of stable structural arrangements emerging from a composite of variables that denote bureaucratization, such as standardization, formalization, and so on, the essence of bureaucracy became frozen as organization structure, rather like a liquefied jelly that could be poured into different moulds to set, and thus produce different shapes as variations on the essential 'jellyness' of the essence. The contingencies—of size, technology, environment, and even something imagined as 'national culture'—provided the moulds.

The focus on bureaucracy as an organization form, rather than as an institution, has been pervasive in organization theories. On these criteria, concrete organizations may be seen as more or less bureaucratic in their characteristics, depending on how they are rated on the measures taken to denote the dimensions of bureaucracy. Martindale (1960: 383) suggested that we should 'compare different empirical configurations, not empirical configurations and types' as any specific type is always historically bounded and 'destined to be scrapped'.

Martindale's (1960) advice was not widely heeded in organization theory. For several authors, analysing bureaucracy did not involve consideration of whether or not it actually existed but only examining the concrete conditions that might enable us to situate such and such organization somewhere along an abstract continuum (Gouldner 1954). For instance, Hall's study of the degree of bureaucratization, following in the footsteps of Bendix (1956), tended to confirm that 'bureaucracy in general may be viewed as a matter of degree, rather than of kind' (Hall 1963: 37). With the characterization of bureaucracy as a matter of dimensions, and the collection of data on them, the typology became taxonomy. The characteristics abstracted from Weber and other writers were taken to be constitutive categorically shared features that bestowed family resemblances on all organizations. If all efficient

bureaucracies were alike, every inefficient bureaucracy would be inefficient in its own way, one might say. Epistemologically, subsequent analysis became caught in a historical cul-de-sac of ever-diminishing returns as contingency scholars sought to defend the essentially conceived ontological structure of the underlying configurationally moulded model against all comers. The work of Lex Donaldson (1996) is the exemplar of such tendencies, work that misses the essential institutional features of bureaucracy in the search for contingent universalisms.

By standardizing the requirements of role performance and formalizing the process of role taking, recruitment and appointment, the bureaucratic organization became the vehicle through which jobs became potentially available to anyone who fulfilled requirements of the job specification. It is through the very separation of the role from the person that such an availability can be rendered possible, and an employment contract signed that makes the term of the agreement legible and enforceable at law. (Kallinikos 2006: 135–6)

What it is difficult to grasp from empiricist approaches to bureaucracy conceived as a bundle of formal organization characteristics, captured as variables, is bureaucracy's role as a constitutive element of modernity. Bureaucracy provided a novel way of orchestrating the individual–organization relationship through an organization form premised on the ethical values of universalism and meritocracy, one that was necessarily concordant in its rational legal form with the emergence of universalism and meritocracy (Kallinikos (2006: 135).

Criticisms of Bureaucracy

To oppose bureaucracy is to oppose a particular conception of modernity as rational, legal, meritocratic, and universalistic. Such criticisms came increasingly into focus from the 1980s onwards. Much of this criticism was banal, criticising actually existing bureaucracies in terms of abstracted and utopian standards of efficiency. Utopias always have their own horrors to unfold—it is in the nature of the genre, one might say (Ten Bos 2000). Actual bureaucracies rarely achieve the efficiency that might be attributed to them in any pure state; rather than setting up an ideal, abstracted type, as the standard measure of efficiency and then proclaiming, dolefully, on the ruination of things in the present, a less utopian way of proceeding might be found. Rather than seek the utopian perfection of a pure bureaucratic type, perhaps one should instead search for forms of hybridity that actual organizations adopt, as their designers and social constructors seek to make sense of templates and times. In other words, rather than dismissing actual bureaucracy as inefficient

when compared with its ideal type, wouldn't one be better employed in looking at the ways in which the actualities of bureaucracy are socially constructed in specific locales?

Bureaucracy, construed as an ideal type, has been seen as the source of much of what is wrong in the contemporary world. Recent history has been replete with rallying cries against fundamental errors said to emanate from the bacillus of bureaucracy. It is a culture that, seemingly, must be terminated with extreme prejudice. Critics of public sector management regard bureaucracy as something that must be 'banished' (Osborne and Plastrik 1997); government must be 'reinvented' (Osborne and Gaebler 1992). The reason is simple: bureaucracy is said to be inefficient. In the popular view, as du Gay (2000) or Pugh (1966) point out, bureaucracy is synonymous with inefficient business administration, pettifogging legalism, and red tape. For critics, demolition of bureaucratic systems will further efficiency: 'Employee empowerment does not mean every decision in the organization must be made democratically or through consensus' (Osborne and Plastrik 1997: 227). Empowerment will foster effectiveness, not egalitarian and universalistic values. These institutional attributes must be sacrificed in the name of efficiency.

Perversely, in the private sector, other critics are more enamoured of democracy than efficiency because the attributes of bureaucracy 'are maladaptive when massive change, environmental dynamism and considerable uncertainty are the norm' and there is a 'growing asymmetry of power between the managerial agents in charge of them [the mega global firms] and most other groups in the society, including consumers, employees, and members of the local communities in which the firms' operations are located' (Child and McGrath 2001: 1136–1140). The hierarchical configuration of power and the multiplication of different stakeholders mean that power and representation must be seen from different perspectives. Power within the bureaucratic apparatus fails to reflect the representation of interests to which it should attend.

Heckscher and Donnellon (1994) and Ashcraft (2001) suggest that entrepreneurially oriented organizations must try to base their efficiency and legitimacy on a different model of commitment of members, supported by a strategy of decentralization of authority and the granting of empowerment. Empowerment and the question of morality are relevant to post-bureaucratic trends. At the core of these trends is the idea that the person in role should be replaced with the enthusiastic participation of the whole person, wholly committed, to the courses of action chosen. The emergent notion of post-bureaucratic organization has very significant similarities to that of an empowered democracy. Its central concept has been suggested to be that 'everyone takes responsibility for the success of the whole' (Heckscher 1994: 24). Therefore, such organizations must develop informed consensus amongst their members,

rather than relying on authority and hierarchical supervision. Above all, they must try and involve the whole person, rather than merely those aspects of the person invested in a given role. The development of agreement, it is said, has to be situated in interactive settings where the gathering of information increases collective power. Organizational politics in post-bureaucracies will be characterized by the use of influence and persuasion rather than power exercised through command and control.

The most salient implications of post-bureaucracy are conceived as political: they concern relationships between individual members, and between members and their organization, the nature of power and authority, the conception of equity instead of equality, and, above all, the existence of flexible and permanent dialogues concerning the rules of action. In some respects there are echoes of earlier ideal types, such as Rothschild-Whitt and Whitt's (1986), Rothschild-Whitt's (1979) collectivist organization, and Lazega's (2000) collegial organization, that were constructed in opposition to bureaucracy.

At the core of the politics of these post-bureaucracies, it is often argued, is a new conception of trust. Trust is a crucial resource in post-bureaucratic settings because everyone must believe that the others are seeking mutual benefit rather than maximizing personal gain (Heckscher 1994: 25). Leadership is not exercised through complex systems of rules but via guidelines for action, which take the form of principles, 'expressing the reasons behind the rules' (Heckscher 1994: 26). Hence, the rules are not simply taken for granted, with all the attendant economies of action, but have to be elaborated on an *ad hoc* case-by-case basis. Internal social processes decide who decides, the decision-making power not being derived from official rank but from the nature of the problems at hand. A deliberative and interactive structure is supposed to come from the necessary fluidity of internal relationships. Post-bureaucracies are 'networks of relationships based on specific performances and abilities (...) people one can "work with" on particular projects rather than "live with"' (Heckscher 1994: 55). What is sought is the 'substitution of normative identification with the organization for the purely utilitarian traditional employment nexus' (Child and McGrath 2001: 1,143). The traditional bureaucratic commitment 'We will take care of you if you do what we have asked', once premised on the celebrated balance of inducements and contributions (March and Simon 1958), seems now to be a dead letter (Heckscher and Applegate 1994: 7), they suggest.

What is demanded today by bureaucracy's critics, especially the more extreme such as Peters (2003), is total commitment and complete trust by the member in their organization and the subsumption of their identity to that of being an organization member *in toto*. They want to overthrow bureaucracy both substantively and in principle. Bureaucracy should be replaced with a new kind of total institution in which energized team

members commit themselves wholly to the goals of the organization. Tom Peters proselytizes constant revolutionary change in *Re-imagine! Scorecard and Revolution Planner* and treats such a revolutionary approach as a process for sudden intuitive leaps of understanding, or epiphany, to combat the hardening of metaphorical managerial arteries in bureaucratic structures.

Kallinikos (2006: 141) captures the thinking behind these revolutionary slogans very clearly. While bureaucracy may be seen as too inward looking, too concerned with its own procedures, with doing things according to rules, this critique 'understates the fact that extreme concern with external contingencies and adaptability in the long run hollows out social systems (as they hollow out individuals) from the inside'. These hollow men and women of the corporation would be driven wholly by events, by contingent demands, and their commitment and involvement in responding to them, rather than by detached behaviour in role that enables the actor to achieve some distance from the minutiae of everyday organizational necessity. Such detachment in role is one of the old-fashioned verities that the new revolutionaries would smash in order to achieve post-bureaucracy.

Peters (2003) accentuates a 'Them and Us' mentality. The dualism is presented as an imperative to managers to unleash organizational change programmes with which to pursue a witch hunt within their organizations. The whole emphasis stresses that managers should seek out and label what are the old and smash them—'out with the old' and 'in with the new': new work context, new technology, new organization, new customers, new markets, new work, new people, new management.

A cult of personality is entailed in the Peters process. Peters is quite explicit about this; for him, the masses are confused and unable to find direction unless they have charismatic leaders able to project their egos in a cult of extraordinary personality. The confusion of the masses is a thesis that requires the antithesis of a great leader to lead them to the sunny uplands of a new synthesis:

I think the Iacocca thing, the Peters and Waterman thing, the Robbins thing, the [Ken] Blanchard thing, and the Hamel-Porter thing is a very specific reaction of a whole lot of people who are confused by all the shit that's going down. When people are confused, they want people on white horses to lead them. Obviously it didn't have to be me and Bob, and Blanchard and [John] Naisbitt and Porter and so on, any more than it had to be Iacocca and Ted Turner. But it had to be. (Postrel 1997)

What is being struggled against is also personified in a cult of personality. In order to give shape to the struggle against bureaucracy, Peters identifies it with a specific reactionary figure and ethos. The figure is Robert McNamara and the ethos is that of the Harvard Business School. Peters is on frequent record as saying that his whole life has been a struggle against the legacy of Robert McNamara, which he saw as having become the essential *de facto*

wisdom of the Harvard Business School, setting the pace for large American enterprise in the post-war era. 'Start with Taylorism, add a layer of Drucker-ism and a dose of McNamaraism, and by the late 1970's you had the great American corporation that was being run by bean counters'.[1] McNamara and Harvard merely represented the tip of an iceberg. Opposing them was not enough. Bureaucracy had to be smashed and new organization forms emerged from its ashes.

The valorization of the charismatic leader in a cult of personality, who leads, guides, and governs, not according to rules, but according to convic-tions, is the most worrying aspect of the whole post-bureaucracy package. Hollowed-out men and women following the enthusiasms of the moment, as these are filtered through the convictions of their leaders and which they are supposed to enact with trust, as empowered and totally committed indivi-duals, begin to look worryingly like the inmates of total institutions (see Clegg et al., 2006, chapter 6). Nonetheless, as Kallinikos (2006: 145–6) suggests, they increasingly people the scenarios of contemporary HRM (Human Resource Management), a vocational discourse that targets the individual as a 'psychological unity', seeking to minimize the friction between the character of the person and the needs of the roles that they fulfil organizationally, allowing the expansion of work and professional concerns into the lifeworld that was once held secure outside the role of the bureaucrat. At its core, the new post-bureaucracy seeks a totalizing creep into and envelopment of an increasing part of the organizational member's lifeworld in a manner that would, from the perspective of bureaucracy as an institution, be seen as corrosive or destructive. New technologies, in particular, make this attempted takeover easier to accomplish. We turn now to a presentation of some of the characteristics of the new organizational forms that are seen to be replacing bureaucracy. We shall address these in terms of the dialectics of decomposition and recomposition.

Decomposing Bureaucracy

Behind the rhetoric of revolutionary change, there is often a technological determinism. The major external fact in speeding up organization change in recent times has been the Internet and associated information and commu-nication technologies (ICTs). The Internet enables speedier, more efficient, and cost-effective access to resources and customers and a different set of ownership, location, and organizational capabilities than was possible just a decade before. Contrast Amazon with a traditional book retailer.

Kallinikos (2006) argues that digital technologies allow tasks that were previously embedded in the 'fixed space' of traditional organizations (for example accounting, inventory management, production operations, or finan-cial management) to be dissolved and recomposed as 'informatised' modules or services (Kallinikos 2006: 96). Computer screens have become the altars of the new secular religion of change. As secularized religions go, that of the digital devotees is fairly apocalyptic and a little messianic. There was a past, irrevocably broken with through the advances of digital technologies, and there is a bright sunlit future, a veritable New Jerusalem, just out of reach but visible through the miasma of the imperfect here-and-now. Only more devotion to newer and better digital technologies, an utter commitment requiring more dollars and tithes on the altar plate, can clear the present miasma. Digital technologies are implicated in an historic shift dissolving bureaucratic organizations. The New Jerusalem will be a robust, almost Quaker, Protestantism, not a Catholicism, with its attendant hierarchy and bureaucracy. Post-bureaucratic individuals, lost in the lonely existence of their souls, digital virtuosi all, will communicate with their Organizational Master, or at least, the Master's disciples, in a wholly unmediated and direct way. No priests, no bureaucrats—just believers and their digital devices, the only artefacts the new religious virtuosi need.

We should, perhaps, pause—are not all utopias, however beautifully glimpsed, false dawns? Digital technologies may be mapping paths to the future but they are no yellow brick road. While the way is pointed to the wizardry of radically changed organizations made virtual (Kallinikos, 2006: 100) by the 'dematerialization' of work processes and more 'inclusive' orga-nizational designs, something else may be happening. What is mapped out is a deconstruction of the scalar and career elements of bureaucracy for all but the elites. New entrants must learn to compete and win if they are to pierce into the inner sanctum of the bureaucracy that remains. Not for them the golden chains, unless they can be seen to triumph in and make themselves a value proposition for the elites (Kallinkos, 2006: 109).

New technologies are often seen as foreshadowing wonderful things. Even old technologies were once new. In the nineteenth century, the typewriter was a profound mechanical invention. It speeded up clerical and recording systems that had been based on hand-writing. In Weber's view (1978), the typewriter directly contributed to the creation of modern managerial bureau-cracies. The computer vastly extends the capabilities of the keyboard, even while retaining many of its apparent features, but its digital capabilities also transform the possible nature of organizational design.

Almost every organization today is awash with e-technology and software. Most of the tools that are bought are not revolutionary in their managerial impact; they merely enable managers to do what they would have done anyway but do it better and faster. The new tools are based on technological

innovations that drastically change the hardware used to produce a good or service. For instance, e-mail replaces and speeds-up the postal system or search engines such as Google replace and speed-up the reference library; yet, as Beauvallet and Balle argue (2002) argue, revolutionary new technologies do not necessarily produce managerial revolutions. What digital technologies can do is to deliver business as usual much faster. Basic e-technologies, such as e-mail, websites, and search engines can be used effectively to obtain office productivity improvements. They make it possible to generate new channels for communicating with customers, suppliers, and staff. The digital revolution not only enhances service productivity but can transform what were once broadcast models of distribution—from a few centres to many customers—into narrow-cast communication where there are a great many points of distribution and reception—think of Limewire and downloads or favourite blogs. Additionally, and perhaps most importantly, digital technologies make extended supply chain operations feasible and reliable.

The major advantage of digital technologies for business and organizations are their virtual possibilities for disaggregating existing designs. Increasingly, organizations are able to segment activities that are critical to their competitive advantage and to specialize elsewhere those that are not. The non-core functions, such as back office accounting, telemarketing, or programming are outsourced to parts of the world where the wage is one-third to one-tenth the cost in the home market, dramatically reducing operating costs and increasing competitiveness.

Outsourcing is not a new phenomenon: in major production industries such as automotives, the outsourcing of initially non-core and latterly core functions and services has been progressively used since the 1930s (Macaulay, 1966). However, services outsourcing, although common for some time in specialist areas such as advertising and legal services, increased dramatically from the mid-1990s. The outsourcing of sectors such as IT and Telecommunications and Business Processing occurred with the dawning of advanced digital telecommunications services that facilitated the availability of this option. The imperative to outsource—as distinct from the opportunity to do so—was a result of other dynamics that occurred in parallel with the digital age, primarily globalization and increased competition, leading to a continual need to improve efficiency from productivity and to increase service levels. Thus, vertically integrated services were no longer seen as the best organizational arrangements for gaining competitive advantage. The idea of extending the organization's capabilities, whether core or non-core, to a third party, is confirmed in recent research in the area by Gottfredson et al. (2005). These authors suggest that competitive advantage can be gained by optimizing uniqueness of function versus the proprietary

nature of the organizations' capabilities. Outsourcing combined with digitalization has proven to be a potent mix.

The result of digitalization has not really been the development of post-bureaucratic organizations that was widely imagined in the new organizational forms literature. In fact, what has happened has been a decomposition of existing organization forms, especially bureaucracies, and the externalization of bureaucratic routines into either supply chain inputs or sub-contracted and out-sourced service provision, such as call centres (Frenkel et al. 1998; Wickham and Collins 2004).

Recomposing Bureaucracy through New Organization Forms

Concepts of new organizational forms all point the way to some version or other of a post-bureaucratic future (Heckscher 1994), but no one term, other than the generic 'new organizational forms' (Lewin et al. 2002) and 'virtual organization' (Davidow and Malone 1992; Ahuja and Carley 1999; De Sanctis and Monge 1999; Black and Edwards 2000; Davidow and Malone 1992), has captured the imagination in the way that the term *bureaucracy* once did. Thus, new organizational forms are many but united by one thing—they are all conceived in opposition to the classic model of bureaucracy. For this reason they are sometimes termed post-bureaucratic organizations, as Fairtlough (2007) suggests. At their core he suggests are two main features: reduction of hierarchy and of coercive elements in bureaucracy and a move towards less rigid and perhaps apparently less rationalistic ways of organizing.

For Fairtlough (2007), the alternatives to hierarchical bureaucracy are suggested as *heterarchy* and *responsible autonomy,* while Dunford et al. (2007) provide a succinct account of the relationships between design and form. The literature on new organizational forms suggests that modern corporations can become similar to high-tech cottage industries, as everyone is wired from anywhere. Working virtually, there may be no need to concentrate in a few blocks of central business district real estate. In its most virtual new form, organization will be composed of networks of interdependent but independent knowledge-based teams working in different continents and time zones. Such work can be organized on a rolling twenty-four-hour basis and often involves multiple global collaborators. The work activities are often associated with digital data-based projects, such as film or copy editing, computer programming, or graphic designing.

Many new forms of organization are emerging these days: the network and cellular form (Miles et al. 1997), the federal organization (Handy 1993), the creative compartment (Fairtlough 1994), the postmodern and flexible firm (Clegg 1990; Volberda 2002), the virtual organization (Goldman et al., Nagel, and Preiss 1995), and the individualized corporation (Ghoshal and Bartlett 1997). Often, in a generic sense, these post-organizations are referred to as 'new organizational forms'. In Table 9.1 we indicate some of the terms and sources of new organizational forms.

In *The Rise of the Network Society*, Castells (2000) regards the network as the fundamental form transforming post-bureaucracies. Networks can be understood as a long-term relationship between organizations that share resources to achieve common goals through negotiated actions. Castells identified Cisco Systems as the world's leading and most typical network enterprise. Cisco follows a 'networked business model' demonstrating that networks are a means of production at the same time as being the end product of the business. Cisco uses the Internet and web-based technology to maintain a global network of customers, employees, and suppliers.

Post-bureaucratic organizations tend to be technologically fetishist; hence, the digital devotion of which I have spoken in religious terms, only half-jokingly. Managers will routinely invest time in keeping up with evolving technologies—reading, meeting with experts, and working with the technology first-hand. They will develop a network of trusted technical experts—disciples—who can offer guidance and will have to 'unlearn' old technologies, just as the religious convert must unlearn old faiths, which act as barriers to the new. Multiple partnerships, collaborations, and networks mean that successful managers in post-bureaucratic organizations will have to learn to balance and devote time to the demands of multiple and diverse stakeholders—members of their own team, colleagues from other units in the company, external partners, customers, and shareholders in a new and complex community of other faithful who are digitally devolved.

Managing at the speed of the Internet, in fast organizations, means that virtually all of the core assumptions about a company's business, and market trends in general, will be up for grabs. Successful managers seek insight from a range of sources: they will read widely—not just business publications but books and articles on social trends, history—even science fiction. They will network extensively, not just with peers but with contacts in dissimilar fields, industries, or business functions. And they will take an experimental approach, learning-by-doing, by surfing the net, looking for opportunities to structure experiments around new business concepts or Web applications, and to capture and spread the learning that results.

For new firms in the e-economy, the dissaggregation of traditional organization designs that are more social than technological. Barbara Adkins and her colleagues (2007: 922) have recently written that in the 'knowledge

Table 9.1. Concepts of organization structure

Concept	Characteristics	Author and year
Adhocracy	This refers to organizations that have simply grown, without much explicit design. They are characterized by a lack of structure and formal rules. Often small, creative agencies are adhocracies, such as a design studio.	Mintzberg (1983)
Technocracy	Organization structure enabled by technological innovations. Organizations that comprise people who work on a common database from remote locations would be a good example, e.g. the Genome project.	Burris (1993)
Internal market	Flexible markets and internal contracts within an organization structure characterize these forms of organization, often adopted by public sector organizations in search of greater flexibility and efficiency.	Malone et al. (1987)
Clans	A clan organization is based on shared culture rather than formal rules, much as the members of an extended anthropological clan might be in a traditional society. The culture is overwhelmingly oral rather than recorded in formal rule-like statements. For instance, hi-tech start ups in places such as Silicon Valley.	Ouchi (1980)
Heterarchy	A form of organization resembling a network or fishnet. Rather than there being a single chain of authority—a hierarchy—there are plural connections between the individual members. Professional firms, such as law partnerships or accounting partnerships often correspond to this model.	Hedlund (1986)
Virtual organization	An organization linked through virtual networks rather than formal rules, often involving several ostensibly separate organizations, often project-organized. *The crucial factor is that the network relations are virtually enabled.* Often data is moved with great rapidity around the virtual network and separate skill-sets work on it either in series or in parallel. This is often the preferred mode of design-oriented firms, such as architects' studios, working on large projects with many other specialist partners, such as engineers, project management firms, designers, etc.	Davidow and Malone (1992)
Network organization	An organization formed by intersecting and crosscutting linkages between several separate organizations, usually connected on a project basis, such as large scale civil engineering alliances between a public sector organization, such as a major utility, and other specialist construction, design, and project management-related firms. *The crucial factor here is that the partners have a more formal and enduring relationship than in the virtual organization, and are not restricted to work on digital data, such as movies, designs, etc.*	Biggart and Hamilton (1992), Powell (1986), Rockart and Short (1991)
Postmodern organization	This is essentially a bureaucratic organization which has undergone a degree of de-differentiation of its structure; that is, it has become more integrated, less specialist, and more team-based. Japanese automobile companies—learning bureaucracies that are seeking to become less bureaucratic—would be a case in point.	Clegg (1990)

economy...[t]he product is no longer tangible, the process is no longer straightforward, and the outcomes—"success" or "failure"—are no longer defined by the bottom line. The traditional firm that works exclusively defined by the bottom line. The traditional firm that works independently no longer stands up in comparison with the organizational and professional networks that cross-cut and break down traditional organizational and disciplinary boundaries.'

Certain places become magnets for particular fields of activity, like hi-tech in Silicon Valley, movie-making in Hollywood or Mumbai, or creative design in Brisbane's Fortitude Valley. Let us look at the last one in a little more detail, as Brisbane is a place I happen to know well. Fortitude Valley, or the Valley, as locals refer to it, has long been a slightly seedy area of the city, close to the old wharves on the Brisbane River, separated from the city of Brisbane by a ridge and the undeveloped site of a Cathedral, in the past a place associated with prostitution and illegal gambling, as well as Chinatown. But, like many other edgy areas of major cities, the Valley has become cool. Cheap leases, warehouses ripe for conversion, street-level access rather than anonymous high rises, and a traditional café and restaurant scene have seen many new design businesses locate there.

A specific ecology of business has developed in the Valley, where social and business networks overlay each other in a shared sense of identity and community, as well as dense networks of referrals and problem-solving. Much of the work that individual firms do is digitally based but often involves collaborative project-based work with other creative people in the same neighbourhood. So while much of the work is Internet-mediated, it occurs between people involved in projects that are very much socially mediated. It is not so much the technology that creates new possibilities for organization design that is disaggregated and project-based but a network of ties premised on social proximity, in both a spatial and cultural sense. Projects and project teams are the nodes that connect in a series of value-chain relationships that bind members and projects together. Connected by these nodes are team members, clients, suppliers, users, and other key stakeholders, who comprise a socio-professional community. Digital capabilities maintain and make possible the network but they are not its essence: that resides in the deep embeddedness of the creative teams in a specific place and set of related spaces that constitute the Valley as these creative people experience and use it as a resource, creating symbolic capital in its milieu (Bourdieu 1998).

The ultimate contradiction of the Internet revolution is that although firms could be located anywhere in cyberspace, they still seem to cluster together in specific quarters of global cities such as New York, London, and Sydney. The digital world moves fundamentally towards concentration, standardization, and control, as Castells acknowledges in both *The Rise of the Network Society* (2000) and *The Internet Galaxy* (2001). An obvious reason is that on the average in the Organization for Economic and Cooperation and Development

(OECD) economies, about 36–40 per cent of what is spent in the economy is spent by the national state, in terms of defence, health, education, and so on, and these sorts of expenditures tend to be well-grounded in national capabilities and concentrated, indeed, clustered, in national space.

Castells' account of the digital utopia is premised on seeing extensive organizational subcontracting through inter-firm networks, the use of 'multidirectional' networks of technologically dynamic firms, and the development of a plurality of strategic alliances between small and large firms (Castells, 2000: 163–88). More innovative flexible responses demand both inter-organizational networking and the functional decentralization of managerial structures (Heckscher and Donnellon, 1994; Nohria and Ghosal, 1997). 'Network enterprises' are characterized by decentralized loosely coupled, flexible, non-hierarchical, and fluid forms, horizontally networking, finding their clearest expression in high-tech sectors such as IT, biotechnology, and advanced manufacturing (Castells 2000).

The Internet enables space to supersede time because, in a world of trade in symbolic images such as software, currencies, and other forms of representation, time is no longer an issue. If you have trading facilities in the right time zones, for instance, you can trade twenty-four hours a day, moving money, or other 'signs' of commerce, symbolically, across the globe, from London to New York to Tokyo to Sydney to London. There is an increasing separation of the 'real' economy of production and its simulacra in the 'symbol economy' of financial flows and transactions. A new international division of labour compresses and fragments both space and distance in such a way that not only production but also various business service industries become distributed in unlikely places. Global currencies facilitate trade across the world: MBAs become global warriors in the new world order. New divisions restructure geographic space. In principle, anywhere is virtually accessible by information and communication technologies. In practice, most national capitals can be reached within twenty-four hours of air travel.

The most radical expression of network organization is that of Michael Hardt and Antonio Negri (2002), who envisage a new form of global democratic potential in network organizations, which they term the 'multitude'. They conceive a network in terms inspired by Deleuze and Guattari (1984) who conceived of a network as an open system with no underlying structure or hierarchy, which they termed 'the rhizome'. The term is used metaphorically and is drawn from botanical usage, where it means a thick underground horizontal stem that produces roots and has shoots that develop into new plants. The rhizome can be expressed in terms of several principles, suggests Munro (2007: 273).

1. Any point in a rhizome can be connected to any other (like a distributed network), and objects of different kinds are connected within the rhizome. This is the principle of connection and heterogeneity.

2. The rhizome is defined by its lines of flight rather than by points internal to it. As the rhizome makes connections with the outside, it undergoes a metamorphosis; like a piece of music, it transforms itself with each new note. This is the principle of multiplicity.
3. The rhizome can be broken at any spot, and it will either sprout a new line of growth or continue along an old line. Deleuze and Guattari described this kind of network as 'the wisdom of plants', by means of which they move, expand, and develop their territory. The rhizome moves by following a flow, of wind, of rain, of water. This is the principle of a signifying rupture.
4. The rhizome does not have an underlying generative structure; intensive states and thresholds replace the idea of an underlying topology, this is referred to as the principle of cartography.

Virtual spaces in which information can spread in an unregulated, nomadic fashion would be examples of rhizomatic networks, such as on-line communities for file sharing such as YouTube or Linux, which function by making novel connections and expanding and maintaining internal communal relations. In the new digital world, IT reduces the transaction costs of information flows, increasing the efficiencies which allow an expanded field of operations. On the other hand, these technologies are associated with more flexible and decentralized management and organizational structures, since they allow for highly efficient communication between functionally and spatially separate units. IT networks thus allow quasi-autonomous, geographically dispersed production units to be embedded in ever more integrated corporate structures.

The Politics of Post-Bureaucracy

In contemporary post-bureaucracies, the promotion of socio-economic cooperation is achieved through the manipulation of specific trust/control mechanisms, thanks, above all, to the network form suggests Castells (1996). These hybrids evoke some types of technologies of trust, which make politically viable a fuzzy, but nevertheless active, system of concentrated power. The 'organizational hybridization' analysed by Ferlie et al. (1996) in the British health-care sector, demonstrates the political aspect of the dynamics implied. Classical administrative (bureaucratic) power is maintained, because these post-bureaucratic hybrids 'have the technical and ideological capacity to combine and re-combine selected elements of managerialism with pre-existing structures of political, administrative and professional power' (Reed 2001: 220). As Reed has argued (1999) has argued, these hybrids often generate considerable mistrust, if not downright opposition, on the part of some groups of professional experts wedded to professional norms, who sense a decline in the conditions enabling the exercise of autonomous judgement.

Power in bureaucracy was largely determined through career opportunities. An inability to fit in, to comport in the appropriate way, or to simply blend into the *habitus*, was a sufficient reason, on many occasions, for a person's career opportunities to be questioned and perhaps restricted. Even when the person might appear singularly inappropriate as an organization member in many ways, if their there was good fit in terms of *habitus*, their future was usually relatively unquestioned (see Kim Philby's (1968) account of Guy Burgess' everyday life).

The question of power remains at the core of post-bureaucracy, but it is less the dialectic of *habitus* and career that structures it. The post-bureaucratic hybrid is a 'loosened community' (Courpasson and Dany 2003), where relationships and groupings are temporarily maintained, where individuals' destinies are more and more separated, where the institutionalized dialogues and interactions are operated through sometimes uncertain and barely legible networks of control, of influence, and of friendship. Consequentially, there is far less opportunity for the formation of stable views of the person in situ.

Adler (2001) analyses the general evolution of firms towards 'trust and community systems'. He suggests mapping institutions in a three-dimensional representation, making it possible to consider the variety of possible organizational models entailed by the hybridization process (Adler 2001: 219). Hierarchy can be combined with trust mechanisms, producing first-degree bureaucratic hybrids, such as 'dynamic bureaucracy' (Blau 1955) or 'enabling bureaucracy' (Adler and Borys 1996). He points out the 'refinements of hierarchy' existing within business firms: the introduction of more formal procedures (TQM, product, and software development processes), the strengthening of planning techniques (in HRM, in project management), of control instruments to assess the projects and performances. Simultaneously, in a post-bureaucratic manner, he argues that the necessary sharing of knowledge in business firms 'depends equally critically on a sense of shared destiny... a sense of mutual trust' to improve and reinforce employee commitment. Even the form of trust entailed by contemporary organizations is rational, according to Adler: 'leadership seems to have shifted toward a form of trust consonant with the ethos of "fact-based management", independent inquiry' (Adler 2001: 227). He sees this shift as constituting a bureaucratic hybrid removed from the traditional bureaucratic deference to established authority, but which, simultaneously, relies on a rational and formalized apparatus. The rhetoric of trust and dialogue that constitutes the post-bureaucratic argument must not lead us simply to forget the existence of 'façades of trust' (Hardy et al. 1998: 71), where trust is not necessarily undertaken 'with reciprocity in mind and may, on the contrary, be intended to maintain or increase power differentials'.

The person in post-bureaucracy is not the *épitomé* of the trusting and trusted subject that is sometimes suggested. Lack of trust is the very reason

why post-bureaucracies' organizational arrangements are somewhat authoritarian. The pressure to perform is intense, and business leaders implement tough supervisory processes. These underlying authoritarian mechanisms are largely constituted by tight time-reporting schedules for milestones and progress in specific projects. As a hybrid system of tensions between opposed goals, post-bureaucracies build bridges between domination and self-determination (Romme 1999), in 'the paradoxes and tensions that arise from enacting oppositional forms' (Ashcraft 2001: 131). Ackoff terms this relationship between domination and self-determination as one of 'democracy', which he defines as a regime based on three major features:

(1) The absence of an ultimate authority, the circularity of power; (2) the ability of each member to participate directly or through representation in all decisions that affect him or her directly; and (3) the ability of members, individually or collectively, to make and implement decisions that affect no one other than the decision-maker or decision-makers. (Ackoff 1994: 117)

Democracy is founded on a circular form of power because 'anyone who has authority over others is subject to the collective authority of these others; hence its circularity' (Ackoff 1994: 118). But Ackoff is also a 'realist' thinker. He reminds us that 'divided labour must be coordinated and multiple coordinators must be coordinated; therefore, where complex tasks are involved, hierarchy cannot be avoided ... hierarchies, contrary to what many assume, need not be autocratic' (Ackoff 1999: 181).

What is distinctive about contemporary post-bureaucracy is that the major mechanism of the career has undergone a substantial change. The typical bureaucratic career was an enclosed phenomenon, classically contained within one organization. Post-bureaucracy differs significantly on this dimension. The inherent political dynamics of post-bureaucratic organizations are condensed and concentrated on the figure of the project manager, circulating from project to project, alliance to alliance, and network to network, torn between the *habitus* of their professional background and the reporting needs of the situation in which they are currently located.

Project Management as the Core of Politics in Post-Bureaucracy

Careers will be increasingly project-based in post-bureaucratic organizations. Increasingly, they will be liquid careers, flowing now like mercury and then reconsolidating in a new plane of activity. The project—whether it is focused on innovation, R&D, engineering, marketing, or whatever—becomes the

major vehicle for organization networks and alliances and development tasks within specific organizations—although, increasingly these will involv team members from other organizations. In such hybrid and often unclea situations, conflict and confrontation are inevitable, so managing emotion becomes a crucial skill. Managers need to create a learning environment-coaching, hands-on-teaching, and mentoring—to stimulate and develc their employees—and to manage expectations about evolving roles in pro jects. Employees will be sensitive to shifting roles and the signals they ser about a person's worth. A popular metaphor for the post-bureaucratic mar ager is that of a coach trying to build a team out of a group of highly paid fro agent talents.

Taking together the characteristics of networks, alliances, collaboration virtual relations, multiple stakeholders, liquid careers, and work in projects, is not surprising that the figure of the project manager should have emerge as the point at which all the contradictions of post-bureaucracy are concel trated. The virtual organization, apart from its digital accoutrements, seen too hazy to grab a firm hold of and it is by no means clear that some those things attributed as its effects, are not, in fact, the working out of tl near-total dominance of market values (Kallinikos, 2006: 109).

Recent management writers have seen project management as a circu breaker for bureaucracy, and have contrasted the bureaucratic past with tl future of a project-based postmodern world (Clegg 1990). Elements empowerment, self-reliance, trust, and peer-based teamwork controls (Bark 1993) are supposed to portray project management as an explicit ar concrete appeal to postmodern/post-bureaucratic organizations. Looked from below, from the perspective of the subaltern recruit, these organiz tions seem shape-shifters, project-based, with teams composing and decon posing, locations shifting as projects are completed, key performan indicators (KPIs) changing with projects, and one's individual organizatio al future uncertain. From the perspective of the elites, the story is qui different. They know that they are over the threshold where the golde chains are evident. The largest problem that they must deal with is usir the project shape-shifting that goes on outside the threshold as the basis fo competitions and tournaments that will decide who may cross the threshol The hybrid political structure of post-bureaucracy needs both elite differei tiation to ensure a credible competition among various centres of pow (individuals and/or sub-groups), and elite unification to ensure a relati consensus on basic values and on the legitimate rules of the internal politic arena.

Project management is one of the technologies used to design hybr political structures for post-bureaucracies for at least two major reasor

Project management encompasses principles of selection and education. Selection mechanisms are used to enhance the circulation as well as rivalries among sub-elite members (namely would-be project managers and actual project managers), while facilitating the control by incumbent oligarchs over local orderings (through appointments of new project leaders, circulation of experts among projects, 'go/no go' decisions at certain critical steps of the projects...). Education mechanisms are used to create what Mills terms the 'fraternity of the chosen' (1956: 143). In other words, project management can be viewed as a technology of power helping to create and sustain diffuse networks of acquaintanceship between 'professionals', that legitimates 'educational nurseries' in which project managers learn both the basics of the official body of knowledge, as well as a feel for those underlying values whose meaning they have to decipher (such as those values pertaining to 'what is important to succeed in this place').

Project managers in post-bureaucratic organizations cultivate a culture of ambition and a method of circulation. As they cycle through projects they strive for visibility for their achievements in managing the projects not only as innovative, creative, and exciting but also as timely, on budget, and dependable. Like Weber's Protestants, they strive to show the state of leadership grace moves through them sufficiently to join the ranks of the elect, or at least those elites who are currently elect.

Corporate leaders have a direct interest in shaping, grooming, and educating selected project management aspirants, constituting what might be called subjects with an appropriate comportment, etiquette, and equipage to qualify as disciplined. The question is not to know whether being a project manager constitutes a guarantee that one will be tagged as a would-be leader. Such is obviously not the case. Being made a project manager merely hints, in a weak way, that one has been spotted as someone with potential which the elites wish to test out, to see if the project leader can display certain indispensable characteristics. Mostly, these characteristics pertain to an ability to accept and work creatively with an existing order and existing rules; thus, they go far beyond merely technical and professional expertise. They are the new way of re-invigorating *habitus* when organizational borders have become porous, careers liquid, and professional identities contingent.

Project management directly influences elite power structures in contemporary post-bureaucratic organizations for three major reasons. First, it differentiates between those likely to be able to aspire further and those who will not. The latter will end up either specializing in project management or going back to their initial working environment. Project management therefore helps differentiate between pre-selected individuals. Second, different kinds of top management decisions (such as resource allocation, project termination, team leaders' demotion/promotion...) can shape the chances of those in the project roles. Third, project management creates more complex

elite strata to traverse and enables a route of social mobility within the organization. Project management is premised on a high degree of transparency of project performance. Creating a powerful network of shared values regarding career and ambition also facilitates the activation and embodiment of common reference points that structure the attention and commitment of project members. Such reference points include milestones, key performance indicators, profit margins, annual performance, respect for deadlines, respect for budgets, deference to which is progressively internalized as incontrovertible business *and* moral values, essential for the healthy survival of the entire organization (Courpasson and Dany 2003). These reference points strengthen the regime through weaving the social fabric of allegiance for would-be leaders.

In the context of post-bureaucratic organizations, it is the circulation of people (especially potentially key people), which provides the elites with the resources to recruit, stabilize, and perpetuate their ilk. From the moment the circulation of sub-elites is monitored from the centre of the organization, it becomes a means of producing knowledge through the diversity of individual experiences.

The Death of a Theoretical Object?

Bureaucracy is both being superseded by post-bureaucracy and not being superseded by post-bureaucracy. While this may sound nonsensical, it all depends on whether one focuses on recomposition or decomposition. If one follows the direction of decomposition, it is clear that in the new electronic panopticons of the call centre, (often globally located on the margins of modernity), bureaucracy is alive and well in a particularly centralized, standardized, and routinized form. Here the bureaucratization of the shopfloor has proceeded into the heart of the white collar, pink blouse, and colourful indigenously attired digital factory. If, on the other hand, one follows the recomposition route into the upper echelons of leaner and more entrepreneurially oriented organizations, then one might conclude that there were, indeed, post bureaucracies that had managed to turn the iron cage into golden chains.

In the land between lies the road less travelled. Here, above and outside the routines embedded in the digital factory are the innovation, construction, design, and research projects through which young Turks circulate. However, in the words of Matthew (22:14, King James Version of *The Bible*), 'Many are called, but few are chosen'. The zone in-between, the arenas through which individual recruits cycle and circulate, managing their careers as they manage

their projects, becomes a panoptical space for the elites to watch and for the project managers to be aware that they are under surveillance, never knowing whether this is the project that will lift them out of the in-between zone and get them over the threshold into the promised land.

There are some rather large implications to this recomposition and decomposition. What made bureaucracies bureaucratic, in part, was their unitary nature—the incorporation within them of many separate processes under one central control. What we are seeing with the emergence of the digital economy is a dispersal of the elements that once were incorporated. In fact, in some respects we are seeing the end of organizations as theoretical objects.

Organizations, as theoretical objects (Althusser 1969; Bachelard 1984; Althusser 1968), came into focus through the study of bureaucracy. Weber's ideal type was the anchor point for almost all of the initial post-Second World War development of the area, either as organization theory or the sociology of organizations. In the mid-1960s, when the Aston researchers were collecting data on organizations, they did so with an implicit model that equated the theoretical object—the construct—of organizations with the empirical object of actual organizations. The two were assumed to correspond. It was in Birmingham that Aston's views crystallized, not more than a couple of kilometres from a much earlier harbinger of organization that was far more fluid. These were earlier models of Marshallian industrial districts, (see also Ackroyd, in this volume) that emphasized what we might now think of as important post-bureaucratic tendencies, such as Birmingham's Jewellery District, not far from Aston University (Pollard 2004). Here, since at least the late eighteenth century, jewellery and medallions, shields, presentation cups, etc., had been produced in a dense web of networking and putting out, in which it was rare for any one craftsman to produce a whole item. Instead, the whole trade was based on parts manufacture. It was decomposed. The earlier model of the decomposed industrial district is in many ways a more useful guide to the social organization of spaces such as Brisbane's The Valley, than the models of bureaucracy.

Conclusion

It is clear that organizations still exist as empirical objects. However, their status as theoretical objects has been transformed. The theoretical object of organizations, crystallized in the 1950s and 1960s, froze some elements of becoming. It captured in a series of snap shots a moment in the becoming of the empirical object. It was the age of the organization man, of the complete organization.

Continuing analysis of organizations as stand-alone and complete entities increasingly misses that much of what organizations achieve—both in the past, as in the Jewellery Quarter, as well as today—will be done through virtual linkages. Thus, in the post-bureaucratic era, we may be witnessing not only the emergence of post-bureaucracies but also the decline of the ontological basis for what has been a fairly fruitful line of enquiry these past 70 years or so. To excavate the future, we may need not only new tools but also a renewed scepticism, and a different compass, than that which has brought us, analytically, to a position where we need 'to find out what price [we] have to pay to get out of going through all these things twice' (Dylan 1966). Otherwise, post-bureaucracy will simply be a replay of the old ontology, this time through the mirror darkly, in reverse, as the representations of organization theorists increasingly accord with a moment of intellectual reification, frozen in a language game of their own making, whilst, meanwhile, social reality changes in ways that cannot easily be represented within the contingent language game being played out.

Something is happening and it is not at all clear that this something is a 'new economy'. The something is both more than a singular event and is not novel; it is, in fact, a complex set of processes of decomposition and recomposition, which have at their core an indeterminate and unpredictable set of political practices, that are in part foreshadowed in premodern forms such as the Jewellery Quarter. But there is something else happening; that is the marketization of many aspects of organizational practices. Nowhere can this be seen more clearly than in the unanticipated events that are flowing from the continuing unravelling of the sub-prime mortgages problems in the United States—in part generated by an entrepreneurial project-oriented selling mentality. We should recognize that the most significant aspect of our present situation is its unpredictability and undecidability: we do not know where the ramifications of past projects will lead us. The successful performance indicators of success in past projects, such as entrepreneurial selling of mortgages, can be the harbingers of tomorrow's doom. Political indetermination is the frontier of present practices. Something is happening as bureaucracies unravel into post-bureaucracies through the dialectics of decomposition and recomposition and, while it is not possible to say exactly what this something is, or where it might lead, in this chapter I have sought to bring some 'sociological imagination' to bear on the issue.

☐ NOTE

1. Sourced from http://www.businessballs.com/tompetersinsearchofexcellence.htm.

⫿ BIBLIOGRAPHY

Ackoff, R.L. (1981) *Creating the Corporate Future*, New York: John Wiley and Sons.
——(1994) *The Democratic Corporation*, New York: Oxford University Press.
——(1999) *Re-creating the Corporation*, New York: Oxford University Press.
Adkins, B., Foth, M., Summerville, J. and Higgs, P.L. (2007) Ecologies of Innovation: Symbolic Aspects of Cross-Organizational Linkages in the Design Sector in an Australian Inner-City Area, *American Behavioral Scientist*, 50: 922–34.
Adler, P. (2001) Market, Hierarchy and Trust: The Knowledge Economy and the Future of Capitalism, *Organization Science*, 12(2): 215–34.
——Borys, B. (1996) Two Types of Bureaucracy: Coercive versus Enabling, *Administrative Science Quarterly*, 41(1): 61–89.
Ahuja, M.K. and Carley, K.M. (1999) Network Structure in Virtual Organization, *Organization Science*, 10(6): 741–57.
Althusser, L. (1969) *For Marx*, Harmondsworth, Allen Lane.
Ashcraft, K.L. (2001) Organized Dissonance: Feminist Bureaucracy as Hybrid Form, *Academy of Management Journal*, 44(6): 1301–22.
Bachelard, G. (1984) *The New Scientific Spirit*, Boston: Beacon.
Ball, K. (2007) Call Centers, in S.R. Clegg and J.R. Bailey (eds), *The Sage International Encyclopedia of Organization Studies*, Thousand Oaks, California: Sage.
Barker, J.R. (1993) Tightening the Iron Cage: Concertive Control in Self-Managing Teams, *Administrative Science Quarterly*, 38: 408–37.
Beauvallet, G. and Balle, M. (2002) *E-Management Work: The Internet and the Office Productivity Revolution*, London: Writers Club Press.
Bendix, R. (1956) *Work and Authority in Industry*, Berkeley, California: University of California Press.
Biggart, N.W. and Hamilton, G.G. (1992) On the Limits of a Firm-Based Theory to Explain Business Networks: The Western Bias of Neoclassical Economics, in N. Nohria and R. Eccles (eds), *Networks and Organizations: Structure, Form and Action*, Boston: Harvard Business School Press, 471–90.
Black, J.A. and Edwards, S. (2000) Emergence of Virtual or Network Organizations: Fad or Feature, *Journal of Organization Change Management*, 13(6): 567–76.
Blau, P.M. (1955) *The Dynamics of Bureaucracy*, Chicago: Chicago University Press.
——and Meyer, M.W. (1971) *Bureaucracy in Modern Society*, 2nd edn, New York: Random House.
Bourdieu, P. (1998) *Practical Reason: On the Theory of Action*, Stanford University Press.
Burns, T. and Stalker, G.M. (1961) *The Management of Innovation*, London: Tavistock.
Burris, B.H. (1993) *Technocracy at Work*, Albany, New York: State University of New York Press.
Castells, M. (1996) *The Rise of the Network Society*, London: Blackwell.
——(2000) *The Information Age: Economy, Society and Culture. Volume 1: The Rise of Network Society*, 2nd edn, London: Blackwell.
——(2001) *The Internet Galaxy: Reflections on the Internet, Business, and Society*, New York: Oxford University Press.
Child, J. and McGrath, R.G. (2001) Organizations Unfettered: Organizational Form in an Information-Intensive Economy, *Academy of Management Journal*, 44(6): 1135–49.
Clegg, S.R. (1990) *Modern Organizations. Organization Studies in the Post Modern World*, London: Sage.
——Courpasson, D., and Phillips, N. (2006) *Power and Organizations*, Thousand Oaks, CA:Sage.

Courpasson, D. and Dany, F. (2003) Indifference or Obedience? Business Firms as Democratic Hybrids, *Organization Studies*, 24(8): 1231–60.
——Reed, M.I (2004) Bureaucracy in the Age of Enterprise, *Organization*, 11(1): 5–13.
Crozier, M. (1964) *The Bureaucratic Phenomenon*, Chicago: Chicago University Press.
Davidow, W.H. and Malone, M.S. (1992) *The Virtual Corporation*, New York: Burlingame Harper Business.
Deleuze, G. and Guattari, F. (1984) *A Thousand Plateaus: Capitalism and Schizophrenia*, Vol London: Athlone.
De Sanctis, G. and Monge, P. (1999) Communication Processes for Virtual Organization, *Organization Science*, 10(6): 693–703.
Donaldson, L. (1996) The Normal Science of Structural Contingency Theory, in S.R. Clegg, C. Hardy and W.R. Nord (eds), *Handbook of Organization Studies*, London: Sage, 57–76.
Dubin, R. (1949) Decision-Making by Management in Industrial Relations, *American Journal Sociology*, 54: 292–7.
du Gay, P. (2000) *In Praise of Bureaucracy*, London: Sage.
——(ed.) (2005) *The Values of Bureaucracy*, Oxford: Oxford University Press.
Dunford, R., Palmer, I., Beneviste, J. and Crawford, J. (2007) Coexistence of 'Old' and 'New' Organizational Practices: Transitory Phenomenon or Enduring Feature?, *Asia Pacific Journal of Human Resources*, 45(1): 24–43.
Dylan, B. (1966) *Stuck inside of Mobile (with the Memphis Blues Again)*, *Blonde on Blonde*, New York: Columbia Records.
Fairtlough, G. (1994) *Creative Compartments: A Design for Future Organization*, London: Greenwood
——(2007) *The Three Ways of Getting Things Done: Hierarchy, Heterarchy and Responsible Autonomy in Organizations* (International edition), Greenways, Dorset: Triarchy.
Ferlie, E., Ashburner, L., Fitzgerald, L. and Pettigrew, A. (1996) *The New Public Management in Action*, Oxford: Oxford University Press.
Fligstein, N. (1990) *The Transformation of Corporate Control*, Cambridge, Massachusetts: Harvard University Press.
——(2001) *The Architecture of Markets*, Princeton, New Jersey: Princeton University Press.
Frenkel, S., Tam, M., Korczynski, M. and Shire, K. (1998) Beyond Bureaucracy? Work Organization in Call Centres, *International Journal of Human Resource Management*, 9(6): 957–7.
Ghoshal, S. and Bartlett, C.A. (1997) *The Individualized Corporation: A Fundamentally New Approach to Management: Great Companies are Defined by Purpose, Process, and People*, New York: HarperBusiness.
Goldman, S.L., Nagel, R.N. and Preiss, K. (1995) *Agile Competitors and Virtual Organizations: Strategies for Enriching the Customer*, New York: Van Nostrand Reinhold.
Gottfredson, M., Puryear, R. and Phillips, S. (2005) Strategic Sourcing: From Periphery to the Core, *Harvard Business Review*, 83(2): 132–43.
Gouldner, A.W. (1954) *Patterns of Industrial Bureaucracy*, New York: Free Press.
——(1955) Metaphysical Pathos and the Theory of Bureaucracy, *American Political Science Review*, 49: 496–507.
——(1960) The Norm of Reciprocity: A Preliminary Statement, *American Sociological Review*, 25: 161–78.
Hall, R.H. (1963) The Concept of Bureaucracy: An Empirical Assessment, *American Journal Sociology*, 69: 32–40.
Handy, C. (1993) *Understanding Organizations*, London: Penguin.
Hardy, C., Philips, N. and Lawrence, T. (1998) Distinguishing Trust and Power in Inter Organizational Relations: Forms and Facades of Trust, in C. Lane and R. Bachmann (eds) *Trust Within and Between Organizations*, Oxford: Oxford University Press, 64–87.

Harris, J.G., De Long, D.W. and Donnellon, A. (2001) Do You Have What it Takes to be an E-manager? *Strategy & Leadership*, 29(4): 10–14.

Hartd, M. and Negri, A. (2002) *Empire*, Harvard University Press.

Heckscher, C. (1994) Defining the Post Bureaucratic Type, in C. Heckscher and A. Donellon (eds), *The Post Bureaucratic Organization: New Perspectives on Organizational Change*, Thousand Oaks, California: Sage, 14–62.

——Applegate, L. (1994) Introduction, in C. Heckscher and A. Donnellon (eds), *The Post Bureaucratic Organization. New Perspectives on Organizational Change*, Thousand Oaks, California: Sage, 1–14.

——Donnellon, A. (eds) (1994) *The Post Bureaucratic Organization, New Perspectives on Organizational Change*, Thousand Oaks, California: Sage.

Hedlund, G. (1986) The Hypermodern MNC: A Heterarchy?, *Human Resource Management Journal*, 25(1): 9–35.

Kallinikos, J. (2006) *The Consequences of Information: Institutional Implications of Technological Change*, Northampton: Edward Elgar.

Landau, M. (1972) *Political Science and Political Theory*, New York: MacMillan.

Lazega, E. (2000) *The Collegial Phenomenon*, Oxford: Oxford University Press.

Lewin, A.Y., Long, C.P. and Carroll, T.N. (2002) The Coevolution of New Organizational Forms, in S.R. Clegg (ed.), *Central Currents in Organization Studies II: Contemporary Trends*, Vol. 8, London: Sage, 323–47; originally published in *Organization Science*, 10: 535–50.

Macaulay, S. (1966) *Law and the Balance of Power: The Automobile Manufacturers and their Dealers*, New York: Russell Sage Foundation.

Malone, T.W., Yates, J. and Benjamin, R.I. (1987) Electronic Markets and Electronic Hierarchies, *Communications of the ACM*, 30: 6.

March, J.G. and Simon, H. (1958) *Organizations*, New York: Wiley.

Martindale, D. (1960) *The Nature and Types of Sociological Theory*, London: Routledge and Kegan Paul.

Merton, R.K. (1940) Bureaucratic Structure and Personality, *Social Forces*, 18: 560–8.

Miles, R.E., Snow, C.C., Matthews, J.A. and Coleman, H.J. (1997) Organizing in the Knowledge Area: Anticipating the Cellular Form, *Academy of Management Executive*, 11(4): 7–20.

Mills, C.W. (1956) *The Power Elite*, New York: Oxford University Press.

Mintzberg, H. (1983) *Power In and Around Organizations*, Englewood Cliffs, New Jersey: Prentice-Hall.

Munro, R. (2007) Network Society and Organizations, in S.R. Clegg and J. Bailey (eds), *The Sage International Encyclopedia of Organization Studies*, Thousand Oaks, California: Sage, 971–5.

Nohria, N. and Ghoshal, S. (1997) *The Differentiated Network: Organizing Multinational Corporations for Value Creation*, San Francisco, California: Jossey-Bass.

Nonaka, I. and Takeuchi, H. (1995) *The Knowledge-Creating Company*, New York: Oxford University Press.

Osborne, D. and Gaebler, T. (1992) *Reinventing Government*, Reading, Massachusetts: Addison Wesley.

——Plastrik, P. (1997) *Banishing Bureaucracy: Five Strategies for Reinventing Government*, Reading, Massachusetts: Addison Wesley.

Ouchi, W.G. (1980) Markets, Bureaucracies and Clans, *Administrative Science Quarterly*, 25: 129–41.

Peters, T. (2003) *Re-imagine! Business Excellence in a Disruptive Age*, London: Dorling Kindersley.

Philby, K. (1968) *My Silent War*, London: Macgibbon & Kee.

Pollard, J. (2004) From Industrial District to 'Urban Village'? Manufacturing, Money and Consumption in Birmingham's Jewellery Quarter, *Urban Studies*, 41(1): 173–93, *Social and Behavioral Sciences*, Oxford: Elsevier.

Postrel, V.I. (1997) The Peters Principle–Interview with Tom Peters, *Reason*, October 199' http://findarticles.com/articles/mi_m1568/is_n5_v29/ai_20521295/, accessed on August 2(2007.

Powell, W.W. (1986) Hybrid Organizational Arrangements: New Form or transitional develop ment, *California Management Review*, 30(1): 67–87.

Pugh, D.S. (1966) Modern Organization Theory: A Psychological and Sociological Stud *Psychological Bulletin*, 66(4): 235–51.

——Hickson, D.J. (1976) *Organizational Structure in Its Context: The Aston Programme* London: Saxon House.

Reed, M. (1999) From the cage to the gaze? The dynamics of organization control in la modernity, in Morgan, M. and Engwal, L. (eds.), *Regulation and organizations: Internation Perspectives*, 17–49, London: Routledge.

——(2001) Organization, Trust and Control: A Realist Analysis, *Organization Studies*, 22(2 201–28.

Rockart, J.F. and Short, J.E. (1991) The Networked Organization and the Management (Interdependence, in M.S. Scott Morton (ed.), *The Corporation of the 1990s: Informatic Technology and Organizational Transformation*, Oxford: Oxford University Press.

Romme, A.G.L. (1999) Domination, Self-Determination and Circular Organizing, *Organizatio Studies*, 20(5): 801–31.

Rothschild, J. and Whitt, J.A. (1986) *The Cooperative Workplace: Potentials and Dilemmas Organizational Democracy and Participation*, Cambridge: Cambridge University Press.

Rothschild-Whitt, J. (1979) The Collectivist Organization: An Alternative to Rational-Bureau cratic Models, *American Sociological Review*, 44: 54–81.

Schütz, A. (1967) *The Phenomenology of the Social World*, Evanston, Illinois: Northwester Pres

Selznick, P. (1949) *TVA and the Grass Roots*, Berkeley, California: University of California Pres

Ten Bos, R. (2000) *Fashion and Utopia in Management Thinking*, Amsterdam: Benjamins.

Volberda, H.W. (1998) *Building the Flexible Firm*, Oxford: Oxford University Press.

——(2002) Toward the Flexible Form: How to Remain Vital in Hypercompetitive Enviror ments, in S.R. Clegg (ed.), *Central Currents in Organization Studies II: Contemporary Studie* Vol. 8, London: Sage, 298–322; originally published in *Organization Science* (1998) 7: 359–7(

Weber, M. (1978) *Economy and Society, An Outline of Interpretive Sociology*, R. Guenther and (Wittich (ed.), Berkeley: University of California Press.

Wickham, J. and Collins, G. (2004) Call Centres as Innovation Nurseries, *The Service Industri Journal*, 24(1): 1–18.

Wilensky, H.L. (1964) The Professionalization of Everyone?, *American Journal of Sociology*, LX: (2): 137–58.

Winiecki, D.J. (2006) *Discipline & Governmentality at Work: Making the Subject and Subjectivi in Modern Tertiary Labor*, London: Free Association Press.