

## **The Tandem Culture – Organizational Bureaucracy in Public Sector**

**Ion Gh. ROȘCA**

Bucharest Academy of Economic Studies

Ion.Rosca@ase.ro

**George MOLDOVEANU**

Bucharest Academy of Economic Studies

George.Moldoveanu@man.ase.ro

**Abstract.** *The article discusses the background of the organizational processes of public administration, which is organizational culture and bureaucracy, elements that tend to an entity. Supporting strategies and policies of organizations can be achieved through a strong organizational culture, by the extension of subcultures in the private sector. Also, there are measures proposed for the bureaucratic system mitigation, by extending the firm model towards a bureau model, practicing of flat structures, updating the administrative/managerial tools, etc.*

*Practical development of the two components, faces of the same entity, means a real reengineering of the public organizations, a domain in which there is not enough expertise.*

**Keywords:** Organizational culture; organizational bureaucracy; excessive bureaucracy; bureaucratic process graph; firm model; bureau model; reengineering.

**JEL Codes:** D02, D20, D23, D73, D74, H40.

**REL Codes:** 13C, 13J.

## 1. The organizational culture

*The organizational culture background* is the catalyst of the actions' development or, instead, the lock of them. The administrative science and the attempt to implement it are not sufficient, out of a strong organizational culture, with a network of rules, standards, values, events, preconditions, regarding the way in which activities are carried out and people are treated.

Organizational cultures' testify is done in organizations, by surface and depth mechanisms, between which there are organic links that in practice are often ignored.

### 1.1. Current status: the dominant culture and subcultures

The dominant culture in the public sector is the role type one (temple type), typical for most organizations of central or local administration (government), if we use the structure proposed by Handy, or the procedures' one for classification proposed by Deal and Kennedy.

These types of culture which define an identical status result from:

- i) Activities' low feedback and
- ii) Activities' reduced risk, resulting from the rules' system, norms that are institutionalized.

The culture, defined by the two dimensions, is impersonal; with a communication between roles, not between people, and the organization represent a set of interconnected rules, so that the bureaucracy machine in Weber's conception should work.

The management/administration is comprehensive, and leadership is limited, although, in the public sector, we consider that the last concept is more comprehensive and more useful than the first ones.

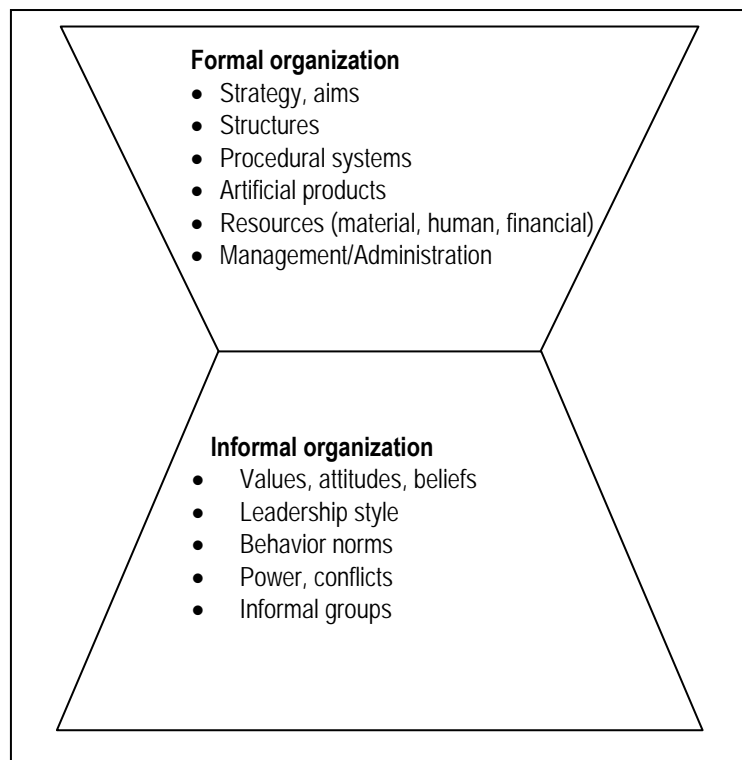
But everything can operate on the basis of this culture, if the organizational environment is stable (limited changeability and predictability) and employees value the professionalism, seriousness, conditions that may not be encountered in all cases in public sector.

Investigations within the organizational spectrum led us to identify some subcultures, especially the "spider web" type (see political organizations, unions, pressure groups with single orientation, etc.) as well as the "person" type (the lawyers' offices, architects' associations, consultancy companies, university departments, medical clinics, etc.) (Moldoveanu, 2005).

Management/administration is difficult referring to these cultures, the goals are partially achieved. Although citizens are stakeholders, these subcultures first follow the managers-administrators interests, unfair and

undesired status, and many members of the organization are guided by their own values.

The negative character of these subcultures is also given by the organizational iceberg (Figure 1), that in the public sector does not realize a powerful articulation of the two types of formal and informal behaviors.



**Figure 1.** *Organizational iceberg*

### 1.2. The improved state

i) First improvement can be achieved by emphasizing links between the culture components, creating a network between them, without skipping the role or procedures' type culture. This notion, that we sustain, can eliminate the divided perceptions of the public organizations' practices, supporting the distribution of values within the organization, but linked into a network.

This first step of improvements which focuses on the phrase "organizational culture" is continued by "organizational excellence" (Peters, Waterman, 1982), but not automatically, but through building and development of strategies in according with the values supported by organization members and stakeholders, including citizens.

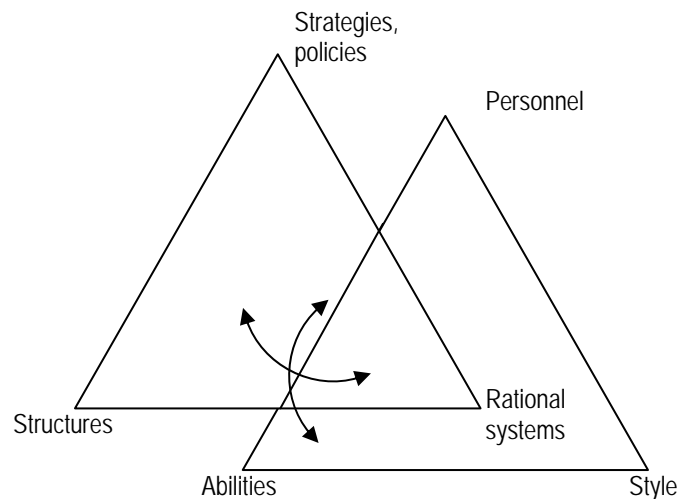
If we consider „n“ the number of components within a network of organizational culture, the links that provide the network value are the type  $n^2-n$ , or  $n(n-1)$ .

This first step of improvements that are comprised in the expression „organizational culture“ is continued with organizational excellence, but not automatically, but by creating and development of several strategies that are compatible with the values accepted by the organization’ members and its stakeholders, including the citizens.

Some organizations in the public administration can be no more than the level of a strong culture and searching of the “organizational excellence” where must be imposed a close relation with the consumers/citizens, competitive spirit, administrative productivity, the “front office” employees’ involvement, structures’ simplification and flexibility and a real process of strategic vision and not strategic planning.

The culture is institutionalized only after achieving organizational performance, and not vice versa.

In addition, in public organizations, in the vast majority of them, among “hard” and “soft” variables there is a considerable discrepancy. Thus, from studies of Lucio Fabriciani (2003), that first includes the strategy, structure and systems, and secondly, the staff, skills and personnel’s working style, we make the “force triangles” in public administration (Figure 2).



**Source:** Lucio Fabriciani – *Partecipazione Umana e Competitiva Aziendale*, Ed. Sperling&Kapfer, Editori Italia 2003.

**Figure 2.** *Correlation between “soft” and “hard” variables in public organizations’ processes*

The two “force triangles” generate a spatial and temporal discrepancy that should be reduced. We believe that the Japanese organizational elements are of a real benefit for us, in the tendency to overlap hard with soft. This concept is related to the biological rational organizational model that we sustain (Moldoveanu et al., 2007).

So it is identified a harmony between organizational components (*we and not me*), based on the activities in all directions in the network: top-down, bottom-up, horizontals, oblique, etc. and the end is collective, as a result of the *just culture*.

Public organization is, in the first place, humanist, the economy is available to human and not vice versa. The model used is the socio-economic one and not economic one (Roșca, Moldoveanu, 2008a, Roșca, Moldoveanu, 2008b).

ii) At the subcultures level we express our opinion about the transfer of subcultures from the private field towards the public one, the last one being expanding over many procedures in public administration.

So, the first subculture, which can be successfully taken for, is the network type – oriented towards professional task, organizational project, elements encountered in local and central administration practices. But network leaders, among it nodes, had to be identified with state integrity and intelligence that can not be generalized in public administration.

It there can also be build a Hofstede type subculture, in which a controlled individualism is accepted (the individuals’ welfare and not the society’s one). In the same context, excessive voluntarism and clan dependence are limited (Roșca, Moldoveanu, 2008b).

The power actions’ field should also be reduced in public administration; otherwise inefficacy and inefficiency appear, generating difficulties in this activity area.

Masculinity is also increasing in the public area (for example extension of the incentives’ system), otherwise we assist to the loss of authentic human values within the system.

iii) Finally we propose a better correlation between political culture and the public administration one (hiatus between the two of them is a dream) by improving dimensions resulted from the hierarchy-equality, freedom-coercion, loyalty - commitment, trust - distrust etc. (Moldoveanu, 2005).

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The suggested changes, with great effects over the organizational processes within public administration, can be realized only in case of using the directing or expert type strategies and not negotiating or participation type strategies. Referring to the Romanian organizations, the last two strategies are equivalent – in public administration area – with the loss of strategic direction and high period of achievement in the process of organizational changes, states that the current transfer towards market institutionalized mechanisms no longer accept, in terms of effectiveness and efficiency.

## **2. Organizational bureaucracy**

The nowadays world is characterized by bureaucratic behavior in the vast majority of activity domains. This behavior has different intensities in private and in public field. Although grouping of organizations in private and public ones has a relatively low rationality, the bureaucracy reaches the maximum level in the public structures. Based on analysis, in this area we identified a system organization relying on strict rules, following the norm to the standard letter, excessive formalizing, reduced innovation and relative change, all these aiming an exact achievement of objectives (Moldoveanu, Pleter, 2007).

### **2.1. Current status: excessive bureaucracy**

Based on the practical states, specific literature from Weber to Mintzberg and following the personnel enquiring within 50 public organizations, we conceptualized bureaucracy. The employees from the middle management and the first line management levels were asked to classify bureaucracy from step 1 to step 5 (step 1 meaning the excessive bureaucracy and step five meaning the non-bureaucracy).

So, the first axis means the activity based on formal rules and, at the opposite poll, is the one based on informal rules. The second axis has on an extreme part the excessive formalization, and, at the other part, reduced formalization. The third axis has as a starting point the reduced innovation, and, as a final point, the permanent (excessive) innovation. The fourth axis starts with multi-level (tall) organizational structures and ends with the organic (flat) one. The fifth axis, the organizational communication one, starts from the unidirectional type one and ends with the multidimensional one.

The full bureaucracy and the reduced/non-bureaucracy are described in Figure 3.

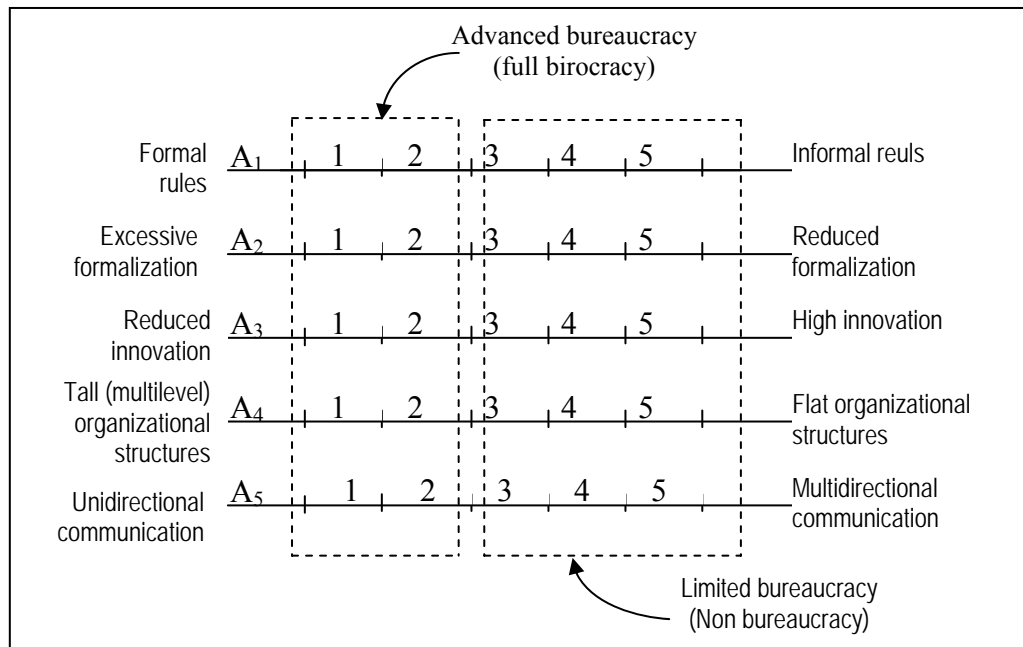


Figure 3. Bureaucracy inquiring

**The excessive bureaucracy system has not an a priori conception, but it comes from the confluence of several essential states<sup>(1)</sup>.**

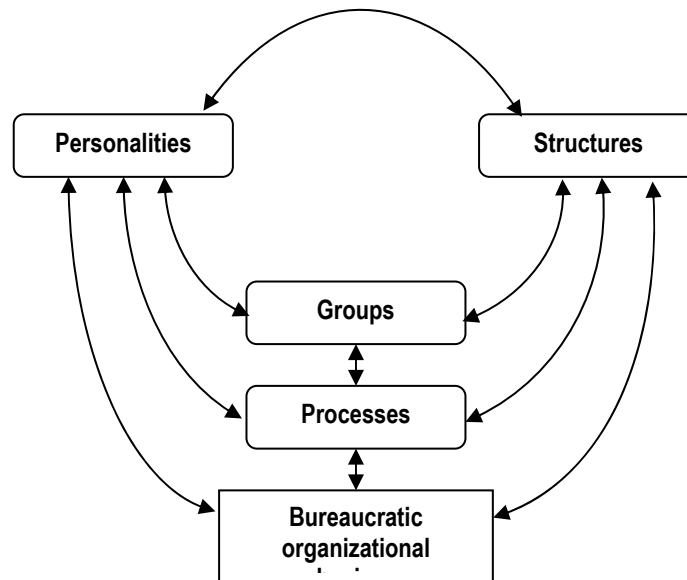
i) The behavior of public personalities and that of the direct subordinates, the technocrat type adhering to the oligarchy system, the essential values such as politics, hierarchy, excessive formalism, monopoly etc. Motivation is rather inhibited and some confusing and even wrong perceptions and attitudes may be found.

ii) The group behavior of public servants is described as meticulous but limited to an “educated incapacity”, intimidated and dominated by law; the leadership is stimulated as a trust force of the organizational development.

iii) Organizational structures are often mechanical, tall, multilevel, “reversed hierarchy pyramids”; job and work specifications run short of clear definitions.

iv) The organizational processes in the public sector rely on strict procedures, as a chain of highly specialized functional departments; the decision-making process uses a limited range of instruments, with particularly defined issues and invented solutions to match the interests of involved parties, based on negotiation and compromise.

The result is organizational behavior that is dominated by impersonal rational rules. The work specialization gets priority over value added goods, with a goal to implement legislation politics bottom lines, to increase the state power and interventionism etc. (Figure 4).



Source: Moldoveanu, G., *Economie teoretică și aplicată*, nr. 7/2007.

Figure 4. Bureaucratic process graphic

## 2.2. Proposed status

Based on the issues presented above, we create the concept of red tape bureaucracy limiting, smoothing it and not eliminating it. For this purpose we have elaborated a list of proposals:

1. Expanding the “business/firm model” over the “bureau model” in compliance with the particularities of the latter. The two models have a fundamental logic, namely equality between the demand and supply level. In bureaucratic processes, the cost of output is more than effective, that sentence is claimed by:

i) minimum marginal cost of output within the “bureaucratic model”  $\left(\frac{\Delta c}{\Delta q}\right)$  is greater than the sponsored marginal value  $\left(\frac{\Delta v}{\Delta c}\right)$  or put in a mathematical form:  $\frac{\Delta c}{\Delta q} > \frac{\Delta v}{\Delta c}$ .

ii) Also, marginal cost of the public goods/services is higher than the marginal profit resulted from the office activity  $\left(\frac{\Delta \pi}{\Delta q}\right)$  or put in a mathematical form:

$$\frac{\Delta c}{\Delta q} > \frac{\Delta \pi}{\Delta q}.$$



2. “The Profit” (social expectations), as a general notion with a wider, represents the difference between allotted budget and the marginal costs of the public goods/services. Financially, the marginal profit achievement or overtaking demands new lines of action, which are being simulated in the bureaucratic process, such as:

- The introduction of a competitive system in any activity, together with a strong stimulation of the employees;
- Fundamental decisions taken according to the market demands, as the public sector in the broader sphere of all human activities;
- Modernization of the Strategic process, allowing for quality goods and services at prices/tariffs accepted by consumers, by identifying ways to relative reduce the costs.

3. The first way assumed for the benefit of consumers requires changing the organizational structures through the practice of organic flat structures, imposing for this purpose a permanent control of the bureaucratic system between the continuing increase of the number of managers/directors and the number of employees or of the second category and number of hierarchical levels, of course the issue is relative and not absolute; otherwise, the hierarchical pyramids are “eversed”

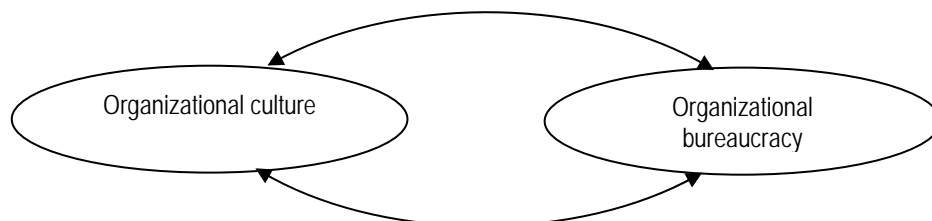
4. We also believe that in the same direction acts the use of specific business management tools, real delegation and empowerment – ways of limiting the bureaucracy that we have argued and described in the specific literature.

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The separate approach of the two dimensions that form the «active background» of the organizational processes, an issue not accepted by many public sector workers, but with major effects, may be replaced with a configuration type one, eliminating the concept of contingency-type, that was dumped more and more out of the current research.

We express our opinion that the two issues are mutually supportive, organizational culture tends to become organizational bureaucracy and vice versa.



**Figure 5.** *The unity culture - organizational bureaucracy*

Culture and organizational bureaucracy form "the duplex" of all processes in public administration, in line with organizational structures and organizational behavior. In fact, the two form an entity, but analysts perceive them as separate dimensions.

### Conclusions

A culture with a strong trend towards organizational excellence and a reduced bureaucracy are two basic ways to improve the performance of public organizations (Dawson, 1992).

Implementation of the two ways, so debated in the literature, can be achieved only in the context of organizational "reengineering", the step by step type one, which is difficult and lacking of experience in the public sector, for reasons such as the difficulty of measuring performance, rigidity of interdepartmental barriers, many administrators with a training policy but no one in public management, lack of strong competition, generalized, etc.

Once triggered, the reengineering will not be stopped, being the only way to a benefic state in the entire public sector.

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### Note

- <sup>(1)</sup> See Moldoveanu, G., Pleter, O. (2007). *Atenuarea birocrăției/Shrinking bureaucracy*, Theoretical and Applied Economics nr. 7/2007, București, Editura Economică

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