

SUMMARY

INFORMAL ORGANIZATIONS

by Choop Karnjanaprakorn

The meaning of an informal organization

Delbert C. Miller and William H. Form in their book "Industrial Sociology" regard an informal organization as "the network of personal and social relations which are not defined or prescribed by formal organization."¹

In his "The Functions of the Executive", Chester I. Barnard gives the meaning of an informal organization as "The aggregate of the personal contacts and interactions and the associated grouping of people....Though common or joint purposes are excluded by definition, common or joint results of important character nevertheless come from such organization...informal organization is indefinite and rather structureless..."²

However, in order to understand the functions and operations of an informal organization, those of a formal organization must first be thoroughly understood.

The structural identity of an informal organization

Although an informal organization is of a "fluid" character, that is to say, it does not manifest itself in any formal organizational structure and rather depends on human whims and personal conduct, we may, however, say that an informal organization possesses a structural identity of its own the principal characteristics of which are as follows :

a) It is a contact between two or more persons, whether working in the same formal organization or in different formal organizations, for certain ends.

¹ Delbert C. Miller and William H. Form, *Industrial Sociology* (New York : Harper and Brothers, 1951), p. 863.

² Chester I. Barnard, *The Functions of the Executive* (Cambridge, Mass : Harvard University Press, 1947), p. 115.

b) Such contact may be entirely informal in nature and has nothing to do with the objectives of the formal organization in question.

c) On the other hand, such contact although informal may be made with the purpose of meeting the objectives of the formal organization.

d) This informal relationship does not conform to any set of relationships inherent in the chain of command. Rather it is based on personal friendship or acquaintance-ship or administrative norms.

e) Such personal relationship in an informal organization generally accrues either from a compatibility or a conflict of personality or interest of the persons involved.

f) As informality is the keynote of this relationship, the informal organization that is its offspring possesses neither a formal chain of command nor a span of control. The man-boss relationship, if it exists at all, in the informal organizationship is due primarily to personal respect and appreciation that exist between them.

g) The above being the nature of the informal organization, its organization chart therefore cannot be made in the way that is possible of a formal organization.

Types of relationship in an informal organization

There are mainly 5 types of such informal relationship: superior-to-subordinate horizontal subordinate-to- superior procedural and external. This last type of relationship, however, can be in two forms, namely that between one official and another and that between an official and a private citizen. This latter type of relationship is, however, a double-edged sword, depending primarily on its purpose.

Groups in an informal organization

One usually finds in an informal organization the following groups of people; kinship; friendship; cliques; subcliques and isolates. These groups can of course be subdivided further. Cliques, for instance, have been subdivided by some into symbolic, parasitic, aggressive, defensive and random.³

³ See Melville Dalton, *Men Who Manage* (New York: John Wiley and Sons, Inc., 1959), pp. 52-67.

Suggested approaches for the comprehension of an informal organization

(1) *Socio-cultural approach.* As officialdom is part and parcel of the society in which it operates, social values must not therefore be overlooked. For this approach to be rightly understood, it is well to bear in mind certain characteristics pertinent to this approach.

1. It has always been the philosophy of the Thai people that to live together peacefully, they must live like brothers and sisters in a family with the government official as leader or head of the family—hence the omnipresent feeling in Thailand that the government official exists not to serve the people but to lead them. This is confirmed time and again, both verbally and in writing, in theory as well as in practice, in official as well as in non-official quarters.

2. As a result of the aforementioned fact, the Thai government official enjoys a high social status. In its wake, many a Thai government official, however, entertains a feeling that there should be attached to this status certain rights and, in some matters, privileges to maintain, if not to enhance, the prestige required of his official position.

3. Foreign influence has manifest itself in Thai officialdom no less than in Thai society at large. Among other things, this is discernible in the way Thai officials pay respect to one another for the practice to-day ranges from the Thai traditional 'wai' and bowing one's head down to the floor while squatting, to the western hand-shake. It sometimes appears in the combination of both Thai and Western styles.

Hence it follows from the many discrepancies between a Thai and a western culture that a Thai informal organization is vastly different from that of the west.

(2) *The sociometric network approach.* This is an approach to the study of the relationship between one person and another advocated by J.L. Moreno. It is best explained by what the author calls a sociogram and sociometric measurement. Such relationship emanates from mutual attachment as well as from mutual dislike.

(3) *The functional overlay approach.* This is an approach to the study of relationship that has arisen because of functional reasons. It is primarily for the benefit of discharging one's official functions to the best of one's ability that this relationship has taken

place. It may, for example, appear in the form of a personnel officer in a ministry informally soliciting opinion of another officer in the Civil Service Commission, or a line officer seeking advice from a staff officer.

(4) *The decision overlay approach.* This is an approach suggested by Herbert A. Simon⁴ who says that the best way to analyse an organization and its work methods is to find out which person (or persons) issues orders and which makes decisions. Usually the decision-making process in an organization dwells within its chain of command. In some organizations, however, such is not case. The reasons may lie in the influence or personality of some supervisors or in the special nature of the assignment itself. It is to be conceded that the effect of this type of situation is inevitably a demoralising one.

(5) *The Power overlay approach.* In any organization, its officials are normally endowed with an 'authority' to do certain things in a certain way. Some officials are, however, endowed with something over and beyond the authority formally given them. This extra 'authority' which an official has 'earned' either because of his personal ability, his holding certain position or positions, or his own personality, etc. may be termed his 'power'. Such official may, for reason of this 'power', be able to exert his influence upon others over whom he has no formal authority, thus creating a relationship with those outside his own chain of command. It is to be noted that such 'power' is sometimes found in the hands of a junior official.

(6) *The communication overlay approach.* Communication in any organization usually runs vertically. In some organizations, however, some of the steps in the communication process may be by-passed, thus creating an informal relationship.

What causes an informal organization

An informal organization is caused by certain drives and forces inherent in man himself. These may be psychological or social. They may also be a hindrance as well as a help to the functioning of a formal organization.

⁴ Herbert A. Simon, *Administrative Behavior* (2nd edition; New York; The Macmillan Company, 1947), p. 6.

Advantages and disadvantages of an informal organization

In a formal organization where rigidity of its rules sometimes occurs, informal relationships have frequently been instrumental in overcoming the obstacle and easing the work flow. Also a personal relationship between a worker and his boss will result in greater co-operation between them. It will also help create satisfaction and stability among the workers. Communication between the various units of the organization will be expedited. An outlet for the strain and dissatisfaction of the workers in the organization which is oftentimes a necessity will be created.

On the other hand, an informal relationship sometimes leads to an indifference or even a resistance to any changes in a formal organization. Conflicts in the aims of the two types of organization may also bring damaging results. Also because of informal relationships, an undue rumour, once started, may quickly find its way around in an organization. Lastly, jeopardy may prevail in a formal organization should workers' satisfactory attitudes and standards of performance be found wanting in an informal organization.

Summarized by Patom Jarnson
