

Organisation Theory

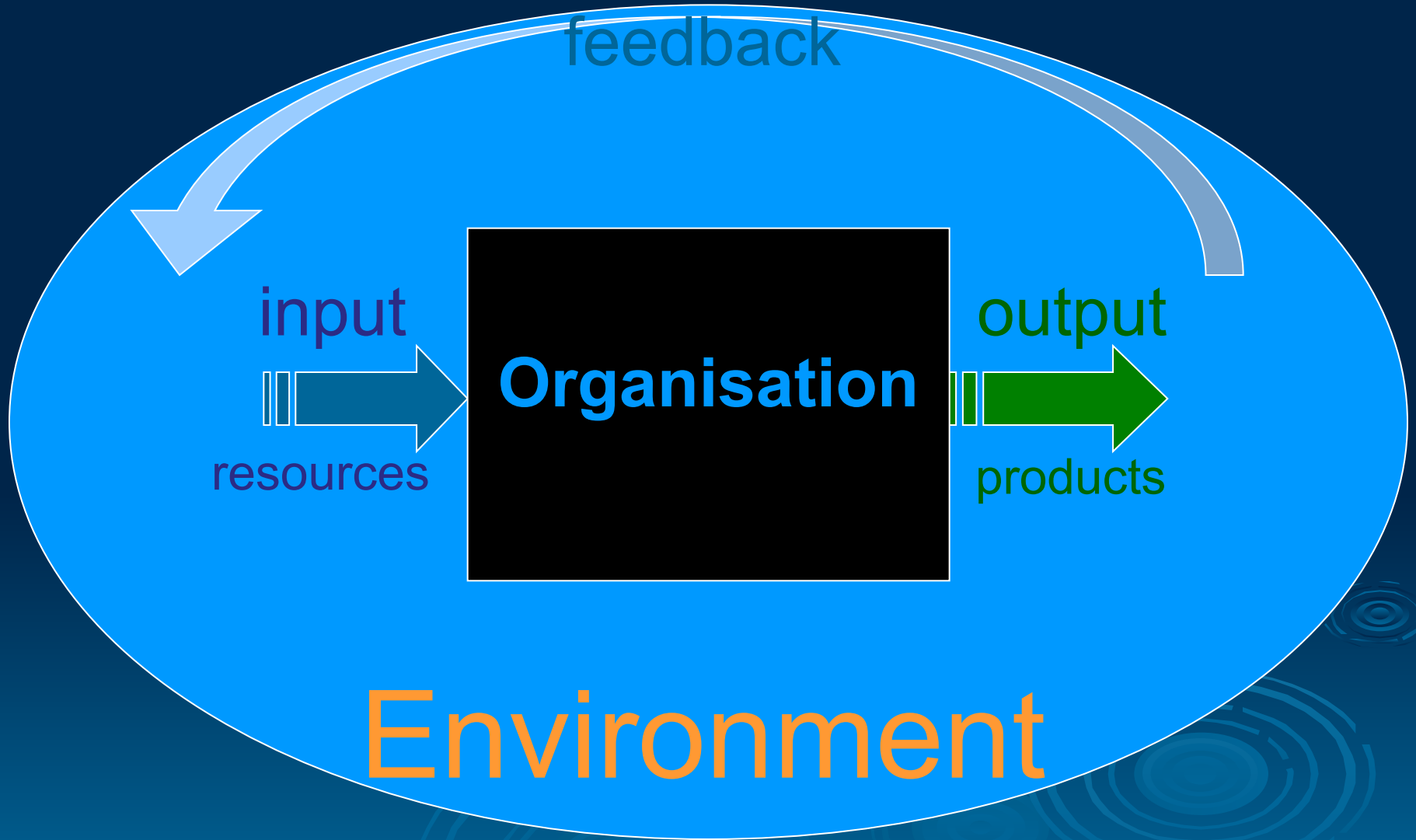
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Black box



Playing

Explain, please, what interaction is (or can appear) between organisation and –

- Social and economic institutions
 - Values
 - Rules & Norms
- Market
- Territory, region, community
- State
- NGOs (non-governmental organisations)
- Globe (world economic system, society, Earth)

Organisation & institutions – 1

- Social institutions
- Traditions:
 - technical
 - business
 - living standards ...
 - Structures
 - education system
 - defence, police, justice
 - family, housekeeping, demography
- Values
- Norms






Organisation & institutions – 2

□ Institutional Economics

- The ground (Language and meanings – understand what does it mean: «buy», «sell» ...)
- The money as a tool of exchange
- The justice for settling disputes, arbitrating between contractors
- The property for fixing the link between human being and objects: rights and the responsibilities

□ Institutional worlds in Economics of conventions (world – collective cognitive disposal)

- World of housekeeping, domestic city (personal relationship, tradition)
 - Civic world (collective pre-eminence over the individual)
 - Opinion world (other people's opinion, reputation, recognition)
 - Inspired world (originality and commensurability)
 - Trading world (competition and rivalry)
 - Industrial world (efficiency and performance)
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Organisation & Values

□ Values which influence inside

- Organisational goals

- Profit / non profit / goodness for people (USSR)

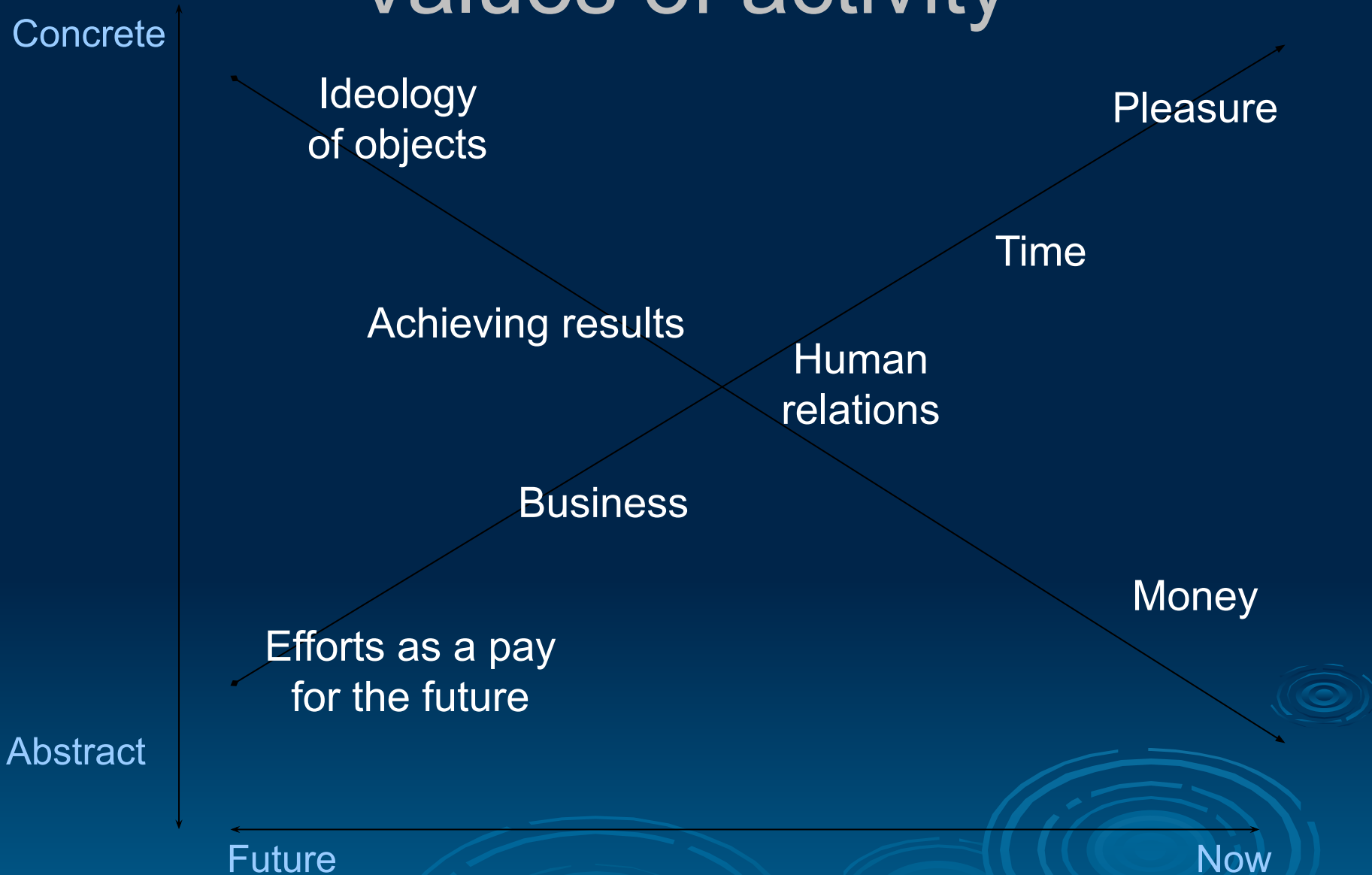
- HRM

- Objects – quality
- Results – goals achievement, satisfying of winner
- Business – logic of the corporate success, of processing
- Efforts and suffering – for a far obscure future
- Human personal inter-relations – to meet people
- Time – 70-80 years to pass
- Pleasure – it is nice to be here (access to goods, services...)
- Money – interest of gaining more

□ Values which influence outside

- Communication with clients, customers
- Communication with partners

Values of activity



- People do something for achieve a state of satisfaction in an important field

Organisation & Norms

- Functions of norms
 - Economising time and efforts
 - Mutual understanding
 - Decreasing risk, uncertainty

- Forms of norms
 - Rules, instructions, laws – formal norms
 - Customs, practices – informal norms
 - i.e., GMP – good manufacturing practices (quality management)
 - Traditions, rituals, ceremonies ...

- Organisational norms:
 - behavioural – i.e., deviation, respect of schedule ...
 - standards – i.e., effectiveness, expenses ...

Organisation vs. market

□ Order — Chaos («spontaneous order»)

- A. Smith – «individual egoism leads to the collective wealth»
- Pursuing his/her own individual interest, each of us serves the society
 - “It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages”
(Adam Smith’s The Wealth of Nations)
- Spontaneous order is not stable (crisis)
- Stability permits the development in perspective, the long-term reasoning

□ Confidence – Transaction Costs

- resources (time, equipment, money, competences...)
- organised group represents the united communication field
- to fix a commitment – create a document, sign it, put a stamp...

□ Incitation (interests) – Control

Organisation vs. market

□ Markets:

- Resources (input)
 - Capital – financial crisis – market of money (credits...)
 - Labour – qualified / non qualified
 - Place – ground and buildings
 - Talent of entrepreneur
 - Information, technologies, know-how, knowledge
- Products (output) for Clients – goods / services

□ Structure of market

- Monopoly / Perfect competition

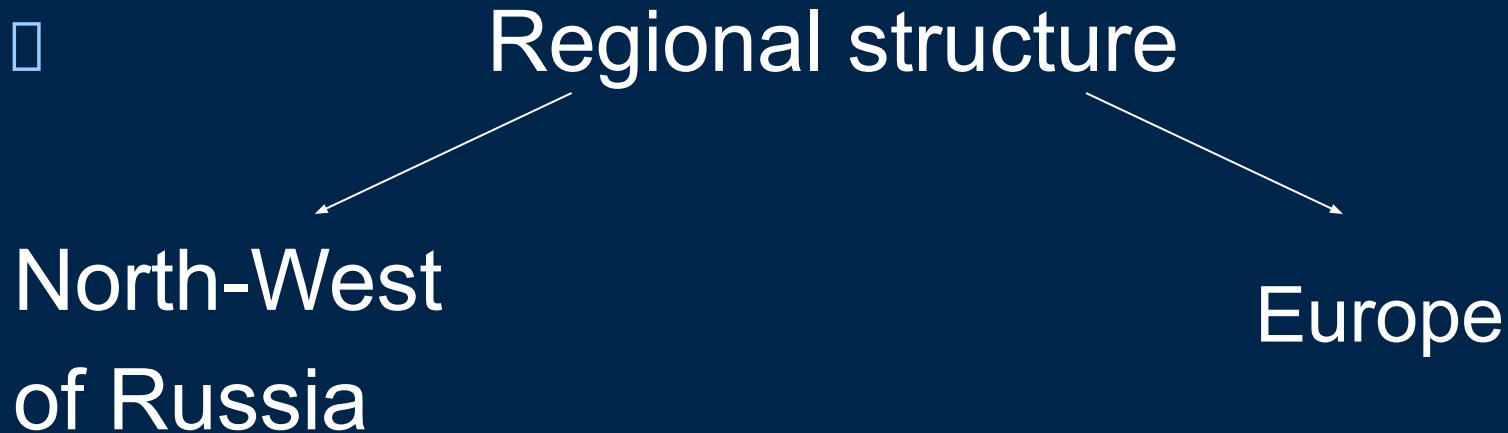
□ Property on resources

- Property rights / transaction costs

Organisation & territory

- Local demand
- Local structures (authorities)
- Domination
 - i.e., Pikalevo – mono-cities (systemic enterprises)
- Enterprise – town (community)
 - Ecology (i.e., nuclear power stations; Pepsi-Cola)
 - Local community - infrastructure (i.e., building construction, roads, schools...)
 - Gender (i.e., difference of wages between males / females)
 - Culture (i.e., Turks in Germany)
- Why the social responsibility of an enterprise?

Organisation & region



□ Regionalisation as opening

- i.e., Russia and East Asia

□ Regionalisation as autarchy

- i.e., Eastern European countries after May 2004

Organisation & State

□ Regulation:

- **economic** (taxation, penalty, social security, transfers, establishments...)
- **social** (tax and living, education...)
- **politic** (representative / participative democracy, authoritarianism...)
- **borders** (customs, drugs traffic, military actions, i.e. Turkey against Irak...)

□ Transfer prices (breaking the States borders)

□ Lobbying of organisations' interests before authorities

□ Protectionism (i.e., USA annul the purchase of ports by arab companies)



NGO – Non-State Regulation

- Lacks of both – market and State regulation
 - **economic** (i.e., micro-credits in Africa, India; Associations by sectors...)
 - **social** (exchange of knowledge, competences, experience...)
 - **politic** (social movements, defence of minorities...)
 - **humanitarian**
- **Lobbying** of minorities' interests, animals... against the authorities
- **Using NGO against competitor**

Global organisation

- Globalisation
 - globalised needs and expectations (i.e. Hollywood)
 - globalised activity (i.e. communication policy of Coca-Cola)
- Global economic regulation :
 - WTO
 - WB
 - IMF, etc.
- Global social regulation:
 - Red Cross
 - GreenPeace, etc.
- Antiglobalism
- Alterglobalism

Glocal organisation

Think globally,
Act locally



Glocalisation



Formal questions for the course

- Have you chosen the topics for your presentations?
 - Just to remind:
 - 1 person / preso – individual work
 - 20-25 min (no more than 30 !)
 - 20-25 pages
 - Show to everyone + Send to ucfp@finec.ru
- Have you got the access to DokeOS?
- Have you any problem with reading materials from DokeOS?

Thank you!

□ Questions?

□ Tuesday, 25 Oct, 16:00



Time and place

2 weeks – 3 meetings:

- Saturday 28 Nov
 - Playing
 - lecture

- _____ Dec
 - Playing
 - Students' presentations

Place – normally:

- Room 3 – 5 – 7 or 101

From 16:00
to 19:00

Assessment

The whole score for this course is maximum 20 points and includes 2 parts:

- + 8 points for the presentation
(individually or in small groups)
- + 12 points for the written exam results
(open question for 5 pts + case study for 7 pts).

Presentation (8 points)

- Presentation topics
 - Organisational theories and schools
 - see the list of topics

- Formal requirements :
 - 1 person
 - Power Point Presentation .ppt – 2003, Not Vista !
 - 10-12 minutes
 - 12-15 pages

- Presentation is to be
 - presented to other students 28 Nov & ___ Dec
 - **Delay reduces 4 points !**
 - Sent to [nnp @ europe.com](mailto:nnp@europe.com) the same day

Examination (12 points)

Written exam

- lasts 1 hour 30 minutes (1,5 hour)

The exam includes:

- An open theoretical question – 5 points
- A case study – 7 points.

□ You should ask your manager about the date of the Exam (mid Feb 2016)

Some common rules

□ Time

- be late more 20 minutes – Please, wait behind the door

□ Attention

- mobile phone are to be switched off
- you are allowed to use your notebooks, but not to pass time in Facebook, vContacte, ... :-)

□ Participation

- Please, be ready to take part in playing roles
- You are invited to express your ideas in discussions – our course is intended to your activity, and not just theoretical deepening

□ Language

- English is the native language for no one here, so, please, don't hesitate to ask and let help each other with the unknown words or not comprehensible expressions
- You are welcome to ask questions

Thank you!

□ Questions?

- Saturday, 14:30
- Don't forget to make your presentations
 - Attention! Presentations – in PPT 2003 !!
 - No Vista !