Management Essay, Research Paper

Various theories in management take the view that organisations are in a constant struggle with the environment. This essay will examine three theories in seeking to determine whether this widely held view is demonstrated in these theories. It will examine population ecology theory, systems theory, and contingency theory, firstly defining what each is and then second relating the various theories to the environment.

Population ecology takes the view that the environment is dominant, and organisations are in a constant struggle with it. Population ecology builds on Darwin s theory that allows for the variation, selection, retention, and modification of species of organisations. This theory assumes the environment is determining, environmental resources are limited, and competition is inevitable. Charles Darwin s nineteenth century writings have become synonomous with this theory. His writings emphasise the survival of the fittest and the demise of the weaker, with races getting stronger and leaving their weaker elements behind. Because of the fact that resources are non-renewable , organisations remain in constant state of struggle both with the environment and with other organisations. Survival is assumed to be the main, all-important organisation goal. This ignores the fact that certain organisations, such as ASH or the Red Cross, would in fact like to die if they were able to. Thus under this theory the environment is the critical indicator in determining which organisations succeed and which fail, selecting the most robust competitors through elimination of the weaker ones. (Morgan, 1986). Because of the critical assumption that the environment is determining, population ecology has been described at too deterministic, one sided, and not applicable to certain organisations. However, it still is an important theory in organisation theory that demonstrates how organisations are in conflict and struggle with the environment.

Population ecology compares the evolutionary trends of whole populations. This is because when the environment changes or new species makes inroads on resource niche of another, the change is reflected in the population structure. This is because species tend to share similar strengths and weaknesses, meaning it is the whole species, and not the individual that will survive or fail. Thus, although individuals may be stronger than others, in the long run they will tend to share the fate of their population in the long run. A good example of this is typewriter repairers. Because of the typewriter becoming obsolete from the personal computer, all the population suffered and were at the mercy of the environment. It mattered little about the quality of managers or the strategy they employed; the environment was simply too strong. It is clear that population ecology places high emphasis on organisations struggle with the environment.

Contingency theory emphasises that no best, universal structure exists. The appropriate form depends on the kind of task or environment with which one is dealing. Contingency approach emphasises the need for flexibility in dealing with the large numbers of variables in the environment. Because there is no best way of organising, the environment is crucial in determining an appropriate form. Also, different types or species of organisations are needed in different types of environments. Thus, under this theory organisations remain in struggles with the environment as they try to maintain an appropriate form.

Contingency recognises the inevitability of change in the environment. It sees that there are five main species of organisation: machine bureaucracy, divisionalised form, professional bureaucracy, simple structure, and adhocracy. This theory recognises that adhocracy and the simple structure are better equipped to deal with change and act fast. Due to low levels of complexity and high decentralisation, this theory places these organisations as better equipped to cope with the struggles of the environment. Thus, in many industries the key to survival is adaptability and the realisation that innovation is essential. Jobs must be allowed to shape themselves, people encouraged to find their role, and define their contribution to the organisation. Although in relatively stable environments, conventional bureaucratic organisations with defined heirarchy and rules worked well, contingency theory states that in modern times change has become too rapid for these organisations to keep up. This is evidenced by the move by many large organisations such as Xerox to create small companies and independent work group to quickly adapt to the changing environment. As the organisational environment has become more complex and turbulent, even more different types of organisations have emerged. Handy identifies shamrock and federal organisations, Quinn talks about cluster organisations, and there is the well known matrix organisation.

Systems theory builds on the principle that organisations, like organisms, are open to the environment, and must seek to build an appropriate relationship with the environment if they are to survive. Early systems theory developed as a biological metaphor in disguise. The open-systems approach places emphasis on environment in which organisations exist. It suggests organisations should plan and organise with the environment firmly in mind. Environment and system are to be understood to be in a state of interaction and mutual dependence. (p.40)Principles such as Homeostasis, entropy and negative entropy, equifinality, requisite variety and other commonly used biological principles can be used in analysis of organisations as systems. Thus open-systems stress importance of being able to scan and sense changes in task and contextual environments, firmly placing them in struggles with the environment.

System theory also seeks to analyse an organisation in terms of its internal subsystems. Individuals belong to small departments that belong to larger organisational divisions. The final aspect seeks to focus on alignments between subsystems and solve possible dysfunctions. Collectively, these aspects of systems theory allow organisations to organise in ways that meet the requirements of the environment.

The view that Organisations are always in a struggle with their environment seems aptly suited to these three theories. Systems theory, population ecology, and contingency theory all place considerable emphasis on the environment, and clearly demonstrate that organisations will never be able to master the environment. Thus, they will be in a constant struggle with the environment as they are forced to adapt, change, and manage critical areas in organisations.