

THE DARK SIDE OF ORGANIZATION – MANAGEMENT IN THE FACE OF COUNTERPRODUCTIVE BEHAVIOR (THEORETICAL BACKGROUND AND EMPIRICAL IMPLICATIONS)

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Summary: Problems related to counterproductive behaviour within organizations can be included in sciences on management and organization, namely in organizational behaviour. Human aspect of company functioning is difficult to overemphasize, as the regularities which steer human behaviour within a company must take into account the so called humanistic factor (the whole symbolic sphere where a man exists, a sphere which is an inherent element of organizational reality). This sphere influences the decision making process to a great extent. This process is an essence of management according to some authors.

The analysis will be based on the following definitions of dysfunctional behaviour within an organization. ‘Dysfunction and pathology which drive people are states of disappearance or not establishing social norms i.e. legal, ethical or professional ones. They refer both to individuals and broader structures. Individuals are the ones who transfer harmful behaviours (intentionally and non-intentionally). They may contribute to induction of unexpected behaviours. The actions which are referring to the praxeological terminology are counterproductive and make their organization unable to reach their goals.

The aim of this analysis is to create a theoretical model to explain the emergence of counterproductive actions within organizations which are existing in a turbulent environment. The second aim is to indicate management methods to prevent organizational pathologies. The pro-productive organization model will be approached from the perspective of strategic management. It is targeted mainly at achieving and maintaining competitive supremacy. The outcome of the analysis should show directions of empirical research and present a worth-testing hypothesis.

Keywords: strategic management, counterproductive behaviour, organizational misbehaviour, ethical leadership

1. Introduction

Attention will be focused on the problem of counter-productive and dysfunctional behaviour within an organization. This issue will be covered from the perspective of strategic changes in organizations which are forced to act within discontinuity environment changes. There is a common belief that the source of the largest turbulence within an organization comes from its own environment. Even violent internal changes within an organization i.e. owner change, conflict or crisis within organizational leadership – these are always under control of its members and can be mastered before disclosing their destructive power. (Hurta 2014) External changes are different. The organization has no control over external changes. It cannot be predicted when changes may occur nor the nature of these changes (Romanowska 2010, p. 10). Organizations should be able to introduce rapid responses to the signals coming from the environment. In the past such mechanisms were not a must. It is necessary now, in the extremely competitive and changing environment. Responding to such changes and making decisions in situations where it is difficult to estimate the risk trigger numerous

tensions. A man who acts in a constantly uncertain environment is looking for something certain, a niche to feel safe. If an organization does not prepare mechanisms to counteract such tensions, the counterproductive behaviour takes this place.

2. Counterproductive Behaviours - Theoretical Background

Problems are related to the counterproductive behaviour in an organization include the area of sciences on management and organization, called organizational behaviours. The human aspect of an organization is difficult to overestimate as the regularities which drive human behaviour in a company must include the so-called humanistic factor. It is primarily the entire symbolic sphere (where a man is immersed) which is an integral element of the organizational reality. This sphere substantially affects the decision-making process which is often understood as an essence of management.

Considering the nature of management, one may enumerate the following spheres: (Bhattacharyya 2009, pp. 5-6):

- productivity orientation - Frederick Winslow Taylor and John F. Mee were the pioneers of this approach. Increase of productivity is the main goal of management.
- human relations orientation - Attention is focused mainly on the interpersonal relations within an organization. Pioneers: Lawrence A. Appley and Harold Kootz.
- Decision-making orientation - the essence of management comes down to making decisions. Pioneers: Ross Moore and Stanley Vance.
- leadership orientation – leadership is the most important part of management. Pioneers: Donald J. Clough and Ralph C. Davis.
- process orientation – management is seen as a process. An organization is rather a process than a structure.

It should be emphasized that the problem of human relationships is not subject of management. Objectives are always outside an organization. However, it is assumed the relationships are one of the vital resources of an organization. They are a key to the effectiveness of the entire management process. Careful deliberate and purposeful shaping of relationships brings an organization closer to a success. Pathologies in this area are of dysfunctional type and move an organization away from its objectives. According to the functional paradigm, the question about the function of pathologies should be raised. In this paradigm every human action has a particular role. The distinction between function and dysfunction is relative. It means that calling any action functional or dysfunctional depends on whether it leads to the objective, to achieve the goal for which the company was established, or maybe it leads elsewhere - when to a goal which is contrary to the intended one. The understanding of functions and dysfunctions in management determines the role of a manager. „(...) manager's essential skill is a correct diagnosis of the company's condition, sources of difficulties and successes, future opportunities and risks of development, the strengths and weaknesses of the company.” (Kieżun 1997: 376) This analysis will be based on the following definitions of dysfunctional behaviour within an organization - „dysfunction and pathology of leadership are a state of decay or failure in establishing legal, ethical, professional norms, social norms in general. They apply to both individual people and wider structures, where individuals carry adverse effects both knowingly and unknowingly. They may induce a behaviour which is contrary to the expected one.” (Chmal 2007, p. 9) Referring to the praxeological terminology, a counterproductive behaviour does not allow an organization to achieve its goals. Witold Kieżun has a less complex definition of a pathology in an organization (the term of dysfunction and pathology will be used interchangeably in this paper): ‘Pathology of an organization is a relatively permanent disability which results in the waste that exceeds the limits of a social acceptance.’ (Kieżun 1997, p. 376) According to this

definition pathological decisions determine behaviour resulting in an excessive consumption of resources in achieving organizational goals. In extreme cases no goals are achieved. In order to assess the 'excessive resource consumption' properly, one should have a reference point allowing the comparison of two management processes. Both these processes require a similar amount of resources. The reference point is not required in case of a total ineffectiveness, meaning when the goal has not been achieved. Without a reference point, even a minor consumption of resources can be called a waste. Can we immediately call every single waste a pathology and an effect of a counterproductive behaviour? It seems not. It is difficult to talk about the wastefulness if resources are wasted due to managers' non-culpable lack of knowledge, or due to making decisions in high-risk conditions.

3. The concept of a healthy organization

The analysis of counterproductive behaviour concentrated mainly on the phenomenon of organizational pathologies. It is worth to note a more constructive approach, namely the concept of a „healthy organization”. Joseph Penc defined this term in the following way: ‘it seems that a healthy organization is an efficient organization in the praxeological sense. It is capable of removing all the difficulties that stand or may stand in the way of its development and harmonious relationship with the environment of its actions. This is an organization which is sensitive to innovation and change, it is able to generate and implement them, it competes as it has more values to offer to the customer. It is friendly to both employees and an environment.’ (Penc 2001, p. 12) The concept of organizational pathology is well known in the subject literature but the concept of a healthy organization is still uncommon. Ryszard Stocki use this term, he writes about ‘the anatomy of a healthy organization.’ (Stocki 2005) Medical analogies which increasingly emerge may focus the attention on the subject. Definition made by Penc is interesting, as it draws attention to the positive aspects of a „healthy organization” (inter alia, it is supposed to be able to the adaptive change), not limited to the absence of a pathology. Witold Kieżun writes about the ‘health of an organization’. This raises a further semantic problem: what is the health of the organization? We are revolving around the considerations of an organization. We have a number of both US and Polish considerations. The concept presented by W.G. Bennis (1966) and R. Likert (1967) are particularly developed. <According to W.G. Bennis a basic measure of organizational health is the ability to adapt to altering conditions and to changes in the environment. This ability is a function of the development of a <spirit of research>.’ (Kieżun 1997, p. 375) Witold Kieżun remains in the circle of adaptive changes, in other words, in the area of learning organizations. ‘Learning’ or a ‘smart’ organization are the same model - an ideal type of a healthy organization. Adaptation is learning how to organize, it one of the most important management functions in an organization. Dohasz, Fudaliński, Kosala and Smutek put it as follows: „Management should lead to the fact that the organization is capable of learning, in other words, adapt to changing environmental conditions.” (Dolhasz, Fudaliński, Kosala and Smutek 2009, p. 47) Trust is another important issue connected to the concept of a healthy organization but this subject needs a separate elaboration. (Robak 2013)

4. Dysfunctional behaviour and innovation

Relation between dysfunctional behaviour and innovations is another problem to be discussed. Sometimes it is difficult to distinguish, whether an action is innovative or dysfunctional. A theory of a social personality by Polish sociologist Florian Znaniecki (1934) may help to solve this problem. He enumerates various types of personalities, i.e. subnormal and overnormal deviants. The first ones contest the social order by not introducing anything

new. The latter ones, on the other hand, introduce number of orders. A new social order is an addend value for the overnormal deviants. To illustrate this concept the author of the text will present two examples. An artificial increase of value of the Enron company has no covering in company's economic result and it is an example of a subnormal deviance. On the other hand Steve Jobs leaving the company might have been the result of the lack of conditions to overnormal deviance. 10 years later, after his comeback, with a great benefit to the company he realized his revolutionary projects which were previously seen as a subnormal deviance. These examples show how difficult it is to estimate which behaviour is dysfunctional and which is innovative. It seems the boundary line between the two is very thin, but it is clear. Dysfunctional behaviour usually are characterized by the lack of recognition of the basic values: honesty, respecting truth and human dignity. They are often fuelled by the need of fast and unfounded profit, meaning greed. The results of this type of behaviour in a long term are destructive for an organization.

5. Conclusions

Both management and employees manifest counterproductive behaviours. Managers have a full authority so they are responsible for employees' counterproductive behaviour. From the functional perspective, this behaviour has an adaptive function to the pathological work conditions.

People management is in a blatant contradiction with a toxic leadership, based on a Roman principle 'devide et impera' (divide and rule). According to this principle, it is the best to rule the conflicted subordinates. This type of leadership treats people instrumentally only. Teamwork, which is so important in running contemporary business, is highly difficult in such conditions. Sometimes it is impossible to have a real team when people are conflicted with each other.

An emphasis of the excessive and unjustified competition increases destructive conflicts and fosters the emergence of one of the largest pathologies in contemporary organizations. An organizational stress is being a source of other pathologies.

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