THE RESTRUCTURING OF THE OPEN LEARNING AGENCY:
A PREDICTIVE ANALYSIS

by

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to the required standard

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Abstract

This paper presents a case study and analysis of changes in the organizational structure of the Open Learning Agency (OLA) of British Columbia in 1992. Under the aegis of the Ministry of Advanced Education, Technology and Training, the Agency carries a five-fold mandate - in collaboration with universities, institutions, boards of school trustees and other agencies concerned with education, OLA is to: provide an educational credit bank for students; coordinate the development of open learning education; use open learning methods to provide educational programs and services; carry out research related to open learning education; and operate one or more broadcasting undertakings devoted primarily to the field of educational broadcasting.

The central question of the paper is: How will OLA restructure to achieve its mandate and strategic direction? In particular, the paper examines the Agency's structure prior to reorganization, the internal and external forces acting upon it as seen through the eyes of its executive members and the key issues facing the organization, including the reasons which precipitated a review of the organizational structure in 1991. The structure prior to reorganization is analyzed and classified as an example of Mintzberg's (1989) innovative configuration. The paper also predicts an innovative configuration for the Agency's reorganized structure based upon Mintzberg's contingency and life cycle hypotheses. The reorganized structure (which came into effect May 1, 1992) is subsequently analyzed and agrees with the prediction.
The method of investigation included interviews with executive members conducted approximately three months prior and three months after the reorganization, archival research and personal observation by the writer, an employee of the Agency. Mintzberg's (1983, 1989) conceptual framework of structural configurations provided a basis for analysis of the case study data.

The paper concludes that the innovative configuration is an appropriate form for the organization in view of its mandate and strategic direction but notes that it is also a difficult configuration to sustain, subject to pressures for increasing bureaucratization and susceptible to internal and external politicization. The paper recommends that the Agency do its best to maintain the configuration by educating staff about its nature and resist pressures which might shape it into a more conventional, professional form. The paper further finds Mintzberg's framework descriptive and helpful in providing limited, broad understanding of the Agency, its issues and choices for change; however, factors which can have significant impact such as political pressure, personal idiosyncrasies of leaders and centralization of office sites make any detailed prescriptions for organizational change somewhat elusive.
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Chapter 1: Overview of Thesis
Introduction to Chapter 1

This first chapter provides an overview of the study: its subject and purpose; background information; its design and an outline of its organization.

Subject and Purpose of the Study

The problem to be addressed by this study is: How will the Open Learning Agency restructure to achieve its mandate and strategic direction?

The Open Learning Agency (OLA) of British Columbia was established in April, 1988, through the passing of provincial legislation, Bill 58, the Open Learning Agency Act. This act identified five purposes of the agency:

In collaboration with universities, institutions, boards of school trustees and other agencies concerned with education, OLA is to:

1. Provide an educational credit bank for students,
2. Coordinate the development of open learning education,
3. Use open learning methods to provide educational programs and services,
4. Carry out research related to open learning education, and
5. Operate one or more broadcasting undertakings devoted primarily to the field of educational broadcasting. (p. 2)

OLA was preceded by two organizations established in the late 1970s: the Knowledge Network of the West Communications Authority and the Open Learning Institute. The act dissolved these two organizations and created three programming components within the Agency: the Open University, the Open College and the Knowledge Network. In September, 1991, Glen Farrell, president of OLA, officially recommended to its board that he intended to reorganize the Agency.1 At a "President's Forum," staff meeting, he had announced the process which he would follow to bring about the restructuring. He indicated that the
restructuring was in response to a need for the organization to become "demand-driven" as opposed to "supply-oriented", an outcome which he speculated, if achieved, would be unique among public post-secondary educational institutions. The deadline for completion of the restructuring was March 31, 1992. The official commencement of the restructured organization in fact became May 1, 1992, one month behind schedule.

The study derives insights from the literature of organizational theory, higher education and distance education to assess the influence of interrelated external and internal forces on the problem of finding a harmonious organizational structure. It attempts to predict, from a theoretical standpoint, the most appropriate structure for OLA, given the interaction of these forces, compares the actual reorganization with the predicted form and analyzes reasons for any lack of congruence between the two.

This is not the first time that the organization (or its predecessors) have been studied;\(^3\) however, it is the first time that the organizational structure of OLA has been studied in any depth.

The rationale for conducting the study is threefold.
First of all, though there have been previous studies which categorize two types of institutional structures in the Canadian postsecondary system which engage in distance education (Smith et al., 1984), emphasis has tended to be on "dual mode" campus-based institutions rather than autonomous distance teaching institutions. Calvert (1986) notes the existence of four institutions in the latter category which:

...have created organizational models quite different from campus-based institutions and in some ways from one another. Perhaps the time has come to evaluate these models and draw some conclusions. (p. 105)

This study is one response to Calvert's call for action.

Secondly, reorganization embodies, and affects, many diverse aspects of an educational institution's operation: educational programs; learners; instructional and support staff; administration; curriculum and instruction; delivery of instruction; accessibility; and governance (Dennison and Levin, 1989). The study of organizational restructuring of one educational institution may well contain lessons for other educational organizations contemplating similar moves. Furthermore, as Guinsberg (1981), Bates (1984), Shale (1988) and others have noted the increasing prominence of distance education in higher education, the restructuring of an institution engaged in distance education may have particular pertinence. Paul (1990) believes that there is increasing convergence among distance or open learning institutions and conventional ones:

The past decade has seen a realization of their potential, to the extent that their place in the world of higher education is firmly established. It is my own view that they will continue to be successful, in fact, that distinctions between 'conventional' and 'open' universities will gradually disappear as more and more institutions adopt and adapt the structures and processes of distance education in responding to the needs of society and their students. (p. 187)
He goes so far as to suggest that the world's open universities "will increasingly be seen as models for the university of tomorrow" (p.188).

Nor are the lessons learned from this study necessarily restricted to the arena of higher education. "Demand-driven," "client-focussed," "service-oriented," are adjectives commonly associated with the ideal organization of the 1990s. The analysis of how one unique and complex educational organization is attempting to respond to these pressures through restructuring may well hold lessons for organizations outside the educational community. Future organizations, in terms of their structure, management problems and concerns "will bear little resemblance to the typical manufacturing company, circa 1950, which our textbooks still consider the norm. Instead it is far more likely to resemble organizations that neither the practicing manager nor the management scholar pays much attention to today: the hospital, the university, the symphony orchestra...what I call an information-based organization" (Drucker, 1988, p. 45). British theorist Handy (1989) also argues that in a knowledge society, with emphasis on information, intelligence and ideas, where the corporate search for quality can be equated with the university's search for truth, corporations will increasingly resemble universities or colleges (p. 113). To cope with the challenges of managing highly specialized professionals in information-based organizations and maintain the competitive advantage of the market place, more and more businesses are simulating collegial models of governance and decision-making common in university settings. He advises private sector organizations to pay more attention to university models of collegial governance marked by: emphasis on leadership; delegation to highly qualified specialists with freedom from hierarchical interference; commitment to ongoing professional development; emphasis on research and development; and collegial decision-making in areas of specialist technical competence. Paul (1990) agrees that if
open universities are successful in adapting to challenge and change, they will continue to "provide models and case studies for the development of organizational theory and for the emulation of even private-sector institutions in the 'knowledge' society" (p. 187).

Thirdly, the study offers a concrete case example, an opportunity to find, test and evaluate concepts and models derived from the literature of organizational theory, higher education and distance education regarding organizational structure and the internal and external forces that shape the organization. A better understanding of the forces at work can improve understanding of how an organizational structure comes into being, which in turn can improve understanding of how to manage within such a structure. As Merriam (1988) notes, qualitative case study research can be a "catalytic element in the unfolding of theoretical knowledge" (p. 57).

Background on OLA

The mission of OLA is to provide leadership in developing and maintaining a province-wide open learning system in order to make lifelong training and educational opportunities available to all people of B.C. Open learning is organized around the philosophy that learning is a lifelong process. It claims to be learner-centred rather than institution-centred, building on existing skills and knowledge and using a variety of teaching and learning strategies. As part of the province's post-secondary system, the Agency works in collaboration with universities, institutions, boards of school trustees and others concerned with education.

In March, 1992, OLA relocated its three sites in the lower mainland of B.C. to new headquarters in Burnaby, B.C. This building houses corporate and administrative offices, printing facilities, warehouse space and television production facilities, including two television
studios. The facility also includes specially-designed television broadcast facilities, the audio-and video-teleconferencing facilities, and an integrated voice and data telecommunications infrastructure.

During the period 1988-92, the Agency offered open learning programming development and delivery through three components: the Open University; the Open College; and the Knowledge Network. (It continues to offer similar programming although the program components have now been altered.) The Open University offered courses leading to university degrees and, in collaboration with other institutions, provided "laddered" or "cap-stone" programs leading to degrees and qualifications in special fields of study. Program offerings of the Open University included: administrative studies; arts; fine and performing arts; health science; and science and technology. The Open College provided instruction in a wide variety of areas including trades and technology, health and human services, business, tourism, and basic education. In response to the growing demand in business and industry for flexible, workplace-centred training, the Open College made workplace training a major focus of its activities. In 1990-91, combined Open University and Open College headcount enrollments exceeded 14,000, corresponding to course enrollments in excess of 21,000. The Knowledge Network broadcast (and continues to broadcast) almost 6,000 hours of programming annually including a wide range of general education programs as well as programs in support of instruction offered by B.C. schools, colleges and universities. Its "weekly audience reach" in the spring of 1991 was estimated at 400,000. In addition to acquiring programs for broadcast, Knowledge Network also produced its own programs and provided telecommunication facilities for the other programming components of the Agency and the educational community at large.
The Agency also engaged (and continues to engage) in several other activities: the B.C. Credit Bank; Discovery Training Network; research; library services for learners and staff; and international activity. The B.C. Credit Bank makes it possible to consolidate credits from accredited educational institutions, and to gain credit for "non-formal learning" such as industry-based training or on-the-job experience. It also provides a unique document evaluation service for people needing to equate foreign training and work credentials to equivalent Canadian standards.

The Discovery Training Network is B.C.'s largest on-line educational database carrying information on over 200,000 educational and training opportunities from both private and public organizations.

The Research Office carries out institutional research and evaluation of open learning activities within the Agency as well as on a province-wide basis.

The OLA library contains over 250 journals and over 7,000 volumes on distance education, open learning and educational technology. In addition to meeting the research and course development needs of Agency staff, the library provides assistance to external researchers. An agreement with Simon Fraser University provides OLA students with access to the holdings of the W.A.C. Bennett library.

Internationally, OLA's involvement extends around the Pacific Rim, Australia, Asia, Africa, the Middle East, and the former Soviet bloc, delivering materials and services ranging from individual course packages to complete educational systems. For example, OLA works closely
with the Commonwealth of Learning, provides services and materials to the Hong Kong Open Learning Institute and, through partner organizations such as Hong Kong Polytechnic, offers Canadian credits and qualifications to overseas students.

In the 1990-91 fiscal year, OLA operated on a 32 million dollar budget (approximately two-thirds of which came from government funding). It employed 269 full-time staff on-site and 186 part-time tutors off-site.

**Design of the Study**

In this section, research questions are articulated and the case study methodology is described including data sources, data analysis, validation of data and restrictions and limitations of the study.

**Research Questions**

The central question of this study is: How will the Open Learning Agency restructure to achieve its mandate and strategic direction? It is what Merriam (1988) would term an "action" problem in that there is no clear choice of alternatives for action (p. 41). It is predicated upon the assumption that a harmonious balance among internal forces, external forces and organizational structure influences the effective performance of an organization (Mintzberg, 1979b, 1983, 1989; and others). For the purposes of this study, the term, "structure," includes a description of three elements: (1) division of labour into various tasks among the parts of an organization; (2) the mechanisms which coordinate these tasks; and (3) the design parameters which determine the division of labour and achievement of coordination (Mintzberg, 1983).
More specifically, Mintzberg's (1989) term, "configuration," will be used to describe unique combinations of the three elements, that is, a particular or common type of structure. Structure and configuration will be discussed more fully in Chapter 2.

The central question can be divided into five subquestions:

1. What was OLA's configuration prior to reorganization?
2. What internal and external forces acted upon the configuration to change it?
3. From a theoretical perspective, given these forces, what would be the predicted reorganized configuration for OLA?
4. What did the final reorganized configuration of OLA turn out to be?
5. What are the reasons for the lack of congruence, if any, between the predicted and final configuration?

Method

The study follows a case study approach, defined as "an examination of a specific phenomenon such as a program, an event, a person, a process, an institution or a social group" (Merriam, 1988, p. 9). Merriam (1988) classifies case study research design as a qualitative approach:

Discussions of case study are embedded in the growing body of literature on qualitative research and naturalistic inquiry. That is not to imply that qualitative research equals a case study or that one cannot use quantitative data in a case study. Rather, the logic of this type of research derives from the worldview of qualitative research...Overall, however, in a qualitative approach to research the paramount objective is to understand the meaning of an experience. In contrast to quantitative research, which takes apart a phenomenon to examine component parts (which become the variables of the study), qualitative research strives to understand how all the parts work together to form a whole. (p. 16)
Qualitative approaches not only provide a richer understanding of phenomena but appear to be more appropriate for studies of this nature. Van Maanen (1982) has noted the increasing importance of qualitative methods in organizational research and increasing disenchantment with the results of quantitative studies (pp. 11-29).

Burge (1990) makes a plea for strengthened qualitative research in distance education particularly, research that reaches into the marrow bone, though she acknowledges that, given the unpredictability and indeterminateness of social and behavioural sciences, such research may be able to offer only temporary understandings of the phenomena studied.

Borg and Gall (1989) identify ten generally accepted characteristics of qualitative research:

1. Qualitative research involves holistic inquiry carried out in a natural setting.
2. Humans are the primary data gathering instrument.
3. There is an emphasis on qualitative data gathering methods.
4. Sampling is purposive rather than random.
5. Data analysis is inductive.
6. Qualitative research develops "grounded theory" (a posteriori as opposed to a priori).
7. Design emerges as research progresses.
8. The subjects play a role in interpreting outcomes.
9. Intuitive insights are utilized.
10. There is a focus on social processes.

This study will display most, if not all, of these characteristics.
Data Sources

The data gathered for analysis in the study are a "purposeful sampling" restricted with respect to time, site, people and events (Merriam, 1988, p. 44). The data were derived from five main sources: (1) published literature on organizational structure from the fields of organizational theory, higher education and distance education; (2) historical documents, including legislation, internal corporate documents, memoranda, reports, meeting minutes, publications, archives and strategic plans; (3) pre-interview questionnaires completed by the executive members of the Agency, who were the key decision-makers regarding the restructuring of the organization; (4) two sets of formal interviews (one prior to restructuring, one after restructuring) with the executive members; and (5) personal observation, as an employee of the Agency.

Data Analysis

The five subquestions will be analyzed in turn. In response to the first subquestion concerning the configuration of OLA prior to restructuring, data will be analyzed for evidence of elements drawn from Mintzberg (1979b): concentration of power in the organization, prime coordinating mechanisms used, type of decentralization of power employed, environmental attributes, and strategic approaches and issues. The analysis will classify OLA's pre-reorganization structure as one of Mintzberg's (1989) seven configurations (or hybrids). In response to the second subquestion concerning internal and external forces acting upon OLA's structure, data will be analyzed for key trends and synthesized into key forces. Thirdly, Mintzberg's contingency and situational hypotheses and life cycle hypotheses will be applied on the basis of these key forces to predict a reorganized configuration for OLA. In response to the fourth subquestion, information on the actual reorganized structure will be analyzed using the same process as for
the first subquestion. Finally, any discrepancy between the predicted and actual, final configuration will be examined for possible explanatory variables. Mintzberg's models and hypotheses will also be evaluated regarding their utility in this study.

As Chapter 2 will show, Mintzberg's (1983, 1989) models and hypotheses have been chosen for several reasons. First of all, Mintzberg's work is based upon an extensive survey of empirical research. Authors such as Bernicker (1984), Grinyer (1984), and Blake & Mouton (1982) support Mintzberg's work as a useful synthesis of much of the literature in organizational theory. Furthermore, the synthesis, unlike many studies which emanate from organizational theory, includes models and examples for higher education rather than simply assuming that higher education organizations are merely extensions of corporate entities. In this sense, he replies to Baldridge's (1978) caution against viewing colleges and universities as mere extrapolations of corporate business organizations. Another reason is that Mintzberg (1983, 1989) provides a convenient and consistent theoretical framework by which to analyze data gathered. Merriam (1988) observes that different types of evidence may be gathered as long as one does not attempt to "reach conclusions across studies conducted from different paradigms" (p. 2). Finally, although application of Mintzberg's models and hypotheses may not identify quantifiable variables and causal relationships among them, it nevertheless will have value if it provides a richer qualitative insight into the nature of organizations. DeVries (1990) notes that a fit between an organization and a configuration:

...does not necessarily confirm a causal relationship between the variables proposed by Mintzberg and the actual organization under discussion, in that other, independent variables may be at work. Further, if one assumes that no two organizations are the same, that each organization exists in a different environment, and that the structural approach excludes many variables from consideration, it may prove difficult if not impossible to test the causal relationships in any conclusive way.
[However,]...causality need not be proved in order to obtain valuable insights from the relationships observed...If a configuration appears to provide a reasonably accurate description of [an organization], its value if any will lie in the extent to which it provides an enriched understanding of the emergent issues and of the research questions, and, to some extent, avenues for seeking new answers for some old problems. (pp. 108-109)

Peterson (1985) notes that two competing research perspectives about organizations have developed. One is the functional view, oriented toward the traditional paradigm of organizational reality as an objective fact which can broken down into knowable component parts. Researchers subscribing to this perspective focus on specific organizational elements and seek causal rules that have predictive value. The second interpretive view stresses an organization's ability to construct its own social reality, seeing the organization as a cultural construction where participants constantly interpret and recreate organizational reality. Researchers subscribing to this perspective are more interested in how participants interpret and make sense of the organization to themselves and others. Mintzberg's (1989) conceptual framework provides a convenient bridge between the functional and interpretive views, permitting the richly descriptive qualitative dimension of the case study to surface while at the same time providing an analytical tool by which to make sense of that reality. As Mintzberg (1989) would say, it combines the "lumpers and splitters" approaches to the study of organizations.

Validation of Data

The study was validated in five ways. First of all, dissimilar methods were used to study the same phenomenon: data were extracted from, and cross-referenced against, several sources in an effort to "triangulate" key elements of the data defined as the use of multiple sources of data or methods to establish validity through pooled judgment (Guba and Lincoln, 1981; Merriam, 1988, p. 169). Faulkner (1982) extolls the virtues of a triad mode of data collection for
organizational research: observation, interviewing and use of archives or records (p. 81).
Secondly, questionnaires and interview questions were pretested among senior Agency
directors reporting to executive members in an effort to purge hidden assumptions and unusual
terminology deriving from the conceptual foundation of this study. Thirdly, the case studies of
Chapters 3 and 5 were reviewed by the primary sources of the information. Informal follow-up
on the information was conducted when further clarification was required. Opportunities for
clarification of data derived from the first interview were provided at the second interview. As
Yin (1984) notes, though participants may disagree with conclusions or interpretations of a
study, they should not disagree over the actual facts of the case. Fourthly, a common and
consistent framework and the same set of interviewees were maintained as a referent
throughout the study to guide the analysis of actual and predicted structures. Because
interviewees did not necessarily share the same conceptual framework nor fully understand it,
any bias or other theoretical leanings in their comments could be effectively filtered out.
Fifthly, an "audit trail" (Merriam, 1988, p. 183) has been maintained, namely a description in
detail of how the study was conducted and how findings were derived from the data.6

Restrictions and Limitations

As an employee of the Agency, the writer acknowledges the potential for subjective bias or
conflict of interest. A number of preventative measures have been taken. Although the writer's
tuition was generously paid and some time provided by the Agency to conduct this study, the
choice of topic and method were made independently of that relationship. Although the writer
enjoys working relationships with most of the interviewees, efforts were made to ensure the
objectivity of the data obtained through the techniques identified for data validation. In
particular, as there is always a concern in such studies that the process might be tainted by the
writer's participant-observer role, the use of a consistent theoretical framework different from
that of the consultants hired by the Agency and not explicitly stated to those interviewed was helpful in the elimination of personal bias. Moreover, in terms of final decisions about the reorganization of OLA, the writer’s role, in all humility, as one among eleven senior directors at the Agency, probably had little direct influence on the overall outcome. It is also for reasons of objectivity that interviews were restricted to the dominant coalition (executive members) of the organization, rather than colleagues (other stakeholders) at other levels within the organization or outside the organization. Therefore, it is fair to say, in the spirit of Peterson’s (1985) interpretive approach to organizational research, that this study is in some ways limited to how key administrators perceive the organization and organizational change (and hence how their perceptions may influence both). The experimental flavour of the approach assisted in preserving objectivity too: timing of interview data-gathering preceded the actual reorganization in an attempt to get a true reading of internal and external forces operating on the organization at that time, rather than an explanation of forces in hindsight. Since there is room in any qualitative study for intuition and because of the writer’s unique positioning for observation within the organization, some anecdotal examples and personal insights are offered throughout the study but are flagged as such. Furthermore, the writer alone is responsible for the recording, analysis, interpretation of the data, as well as the conclusions of the study.

Outline of the Study

Following this introduction, Chapter 2 provides definitions of what is meant by organizational structure for the purposes of this study and reviews the literature of organizational theory, higher education and distance education for the internal and external forces that influence organizational structure and change its shape in particular ways. It also provides a rationale for the choice of Mintzberg’s models and hypotheses as the basis for an integrative framework upon which to conduct the analysis of the succeeding chapters. Chapter 3 is a case study of the
Open Learning Agency, its pre-reorganization structure, the internal and external forces acting upon it as seen through the eyes of its executive members and the key issues facing the organization, including the reasons for wanting to review the organizational structure. Chapter 4 analyzes the pre-reorganization structure and classifies it as a particular instance of one of Mintzberg's (1989) configurations. This chapter also predicts a configuration for the Agency's reorganized structure based upon Mintzberg's contingency and life cycle hypotheses. Chapter 5 analyzes the reorganized structure that actually resulted and classifies it as a particular instance of one of Mintzberg's configurations. It is compared with the predicted configuration. Chapter 6 presents conclusions, compares the actual and predicted reorganized structure and comments on the usefulness of Mintzberg's (1989) framework for this current study and future research.

Footnotes

1 OLA board meeting, September 12-13, 1991.
2 President's Forum staff meeting, August 29, 1991.
3 Moran (1991) provides an excellent detailed history of OLI from 1978-88 and some historical references to KNOW as well. In addition, she provides extensive bibliographic references to others who have studied the institution.
5 Weekly audience reach is the number of people who tune into a given television channel on a weekly basis. The measure counts unduplicated viewership; that is, one person tuning in five times during one week counts as one, not five. The measure is derived from statistics provided by the Bureau of Broadcast Membership and Nielsen Media Research.
6 Primary sources used in this study are on file at the OLA Library.
Chapter 2: Definitions, review of the literature and conceptual framework for analysis
Introduction to Chapter 2

This chapter will focus on three key questions pertinent to the study:

- What is meant by an organization's structure?
- What forces shape an organization's structure?
- What kind of changes in organizational structure occur?

The chapter is organized in the following way. After a brief discussion of terms used in this study, a definition of an organization's structure for the purposes of this study will be proposed to address the first question. A review of the literature will address issues related to the latter two questions. This literature review will consider first the research offered by the literature of general organizational theory and then focus upon trends regarding organizational structure which are emerging from the literature of higher education and distance education. The literature review concludes with the presentation of a conceptual framework (Mintzberg, 1989) which synthesizes the research and provides the foundation on which this study is based.

Terms Used in this Study

What does "open learning" in Open Learning Agency mean? Open learning is a concept related to the term, "distance education," though it is generally acknowledged that open learning is considered to be a broader concept than distance education. Distance education refers to a form of education, usually part-time, in which the learner and instructor are separated in place (i.e., geographic separation) and/or time (i.e., the provision and receipt of instruction do not necessarily occur simultaneously) and communicate through various media (Keegan, 1980;
Rumble, 1986; Shale, 1988). Holmberg (1981) sums up distance education as a "mediated form of guided conversation" between learner and instructor (p. 12). The telecommunications media used in distance education may take a number of forms: print; audio; video; broadcast radio and television; computer; telephone and conferencing technologies; and multi-media technologies. Open learning, on the other hand, connotes a broader social purpose of removing barriers to education and enabling access. The term does not necessarily assume physical and/or temporal separation of learner and instructor; that is, distance education is a necessary but not sufficient condition for open learning. Mead (1987) offers a useful matrix definition of open learning. He considers the five key dimensions of any educational enterprise: who (the learner); what (the curriculum of study); how (instructional support or means of instructional delivery); where (location of learning); and when (time of learning). A "closed learning" system is defined as the traditional classroom face-to-face instructional situation: a group of learners guided through a subset of curriculum by an instructor supported by some instructional media (such as a blackboard, overhead projector, video playback unit, etc.) in a room, on a campus, at a set time. By Mead's definition, if any one of the dimensions is made more flexible (i.e., more "open"), then the instruction is deemed "open learning." For example, if the "where" dimension of the traditional classroom is expanded slightly by providing a telecommunication link to a second classroom location, thereby permitting learners at the second location to benefit from an instructor at the first location, this situation would qualify as an example of open learning. Consequently, by this definition, another way of looking at open learning is the removal of barriers to learning. It is a relative rather than an absolute term: some systems are more open than others. Such definitions give rise to several implications of open learning. Paul (1990) describes several of these implications: greater accessibility to learners by overcoming barriers related to program admission requirements, scheduling of classes, location of learning, financial constraints, personal characteristics and social disadvantage; greater flexibility through more frequent admission periods, learner self-pacing through courses,
provision of optional student support services by the institution; more learner control over content and structure of coursework; more learner choice over instructional delivery systems and learning processes appropriate to his or her individual requirements; and improved flexibility in accreditation arrangements, including recognition of courses accredited by other institutions for transfer credit, provision for learners to "challenge" courses for credit, and granting of credit for non-formal learning experiences (pp. 46-49). Farrell (1987) provides a similar list of implications of open learning including: acceptance of learning as a lifelong activity; greater integration of instructional delivery across components of the overall educational system and between differing levels of education; improvement in facilitation of transferability and accreditation of knowledge and skills through credit banking mechanisms; the development of consortium models among institutions to maximize resource utilization; and the emergence of a broader definition of the concept of education which provides for joint private/public sector initiatives.

A Definition of Structure

There is no scarcity of definitions of "organization" and "organizational structure" in the literature. Some definitions are rather loose while others are more specific. Among the looser definitions are ones such as that of Barnard (1938): "a system of consciously coordinated activities or forces of two or more persons" (p. 73). Other definitions stress the organizational relationship with its environment and consider systems of inputs, throughputs and output, with a series of feedback loops. In these cases, there is an acknowledgement that there is no one best way of organizing, that organizational structure is contingent upon the environment in which the organization finds itself. In both cases, the definitions offer little information concerning the actual configuration or pattern of an organization. Among the more specific definitions, Schein (1980) cites four necessary characteristics that must be present for an
organization to exist: coordination of effort; common purpose or goal; division of labour; and a hierarchy of authority as a means of coordination. Key elements of an organization's structure also emerge in a definition of organization offered by Miles and Snow (1978): "both an articulated purpose and an established mechanism for achieving it" (p. 3). These mechanisms include the structure of roles and relationships as well as decision-making and control processes. Mintzberg (1983) offers a similar definition of organization and suggests that every organized human activity has two fundamental and opposing requirements: the division of labour into tasks and the coordination of these tasks to accomplish an activity.

The structure of an organization can be defined simply as the sum total of the ways in which its labour is divided into distinct tasks and then its coordination is achieved among these tasks. (p. 2)

Of the more specific definitions, it is Mintzberg, however, who articulates most clearly (on the basis of synthesis of research on organizational structure) the distinctive ways in which division of labour occurs in an organization, how coordination among tasks is achieved and the interrelationship between the two. For the purposes of this study, Mintzberg's terminology and theoretical framework will serve as the basis for a definition of organizational structure. Reasons for choosing Mintzberg will be discussed more fully at the end of this chapter. A brief review of Mintzberg's terminology and concepts follows.

The first element of organizational structure, division of labour, is relatively straightforward and dependent on the nature of the task and the means to accomplish it. Mintzberg (1983, 1989) claims that there are five parts to any organization and, depending on the organization, some emphasized more than others: the operating core, the strategic apex, the middle line, the technostructure and the support staff. The first three parts constitute the basic "line" operation of the organizational structure; the latter two parts are outside the hierarchy of line authority and
frequently referred to simply as "staff." The operating core consists of those front-line operators who perform the basic work of the organization, either producing products or rendering services. The strategic apex, at the opposite end of the organization, is the management which oversees the whole organizational system. The three major tasks of the strategic apex are to ensure that the work of the organization gets done, manage boundary conditions with respect to the organization's environment and develop organizational strategy. The middle line consists of managers of operators and managers of managers, the hierarchy of authority between the operating core and the strategic apex. The technostructure consists of those who plan and control the work of others by designing various forms of standardization in the organization. Examples of such individuals would be analysts, planners, quality control engineers, production schedulers, accountants, trainers and so on. The support staff are internal services, either purchased or owned, which provide support to the organization outside of its operating flow. This part of the organization may include receptionists, mailroom staff, cafeteria staff, legal counsel and public relations departments. To these five parts of the organization, Mintzberg (1989) adds a sixth in his most recent work, Mintzberg on Management: Inside Our Strange World of Organizations: ideology or culture of an organization, the traditions or beliefs of an organization that set it apart from other organizations and breathe life into the skeleton of the other five parts. Mintzberg also notes the existence of internal and external coalitions. Internal coalitions are influencers from inside the organizational structure who vie for power; external coalitions are those influencers outside the organization such as owners, employee unions, suppliers, clients and competitors. External coalitions may be active or passive, dominated by one group or divided (which can impose considerable contradiction upon an organization).
With regard to coordinating mechanisms, Mintzberg again claims that there are six: mutual adjustment; direct supervision; standardization of work processes; standardization of outputs; standardization of skills or knowledge; and standardization of norms. The mechanism of mutual adjustment coordinates primarily through means of informal communication. The coordinating mechanism of direct supervision consists of one individual issuing orders or instructions to several others. Standardization of work processes implies the specification of established procedures for individuals who carry out interrelated tasks. Standardization of outputs is the production of a product or service to an established set of specifications. Standardization of skills or knowledge occurs when work is coordinated by virtue of workers who have been trained to perform in a prescribed manner. Finally, standardization of norms occurs when everyone in an organization functions according to the same set of beliefs (such as in a religious order, for example). In general, as work becomes more complex, coordinating mechanisms occur in organizations in roughly the aforementioned order. Paradoxically, organizations which perform highly complex work frequently revert back to mutual adjustment as their prime coordinating mechanism. Most organizations use a combination of coordinating mechanisms, almost always including mutual adjustment and some form of direct supervision. Mintzberg also suggests that some coordinating mechanisms are favoured over others at certain stages in an organization's life; organizations which favour none tend to be highly politicized.

To the six parts of an organization and the six coordinating mechanisms, Mintzberg adds four design parameters: design of individual positions; design of the organizational superstructure (i.e., grouping of individual positions into units); design of lateral linkages among groups; and the centralization or decentralization of decision-making. He claims that it is the manipulation of these parameters which determine division of labour and achievement of coordination.
The design of individual positions involves three concepts: job specialization; behaviour formalization; and training and indoctrination. Mintzberg distinguishes between two types of job specialization: horizontal, which encompasses a few narrowly defined tasks; and vertical, where the worker lacks control of tasks performed. For example, professional jobs tend to be specialized horizontally but not vertically; on the other hand, unskilled jobs tend to be specialized both horizontally and vertically. Behaviour formalization refers to the standardization of work processes through the use of operating instructions, job descriptions and rules and regulations. Training refers to those formal instructional programs which standardize among employees the requisite skills and knowledge to do particular jobs in the organization; indoctrination refers to programs and techniques by which organizational norms are standardized.

The design of the superstructure entails grouping individual positions into units and determining the size of each unit. Mintzberg (1983) claims that grouping is one of the more powerful design parameters:

...Grouping can stimulate to an important degree two important coordinating mechanisms—direct supervision and mutual adjustment—and can form the basis for a third—standardization of outputs—by providing common measures of performance. (p. 47)

Positions are grouped in one of two ways: by function performed or by market served. Functional groupings are typically based upon common knowledge, skills, work processes and functions. They are advantageous in that such groupings can improve efficiency and specialization; their disadvantage is that individuals within them become somewhat myopic with regard to the scope and understanding of the goals of the unit and organization. Market groupings are usually based upon commonality of outputs, clients or places served. Their advantage is that individuals within them develop a strong identification with the needs of the
The disadvantage of using such groupings is that there is less opportunity for process specialization and the building of a strong core of professionals. Unit size (sometimes called "span of control") refers to the number of positions within a single unit.

The design of lateral linkages among groups that constitute the superstructure comprises the use of planning and control systems and liaison devices. Mintzberg distinguishes between action planning and performance control systems. The former focusses on changes and improvements to work processes and activities (usually in functional groupings) and specifies the results of actions before they are taken; the latter focusses on the monitoring and measurement of outputs over a given period of time (usually in market-based groupings) and specifies the desired results after the fact. Liaison devices refer to methods of assisting coordination through mutual adjustment. Examples of such devices would be special liaison positions which hold no formal power but through whom communication is transmitted, task forces and standing committees, and matrix organizational structures.

Centralization or decentralization of decision-making is the fourth and final design parameter. Centralized decision-making occurs when power rests with a single point in the organization; in contrast, decentralized decision-making occurs when power is dispersed among many individuals in the organization. Centralization and decentralization of decision-making can be thought of as the ends of a continuum. Organizations choose decentralized decision-making for several reasons. It is difficult for those at the strategic apex to have all the information on hand on which to base decisions. Decentralized decision-making allows the organization to adapt more quickly to environmental changes than does centralized decision-making. Providing employees in lower levels of the organization with decision-making power can also be very motivating for them. There are several types of decentralized decision-making. Vertical decentralization occurs when power is delegated down the hierarchy from the strategic apex to
line managers. Horizontal decentralization occurs when power is delegated outside the line hierarchy to non-managers (such as, operators, analysts in the technostructure, or support staff). There also exists selective and parallel decentralization: the former occurs when power over different decisions is dispersed to different places in the organization; the latter occurs when power over different decisions is dispersed to the same place in the organization.

Mintzberg finds six types of decentralization common in organizations: vertical and horizontal centralization, where power resides at the strategic apex; limited horizontal decentralization (selective), where the strategic apex and technostructure share power; limited vertical decentralization (parallel), where managers of market-based units have control; vertical and horizontal decentralization, where power resides in the operating core; selective vertical and horizontal decentralization, where power is dispersed to teams made up of operators, managers and experts; and pure decentralization, where power is shared equally among all members of an organization.

For the purposes of this paper, then, the term, organizational structure, refers to the unique combination of Mintzberg's six organizational parts (operating core, strategic apex, middle line, technostructure, support staff and ideology), six coordinating mechanisms (mutual adjustment, direct supervision, standardization of work process, standardization of outputs, standardization of skills and knowledge, and standardization of norms) and four design parameters which determine division of labour and achievement of coordination (design of individual positions, grouping or design of organizational superstructure, design of lateral linkages among groups, and centralization or decentralization of decision-making). As will be seen at the end of this chapter, common patterns of these combinations emerge, which Mintzberg terms "configurations." Organizational structure, "configuration" (or "configuration hybrid") will be used synonymously in this study.
Organizational Structure: An Organizational Theory Perspective

The following section reviews the literature of organizational theory for clues concerning the forces which determine and change an organization's structure.

Classification of Perspectives

There is considerable agreement in the literature of organizational theory and development regarding classification systems for perspectives on forces which shape organizational structure and change. Miles and Snow (1978) categorize these forces into three distinct groupings: early perspectives (which comprises early works on scientific management principles and principles of bureaucracy); contingency perspectives (which relate to the influence of environment on organizational structure); and neo-contingency perspectives (which introduce the role of managerial choice in the shaping of organizational structures). Leontiades (1980) uses a similar classification system: internal forces; external forces and the "managerial factor." Similarly, Levy and Merry (1986) classify perspectives according to: internal driving (micro) forces; external driving (macro) forces; and the interaction between internal and external driving forces. Cameron (1984) portrays a spectrum of influences ranging from approaches which stress high environmental importance and low managerial influence to approaches which stress low environmental importance and high managerial influence. Cameron further subdivides this spectrum into four common approaches: the population ecology (or natural selection) approach; stages of growth (or life cycles) approach; strategic choice approach; and managerial influence (or symbolic action) approach. It is this latter classification scheme (summarized in Table 1 of Appendix 4) which has been used in this study to categorize pervasive themes in the literature regarding influences on organizational structure.
Population Ecology or Natural Selection Perspective

Introduction

This perspective argues the powerful influence of environment on organizational process and structure. Levy and Merry (1986) indicate that this perspective is predicated on three basic premises about change (pp. 224-225). First, organizational change and development are functions of environmental change. Unlike early theorists such as Taylor (1911) and Weber (1947) who thought of organizational process and structure as independent variables that could be manipulated by managers, this view considers the internal aspects of organization to be dependent variables whose form is largely determined by forces originating from outside the organization. Secondly, change is meaningful only when viewed on a macro level; that is, it is the persistence of change across a population of organizations being differentially selected by the environment that is important; single organizational changes are largely irrelevant. Darwinian in tenor, it is the fittest "species" of organizations that survive—those that evolve characteristics that are compatible with the environment—while other species become extinct. Thirdly, and following from the second point, managerial choice is largely eschewed as unnecessary, irrelevant or misleading explanations for the process of change in organizations. There are severe constraints on managers' choices of new environments and on their abilities to influence those environments: specialization of organizational processes and personnel; established ideas and "mindsets" of the dominant coalition; difficulties in restructuring technologies; organizational traditions, norms and policies; legal and fiscal constraints. These and many other factors make it difficult for organizations to respond to environmental changes in a timely manner. Aldrich (1979) goes so far as to argue that managers' perceptions of their
environments are so homogeneous that truly novel strategic choices are improbable. Hence the macro level of analysis becomes doubly important because of the many constraints and inertias inhibiting managerial action in organizations.

This section will describe how the population ecology or natural selection perspective views organizations as "open systems" buffeted by environmental forces. It will provide a definition of environment and focus upon two significant variables within the environment which, according to this perspective, influence organization structure and change: environmental uncertainty and technology. The section concludes with a series of hypotheses collected by Mintzberg (1989) which summarize the effects of environment on organization structure and change. A short critique of the perspective is also provided.

*Organizations as "open systems"

The population ecology perspective is consistent with the view of an organization as an "open system," which takes its inspiration from the work of the theoretical biologist, Ludwig von Bertalanffy, and his principles of general systems theory. Organizations, like organisms which occur in nature, are "open" to their environment and must achieve an appropriate relation with the environment if they are to survive. These "open systems" are characterized by a continuous cycle of input, internal transformation (throughput), output and feedback. Organizations must constantly monitor their environment and self-regulate on the basis of positive or negative feedback received. Organizations are complex and consist of mutually dependent, interrelated subsystems (individuals, groups and work units) just as natural organisms consist of molecules, cells and organs. Structure, function, behaviour and all other features of system operation are closely intertwined. Each subsystem is functionally interdependent on the other subsystems and not reducible to a simple structure. As a system grows more complex, as
reflected by increased differentiation and specialization of functions, more complex systems of integration to maintain the system as a whole are required. Related to the idea of differentiation and integration is the principle of requisite variety which states that internal regulatory mechanisms of a system must be as diverse as the environment in which it is trying to deal. The principle of equifinality captures the flexibility of open systems: that there are many means by which to arrive at a given end. Thus open systems are made up of more than fixed cause-and-effect linkages.

Definitions of environment

Inherent in this perspective is the permeability of the boundary between organization and its environment. Indeed, defining organizational boundaries has been likened to finding the boundaries of a cloud and consequently, defining what is "in" the organization as compared to what is "in" the environment can be a daunting task (Starbuck, 1976). This difficulty of specifying where the organization ends and the environment begins has pushed some writers to consider external variables that might give a more complete understanding of behaviour within organizations. The descriptions of environment must be flexible enough to permit meaningful comparison of different kinds of organizations yet precise enough to be analytically useful. The first widely recognized typology of environments presented four categories based on the degree of interconnectedness and extent of change in the environment (Emery and Trist, 1965). Arranged in ascending order of change and uncertainty, these four environments are: placid-randomized; placid-clustered; disturbed-reactive; and turbulent field. Emery and Trist argued that each type of environment required a different form of organizational structure, although they failed to specify the contingent forms.
A distinction is usually made between the general environment which affects all organizations (technological, legal, economic, demographic and cultural conditions) and the specific environment, which consists of those external entities and conditions that interact directly with the organization under consideration and are relevant or potentially relevant to the organization's goal setting and attainment (such as persons, groups or other organizations which supply inputs to, or receive outputs from, the focal organization). Such environments have been referred to as "task environments" (Thompson, 1967) or "relevant environments" (Dill, 1958).

Aldrich and Pfeffer (1976) identify a three-step evolutionary model by which organizations change and adapt to their environment: variation, selection and retention. The first step is that variations in structure occur. From this perspective, the source of the variation is irrelevant. People may adapt to an environment, but all they have done collectively is provide a pool of variations in the population of organizations. In the second step, selection, the environment differentially selects one or more of these variations. Other organizations fail; consequently their variations are removed from the pool. In the third step, retention, variations that were selected are retained. McKelvey (1982) expands this evolutionary perspective by arguing that systematics, the science of classification, is a prerequisite to the understanding of organizational change and development. To understand how organizations adapt, he argues, one must be able to discriminate among different kinds of organizations and trace the linkages of these organizational differences. He provides a number of succinct axioms and propositions, for example: environments of organizations change; organizations respond to environmental forces. Thus, adaptation to changing environments accounts for the evolution of organizations—usually incremental but sometimes revolutionary changes in structures, processes and competencies over successive generations. The specific course of organizational
evolution and change is ultimately determined by characteristics of environments. In summary, adaptation to a changing environment explains organizational differences and, thus, change and evolution. To understand change, then, one has to study the differences in the environment.

So what are these variables in the environment? According to this perspective there are two: environmental uncertainty and technology.

*Environmental uncertainty and organizational structure*

One of the more influential studies supporting this perspective was conducted in the 1950’s by Burns and Stalker (1961). They made popular the phrases "organic" and "mechanical" as two extremes on a continuum of organizational structure. Mechanistic organizations tend to be rigid in design and have strong bureaucratic qualities. In contrast, organic organizations tend to be quite fluid and flexible in structure. In their study of firms in a variety of industries (man-made fibres, engineering and electronics), Burns and Stalker uncovered a link between organizational structure and environment. They suggested that successful organizations in relatively stable and certain environments tended to be mechanistic. Conversely, relatively organic organizations tended to be the successful ones when the environment was unstable and uncertain.

Lawrence and Lorsch (1967), researchers from Harvard University who studied ten successful and unsuccessful organizations in three different industries and their adjustments to the environment, documented the relationship between two opposing structural forces, differentiation and integration, and environmental complexity. Differentiation is the tendency among specialists to think and act differently. This structural force is achieved through the division of labour and technical specialization. Differentiation is a force which tends to fragment and disperse an organization. Integration, on the other hand, is the collaboration
among specialists that is needed to achieve a common purpose. Integration can be partly achieved through a number of organizational mechanisms, including hierarchical control, policies and procedures, departmentalization, cross-functional committees and teams and liaison individuals or groups. Integration is a coordinating and unifying force. According to Lawrence and Lorsch, every organization requires an appropriate dynamic equilibrium between the two opposing forces of differentiation and integration. They discovered that in successful firms, both differentiation and integration increased as environmental complexity increased. This was not only true of the organization as a whole but of the organizational subunits as well. However, they also found that the more differentiated an organization, the more difficult it is to achieve integration. Thompson (1967) and Perrow (1967) arrive at a similar conclusion and argue that complex and diverse environments are likely to require more highly differentiated organizational structures than do simple and homogeneous environments.

Hannan and Freeman (1977) suggest that unstable environments select those organizations which have developed a generalist structure—that is, organizations which have not adapted to any single environment but are flexible over the entire set of environments (p. 946). Similarly, stable environments select specialist organizations. Zammuto and Cameron (1983) elaborate on the work of Hannan and Freeman and point out what kinds of adaptations are required of populations of organizations when faced with different types of change in environmental niches (i.e., subunits of the environment that support the organization). Two types of "niche" change can occur that lead to organizational adaptation. One is a change in the size of the niche, or the amount of resources available to organizations. When populations of organizations encounter changes in niche size (e.g., fewer resources are available), specialist organizations—those that are especially good at a narrow range of activities—adapt the best. The second type is a change in the shape of the niche, or the type of organizational activities supported. When a population
of organizations encounters a change in niche shape (e.g., certain organizational activities are no longer supported), generalist organizations—those involved in a wide range of activities—adapt the best.

Miles and Snow (1978) summarize a variety of studies which have found that relatively uncertain environments are associated with: (1) extensive participation in organizational decision-making, less formalized job design and rapid program innovation; (2) greater lateral communication, self-contained tasks and extensive environmental surveillance; and (3) lower task specialization, less internal consensus and more organizational slack. They conclude that "relatively certain or predictable environments are associated with more bureaucratized, stable, centralized, homogeneous and introspective organizational systems" (p. 254).

In summary, those who subscribe to environmental uncertainty as a major determinant of organizational structure claim that stable environments tend to produce more mechanistic, integrated, specialized organizational structures and unpredictable environments tend to produce more organic, differentiated, generalist organizational structures.

*Technology and organizational structure*

While some researchers have focussed on uncertainty in the environment as the independent variable on which organizational structure depends, others have considered the role of technology. Broadly defined, technology is the combination of skills, equipment and relevant technical knowledge needed to bring about the desired transformations in materials, information or people. Structure, which exists to control and coordinate technology as well as buffer it from environmental disturbances, refers to the characteristics of organizational subunits and the relationships among them (Miles and Snow, 1978, p. 256).
Woodward (1965), in a study of firms in England, discerned a relationship between the technology and the structure of successful organizations. She argued that different technologies impose different demands on individuals and organizations that have to be met through appropriate structure. She contrasts the effect of technology for unit (or small batch) production, mass production and continuous process production on organizational structure.

Unit or small-batch production technology is labour intensive and highly adaptable, suitable for custom products and low output levels. A unit technology is usually accompanied by a flexible organizational structure that has a small administrative component (relative to the number of employees), few hierarchical levels and a moderately broad span of supervisory control. Most employees who operate this type of technology have general as opposed to specialized skills, and the technology may be relatively easily adjusted to accommodate experimentation with new products and processes. However, mass production technologies are more appropriate for standardized products and long production runs with high volumes of output in order to be economical. The organizational structure appropriate for a mass-production technology is one which is highly formalized and has larger administrative component with a wider span of control than does a unit technology. Employees have specialized skills which may be relatively interchangeable within the system but cannot be easily adapted to new products and processes. Continuous process technologies are highly capital intensive and require large output volume. Though this type of technology permits the manufacture of a considerable range of related products, the technology itself is quite rigid. The structure compatible with continuous-process technology requires the largest administrative component, the most hierarchical levels and the narrowest span of control. Comparatively few individuals are required to monitor the machinery but they are must have high levels of judgment and technical skill.
Perrow (1970) pursued research similar to Woodward and analyzed the technology of handling information according to a classification scheme based upon whether situations presented relatively easy or difficult solutions and whether there were few or many cases in each category. He concluded that firms which handle routine technological demands (like automobile manufacturers) were adequately served by centralized, pyramidal structures while firms with high concentrations of uncertainty (like advertising agencies and aerospace firms) had different organizational characteristics.

Another set of studies (Thompson, 1967; Perrow, 1967; Reeves and Woodward, 1970) suggest that the structure of an organization does not respond directly to technology but rather to the different demands for control and coordination imposed by the different types of technology. Reeves and Woodward (1970) found that as technology moves from unit to mass production to continuous-process, there is an increase in mechanical over personal forms of control. At the same time, control systems tend to be unitary (applied throughout the organization) in unit technologies, fragmented (with different control standards and mechanisms for each major organizational subunit) in mass production technologies and unitary in continuous-process technologies. Therefore, different technologies require different forms of control and these in turn create some demand for a particular organizational structure although they do not precisely determine that structure (for example, unitary control can be achieved either by formalized rules or centralized decision-making).

Similarly, each type of technology must be coordinated differently and these different coordination demands must be accommodated by the organization's structure. Van de Ven et al. (1976) found that different coordination mechanisms were used depending on the degree of task uncertainty, work flow interdependence and subunit size. As tasks increased in uncertainty, coordination was achieved by mutual adjustment through lateral communication
and group meetings rather than dependence on a hierarchy or impersonal rules. As work flow interdependence increased, more use was made of all types of coordinating mechanisms—both personal and impersonal. Finally, as subunit size increased, coordination became less personal and relied more on hierarchical rules and policies.

In summary, according to these researchers, technology or more specifically, the demand for control and coordination imposed by the technology, is the relevant environmental factor which shapes an organization's structure: unit technologies imply more flexible organizations with few hierarchical levels and employees with generalist skill sets; mass production technologies require more formalized structures with more specialized skill sets; continuous process technologies imply the greatest level of hierarchy but comparatively fewer employees who have specialized skills and exercise high levels of judgment.

Summary of population ecology or natural selection perspective

Mintzberg (1989) summarizes the "contingency" or "situational" factors which influence the structure of organizations (and vice versa) by presenting a series of hypotheses derived from the literature relating to age and size of organizations, technical systems used by the organization (that is, instruments used by the operators or workers of the organization to produce the outputs, not to be confused with technology which refers to the knowledge base of the organization), environment (factors related to markets, political climate, economic conditions and so on), and power (related to external controls of the organization). Key dimensions of an organization's environment are: stability (or predictability); complexity (characterized by the degree to which environmental demands are rationalizable); market diversity (which spans the spectrum from integrated to diversified); and hostility. Mintzberg's hypotheses are presented here:
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Age and size:

1. The older an organization, the more formalized its behavior.
2. The larger an organization, the more formalized its behavior.
3. The larger an organization, the more elaborate its structure; that is, the more specialized its jobs and units and the more developed its administrative components.
4. Structure reflects the age of the industry from its founding...[For example,] industries which predate the industrial revolution seem to favor one kind of structure, those of the age of the early railroads another, and so on...the surprising thing is that these structures seem to carry through to new periods...

Technical system:

5. The more regulating the technical system—that is, the more it controls the work of the operators—the more formalized the operating work and the more bureaucratic the structure of the operating core.
6. The more complex the technical system, the more elaborate and professional the support staff.
7. The automation of the operating core transforms a bureaucratic administrative structure into an organic one.

Environment:

8. The more dynamic an organization's environment, the more organic its structure.
9. The more complex an organization's environment, the more decentralized its structure.
10. The more diversified an organization's markets, the greater the propensity to split it into market-based units, or divisions, given favorable economies of scale.
11. Extreme hostility in its environment drives any organization to centralize its structure temporarily.
Power:

12. The greater the external control of an organization, the more centralized and formalized its structure.

13. A divided external coalition will tend to give rise to a politicized internal coalition, and vice versa.

14. Fashion favors the structure of the day (and of the culture), sometimes even when inappropriate. (pp. 106-109)

Critique of the population ecology or natural selection perspective

Most critics of the population ecology or natural selection perspective are concerned with its inherent determinism. Most studies have undertaken little beyond establishing statistical associations between uncertainty, types of technology or controls associated with technology and organization variables; straightforward causal assumptions are made. However, little is known about the process through which environmental uncertainty and aspects of technological control and coordination lead to change in the organization. As Miles and Snow (1978) suggest:

Correlational evidence, even when collected on a longitudinal basis, leaves underlying organizational and managerial processes to be inferred. Consequently, less is known about these processes than about the surface characteristics they generate, and causal effects have been attributed to variables that are, in fact, only indirectly related (p. 259).

Leontiades (1980) agrees:

From a purely practical standpoint, it is very difficult to derive statistically meaningful relationships between specific environmental factors and collective management decisions. The possibilities are too overwhelming...It is clearly impractical to test every possibility. As an alternative, researchers have tended to group factors within broad categories to reduce some of the possibilities. This approach has been taken to its ultimate point by authors who use "environment"
as a single factor, with no elaboration of which environmental factors are being measured. To state that environment produces change is on a par with observing that the gross national product produces growth. In the end, the environmental forces for change can only provide partial answers. While agreeing in principle that linkages exist between the environment and the organization, there is no convincing method for demonstrating the exact nature of such linkages (p. 60).

It is the utter disregard for management as the link between the organization and the environment and the impact of management choice and strategic decisions on organization structure that rankle most critics of this approach. It ignores that organizations can and do adopt a variety of forms in response to apparently similar environmental demands. Critics would argue that it is managers' perception of the environment that influences organizational responses more directly than does some objectively determined variables in the environment. Leontiades argues that organizational change is not in reaction to stimuli but planned and deliberate, reflecting management strategy (p. 70).

Another criticism of this approach is the view of organizations and environments as "global entities, as though a monolithic environment somehow produces uniform responses across the entire organization" (Miles and Snow, 1978, p. 253). It precludes organizations with flexible structures. Most organizations are not functionally unified as organisms and it is possible for different elements of an organization to conduct quite separate lives.

Another problem with the approach is its difficulty in describing social constructs such as environmental uncertainty and technology. Again, critics of this perspective would suggest that reality is more in the manager's head than objectively determined. Proponents of technology's effect on organizational structure have implied that structure is caused, or at least greatly constrained, by technology. However, Miles and Snow (1978) point out that technology may be a consequence as much as a cause of organizational structure, that it may be difficult to
identify dominant technological influences in organizations having more than one technology and that organizational size often appears to be a stronger determinant of structure than does technology (p. 258).

One last problem with the population ecology or natural selection approach is that it is not too helpful in shedding light on actual organizational structure. To contend that every situation is unique and that organizational structures depend exclusively on the environments in which they happen to find themselves obviates the possibility of analyzing and comparing organizational structures in any meaningful way. To relate variables drawn from the environmental uncertainty or technology to a restricted set of organizational characteristics leads to a set of disjointed contingency variables and relationships. Models that aggregate variables to depict the operation of entire sociotechnical systems in interaction with their environments have not been forthcoming in the literature. Miles and Snow (1978) feel that Thompson (1967) offers the most useful synthesis of the population ecology approach in the form of an integrated model which suggests that management's basic function is to maintain an effective co-alignment among three dynamic elements: environment, technology and organizational structure. (Thompson is discussed more fully in the section on the strategic choice perspective.)

Stages of Growth Perspective

Introduction

The stages of growth perspective draws an analogy between organizational growth and biological growth and contends that like all living systems, organizations grow, develop and change. A key assumption of the stages of growth perspective is that organizations spend most of their lives in a steady state which is stable and enduring. This perspective focusses on evolutionary change and although it acknowledges the powerful role of environment, in
comparison to the population ecology perspective previously described, it allows that managerial discretion and organizational history also influence organizational change. It is less deterministic than the population ecology perspective: managers can speed up, slow down, or even abort the sequential development of organizations by their actions. This perspective also differs from the population ecology perspective in that it focusses on the single organization as the unit of analysis, rather than populations of organizations.

Studies of organizational stages of growth tend to fall into two categories: life cycles of organizations and developmental stages of organizations. The former is more conceptual in nature and views change as slow and incremental as an organization proceeds from "birth" through maturity to its "death" or decline. The latter offers a more open-ended view and research here tends to be based more on empirical findings. Typical of the development stages view is that transitions from one stage to the next are preceded by chaos, crisis and "muddling through." The equilibrium of the organization is punctuated by abrupt and discrete changes in conditions and organizational structure rather than smooth, incremental processes. It suggests that system changes come in packages and that one change provokes another; that is, as the organization strives for balance along one dimension, it may create imbalances along other dimensions that ultimately erupt into predictable crises and must be addressed by the organization.

This section briefly describes two major views within the stages of growth perspective: life cycles and developmental stages. Each is followed by a critique.
Life cycles of organizations

Haire (1959) was among the first to argue that, just as there exist systematic processes which govern the growth of living organisms, so too are there systematic processes involved in the growth of organizations. He suggested that there were five stages in the life of any organization: birth, growth, maturity, revival, and decline. Within each stage the variables of environment, structure, strategy and decision-making methods tend to be complementary and integrated; thus each stage is distinctive. Organizations, Haire postulated, move through these stages in a linear fashion: the nature and direction of change follows predetermined, predictable patterns.

Lippitt (1969) took a less deterministic viewpoint than Haire. He suggested that there were three stages in an organization's life: birth, youth and maturity. He argued that organizational decline could be avoided and that it only occurs when management fails to notice the need for organizational adjustment to the environment.

Critique of life cycles perspective

Though this biological analogy of life cycles sounds plausible, Leontiades (1980) believes that the parallels are more apparent than real. First of all, organizations are not "born" in the biological sense, nor do they necessarily "die." Bankruptcy, the organizational equivalent of death, is neither an inevitable nor predictable part of a company's evolution. This may be why so much attention has been recently given to the notion of organizational renewal and transformation (Mintzberg, 1989; Levy and Merry, 1986). Secondly, life cycle patterns among organizations, even those in the same industry, can vary dramatically. Thirdly, life cycles fail
to explain how an organization grows large by growing differently, through mergers and conglomeration, as opposed to simple replication of itself. The biological analogy is a force fit at best.

Developmental stages of organizations

Within the stages of growth perspective, the developmental stages view relies less on biological analogy than does the life cycle view.

Chandler (1962) was among the first researchers to consider developmental stages of an organization and implications for structure. His was a historical overview of four phases of development in organizational strategy and structure, later refined by Fouraker and Stopford (1968) into three distinct, evolutionary types. Type I organizations emerged early in the history of the large American industrial corporation, characterized by owner management, single product lines and highly centralized decision-making. Type II organizations appeared around the turn of the twentieth century, characterized by activities structured along functional lines, limited lines of related products with a common core technology and specialists who superceded the generalists of the Type I structure. Type III organizations appeared during the 1920's and 1930's, characterized by a decentralized, divisionalized structure aimed at diversification of markets and products. Leontiades (1980) notes others who have built upon and modified Chandler's types (Scott, 1973; Wrigley, 1970; and Rumelt, 1974) and he himself proposes a modification identifying two stages of growth: single business stage and multibusiness stage, with two subcategories in each, small product and dominant product in the former, related products and unrelated products in the latter. Single product firms grow through expansion of their scale of operation. Dominant product firms have diversified to a small degree but are still quite dependent upon and characterized by their major product-market
activity. Related product firms diversify by adding new activities that are tangibly related to the collective skills and strengths possessed originally by the firm. Unrelated product firms diversify (usually by acquisition) into areas which are not related to their original skills and strengths, other than financial (p. 39).

Greiner (1972) is perhaps most closely associated with the modern view of the developmental stages approach. Although he acknowledged that organizational age and size as well as growth rate in the industry are factors in organizational change, he postulated that there were five distinguishable phases through which growing organizations pass. Furthermore, he suggested that each phase represented what he termed an "evolution" of the organization, that is, a prolonged period of growth with no major upheaval. This is a time when organizational management practices, structures and control systems are institutionalized. However, each phase terminates with a "revolution", a turbulent period which an organization must undergo in order to continue along its evolutionary path. Organizational management practices, structures and control systems change dramatically during these crises. Each phase is the effect of a previous phase and a cause of the next phase. Greiner therefore argued that the historical forces and decisions of an organization are as important as environmental factors. Furthermore, managers are the main levers for evolutionary and revolutionary growth. As such, they must be aware of the growth phase of their organization, take advantage of opportunities and adapt to the predictable crises; otherwise, they may apply inappropriate measures or not recognize a limited range of solutions appropriate to the organizational phase and freeze the organization in time.
The Restructuring of OLA: Chapter 2

The stages which Greiner postulated were:

1. Creativity: This phase is characterized by entrepreneurial approaches and informal communication. As the organization expands, these approaches become inadequate and give rise to a **leadership crisis**, the need for a leader to pull the organization together.

2. Direction: This phase is characterized by a more rigid, functional organizational structure and formal communication. This phase typically ends in an **autonomy crisis** where lower level managers insist on more autonomy.

3. Delegation: This phase is characterized by a decentralized organizational structure with less of a "hands-on" approach to management by the executive. As the top decision-makers of the organization fear loss of control, a **control crisis** erupts.

4. Coordination: In this phase, decentralized units are replaced by product groups and organization-wide regulatory controls are put into place. Predictably, over time, the bureaucracy gets in the way and this phase concludes with a **red tape crisis**.

5. Collaboration: This phase is characterized by emphasis on interdisciplinary and cross-functional teams. Frequently, matrix structures are used to accommodate the teamwork. Greiner was unsure of what crisis would precipitate at the end of this phase but suggested that it may be predicated upon the need for organizations to strike a fine balance between routine tasks and the need to reflect upon future direction.

Similar models to Greiner's have been elaborated by Elgin (1977), Miller and Friesen (1980), and Cameron and Whetten (1981). Miller and Friesen, for example, refer to the "quantum theory of organizational change" whereby long periods of stability in an organization can be interrupted by short bursts of change or "strategic revolutions." They point out that organizations possess a great deal of momentum, or inertia, that serves to inhibit alterations or reforms. Past strategies, structures, goals, political coalitions, ideologies and so on conspire
against change until excesses or deficiencies in the current approach make dramatic reversals across a significant number of variables in strategy and structure necessary. At such times, organizations may adopt two distinctly different modes of behavior at different times until the transition is complete. As Mintzberg (1989) comments:

In effect, it may be more efficient to hold onto a form that is going out of synchronization with its environment until a major transition can be made to a new, more suitable one. That way, internal configuration can be maintained, even if at the expense of external fit, and the costliness and disruption of organizational change can be concentrated into brief periods of "strategic revolution." (p. 96)

Miller and Friesen (1980) further found major "archetypes of organizational transition" in a study of 36 organizations. The most prominent archetypes among successful organizations were entrepreneurial revitalization, scanning and troubleshooting, consolidation, centralization and boldness, and decentralization and professionalization. They conclude that these few major adaptation strategies are typical of a large variety of organizations (p. 288).

Perhaps one of the most exciting recent developments regarding developmental stages appears in Mintzberg's latest book, *Mintzberg on Management: Inside Our Strange World of Organizations* (1989). In his last chapter, he joins together the concept of developmental stages in the growth of an organization with his seven organizational configurations: entrepreneurial, machine, diversified, professional, innovative, missionary and political. His hypotheses concerning six stages of organizational growth (formation, development, maturity, decline, turnaround and revitalization) are more fully described at the end of this chapter.
Critique of developmental stages perspective

Though the developmental stages approach makes up for some the shortcomings of the life cycle perspective, critics find that it still tends to concentrate on the early history of the organization and fails to adequately explain the idiosyncratic changes of organizations over time, particularly changes due to external forces (Cameron, 1984; Mintzberg, 1989). Furthermore, "life after death" of an organization is left rather nebulous. Some organizations settle into particular forms for long periods of time while others break common sequences by reverting back to what seem to be earlier stages. Cameron (1984) suggests that there is potential for organizations to recycle back through the stages as a result of unusual environmental events, leadership turnover, or changes in the membership of the organization (p. 126). Mintzberg (1989) disputes the likelihood of a mature or declining organization beginning the life cycle anew, "emerging as a fresh entrepreneurial configuration, much as the mythical phoenix arises from its own ashes every five hundred years" (p. 298). Moreover, he finds it equally unlikely that an organization will revert to some configuration of an earlier developmental stage (p. 299). Despite the inadequacies of this perspective, however, Mintzberg finds that the models about organization developmental stages do capture something important about organizations, "namely leading tendencies in many of them if not compulsory changes in all of them—in other words, sequences that are common rather than imperative" (p. 282).
Strategic Choice Perspective

Introduction

So far, two perspectives on the determinants of organizational structure and change have been proffered: the population ecology or natural selection perspective; and the stages of growth (or life cycles) perspective. These perspectives reflect the end of Cameron's (1984) spectrum which accentuates the relatively greater importance of environment over managerial influence on structure and change. This next perspective moves closer to the other end of the spectrum and attaches greater importance to managerial influence: it acknowledges the strategic choices of management on matters concerning organizational structure and change.

Miles and Snow (1978) distinguish between natural selection and rational selection processes of organizational alignment with the environment:

The rational selection approach asserts that while environmental conditions largely determine the efficacy of different organizational structures and processes, the managers of successful organizations efficiently select, adopt, and discard structural and process components to maintain the organization’s equilibrium with its environment. (p.19)

The strategic choice perspective does not contradict the perspectives which claim the tremendous influence of environmental factors on organizational structure; however, it inserts the role of top management between the environment and the organization and asserts that it is only through management choice that organizational alternatives are implemented (Leontiades, 1980, p. 59). This perspective gives credence to management discretion as a primary force in the shaping of organizations and contends that it is management, not environment, that is the independent variable in its choice of courses of action to align the organization with its environment (Levy and Merry, 1986, p. 221). It suggests that there are a variety of strategies
available to managers which effectively allow them to modify the environment in which they find themselves and determine the success or failure of such adaptations. For example, managers can choose the environment in which the organization operates (as opposed to being selected by the environment); they can control or manipulate that environment; they can scan and predict in advance environment events and take evasive strategic action (Cameron, 1984, p. 127). In other words, an organization is not at the mercy of an immutable environment; it can influence its environment.

This perspective contrasts the previous two perspectives in at least two ways. First, it ascribes a proactive rather than a reactive role to management in organizations and views management decisions as pivotal in influencing organizational structure. However, as Levy and Merry (1986) point out, the view is "dialectical rather than free-will-oriented; it is the degrees of strategic freedom and the reciprocal causality that are important, rather than the absolute choice between determinism and free will, between causes and effects" (p. 221). Secondly, this view shifts emphasis from variables which are external to (and uncontrollable by) the organization to variables which are internal to (and controllable by) the organization. This view rejects the mechanical, deterministic proposition that organizations respond in predictable ways to environmental conditions. Consequently it shifts the research effort from looking for environmental factors which shape organizational behaviour and structure to looking for the relevant management factors inside the organization.

Three themes predominate the literature regarding the strategic choice perspective: the creation of environments by organizations; the effect of strategy on structure; and the constraint of strategy by structure (Miles and Snow, 1978, pp. 5-8).
Creation of environments by organizations

The first theme is that organizations can and do create their own environments. Child (1972) was among the first researchers to coin the term, "strategic choice" approach, to organizational-environmental relations. He recognized that decisions and evaluations made by management serve to define organizational relationships with the broader environment. Although he acknowledged that organizational factors of size, technology available, structure and human resources could limit such decisions to a certain extent, there was still a broad range of strategic alternatives available to management that gave the organization freedom to manoeuvre, change radically if necessary, but above all, adapt proactively to the environment rather than just acceding to uncontrollable environmental changes. Among the strategies available are: choice of market and environment in which the organization operates; manipulation and control of the environment; choice of technologies which allow management control; employment of control systems to deal with management size; and scanning of the environment to enable creative adaptation.

Pfeffer and Salancik (1978) echo Child and suggest that there are two basic ways in which organizations develop and change: either they adapt to fit environmental requirements; or they alter the environment to fit organizational capabilities. Some of the ways in which the latter can be achieved are through mergers with other organizations, diversification, and engagement in political activity to influence matters such as government regulatory policy.

Leontiades (1980) makes a slight modification to the work of Child by introducing two different management styles, depending on whether the organization is in a "steady state" or "evolutionary" phase. He defines the former as strategies for growth which are restricted
within present industry boundaries while the latter is diversification into related or unrelated fields. These definitions resemble strategic competencies identified by Miles and Snow (1978) discussed later.

Weick (1969, 1977) also argues that organizations do not respond to preordained environmental conditions but suggests that "environmental enactment" is possible; that is, organizations can create their own environments through a series of choices regarding markets and products, technology, desired size, and so on. He argues that "organizational environments are acts of managerial invention rather than discovery" (Miles and Snow, 1978, p. 261). He notes that the types of environments which managers can enact are constrained by two factors: existing knowledge of alternative organizational forms (managers are reluctant to adopt new, untried organizational structures); and management's beliefs about how employees can and should be managed. He also notes that the process of enacting environments is never-ending.

The co-alignment of organizational structure with continually evolving environmental constraints and opportunities has suggested to some researchers that factors influencing organizational structure are best studied by observing management strategies. This, then, leads to the second major theme of the "strategic choice" approach, the effect of strategy on organizational structure.

*Effect of strategy on organizational structure*

The second major theme of the "strategic choice" approach is perhaps best captured by the familiar dictum, "structure follows strategy." Proponents of this view suggest that management's strategic choices shape organizational structure and processes.
Chandler (1962), later refined by Fouraker and Stopford (1968), was one of the most influential early proponents of strategy, which he defined as "the determination of basic long-term goals and objectives of the enterprise and the adoption of courses of action and the allocation of resources necessary for carrying out these goals" (p. 13). Initially in the literature, strategy was treated as a "highly complex situational art, an imaginative act of integrating numerous complex decisions" (Miles and Snow, 1978, p. 261). In the past, strategy has been viewed, particularly by specialists in business policy, in a comparatively narrow sense as a discrete, conscious and purposeful activity. Many researchers have restricted the definition of strategy to the means that enable the organization to achieve its objectives with respect to the environment and have neglected to study the processes through which those objectives are chosen and how strategy is linked to structure, process and past and current organizational performance. Since then, researchers appear to have adopted a somewhat less rigid definition of strategy as a pattern or stream of major and minor decisions about an organization's future domains. Furthermore, these decisions only take on meaning as implemented through the organization's structure and processes; that is, the intent of strategy is best inferred through the action of organizational structure and behaviour (Miles and Snow, 1978; Mintzberg, 1976). This definition of strategy encompasses deliberate and premeditated strategies as well as unintended strategies which emerge from the ongoing behaviour of the organization. Mintzberg (1976) also points out that "the strategy maker may formulate his strategy through a conscious process, or strategy may form gradually as he makes decisions one by one" (p. 3).

What are these strategies then? And what is their impact on organizational structure?

Miles and Cameron (1982) found that organizations adapt successfully to environments which are turbulent and hostile through implementation of three strategies in sequence: domain defence, designed to enhance the legitimacy of the organization and buffer it from the
environment; domain offence, which expands current areas of expertise and exploits weaknesses in the environment; and domain creation, which minimizes risk by diversifying the organization to safer, less turbulent areas of the environment. Miles and Cameron give some clues to the effect of strategy on organizational structure but are not explicit, other than in general terms, regarding the kinds of structures that best support each strategy.

Thompson (1967) offers more information regarding the linkage between strategy and structure. He argued that the basic function of management was to ensure survival of an organization by maintaining an effective co-alignment among three dynamic elements: environment, technology and organizational structure. His hypothesis was that organizations try to identify homogeneous segments of their environment and set up specialized strategic units to deal with each segment. With respect to technology's influence on structure, organizations will endeavour to seal off core technologies from environmental disturbances. If an organization can isolate core technologies from boundary-spanning activities, the result is a centralized, functionally organized structure; if core technologies and boundary-spanning activities are interdependent, the result is a matrix structure. With respect to the influence of managerial perception of environment on structure, Thompson notes that in a stable environment, an organization is not obliged to invest heavily in scanning of the environment; therefore, coordination and control can occur through standardized rules and centralized decision-making. Conversely, in uncertain environments, increasingly sophisticated coordination mechanisms and decentralized decision-making are required.

Galbraith (1972) in his "information processing view of organizational design" drew attention to the relation between uncertainty, information processing and organization design and suggested strategies for coping with uncertainty. He said that uncertainty was primarily related to the amount of information to be processed around any given task: the greater the uncertainty,
the more information an organization must absorb for effective task performance. In other words, the information-processing capacity of the organization must equate with the information-processing requirements of the task. Therefore, the amount of information to be processed becomes an explanatory variable for organizational design. If organizational rules, policies and procedures are clear, then a task can proceed with little information-processing. As uncertainty increases, it becomes more difficult for an organization to program and routinize activity by preplanning a response. In situations of uncertainty, organizations typically find ways to control outputs (for example, by setting targets or goals) rather than controlling behaviour (for example, by rules or programs). Galbraith proposes an equation: organizational design is dependent on \( I \) which is the amount of information-processing needed for effective performance. \( I \) is a function of three variables: \( U \), the degree of uncertainty concerning task requirements, such as resources needed or time to complete; \( N \), the number of elements relevant for decision-making, such as the number of departments, number of occupational specialties, clients or products; \( C \), the amount of connectedness or interdependence among the elements that are necessary for decision-making. Galbraith was careful to identify the tentative nature of his ideas. The hypothesis had not actually been tested, except in isolated studies brought together to support his basic equation.

Miles and Snow (1978) drew a stronger linkage between strategy choice and organizational structure by suggesting that organizations develop particular orientations—called "strategic competencies"—which lead them to implement various types of strategies at different times and in different ways. Miles and Snow argue that "the effectiveness of organizational adaptation hinges on the dominant coalition's perception of environmental conditions and the decisions it makes concerning how the organization will cope with these conditions" (p. 21). They suggest that there are three major problems which management must continually solve. One is an **entrepreneurial problem** of acceptance of a particular product-market domain and the
commitment of resources toward it. Another is an engineering problem which involves the selection of the appropriate technology for the production and distribution of the particular products and services chosen as well as the establishment of new information, communication and control linkages to ensure proper operation of the technology. The third is an administrative problem which consists of rationalizing and stabilizing the organizational activities initiated in the solution of the entrepreneurial and engineering problems. This is essentially a problem of reducing uncertainty in the organization. Miles and Snow believe that in most successful organizations, management attempts to articulate a consistent internal organizational image in much the same way as it attempts to articulate a consistent external product and market image. Much time is spent within the organization to demonstrate how and why organizational structure and processes reflect previous decisions and markets and pave the way for future organizational development. At the same time as uncertainty is being reduced, administration must also concern itself with the formulation and implementation of processes which will enable the organization to continue to evolve and innovate.

They propose four archetypes: prospector, analyzer, defender and reactor. Each archetype has its own strategy for responding to the environment and a particular configuration of technology, structure and process which is consistent with that strategy.

The first archetype is called the prospector organization. Such organizations are inclined to be the "first in," continually searching for market opportunities and experimenting with emerging environmental trends, frequently creating change and uncertainty to which competitors must respond. Marketing and research and development experts are the most powerful members of the dominant coalition which tends to be large, diverse and ever-changing as new "talent" is brought in. The organization is typically structured into nonpermanent project teams around products (rather than functions) with low division of labour and a low degree of formalization.
to facilitate rapid response to environmental change. Technology is flexible and prototypical; frequently multiple technologies are present in the organization. However, there is a low degree of routinization and mechanization—the technology rests with expert employees. Control is decentralized to operating units who are in the best position to assess current performance and take appropriate corrective action. Because its many decentralized activities are subject only to general top management control, prospector organizations employ complex forms of coordination and conflicts are typically resolved through the use of coordinators or integrators who act as liaison between independent project groups. Such organizations are flexible at the cost of efficiency.

The analyzer organization adopts a "wait-and-see" approach and waits for evidence that a strategy will be successful before implementing a new adaptation. It frequently operates in two product or market domains: one is stable, which gives rise to formalized organizational structure and processes; the other is changing, which gives rise to a more flexible structure which can adapt the most promising ideas of competitors. To cope with both domains, this organization employs a dual technological core. Marketing and applied research are the most influential members of the dominant coalition, followed closely by production. A matrix structure accommodates both the stable and changing markets, combining both functional divisions (where similar specialists are grouped together) and self-contained groups with specific product responsibilities. Control is critical and problematic for this type of organization which must maintain a delicate balance among its differentiated subunits to be successful. Therefore, control tends to be moderately centralized with both vertical feedback loops for functional units and horizontal feedback loops for product units. As might be expected, extremely complex and expensive coordination mechanisms are employed in such
organizations. Though this type of organization is ideally suited to balance stability and flexibility, it can never be completely effective or efficient and should the balance be lost, it may be difficult to restore it.

The defender organization seeks stability and is slow to adapt to environmental changes. It pursues a narrow product domain, often aggressively, and tends to ignore developments outside its domain, preferring instead cautious and incremental growth primarily through market penetration. It relies on a single core technology and seldom adjusts its mode of operation, devoting its primary attention to increased internal efficiencies rather than new product markets. Financial and production experts wield the most power in the dominant coalition, marked by lengthy tenure and promotion from within the organization. The organization is typically structured along functional lines with extensive division of labour and a high degree of formalization. Control is centralized, coordination mechanisms are simple and conflicts are resolved through normal hierarchical channels. Though stable and efficient, this type of organization is not well-suited to locating and responding to new product or market opportunities.

Reactor organizations are really non-organizations which implement strategies sporadically, lack any consistent strategy-structure relationship and are unable to follow through with any consistent adaptive response to their environment. Miles and Snow suggest three reasons why such organizations occur. First, top management may not have clearly articulated the organization's strategy. Secondly, management may not have fully shaped the organization's structure and processes to fit the chosen strategy. Thirdly, management may hang on to an outmoded strategy-structure relationship despite overwhelming changes in environmental conditions.
What is appealing about the four archetypes of Miles and Snow is that they bring together the dimensions of environment, strategic choice and structure into a framework useful for organizational analysis. They preview elements of Mintzberg's (1983, 1989) more extensive synthesis which appears at the end of this chapter. Miles and Snow note that research by Drucker (1954, 1974a), Chandler (1962) and Perrow (1967) also supports the basic premise that structure tends to follow strategy and that the two must be aligned for an organization to be effective.

**Constraints of strategy by organizational structure**

The strategic choice perspective contends that organizations can create their environments and that structure follows strategy. A third and prevalent theme in the literature on the "strategic choice" approach is that, just as strategy shapes structure, so too can structure and process constrain strategy. Once an organization has developed a particular strategy-structure arrangement, it may have difficulty pursuing activities considered to be outside the normal scope of its operation.

March and Simon (1958) were among the first researchers to explore why organizational constraints arise. For insight, they looked to how individuals make decisions in organizations. They argued that a fundamental function of organizations is the absorption of uncertainty; that is, organizational structure and processes evolve to limit uncertainty. Where rational decisions are required by the organization, boundaries are deliberately put around the problems and large and complex problems are broken down into more manageable pieces. They termed this phenomenon, "bounded rationality." Cyert and March (1963) expanded on this notion by suggesting that managers only search in the "neighbourhood" of familiar alternatives when trying to solve organizational problems. Gradually this type of limited search becomes
routinized so that although the organization may do some things very well (for example, efficiently manufacture its products), it may lose capabilities in other areas (for example, effectively develop new products). In other words, Cyert and March proposed that once an organization achieves a viable adaptive strategy, managerial parochialism sets in and the search for new approaches declines.

Thompson (1967) extended Cyert and March's position and argued that both forces outside and inside the organization inhibit shifts in organizational strategic behaviour. Management cannot act unilaterally. Major actors in the environment such as customers, suppliers, competitors and regulatory agencies exert pressure on an organization by their unique expectations of it. Internally, the distinctive competencies that an organization has evolved constrain the strategies it may use. The internal "limited search" strategy, he noted, makes good sense both economically and psychologically for an organization. Economically, an extended search process would be prohibitively expensive. Psychologically, a limited search conforms with internal expectations of continuity and predictability in the activities of organizational members, requires no new or threatening adjustments and serves the dominant coalition well, who presumably was instrumental in its creation.

Argyris (1977) suggests an alternative reason for constraint of strategy by organizational structure and that is the reluctance of managers to engage in what he terms "double-loop learning", the confrontation of underlying causes to problems. He suggests that most managers engage only in "single-loop learning", solving problems only within the confines of the existing organizational system and neglect to go beyond it and examine both decision outcomes and processes for arriving at those decisions.
Whatever the causes of such constraints, the fact that structures can and do constrain strategies is well documented.

Meyer (1979) noted that bureaucratic structures, for example, do not change as rapidly as do shifts in the environment. Consequently, the alignment of such an organizational structure to its environment is greatest at the time of formation but declines steadily thereafter until a reorganization becomes necessary. "Structure, which is initially an accommodation to the environment, eventually becomes an impediment to change and must be altered fundamentally" (p. 205).

Miller and Friesen (1980) concluded that there is tremendous inertia built into organizations which causes them to be sluggish when it comes to change. However, they also note, reminiscent of Greiner (1972), that when a transition does occur, it can be revolutionary.

In summary, the strategic choice perspective argues the importance of management decisions about strategy on the structure of organizations. In particular, it makes three points: (1) organizations can create their own environments; (2) strategy shapes organizational structure; and (3) organizational structure can constrain strategy.

Critique of strategic choice perspective

Critics of the strategic choice perspective find the literature deficient in description of the processes by which organizations select and implement strategies. Little is known why specific strategies are selected by some organizations and not others and there is little information about the impact of these strategies on the environment and the organization (Miles and Snow, 1978). Others question the truth of the equation: strategy + structure = effective performance and
wonder if a more appropriate equation might not be that strategy and structure more simply aid top management in decision-making (Leontiades, 1980). Organizational structures can be fleeting and variations among organizations with similar strategies can be great. The alignment of organization structure with managerial strategic choice may be necessary but appears insufficient as a total explanation for organizational effectiveness.

Managerial Influence Perspective

Introduction

Just as the population ecology (or natural selection) perspective argued the overarching importance of environment as a major determinant of organizational structure and change, the managerial influence perspective finds itself at the opposite end of Cameron's (1984) spectrum, claiming the overarching importance of management as the major determinant of organizational structure and change. Through this perspective, structure and process are independent variables which can be directly manipulated by management.

As mentioned earlier, this perspective reflects some of the earliest classical thinking about organizations and their structure; however, recently the view appears to have experienced a revival under the guise of managerial manipulation of organizational symbols to achieve change in organizational structure and process.

Classical perspective

Early perspectives paid little attention to the environment but rather focussed on the non-human elements of organization such as goals, structure, policy and procedures. "Classical theorists were in effect designing the organization exactly as if they were designing a machine" (Morgan, 1986, p. 27).
Weber (1947) first articulated the characteristics of a bureaucracy. He was well aware of the dysfunctions of bureaucracies and indeed, as a sociologist, expressed concern about the consequences of routinization and mechanization on society. Nevertheless, implicit in his work was the notion that bureaucratic structures were appropriate for all organizational settings.

This paralleled the "scientific principles of management" advocated by Taylor (1911) who saw them as universally applicable to any organization. In his search for the one best way to manage workers, Taylor treated environmental demands and organizational objectives as fixed.

Fayol (1949), Mooney (1947) and Urwick (1943) were all firm advocates of bureaucracy. Many of the principles of classic management which they espoused still pervade much of the thinking about the structure of organizations today: well-defined hierarchies of authority; unity of command (each employee answers to one and only one boss); a scalar chain of command of superiors and subordinates; limitations on spans of control for optimum efficiency; delegation of responsibility with authority; centralization of authority; and division of work.

**Critique of the classical perspective**

These authors implied that bureaucracies were universally applicable to organizations under all environmental conditions. This view, however, was short-lived as it became apparent that bureaucratic structures were unable to adapt well to needs of the individual and changes in the environment. Gouldner (1954) provided case study evidence that bureaucracies could be effective in one setting but damaging in another. Burns and Stalker (1961), previously mentioned, expanded the notion of contingent forms of organization, noting that successful
firms in stable environments tended to exhibit mechanistic or highly bureaucratized structures and processes while successful firms in changing and uncertain environments tended to exhibit more organic or flexible structures and processes.

Symbolic action perspective

More recent perspectives on managerial influence have emphasized the "symbolic action" approach (Cameron, 1984, p. 129). This approach differs from the "strategic choice" perspective in that it focusses on changes to organizational members' "shared understanding" of organizational symbols rather than changes to organizational structure and technology. The approach advocates that organizations are held together by the presence of a common interpretation of events, symbols, and stories or legends. It draws heavily from the concepts described by Berger and Luckman (1967) in their book, Social Construction of Reality. Environmental changes effect organizational change through the mediation of powerful organizational members who perceive them and translate them into decisions for restructuring. In this view, a manager's role is "to create, manipulate and perpetuate these meanings so that they are accepted in the organization and thereby influence organizational behaviour" (Cameron, 1984, p. 130). A change of the organization's world view brings about change in the organization's structure and procedures. Methods which a manager might employ to bring about organizational adaptation are: interpretation of history and current events; the use of rituals and ceremonies; the allocation of organizational time and measurement to certain activities in order to convey their importance to organizational members; the redesign of physical space as a signal of change; the introduction of doubt and questioning of widely-held organizational beliefs. This "symbolic action" approach attributes significant power to managers to change the definition of the external environment and organizational behaviour in response to these definitions. Unlike the population ecology perspective, it does not assume
that the environment is immutable, but rather that it is a product of social definition. Change is brought about by changing this definition. Consequently, organizational structure and change is solely in the hands of the manager.

A number of authors have recently popularized this approach. The widely acclaimed book, In Search of Excellence, by Peters and Waterman (1982), was largely predicated on this approach, presenting eight principles of excellence for successful (organic) organizations. Levy and Merry (1986) identify the notion of "second-order change" or "organizational transformation" as a "multidimensional, multi-level, qualitative, discontinuous, radical organizational change involving a paradigmatic shift" (p. 5). They distinguish this type of change from "first-order change" which are those minor adjustments and improvements that do not profoundly change a system's core and occur as the system grows naturally. Second-order change is focused on changing organizational paradigms and myths, reframing problem-solving and communication processes, rechanneling energy and raising and changing consciousness. Levy and Merry cite 18 researchers who make the same distinctions between first and second-order change albeit using different terminology and definitions. Ranson, Hinings and Greenwood (1980) suggested that organizational change occurs as a result of changing members' provinces of meaning, dependencies of power and contextual constraints inherent in the organization and environment. Bartunek (1984) studied the relationship between second-order change in interpretive schemes and in structure. She suggested that change is initiated usually through environmental impetus. Old and new interpretive schemes interact resulting in synthesis. Changing interpretive schemes are affected by, and modify, organizational structure, but the relationship between schemes and structure is not a direct one—it is mediated by actions that members take in response to the changing understanding or structure.
In summary, the managerial influence perspective, be it early classical thinkers or more recent proponents of the symbolic action approach, suggests that the power to effect significant structural change in an organization rests exclusively in the hands of its management.

**Critique of the symbolic action perspective**

The managerial influence perspective ascribes much power to managers, too much according to critics of this view. It assumes that managers can efficiently shape and control their organizational structure and processes by interpreting environmental factors in unique and clever ways but pays little attention to other uncontrollable external and internal constraints imposed on an organization which may interfere with these perceptions. Critics also express concern for the potential of manipulation of organizations by leaders who orchestrate the symbols of the organization toward their own self-interests and point to the danger of politicization of an organization that could result. This approach views the culture of an organization as a distinct entity with clearly defined attributes such as beliefs, stories, norms and rituals. Morgan (1986) feels that this is an unduly mechanistic point of view: "Managers can influence the evolution of culture by being aware of the symbolic consequences of their actions and by attempting to foster desired values, but they can never control culture in the sense that many management writers advocate" (p. 139). Nor does this body of literature give much direction regarding the way in which structures are ultimately affected by "second-order changes." Frequently it is assumed that the structures are organic to begin with or held constant as symbolic manipulation occurs.

Just as the population ecology approach was criticized for being too deterministic with respect to environmental influence, the managerial influence approach can be criticized for being too idealistic with respect to managerial influence on organizational structure and change.
Conclusion and Summary of Organizational Theory Perspectives

Clearly the four perspectives offered by organizational theory (population ecology or natural selection, stages of growth, strategic choice and managerial influence) all elucidate some important aspects of forces which influence and change organizational structure and effectiveness (see Table 1 of Appendix 4). But no single perspective sufficiently comprehends the forces and each perspective, as has been demonstrated, has obvious limitations. It is akin to the ancient Sufi story of the three blind men and the elephant: though each man can accurately describe the part of the elephant he touches and draw conclusions from that part, none of the blind men have a clear understanding of what the whole elephant looks like. It would appear that a synthesis of the perspectives is in order.

Before examining a conceptual framework for the study of organizational structure and change, however, it should be noted that, thus far, the literature has concentrated solely on organizational applications related to the corporate world. Can the lessons derived from general organizational theory be equally applied to the world of higher and distance education? Indeed, should they be? To consider these questions, this literature review now examines the literature from higher education and distance education to determine if further clues emerge regarding organizational structure and change in an educational context.
Organizational Structure: Higher Education Perspectives

Introduction

Does organizational theory regarding corporate organizational structures apply equally well to institutions of higher education? There appear to be two distinct and opposite positions in response to this question in the literature of higher education. Some researchers contend that there is no substantive difference between corporate and higher education organizations or simply choose to ignore any differences in their studies. In either case, these researchers tend to extrapolate literature from organizational theory and apply them to higher education contexts. The opposing view rejects such extrapolation and contends that educational organizations are unique. There appear to be two aspects to this position. The first focusses on the lack of structure (as one tends to think of it with reference to bureaucratic systems) in educational organizations (e.g., collegial, political and anarchic models). The second focusses on an apparent different structure in educational organizations (e.g., the notion of "loose coupling").

More recently in the literature, a third position is emerging which appears to mark the gravitation of organizational theory toward higher educational literature on structure. Researchers in organizational theory appear to embrace the qualities of higher educational institutions as ones to be emulated by the corporate world.

Similarities between Corporate and Higher Education Organizations

Among the proponents of extrapolation of organizational theory to institutions of higher education are Kotler and Murphy (1981), Green (1990), Dill (1982), Tierney (1988) and Chaffee and Tierney (1988).
Kotler and Murphy (1981) subscribe to the "strategic choice" approach and note that an educational organization's chosen strategies require certain structures to succeed; however, they acknowledge that organizational structure in higher education is hard to change and growth opportunities are limited because of the need to satisfy internal constituents (p. 486). In order to transform organizational structure as determined by management strategy, they suggest the retraining or changing of people who occupy sensitive positions within the organization. Though they acknowledge resistance of an academic culture (one that prizes academic freedom, highmindedness and abstract theorizing) toward business cultures (profit as a worthwhile end) and marketing cultures (institutions which are there to serve and satisfy their publics), they nevertheless stress the necessity of developing a marketing orientation among faculty "in which everyone sees his or her job as sensing, serving and satisfying markets...essential if the organization is to survive in the new environment" (p. 487). Kotler (1975) defines educational marketing as follows:

Marketing is the analysis, planning, implementation, and control of carefully formulated programs designed to bring about voluntary exchanges of values with target markets for the purpose of achieving organizational objectives. It relies heavily on designing the organization's offering in terms to target markets' needs and desires, and on using effective pricing, communication, and distribution to inform, motivate, and service the markets. (p. 5)

Peck (1982) provides a more succinct definition of marketing as "the systematic cultivation of exchanges between the college or university and its various publics which (1) promote the mission of the institution and (2) meet the needs of the publics."
Kotler and Murphy (1981) claim that environmental threats of the future for most colleges and universities will be less imposing if strategic planning is judiciously used. Green (1990) agrees that a marketing orientation serves higher educational institutions well, particularly if emphasis is placed on the use of "enrollment management professionals" as colleges and universities become more and more enrollment driven (p. 80).

Dill (1982) and Chaffee and Tierney (1988) embrace the "symbolic action" approach to structural change in higher education organizations, in particular, the importance of culture as a critical dimension.

Dill dismisses an emphasis on marketing as only aiding the short-term survival of the academic organization but doing little to increase productivity, commitment and loyalty of the professional staff. In fact, market-based techniques, he suggests, may be at odds with the core ideologies of academic life. Under pressure to survive, academic institutions, particularly in the U.S., have adopted management techniques of market-based businesses; however, at the same time, Dill notes, attention has been drawn to the insufficiency of these techniques alone and the importance of organizational culture. Japanese organizations are held as a model of the latter and Dill indicates that academic institutions have much in common with them than corporate America. Furthermore, critical segments of the academic culture—the culture of the profession and the culture of the enterprise—have fallen into decline, while the culture of individual disciplines has strengthened (pp. 312-313). He claims that the maintenance and cultivation of "academic culture" and achievement of common values among faculty is the most important objective for any educational organization and can be accomplished through management of meaning (such as nurturing organizational myths, identifying unifying symbols, conducting ritual observance of symbols and canonizing exemplars) and management of the social integration of faculty (such as extending old departments rather than creating new ones and
implementing policies like internal sabbaticals which promote the horizontal and vertical integration of staff).

Chaffee and Tierney emphasize the importance of cultural awareness in higher education as a way of helping to achieve organizational goals, analyze and explain differences among organizations and implement decisions. Rather than viewing culture as an absolute ontological entity and product of an organization, they prefer an interpretive approach, regarding organizations as cultures that subjectively create their own realities. Within organizational culture they see three interrelated and interpenetrating dimensions: structure, particularly decision-making authorities and the role of the leader; environment in Weick’s (1977) "enacted" sense; and values, particularly institutional mission and the quality and direction of leadership:

Institutions need structures, enacted environments and values that are congruent. Institutions need to reinforce and develop those congruencies. When the dimensions are incongruent, one undermines the other instead of reinforcing it. The institution cannot develop momentum toward equilibrium when it is headed in diverging directions. (Tierney, 1988, pp. 19-20.)

As will be seen toward the end of this chapter, Chaffee and Tierney’s (1988) comments regarding congruence of cultural dimensions prefigure Mintzberg’s (1983, 1989) conceptual framework for understanding organizational structure.

Differences between corporate and higher education organizations

Not all researchers are so quick to draw similarities between the worlds of corporate business and higher education; a number of researchers have made the claim that academic institutions are unique unto themselves. Four major models have been proposed by researchers to explain how higher education institutions are organized and managed: the bureaucratic model; the
collegial model; the political model; and the anarchic model (summarized in Table 2 of Appendix 4). While each model contributes to a greater understanding of higher educational institutions, each also has limitations and weaknesses.

Stroup (1966) forwarded the case that there was a resemblance between universities and Max Weber's ideal bureaucratic model. He noted that universities are typically organized in a hierarchical fashion: principals and vice-chancellors at the helm; vice-presidents, deans and faculty in the middle; service managers and support staff at the other end. Formal communication channels, rules and policies, and decision-making processes for routine decision were seen as additional evidence of bureaucracy in higher education.

Although it cannot be denied that universities and other higher educational institutions certainly possess many of the characteristics of a bureaucratic organization, the analogy has limitations. While the bureaucratic model can explain much of the administrative operation of a university (registry, student support services, plant operation, library systems, personnel and finance offices), it fails to adequately depict the teaching and research functions, and in particular, the process of planning and decision-making in the academic sphere. Reference to an organization chart alone is inadequate to explain the deeper functioning of a university. Notions of academic freedom and professional autonomy challenge the very basis of bureaucratic models: an academic's authority is not derived from the hierarchical position of the office but from his or her specialized professional and technical competence (Paul, 1990, pp. 31-32). Baldridge (1978) also criticizes Stroup's static view of the organization which focusses on formal authority rather than informal influence and power, structure rather than process, the execution rather than formation of policy. Other models have been proposed to make up for these shortcomings.
Millett (1962) saw the university based upon a collegial model, a loose community of specialized scholars who balance consensus decision-making with preservation of professional autonomy in making decisions in the best interests of the client. University governance, in Millett's view, would exemplify collegiality: most major academic decisions are voted upon by a senate or academic council; however, faculty make their own decisions regarding research, teaching and evaluation of students. Concerns about performance and standards are dealt with in an open and collegial manner.

Although Millett's model makes up for the deficiencies of the bureaucratic model in that it better explains the nature of professional authority and decision-making at a university, critics of the collegial model contend that it is too normative, "more a lament for paradise lost than a description of reality" (Baldridge, 1978, p. 9). In particular, it fails to explain how a university functions in times of crisis, when quick decisions are necessary, when there are clear conflicts of interest between competing parties or when unpopular decisions must be made. Nor does it adequately address the rise of faculty unions, which exhibit pulls toward more rigid and bureaucratic, less collegial environments (Paul, 1990, p. 34).

To counter the deficiencies of Stroup's bureaucratic model and Millett's collegial model, Baldridge (1978) proposes yet a third, the political model, to deal with the problem of conflict which often precedes decision-making in higher educational institutions. Based on a study of New York University in 1968, a volatile time when both students and faculty were challenging the traditional power structure of universities, Baldridge suggests a political system model focussed upon the policy-forming processes and decisions which have a key impact on an institution's future. The political model is characterized by: inactivity in policy-making process by the membership and of the organization; fluid participation of the membership in decision-making processes; fragmented interest groups who become mobilized only when their
resources are threatened; conflict which is seen as natural and necessary to promote organizational change; limits on formal authority due to a need to negotiate compromise decisions; and the influence of external interest groups as a power lobby.

Baldridge, himself, acknowledges that, while useful for analysis of change and conflict processes at universities, the model is limited in its perspective and underestimates the impact of bureaucratic processes, the broad range of political activity and the role of environmental and organizational structural factors.

Like the bureaucratic and collegial models, the political model only gives a partial view of the functioning of a higher educational institution and is effective only when combined with the previous models to adequately address structure and process in governance. Yet another view, the anarchic model, first advanced by Cohen and March (1974), suggests that taking a scientific approach to understand something as complex as a university is somewhat futile. They assert that the term, "organized anarchy," is a much richer descriptor of an academic institution characterized by vague and diffuse goals, unclear technologies and fluid participation.

In a university anarchy each individual in the university is seen as making autonomous decisions. Teachers decide if, when, and what to teach. Students decide if, when, and what to learn. Legislators and donors decide if, when, and what to support. Neither coordination...nor control [are] practiced. Resources are allocated by whatever process emerges but without explicit accommodation and without explicit reference to some superordinate goal. The "decisions" of the system are a consequence produced by the system but intended by no one and decisively controlled by no one. (pp. 33-34)

Usual theories of decision-making, social order and control, learning and adaptation, and motivation, according to Cohen and March (1974), are rendered meaningless or impotent in an organized anarchy. Other tactics for influencing decision-making must be employed such as:
overloading the system with proposals to gain control of decisions; providing "garbage cans" for irrelevant or insignificant issues; managing unobtrusively through interventions of great impact but low visibility; and interpreting organizational history to one's advantage. There is also a role for "sensible foolishness" in such organizations whereby administrators can gently upset preconceptions of what the organization is doing.

While Cohen and March's anarchic model does have some appeal, particularly because it is grounded in experience and departs from the view of leadership on purely legal-rational terms, like other models, it provides an additional dimension to our insight but does not replace previous models. As Elkstrom (1983) suggests, the anarchic model although normatively illegitimate is descriptively adequate in contrast to a rational model that is normatively attractive but descriptively inadequate (p.239). Millett (1980) takes issue with Cohen and March's initial premises and suggests that they fail to distinguish between the overall direction of the university and problems of priority within faculties who are the real managers of learning, according to Millett (p. 184). While there is generally agreement on overall goals of an institution, faculty (given their penchant for professional independence and academic freedom) have considerable difficulty in agreeing on how the goals should be reached (p. 184).

Kerr and Gade (1986) agree and acknowledge that ambiguities exist in many areas of an educational organization but most goals are neither ambiguous or in conflict, most issues are subject to decision-making somewhere within the organization, the president can choose which goals to define and what solutions to work on. Richman and Farmer (1974) similarly discount the view but suggest that mismanagement is at the root of most institutional problems, not some inherent characteristic of the organization's structure. Mortimer and McConnell (1978) find this viewpoint too cynical in its implicit deviousness and have pointed out that the weight given to theories of pluralism, organized anarchy and professional dominance were a result of
expansion in the 1960's and impacts of financial austerity and the need to adapt to markets means that "the old days of organized anarchy are probably over and that greater rationality will have to characterize the operations of colleges and universities" (p. 164).

Mintzberg (1989) also takes issue with Cohen and March's anarchic perspective on professional organizations. Mintzberg notes three categories of strategic decisions: those made by professional judgment, usually by individuals according to norms of their profession; those made by administrative fiat, especially around financial decisions or the organization of basic support service; and those made by collective choice, including the creation of programs and departments, hiring and promotion decisions and development of budgets. For Mintzberg, neither the collegial nor the political model of decision-making can adequately explain decision-making in the professional organization; he rejects the notion that strategy in professional configurations is non-existent:

It is commonly assumed that strategies are formulated before they are implemented, that planning is the central process of formulation, and that structures must be designed to implement these strategies. At least this is what one reads in the conventional literature of strategic management. In the professional organization, these imperatives stand almost totally at odds with what really happens, leading to the conclusion that either such organizations are confused about how to make strategy, or else that the strategy writers are confused about how professional organizations must function. I subscribe to the latter explanation.

Using the definition of strategy as pattern in action, strategy formation in the professional organization takes on a new meaning. Rather than simply throwing up our hands at its resistance to formal strategic planning or, at the other extreme, dismissing professional organizations as "organized anarchies" with strategy-making processes as mere "garbage cans," we can focus on how decisions and actions in such organizations order themselves into patterns over time. (p. 182)

...Thus, we find here a very different process of strategy-making, and very different resulting strategies, compared with conventional (especially machine) organizations. While it may seem difficult to create strategies in these organizations, due to the fragmentation of activity, the politics and the garbage can phenomenon, in fact the professional organization is inundated with strategies (meaning patterning in its actions). The standardization of skills encourages patterning, as do the pigeonholing process and the professional affiliations.
Collegiality promotes consistency of behavior; even politics works to resist changing existing patterns. As for the garbage can model, perhaps it just represents the unexplained variance in the system; that is, whatever is not understood looks to the outside observer like organized anarchy.

...Thus, the professional organization is, paradoxically, extremely stable at the broadest level and in a state of perpetual change at the narrowest one (pp. 187-188).

In its assertion that higher educational institutions are unique, research by Weick (1976), March and Olsen (1978), Meyer and Rowan (1978), Elkstrom (1983), Lockwood and Davies (1985), and Birnbaum (1988) combines the best aspects of the bureaucratic, collegial, political and anarchic models and, rather than emphasizing a lack of structure, reflect a different structure, focussing on how higher educational institutions differ from their corporate counterparts.

Complementing Cohen and March's anarchic vision of educational institutions, Weick (1976) and March and Olsen (1978) observe that schools are unlike other organizations because they are joined more "loosely." The concept of "loose coupling," Weick claims, provides valuable insights into the organization of educational institutions. Loose coupling is defined as "coupled events are responsive but that each event also preserves its own identity and some evidence of its physical or logical separateness" (p. 3). Elements of an organization are only weakly connected to one another. He notes that loose coupling provides potential functions and dysfunctions for the educational organization: while it fosters organizational perseverance, it is not selective in what is perpetuated; while sensitive to the environment, it can be vulnerable to fads; while good at quick localized adaptation to small continuous changes in the environment, it is poor at standardization, may not learn from adaptations well and may underreact to larger disturbances in the environment; while transient problems can be sealed off to preserve stability of the larger organization, it has considerable difficulty in repairing the defective element; while organizational members experience an increased sense of autonomy, the chain of consequences
of authority is considerably shorter; while less coordination is required in such a structure, there is also less capability of effecting widespread change throughout such a structure. Weick (1982) also notes the significant influence of symbolic management and environment on the loosely-coupled organization. The administrative role in such organizations is one of balancing adaptation and adaptability, stability and flexibility. Looseness or tightness of coupling varies with local environmental changes: those which are continuous give rise to loose coupling when resources are sufficient to respond to the changes; discontinuous changes in the environment, scarce resources and changes which bear significant consequences for the organization give rise to tight coupling.

Meyer and Rowan (1978) also subscribe to notion of "loose coupling" which they define as a "structure which is disconnected from technical (work) activity and activity is disconnected from its effects" (p. 79). They claim that loose coupling in educational institutions is evidenced by: the weak evaluation systems of school inspections and lack of linkage of student performance to the evaluation of performance of professional staff; lack of controls in curricula and technology used within educational organizations; and little direct authority over instructional work. However, they also note considerable tight control over the classification of teachers, students, curricula and schools. Meyer and Rowan particularly emphasize the symbiotic relationship between educational organizations and their environment: educational organizations not only incorporate their environments, they are their environments—as the environment changes, so does the educational organization. Decoupling maintains the legitimacy of the educational organization and is a useful strategy for maintaining support in a pluralistic environment. The formal structure or function of the educational organization is to maintain socially agreed-upon rites defined in the societal myths of education. "The formal structure of an organization is in good part a social myth and functions as a myth whatever its actual implementation" (Meyer and Rowan, 1978, p. 107). They see the structure of an
organization as "derived from and legitimated by the environment. In this view, organizations begin to lose their status as internally interdependent systems and come to be seen as dramatic reflections of—dependent subunits within—the wider institutional environment" (Meyer and Rowan, 1978, p. 109).

Elkstrom (1983) contends that the four models of higher education structure are complementary rather than mutually exclusive alternatives and proposes a typology which combines them. The typology is presented in matrix form with two dimensions: (1) organizational goals and preferences (either clear and shared consensus or unclear and in conflict); and (2) organizational processes and technology (either transparent and clear or ambiguous and unclear). He suggests that different situations give rise to different aspects of the typology or interplay among them. He further proposes that the typology could be used as a conceptual framework to better understand the distinctive nature of educational organizations.

Similarly, Lockwood and Davies (1985) attack the issue of uniqueness of higher educational institutions from a slightly different angle. In a study of British universities they claim that universities do possess characteristics in common with other types of organizations but it is the combination of "those forms with other features, also deriving from the nature of teaching and research as activities, which makes the universities unique" (p. 31). These features are: complexity of purpose; limited measurability of outputs; a mixture of autonomy and dependency in the relationship of university to society; the diffusion of authority throughout the organization; and internal fragmentation due to the high degree of autonomy of internal units based upon professionalism, specialization, tradition and the nature of the activity. Noting that open systems theory, in particular developed by Katz and Kahn (1966), underlies their theoretical contribution to university structure, Lockwood and Davies (1985) differentiate three frameworks within the university structure: units, committees and officers. These are
"sometimes confused with the production, governance and administration functions. The fact that there are three frameworks and that they are not synonymous with those functions confirms the existence of complexity, fragmentation and the diffusion of authority within the university" (p. 34). Units or academic departments have complex structures, are fragmented and relatively independent, able to interact with the external environment. Committee structures are numerous, marked by fluid participation of many organizational members, crisscrossing the organization both vertically and horizontally. The officer structure repeats the features of the committee structure; hierarchies are not clear and responsibilities are ambiguous. Lockwood and Davies contend that the days of organized anarchy were but a transitory phase, resulting from university expansion in the 1960's, that academic institutions are manageable in a limited way and that key external influences such as financial constraint and the need to adapt to markets will bring greater rationality to operations of colleges and universities (p. 41).

Birnbaum (1988) also cautions against viewing colleges and universities as mere extrapolations of the corporate business organization. "Although it is tempting to consider a college or university, in view of its corporate existence, as being comparable in many ways to a business corporation, the differences between the two are striking" (p. 28). Like Elkstrom (1983) and Lockwood and Davies (1985), Birnbaum proposes a synthesis which integrates the four models higher education organizational functioning into what he terms the "cybernetic institution," providing direction through self-regulation and effective administrative leadership. He is careful to contrast three characteristics of educational organizations which are different from business. First, there is the dualism of controls which exists in educational organizations, two structures which exist in parallel with different patterns of coordination and systems of authority: one is the administrative hierarchy in which authority is predicated on control and coordination of activity by superiors; the other is the faculty which value autonomy and individual knowledge. Secondly, there is the difficulty in identifying a single goal; educational
organizations embrace a large number of conflicting goals. The missions of teaching, research and service rely on different structures for implementation and no single organization is capable of optimizing all its missions. Thirdly, the source of power is different in educational organizations. While reward and legitimate power (using the categorizations of French and Raven, 1959) are common in utilitarian organizations such as business, referent and expert power are more common in normative organizations such as universities. Other organizational differences which academic institutions exhibit in contrast to business are noted: less specialization of work activities; a greater specialization by expertise; a flatter hierarchy; lower interdependence of parts; less control over "raw materials" (i.e., students); low accountability; and less visible role performance (i.e., faculty carry out much of their professional activity unseen by administrators and other professionals (p. 21). Birnbaum goes on to identify six organizational constraints of the academic institution not necessarily seen in the corporate world: internal fractionation of administration and staff, where neither administration nor faculty are able to take command, results in the maintenance of status quo; centralization of administration in matters such as boundary maintenance of the organization coexists with decentralization of educational decision-making among faculty; inflexibility of resources permits little discretionary spending; there is considerable overlap and confusion among technical (faculty), managerial (administrative) and institutional (board) levels of responsibility; prestige and rank which usually go hand in hand in business are distinct in higher education, the former conferred by the professional group to which a faculty member belongs, the latter conferred by the institution; educational organizations take different approaches to leadership.
Convergence of Organizational Theory and Higher Education Literature

While some researchers of higher education insist on the uniqueness of educational organizations by proclaiming collegial, political and anarchic models and loosely coupled systems, recent research into corporate organizations appears to be suggesting otherwise: not that educational organizations are, or should be, approximating corporate organizations but that corporate organizations are, or should be, approximating educational organizations! A number of corporate organization researchers are converging upon the world of higher education.

Drucker (1988), guru of corporate management, dramatically describes the information-based organization, the new organizational form predominating the beginning of the next century, and likens it to among other current organizational forms, the university:

> The typical large business 20 years hence will have fewer than half the levels of management of its counterpart today, and no more than a third the managers. In its structure, and in its management problems and concerns, it will bear little resemblance to the typical manufacturing company, circa 1950, which our textbooks still consider the norm. Instead it is far more likely to resemble organizations that neither the practicing manager nor the management scholar pays much attention to today: the hospital, the university, the symphony orchestra. For like them, the typical business will be knowledge-based, an organization composed largely of specialists who direct and discipline their own performance through organized feedback from colleagues, customers and headquarters. For this reason, it will be what I call an information-based organization. (p. 45)

Cameron (1984), in describing four perspectives of general organizational change (previously mentioned), does so in the context of higher educational institutions.

Mintzberg (1983, 1989), far from ignoring institutions of higher education, acknowledges their existence frequently. They figure prominently as examples of at least two configurations, the
diversified structure ("multiversity") and the professional structure. The description of the latter configuration bears a striking resemblance to descriptions of Baldrige (1977) and Birnbaum (1988), particularly if the political configuration is overlaid on this structure.

British organizational theorist Handy (1989) advises that, in their bid to manage specialist professionals and maintain competitive advantage, private sector organizations should pay greater attention to higher educational models of governance. Particularly relevant characteristics of university management are: an emphasis on leadership rather than management; delegation to highly qualified specialists with concomitant freedom from hierarchical influence; strong commitment to ongoing professional development; strong emphasis on research and development; and collegial decision-making in certain areas of specialist technical competence (p. 113).

Conclusion

Some writers of higher education literature make the case for distinctive organizational characteristics of higher educational institutions (see Table 2 of Appendix 4). Despite their attempts to capture the uniqueness of educational organizations, the picture still remains fragmented and far from satisfying. Though the apparent convergence of corporate organizational literature toward higher education literature is gratifying, an all-encompassing theoretical framework is required, one that captures not only the population ecology, stages of growth, strategic choice and symbolic action perspectives of corporate organizations but the collegial, political, and anarchic or loosely coupled models of higher education as well. Before searching for such a framework, it remains to consider the literature of distance education to determine if it sheds any light on the specific nature of distance education organizations.
Organizational Structure: Distance Education Perspectives

Introduction

In comparison to the body of literature from organizational theory and higher education concerning organizational structure, not much has been written on the structure of distance education organizations. The majority of this body of literature appears to focus on the differences in methodology between conventional and distance education, though recently some have argued for a new framework and perspective that "blurs the boundaries" and emphasizes "parity of esteem" and similarities between conventional and distance education (Holmberg, 1979, 1981; Garrison & Shale, 1990, pp. 123-134; Jevons, 1990, pp. 135-144) . However, two themes regarding the structure of distance education institutions do appear to surface in the literature: one regarding the models of distance education in post-secondary institutions; the second concerning the "quasi-industrial nature" of distance education enterprises.

Models of distance education in post-secondary institutions

Smith et al. (1984) and Rumble (1986) describe different models for distance education found in the Canadian postsecondary system. These models encompass three types of institutional structure: mixed mode (distance teaching programs incorporated into campus-based institutions either as a separate or integrated function); autonomous distance teaching institutions; and consortia (Rumble, 1986, p. 102). Perraton (1987) identifies a similar classification of distance-teaching institutions.

Much literature has been dedicated to mixed mode institutions and attendant difficulties in achieving this mix of conventional and distance education systems. Calvert (1986) and Dennison (1986), for example, point out the difficulties for academic institutions and
community colleges in implementing distance education. Factors include: cost; faculty hostility toward new instructional roles, technologies, and perceived centralization as an erosion of their traditional authority over instructional matters; and difficulties of coordination, ownership and fit between imported materials and local needs. Calvert (1986) notes that autonomous distance teaching institutions avoid some of these problems and that:

"Four Canadian institutions operating primarily at a distance (Athabasca University, Tele-universite, North Island College and the Open Learning Institute) have created organizational models quite different from campus-based institutions and in some ways from one another. Perhaps the time has come to evaluate these models and draw some conclusions. (p. 105)"

One of these institutions, Athabasca University, is the subject of a case study conducted by Abrioux and others (1984) which examines structural changes at the university (dissolution of separate course development and delivery functions and the eventual emergency of more traditional faculty roles) under the lens of the collegial, political and anarchic models.

**Quasi-industrial nature of distance education systems**

The second theme, the quasi-industrial nature of distance education systems, derives primarily from the work of Peters (1969, 1971, 1973, 1989). He contends that mass production and distribution of learning materials as well as the logistical aspects of administering and coordinating the activities of dispersed populations of students and tutors, involves the application of principles drawn from the industrial sector, in particular, organizational structures which consist of "rational" working arrangements designed to operate with a fair degree of predictability. Peters borrows the language of classical management theory and provides a systematic comparison between distance education structures and industrial in an effort to demarcate a boundary between distance study and face-to-face methods. For example, like industry, distance education systems are rationalized: the knowledge and skills of the
instructor are "transmitted to a theoretically unlimited number of students by the detached objectivity of a distance education course of constant quality" (Keegan, 1986, p. 76). The labour of course development, instruction, support and administration is more specialized and distinct in distance education circles than in traditional education counterparts.

Smith et al (1984) agree with Peters' view: "distance education operations usually need to be highly centralized and require a much more directive style, analogous to that need to operate say a high technology factory" (p. 79).

In keeping with Peters, Perraton (1984) identifies seven functions of distance education institutions: development and production of teaching materials or the ability to acquire them elsewhere; storage and distribution of the teaching materials; tutoring, counselling and arranging for feedback to students; systems of records of students, tutors, materials and processes; recruitment structures to attract and inform potential students; and capacity for research and evaluation. Perraton notes that the latter two are not always present in distance education institutions.

Like Perraton, Rumble (1986) identifies similar key functions of distance education institutions: academic departments responsible for curriculum planning, development of academic programs and teaching materials; departments incorporated within, or linked to, academic departments which are responsible for the teaching and counselling of students; production and distribution of teaching materials; and administrative functions such as finances, management services and personnel (p. 112). Rumble provides five interesting generalizations about distance education institutions in contrast to their conventional counterparts. First, he notes that distance education institutions tend to be dominated by functional divisions which arise from distinctions between development, production,
distribution and delivery systems, use of a variety of teaching media, and sharper divisions of labour than at conventional educational institutions. In larger organizations, functional divisions are even more pronounced (p. 115). Secondly, and a corollary of the first generalization, individual academic staff at distance educational institutions experience loss of control over products of their labour, an issue not frequently found at conventional institutions (p. 226). Thirdly, production management approaches are needed at distance education institutions due to their emphasis on development and production of teaching materials (p. 225). Fourthly, traditional approaches to budgeting and determination of staffing levels are not readily transferrable to distance education institutions (pp. 225-226). Fifthly, distance education institutions require a greater degree of hierarchical control (p. 226).

Rumble points out that the introduction of such industrial principles into an educational institution can be problematic: creative activities such as course development do not always lend themselves to rigid production schedules; educators, accustomed to a high level of personal autonomy, may resent its loss in a more regulated and task-differentiated system; "packaging" of knowledge into distance education courses can cause difficulties for educators who believe that educational process must attend to the personal as well as cognitive needs of learners (p. 14).

There are some (Willen, 1981; Baath, 1981; and Keegan, 1986) who dispute industrialization as an essential defining feature of distance education, though they acknowledge the phenomenon, particularly among larger institutions.

Paul (1990) calls for the need for congruence of management approaches and values in an open learning organization. He suggests that there are important lessons to be derived from the management of open learning organizations for education, other organizations and leadership.
He believes that more and more conventional institutions will "adopt and adapt the structures and processes of distance education and open learning in responding to the needs of society and their student" (p. 187). If successful as "learning organizations", they will "continue to provide models and case studies for the development of organization theory and for the emulation of even private-sector institutions in the 'knowledge' society" (p. 187). Leadership which embraces the concept of open management, a value-driven approach encompassing the flexible principles of open learning, is required not only to run the open learning organizations of today but the universities of tomorrow (p. 188).

Conclusion

From distance education literature then comes a challenge to more closely evaluate organizational models of autonomous distance education institutions and a suggestion, particularly through Peters' (1983) industrial perspective, that distance education institutions may share greater similarities with the corporate sector than their conventional educational counterparts. Though the literature of distance education does contribute one more jigsaw puzzle piece to the picture of the structure of educational organizations, it still does not provide a comprehensive view of the whole.
Toward a Conceptual Framework for Examining Organizational Structure

Introduction

Organizational theory literature has offered four perspectives for the explanation of forces that shape and change organizational structures: population ecology or natural selection, stages of growth, strategic choice and managerial influence. Higher education literature adds four more models: bureaucratic, collegial, political and anarchic or "loosely coupled" structures. It has been noted that the literature of organizational theory has recently embraced and incorporated some of these models. The literature of distance education speaks to the quasi-industrial nature of the distance education institution and implies that such organizations may find themselves closer to corporate organizational structures than their traditional educational institution counterparts. Clearly each perspective contains a kernel of truth but does not comprehend the entire picture, causing many writers to express dissatisfaction with previous directions and results of research.

Miles and Snow (1978) express disappointment with the research conducted in the fields of organizational behaviour and business policy:

...theory and research in both of these fields have concentrated overwhelmingly on simple specification and description of existing relationships between organizations and their environments but have largely ignored the processes by which these relationships came about. Although the literature on organization-environment relations is growing rapidly, it is still in search of theoretical paradigms that can fully portray the complexities and dynamics of the behavior of total organizational systems. (pp. 249-250)

Attempts at synthesis and elaboration appear to be the province of neocontingency theorists, although we should hasten to add that this perspective has not taken a fully definitive shape nor can its adherents be clearly identified. We have characterized the neocontingency perspective as one that (1) views managerial and strategic choice as the primary link between the organization and its environment; (2) focuses on management's ability to create, learn about, and manage the
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organization's environment; and (3) encompasses the multiple ways that organizations respond to environmental conditions. As the neocontingency approach develops, it must give increased attention to the relationships among strategic choice and such important variables as technology, structure, and managerial ideology or philosophy, and to detecting and displaying for managers the implications of their current decisions for the long-run adjustment capabilities of their organizations. (p. 263)

Cameron (1984) agrees with this position and suggests a synthesis of the various perspectives is useful:

...It becomes clear that all four approaches to organizational adaptation will be required as managers and administrators encounter the postindustrial environment. Institutional forms will have to emerge that are compatible with a diversity of environmental elements (the population ecology approach). Transitions to new stages of development will have to be closely monitored and planned for since they will occur more rapidly and sporadically in the postindustrial environment (the life cycles approach). Strategic choices by managers will be required that enhance the adaptability of the institution by expanding information search capacities while constraining information-processing requirements in order to make the choices more reasonable (the strategic choice approach). Interpreting the environment for the institution will become an even more critical task for managers due to its complexity and turbulence (the symbolic action approach). (pp. 134-135)

Paul (1990) in addressing organizational models predominant in the literature of higher education observes that "the challenge is to find an approach to leadership which will benefit from the insights derived from the four approaches to the organization of higher education" (p. 38). Calvert (1986), as has been already noted, shares in this sentiment.

Clearly there is a need for a synthesis of perspectives which can be applied to any organization to analyze the forces affecting its structure. Researchers provide such a synthesis in predominantly two ways. Some, like Miles and Snow (1978), Cameron (1984), Drucker (1988) and Kanter (1989) are content to describe an idealized organization of the future. Though quite inspiring, the pictures that emerge are, at best, rich descriptions which are difficult to apply in any meaningful way to present day organizational structures. Furthermore,
the "one best way" approach leaves little room for in-depth analysis and comparison of diverse yet equally effective organizational structures. A structure either resembles the ideal or it does not. Others, like Levy and Merry (1986) and Mintzberg (1989), described toward the end of this chapter, identify an integrated and generalized conceptual framework which, in the writer's opinion, provides a more useful foundation for research.

The following sections describe researchers' efforts to describe the ideal organization of the future and develop comprehensive conceptual frameworks by which to analyze organizational structures and change within them. Mintzberg's framework is chosen as the theoretical underpinning of this study: his seven organizational structures or configurations and hypotheses about life cycles of organizations are described in detail.

Organizations of the Future

Miles and Snow (1978) describe two possible organizations of the future, extending Chandler's (1962) typology. As described earlier, Chandler suggested three broad types of organizations: Type I, the single owner organization, typical of organizations prior to this century; Type II, the functional organization (which would correspond to defender or analyzer organizations in the terminology of Miles and Snow); and Type III, the diversified organization (which would correspond to prospector or analyzer organizations). Miles and Snow suggest a Type IIIA and Type IV organization to meet future needs. Type IIIA describes a matrix organization that can simultaneously accommodate stable and changing areas of operation. An example would be a diversified organization that can accommodate some areas of flexibility within the framework of an overall operating plan. Type IV describes a "market-matrix" organization, characterized by three features: freedom of project managers and functional unit heads to exchange personnel on an as-needed basis; project personnel drawn from permanent
functional positions; and the ability of any individual to veto participation in a given project.

Miles and Snow draw upon the example of colleges and universities which are facing the need for diversification because of rapid growth in new areas of study and increased student demand for specialized curricula. Such demands are not easily handled by existing structures based upon scientific discipline (e.g., biology) or professional area (e.g., business administration). New curricula and research targets can cut across two or more existing departments or fall through the cracks between them. They propose that one solution is the market-matrix structure wherein new program directors with salary dollars but no faculty positions would "purchase" faculty from other departments. The incentive for other departments to "sell" faculty would be the opportunity to bring in staff on a temporary basis from other institutions.

Cameron (1984) coins the term, "Janusian institution," to reflect organizations which meet requirements of the future. He explains that "Janusian thinking" occurs when two contradictions are held to be true simultaneously, much like an oxymoron composed of two opposing thoughts holds a larger single truth. Though he applies the term to higher educational organizations, the characteristics of "Janusian institutions" are sufficiently general to apply to any organization. Such characteristics would include simultaneous loose and tight coupling: loose coupling would be necessary to initiate innovation and tight coupling would be necessary to implement it. Cameron speculates that ad hoc structures and matrix arrangements will become more common. Other equilibria would have to be maintained: a balance of stability (for strong organizational identification) with flexibility (in order to adapt to environmental changes); a balance between information acquisition and information overload; a balance between decision-making consensus and heterogeneity. To accomplish the latter, institutions would need to rely on "new kinds of computer decision support systems that allow preferences and interests to be instantaneously aggregated and compared, new varieties of consensus-
building group decision processes, formalized diffusion mechanisms that gather preferences and build commitment among institutional members when adaptation is required, redundant structures and process mechanisms that function independently, and so on" (p. 140).

More recently, Drucker (1988) describes characteristics of the "information-based organization." He claims that there have been two major evolutions in the concept and structure of organizations since modern business enterprise first began. The first, between 1895 and 1905, distinguished management from ownership and established management as work and task in its own right. The second took place 20 years later and introduced the "command-and-control organization" of today, the organization of departments and divisions. Drucker suggests that the third period of change is upon us as a new organization emerges, one he terms the "information-based organization, the organization of knowledge specialists" (p. 53). This organization will be flatter with fewer management levels and fewer managers and greater numbers of specialists. Knowledge that once resided at the top of the organization will now be dispersed to the bottom. Work will be conducted in task-focused teams. As previously mentioned, Drucker maintains that universities are among the organizational structures of today that will be emulated by all organizations in the future.

Kanter (1989) describes much the same type of organization, which she terms the "post-entrepreneurial organization." It is characterized by the decline of hierarchy, the replacement of vertical communication channels by horizontal ones and greater cross-department collaboration. She predicts that in these new organizations, the distinction between managers and non-managers will erode.
Though these descriptions of future organizational structures can be somewhat inspiring, they are also sketchy and can be criticized for subscribing to a monolithic, "one-size-fits-all" view of organizations. Relatively fewer researchers have attempted an integrated or synthesized conceptual framework through which to study organizational structure. Levi and Merry (1986) and Mintzberg (1983, 1989) are among them.

**Synthesized Conceptual Frameworks**

Levy and Merry (1986) describe an integrated model for analyzing organizational change. It brings together three "driving forces:" internal, external and the interaction or "fit" between the two. Internal driving forces refer to forces such as inner organizational conflicts, organizational belief systems and the urge for organizations to grow. External driving forces refer to environmental changes which affect the organizational fit with it, for example, change in the market due to new products or technologies, change in the economy or change in regulatory policy. The interaction between these forces creates opportunities for organizational members to learn, evaluate and make strategic choices. As well, Levy and Merry point out a reciprocal relationship with the environment: creation of a new product or technology affects the organizational environment and vice versa. These three forces push the organization to change and find a new fit with its environment; however, the forces are filtered through organizational characteristics, processes and structures which can hinder or facilitate the change. Levy and Merry's model, although compelling and certainly an integration of the diverse perspectives, gives little guidance regarding the kinds of organizational structures that may emerge upon application of the change analysis. Nor do their examples relate particularly well to the contexts of higher and distance education.
Bolman and Deal (1984) propose a conceptual framework consisting of four "frames" or ways of looking at organizations. The four frames are: rational systems theorists (emphasizing organizational goals, roles and technology); human resource theorists (emphasizing the interdependence between people and organizations); political theorists (emphasizing power, conflict and distribution of scarce resources as the central organizational issues); and symbolic theorists (emphasizing problems of meaning in organizations). Morgan (1986) adopts a similar approach, identifying eight metaphors against which organizations can be compared to derive insight into their structures and processes. However, as De Vries (1990) points out, "without a unifying theory to tie together the different frames or perspectives, the researcher could be accused of adopting a superficial or utilitarian approach to different theories of how organizations work, alternately using them and discarding them depending on their apparent utility to explain the phenomenon at hand" (p. 14).

Khandwalla (1970) found that the success of different organizations could be explained not by predominance of any single organizational attribute (such as a particular type of planning system or form of decentralization), but by how various attributes were interrelated. That is, "there are alternate paths to success, based on an organization's ability to configure the attributes it used" (Mintzberg, 1989, p. 95). The synthesis of over 200 empirical studies into a set of configurations by which organizations structure themselves has been one of Mintzberg's crowning achievements. Mintzberg (1989) was concerned that:

"...Academic research on organizations has tended to limit its insight by favoring analysis over synthesis. In particular, it has tended to focus on how individual variables arrange themselves along linear scales rather than how sets of attributes configure into types, referred to as configurations, archetypes, or gestalts. (p. 95)

Configurations are, in essence, systems, in which it makes more sense to talk of networks of interrelationships than of any one variable driving another. (p. 96)
Unlike the famous blind men, each of whom touched a different part of the elephant and then argued about its nature, describing organizations as configurations can open the eyes of the beholder to the nature of the whole beasts. Each can be seen as a logical combination of its own particular attributes, similar to other members of its own species (configurations) but fundamentally different from other ones. (p. 97)

De Vries (1990) notes three reviewers who share in the enthusiasm for Mintzberg's configuration approaches (pp. 88-89). For example, Grinyer (1984) says that while Mintzberg makes a

...useful contribution by reporting a number of results of research on the structure of organizations, its main contribution is synthesizing them into a coherent and intuitively reasonable pattern (p. 152).

...Although a personal synthesis, which not all academics in the field like, it is based securely on the research in most but not all of its assertions and predictions (p. 156).

This writer also finds Mintzberg's configurations a particularly compelling conceptual framework which not only embraces previous research perspectives but does not exclude the types of organizational structures found in higher education and distance education. It is for this reason that Mintzberg will be adopted as the conceptual framework for analysis of this case study. The final pages of this chapter describe Mintzberg's conceptual framework in depth.

Mintzberg's Organizational Configurations: a Conceptual Framework

Mintzberg (1983) notes a number of hypotheses that have emerged from research on organizational effectiveness. In one sense, these hypotheses serve as a summary of Cameron's (1984) spectrum of organization theory perspectives on organizational structure and change. The convergence hypothesis, which suggests that there is one best way to design an organization, has yielded to two hypotheses: the congruence hypothesis, which takes into account the impact of environmental factors on an organization and proposes that "effective
structuring requires a close fit between the situational factors and the design parameters" (p. 122); and the configuration hypothesis, which suggests that "effective structuring requires an internal consistency among the design parameters" (p. 122). Noting that an organization to some extent can influence both design parameters and its external environment, Mintzberg adds an extension hypothesis which proposes that "effective structuring requires a consistency among the design parameters and contingency factors" (p. 136). Mintzberg (1989) identifies several contingency or situational factors which can influence the choice of organizational design parameters and vice versa: age and size of an organization; its technical system of production; various characteristics of the environment; and its power system. These have already been summarized in discussion of the population ecology perspective.

Though Mintzberg has presented a large number of structural variables, he observes that in reality only a limited number of permutations of these variables, or configurations, exist. Though he acknowledges that these configurations are simplifications or caricatures of reality and that some organizations may be hybrids of such configurations (particularly if they are in transition), nonetheless he suggests that there are six common configurations of organizational structure (see Table 3 of Appendix 4) that represent typical combinations or "clusters" of coordinating mechanisms, design parameters and environments. (See previous discussion regarding the definition of structure.) He argues that organizations are driven toward ideal configurations in search for harmony among its internal design parameters and its fit with the environment. If an organization is inappropriately configured for its environment or technology, it is considered to be in a transitory phase, existing as a dysfunctional hybrid in search of its ideal configuration.
Configurations are caused by a set of internal pulls exerted by each of the six organizational parts and responses to the environment. The strategic apex exerts a pull to lead and maintain control over decision-making. When an organization cedes to this pull, often due to an overriding need for a strategic vision, a centralized configuration results called *entrepreneurial* or simple structure. (Note that the names of the configurations have changed between 1983 and 1989 editions of Mintzberg's books—the more current name is underlined.) The technostructure exerts a pull to rationalize, ideally through the standardization of work processes. When an organization cedes to this pull, often due to a need for routine efficiency in the organization, a *machine* or autocracy configuration results. There are two types of machine structure: if the rationalization is required by a dominant external constituency, the structure is termed "instrument" machine; if the rationalization is required by the organization's own administrators, the structure is termed a "closed system" machine. Middle line managers exert a pull to balkanize an organization in a search for their own autonomy. When an organization cedes to this pull, it divides itself into distinct units in order to serve its different markets effectively. Such a configuration is called *diversified* or divisionalized. The operating core exerts a pull to professionalize and minimize the influence of all others (colleagues and administrators alike) over their work. When an organization cedes to this pull, usually due to a need to perfect expert programs, a *professional* or meritocracy configuration results. Support staff exert a pull to collaborate in order to involve themselves in the central activities of the organization. When an organization cedes to this pull, usually due to a need for sophisticated innovation, the organization takes on an *innovative* or adhocracy configuration. There are two types of innovative organizations: "operating adhocracies" perform contract project work while "administrative adhocracies" work on projects which serve themselves. Typically, in the latter case, operating cores are cut off ("truncated") from the rest of the organization or automated. Finally, ideology exerts a pulling together within the organization and results in a *missionary* organization. When no pull or part of the organization dominates, conflict reigns and the result
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is a political configuration, reminiscent of Baldridge's (1971) research. Organizations drive toward one of these six configurations (seven if the political configuration is considered to be a structure) to achieve a harmony or equilibrium of internal consistency, synergy and fit with their external environment. The configurations can be described in terms of their primary coordinating mechanisms, type of decentralization used, structure of the organization's key parts, context or environment in which such organizations are typically found, strategy and key issues facing the configuration.

The entrepreneurial configuration is characterized by direct supervision and centralized decision-making from the strategic apex. There is little, if any control, by the technostructure or support staff and usually few middle line managers or operating core staff. Communication is informal and the structure is kept simple and flexible, usually dependent on the nature of the person at the helm. Thus the "culture" of such organizations can vary widely, from autocratic and rigid to exciting and innovative, driven essentially by the personality of the leader. This configuration is most common in young organizations which face a simple but dynamic environment; their strength lies in an ability to outmanoeuvre bureaucracies. The strategy of such organizations rests with the leader, typically to position a malleable organization in a protected environmental niche. As such, strategy tends to be visionary in the broad sense but emergent in details; that is, the leader knows where he or she wants to go but details of how to get there emerge on a daily basis. Though such organizations are extremely responsive to their environments, they can also be vulnerable and restrictive because so much hinges on the chief executive officer. Although a major strength of the organization, this dependence on the CEO is also a major liability as his or her attention may become diverted to strategy at the expense of operations or vice versa. Examples of such configurations are small manufacturing firms, an aggressive entrepreneurship or a new government department.
The machine configuration is a bureaucratic structure in the Weberian sense that uses the primary coordinating mechanism of standardization of work processes. Power rests with the strategic apex and the technostructure in such configurations. Best described as a centralized bureaucracy, there is a strong element of control and limited horizontal decentralization in such a configuration. An elaborate hierarchy of line managers and expert staff control and protect the operating core, anxious to seal it off from external disturbances. This is done through use of formal procedures, rules and regulations, specialized and routine work and sharp division of labour, usually into functional groupings. The middle line has three major functions: to handle operating core disturbances; to work with the technostructure regarding standards for the work processes; and to support the vertical flow of information in the organization between the operating core and apex. Support staff are typically internal to the organization rather than bought in from outside, as a way of further reducing uncertainty in the organization. Such configurations are usually found in more mature organizations and in simple, stable environments where large amounts of consistent and predictable products and services are required. "As long as we demand standardized, inexpensive goods and services, and as long as people remain more efficient than automated machines at providing them—and remain willing to do so—the machine bureaucracy, with all its problems, will remain with us" (Mintzberg, 1983, p. 187). Machine configurations are resistant and ill-suited to change their fundamental strategy and indeed, must in effect change configuration in order to change strategy. As Mintzberg (1989) points out:

This, however, should come as no surprise. After all, machines are specialized instruments, designed for productivity, not for innovation...Efficiency is their forte, not innovation. (p. 150)
The problem with strategic change in such organizations is one of information. Information flows from the hierarchy to the top of the organization. It is left to the managers in the strategic apex to make sense of it yet they lack the detailed information that resides at the bottom of the organization. Though this organization celebrates in the virtues of efficiency, reliability, precision and consistency, the obsession with control makes for a discontented operating core because there is little allowance for creativity or individual decision-making. This, in turn, results in difficulties with coordination at the middle line level which ultimately results in difficulties with organizational adaptation at the strategic apex level. Examples of such organizations are those in the business of mass production, mass service or control and safety, such as a major automobile company, a major airline organization, the national postal system, fast food chains like McDonald's or a fire service.

The diversified configuration is in some ways an extension of the machine configuration. The structure is typically one of loosely coupled, market-based divisions (which are usually structured as machines) under a central administrative headquarters. Divisions run their businesses autonomously, subject to performance controls from headquarters which are in place to standardize the outputs of the organization. Consequently, limited parallel and vertical decentralization exists in this configuration as middle line managers concentrate their power in their own units. The environments of this configuration are characterized by market diversity, especially of products or services (rather than clients or regions). Such configurations are frequently found in more mature, large organizations which are risk-adverse and find growth through diversification. Mintzberg identifies three distinct stages of growth: "integrated diversification," which applies to organizations which produce only one output; "by-product or related product diversification," an intermediate form where divisions within the organization supply one another with products and services; and "conglomerate diversification," the purest form in which each division produces distinct products or services. In such configurations,
headquarters manages the corporate strategy as a portfolio of businesses. In addition to management of the corporate strategy, headquarters can use five additional measures to ensure that the goals of the organization are met: (1) allocation of overall financial resources; (2) implementation of performance control systems; (3) appointment and replacement of divisional managers; (4) monitoring of divisional behaviour; (5) provision of certain common support services to the divisions. The key strategic issue that faces such configurations is whether or not conglomerations are preferable over breaking into independent businesses. Mintzberg (1989) wonders if conglomerations in reality protect inefficient businesses and discourage innovation. He cautions that the performance control systems used by such configurations sometimes become ends in themselves and may encourage socially unresponsive or irresponsible behaviour; in other words, the conglomerate becomes so big that it takes on a life of its own. Mintzberg suggests that such configurations are more suited to the private sector where organizational goals are quantifiable and measurable and is particularly critical of such configurations in the public sphere where the nature of goals is less quantifiable and measurable. Examples of the diversified configuration are found in business corporations but also in government and education (the "multiversity" phenomenon, for instance).

The professional configuration depends on standardization of the skills of highly trained professionals in its operating core, self-regulated by their education and profession, as its primary coordinating mechanism. These professionals, in turn, work autonomously in what Mintzberg terms their "pigeon holes" to produce standardized products or services which, given their nature, are very difficult to measure. The professionals have essentially two tasks: first, to categorize or diagnose the product or service required by the client; secondly, to apply or execute a standard program that will respond to the client's need. Thus, this configuration exhibits full horizontal and vertical decentralization of power to the operating core. There is only a small technostructure and middle line due to little need for coordination. The tasks of the
administrative structure are to manage issues of the organization's boundary (protecting the professionals from undue outside disturbances) and resolve any troublespots in the organization. A large support staff exists for the highly paid professionals. Another term for the structure is "decentralized bureaucracy" where the operating core of professionals exert much collective control. As a result, committees and task forces abound in such organizations.

The environment of this configuration is complex yet stable: stable in the sense that a sufficiently consistent demand must exist for the product or service to enable standardization of skills; complex in the sense that a sophisticated set of skills is required to meet this demand.

The overall strategy for such a configuration is stable but may appear fragmented as the details surrounding it are continually in flux. Strategy in the professional organization is decided by collegial professional judgment and collective (political) choice. Though it mainly focusses on elaboration of its mission, strategy can also focus upon organizational inputs (such as choice of professional staff, clients and funding), means to perform the mission (such as buildings and equipment) and the structure and form of governance. Typical issues that face such configurations are: difficulties with coordination of the professional operating core (direct supervision and control is seen as antithetical to professional autonomy and responsibility); misuse of professional discretion (professionals may put clients' or self interest above that of the organization's); and reluctance to innovate (professionals may prefer "tried and true" solutions over new ones). Examples of this configuration are hospitals, social work agencies and universities. Paul (1990) flags the open university structure as a particularly strong example of the professional configuration (p. 30).

The innovative configuration is coordinated through mutual adjustment, encouraged by liaison personnel, integrating managers and matrix structures and dominated by support staff (such as, public relations, legal counsel, research and development and human resources departments).

The configuration is an example of selective decentralization where functional experts, staff and
line managers, and sometimes operators, work together in multi-disciplinary teams to carry out innovative projects. The structure is fluid and "organic" with little formalization of behaviour. It avoids bureaucracy strenuously and organizational charts go quickly out-of-date. An operating core of professionals exists but there is less standardization of skills than in the professional configuration because of the emphasis on innovation rather than standardized products or services. Matrix structures with a plethora of managers are common: functional, integrating and project. There is no clear locus of control: power flows to wherever the relevant expertise resides. Typically found in young organizations and industries, their environment, like the professional organization, is complex but, unlike the professional organization, is much more dynamic, characterized by the use of high technology and frequent changes in products due to severe competition. Projects undertaken by such organizations can be temporary (e.g., an Olympic committee); they can also be mammoth (e.g., the Manhattan project of World War II). Strategy in the innovative configuration is usually a "grassroots" process which emanates from the bottom of the organization, shaped through management of the process of strategy-making and provision of guidelines rather than directed by managers. Mintzberg likens management of strategy in these organizations to driving an automobile without having your hands on the steering wheel: "...You can accelerate and brake but cannot determine direction" (p. 213). The effectiveness at innovation of such configurations is frequently achieved at the cost of inefficiency. In addition, staff in such organizations may experience difficulty with ambiguity of tasks and conflicts which arise from the ambiguity. Examples of this configuration are space agencies, avant-garde theatre companies, companies which design sophisticated, "high tech" products, a rock music recording company or an engineering company which produces prototypes.
The missionary configuration is one of the purest forms of decentralization of power. Its primary coordinating mechanism is the standardization of norms which is reinforced through the selection, socialization and indoctrination of its members. All organizational members share in power but subject themselves to powerful normative controls. It can be overlaid on other configurations (usually entrepreneurial); however, it can also evoke its own structure. This structure is loosely organized, often under charismatic leadership. There are several forms according to Mintzberg: "reformer," (out to change the world); "converter," (out to indirectly change the world by attracting members and changing them); and "cloister," (out to create its own "world" by allowing its members to pursue their unique lifestyle, protected from the external world). Its strategy is simple: to pursue a clear, focused, inspiring mission. It is more likely to pursue changing the world than changing itself. The primary issues which face the configuration are isolation and death of the organization for lack of renewal or assimilation and compromise of its ideology. Typical examples of this configuration are a kibbutz, volunteer organizations, religious sects or revolutionary organizations.

The political configuration represents the organization where conventional coordinating mechanisms are replaced by the play of informal power obtained illegitimately and often in self-interest. The result is usually conflict which pulls the organization apart. Decentralization varies in such organizations and structure is subservient to the quest for power which influences processes alongside the structure. The configuration can be overlaid upon other configurations or it may evoke its own: confrontative organizations, shaky alliances, politicized organizations and complete political arena are all forms that may evolve, according to Mintzberg. Strategies in such organizations are motivated purely out of self-interest. Mintzberg notes, however, that politicization is not completely negative. It can serve a functional role if it brings about necessary change which has been blocked by legitimate systems of influence. But as an organizational entity, it is unstable over any length of time.
These, then, are the seven typical configurations (summarized in Table 3 of Appendix 4) to which organizations are attracted because of environmental, internal and strategic considerations. Mintzberg points out four basic questions that can be used to determine to which configuration an organization predominantly belongs:

1. What are the main groups of operators?
2. For each, is their work unskilled or does it require considerable training?
3. Do they work alone or must they interact in groups?
4. Are their outputs standardized or customized?

Unskilled, standardized work carried out alone suggests the machine configuration. Extensively trained and standardized work done alone suggests the professional one. And the presence of extensively trained workers who require group collaboration and produce customized outputs suggests the innovative form. (p. 262)

Mintzberg notes that the diversified and innovative forms are the most difficult to sustain in pure configuration (the former a conglomerate with no links between divisions, the latter a loose and free-wheeling structure) and are more common in hybrid combinations or transitions (p. 266).

Other factors to be considered when identifying configurations are the ratio of support staff to operators (ratios of three or four to one implying a professional or innovative configuration), clarity of distinction between line and staff (its presence implying machine or diversified, its absence implying innovative), and lack of staff (implying entrepreneurial). The preferred coordinating mechanism and centre(s) of power are also clues.
Mintzberg's Life Cycles of Organizations: Predicting Structural Change

To his congruence, configuration and extension hypotheses, Mintzberg has recently added two more: the contradiction hypothesis and the creation hypothesis.

The contradiction hypothesis proposes that "the achievement of effectiveness in an organization generally requires the management of contradiction" (p. 272), that is, contradictory forces within the organization. Mintzberg (1989) cites the predominating force in each configuration: the entrepreneurial form searches for direction from the apex; the machine form, for efficiency; the diversified form, for concentration of authority of the divisional managers; the professional form, for proficiency; the innovative form, for continued learning and adaptation; the missionary form, for cooperation; and the political form, for competition. If left to their own, each force contains within it the seeds of its own destruction (e.g., unimpeded leadership may destroy an entrepreneurial organization; too much technocratic control may destroy the machine organization). Mintzberg also notes that "contamination" of forces may occur where the culture of an organizational configuration pervades pockets of the organization that are inconsistent with that culture (e.g., the difficulty experienced by an innovative research and development lab existing in a machine configuration). Fortunately, another phenomenon, "containment" of forces, occurs where secondary forces keep the dominant force in check and prevent it from destroying the organization. In some cases, "hybrids" or "combinations" of configurations arise where two or more of the forces exist in rough balance. The simultaneous existence of the forces may be due to "cleavage" or "conversion:" cleavage occurs when the forces are in conflict either voluntarily (for example, when an organization is trying to obtain the best of all possible worlds) or involuntarily (for example, when an organization is confronted by arbitrary external forces); conversion occurs when an organization is in transition from one form to
another. Thus, contradictory forces which must be managed arise from several factors.

Mintzberg notes that forces of cooperation, competition or a combination of the two can exacerbate or alleviate the inherent contradictory forces within an organization.

The creation hypothesis is summed up by Mintzberg (1989) as follows:

The truly great organization transcends convergence, congruence, configuration, and contradiction, while building on them to achieve something more. It respects the creation hypothesis. Creativity is its forte, "understand your inner nature" is its motto, LEGO its image. The most interesting organizations live at the edges, far from the logic of conventional organizations... (pp. 280-281)

Mintzberg's initial synthesis of the major perspectives offered in the literature was unveiled in 1979 in his book, The Structuring of Organizations: A synthesis of the research, and in more accessible form in 1983 in his book, Structure in Fives: Designing Effective Organizations. His 1989 work, Mintzberg on Management: Inside Our Strange World of Organizations, elaborates on his previous work and rounds out the original five configurations with two more (missionary and political). He also addresses the notion of organizational life cycles or stages of growth, conspicuously absent from earlier works but helpful in speculation of what kind of transitions organizations make from one configuration to another. In a postscript to his final chapter on configurations, Mintzberg presents a rudimentary life cycle model of organizations.

Although 42 possible transitions from one configuration to another are possible (49 if a configuration transforms back into itself!), Mintzberg notes that certain transitions appear to be more common than others and that certain configurations appear more commonly at certain stages in the life of an organization than others. He adds that such transitions more commonly reflect intrinsic forces rather than extrinsic forces independent of the organization (such as, government legislation or shifts in technology); in agreement with Greiner (1972), it is as if the
seeds of destruction are sown in one configuration and drive it either to another configuration or the organization's demise. He presents a research agenda of hypotheses to be verified by systematic research and identifies common configurations found in four stages:

1. The **formation stage** favours entrepreneurial configurations.
2. The **development stage** favours missionary, instrument-machine or innovative configurations.
3. The **maturity stage** favours closed machine, professional or innovative configurations.
4. The **decline stage** favours political configurations.

His 13 hypotheses are summarized below:

Formation stage:

1. Personal creation: Organizations are typically established in the entrepreneurial form.
2. Perpetuation of entrepreneurship: Many young organizations remain in the entrepreneurial form as long as their founding leaders remain in office. The leader's personal power and organizational members' loyalty to the leader are strong influences in the perpetuation of this form.

Development stage:

3. Precariousness: Entrepreneurial organizations tend to be vulnerable; many die, while others tend sooner or later to make a transition to another configuration. So much power is invested with the leader of the organization that there is no rational mechanism for self-correction within the entrepreneurial form; because leaders in such organizations have such personal power, they often lose touch with the operations or change strategies needed to preserve the entrepreneurial form.
4. Institutionalization of charisma: The most natural, if not common, transition for the entrepreneurial organization is to the missionary configuration, at least after the departure of a charismatic, visionary leader. Followers, wishing to perpetuate the strong sense of mission of their departed leader, form a configuration in which selection, socialization and indoctrination reinforces the established system of beliefs. But relatively few such organizations seem to be left on their own.

5. Meritocratization: New organizations dependent on expertise tend to make a relatively quick transition to the innovative configuration (if its mission focusses on creative design) or the professional configuration (if it applies standardized skills). Such transitions occur quickly because experts hired into the organization insist on power early, rather than deferring to the personalized power of the leader.

6. Early experimentation and later institutionalization of innovation: Given a choice between the professional and the innovative configuration, many young organizations will opt for the innovative one, although some will be inclined later to make a transition to the professional one. Early enthusiasm for ad hoc development of novel solutions eventually gives way to the routine delivery of standardized ones.

7. Takeover: Entrepreneurial organizations which are not susceptible to ideological pressures and not dependent on expertise tend to be driven eventually to the machine configuration, usually first in its instrument form (i.e., power residing with external influencers as opposed to internal administrators). Such organizations are prime candidates for takeover and tend to fall prey to outside influencers (or yield to them voluntarily for protection), for example, an entrepreneurial firm which comes under the control of a diversified conglomerate.
Maturity stage:

8. Imperatives of administration: Missionary configurations, barring the commonly occurring demise of such organizations, as well as instrument machine configurations, tend to eventually make a transition to a closed machine configuration. In other words, organizations not dependent on expertise tend to end up as self-serving machine bureaucracies, impervious to external influences. For missionary organizations, time tends to blunt the ideology, converting enthusiasm into obligation, traditions into dogma and norms into rules. They either burn out or administration replaces ideology at the centre of power. For instrument machine organizations, service to the external constituency contains within it the seeds of its own destruction because though external influencers may have the formal power, they can only exercise it through internal administrators. As the organization grows larger and more complex, internal administrators acquire increasing information by which to manage the organization and therefore power at the expense of the external influencers.

9. Diversification: The closed system nature of the machine configuration encourages, and is encouraged by, a transition to the diversified configuration. The closed machine configuration has incentive to diversify as a means extending its mission across different sectors of activity which, in turn, reduces risk and external influence. Mintzberg notes that this transition is relatively minor as the diversified configuration is simply an elaborated form of the machine one.

10. Transitional politicization: Most of the aforementioned transitions tend to be driven and impeded by forms of the political configuration, typically brief confrontations, although sometimes prolonged by shaky alliances. Again, there is considerable agreement with Greiner's (1972) predictable organizational crises or "revolutions" here.
Decline stage:

11. Eventual politicization: The absence of external control tends to have a corrupting influence on the mature configurations, closed machine and professional, driving them eventually toward the political configuration. When the power of administrators in the closed machine configuration and of the experts in the professional configuration becomes absolute, corruption is inevitable and produces conflict among insiders as well as external influencers who notice the conflict and challenge the insiders as well as the legitimacy of their power. Such transitions need not happen quickly; organizations can remain in this stage for long periods of time, held in check by market competition or professional standards or vestiges of an earlier ideology.

12. Artificial support or political demise: Barring renewal or some form of artificial support (such as favoured funding from government or a privileged position in the marketplace), an enduring political configuration eventually leads to the demise of the organization.

Renewal stage:

13. Revitalization or turnaround: Organizational renewal may take place in the form of gradual revitalization or, in the absence of that, dramatic turnaround, the former likely during maturity, the latter during demise. In other words, mature configurations such as the closed system machine, professional and innovative configurations, where politicization has not yet undermined the healthy functioning of the organization, have the capacity for the gradual process of revitalization. This is the capacity of an organization to change itself through a healthy mix of politics and ideology while maintaining its basic configuration. Mature organizations which are unable to revitalize themselves may try to protect themselves politically by exploiting some artificial means of support, but when their survival is threatened, efforts may be made to renew them.
through dramatic turnaround. There are two types: operating turnaround acts on the cost side of an organization's cost-benefit ratio by economizing; strategic turnaround acts on the benefit side by changing direction.

Mintzberg's life cycle hypotheses, in fact, form a research agenda; this case study purports to test some of them.

**Conclusion for Chapter 2**

Of all researchers, Mintzberg's synthesis of configurations and its extension to a life cycle model offer the greatest opportunity for in-depth analysis of organizational structure and change respectively. It is for reasons of richness of this framework that it has been chosen as the theoretical underpinning of this study. Furthermore, other writers have noted that Mintzberg's framework is a particularly complementary and useful one for study of the structure of educational organizations.

This study now turns its attention to the particular case of the Open Learning Agency and its structure as it existed prior to the 1992 reorganization.
Chapter 3:
Case Study
Introduction to Chapter 3

Chapter 3 presents a descriptive case study of OLA's organizational structure as it existed in its first four years of operation between April 1, 1988 and May 1, 1992. The chapter is divided into three parts. The first part examines the origins of OLA, in particular, the history of its predecessor organizations, the Open Learning Institute (OLI) and Knowledge Network of the West Communications Authority (KNOW) and their eventual amalgamation. The second part describes the structure of OLA between 1988 and 1992, based upon Mintzberg's (1989) definition of structure (see Chapter 2). The third part summarizes the forces which precipitated the need to review the organizational structure in 1991 and eventually to reorganize.

Origins of OLA

Introduction

The Open Learning Agency was officially established on April 1, 1988, through the passing of provincial legislation, Bill 58, the Open Learning Agency Act. The act identified five purposes of the agency:

In collaboration with universities, institutions, boards of school trustees and other agencies concerned with education, OLA was to:

1. Provide an educational credit bank for students,
2. Coordinate the development of open learning education,
3. Use open learning methods to provide educational programs and services,
4. Carry out research related to open learning education, and
5. Operate one or more broadcasting undertakings devoted primarily to the field of educational broadcasting. (p. 2)
OLA was preceded by two organizations, the Open Learning Institute (OLI) established in 1978 and Knowledge Network of the West Communications Authority (KNOW) established in 1980. The act effectively dissolved these two organizations and created three programming components within the Agency: the Open University, the Open College and the Knowledge Network.

Though the official amalgamation of OLI and KNOW occurred in the spring of 1988, their coming together was anticipated in the late 1970's by Patrick McGeer, Minister of Education (1975-79) and later Minister of Universities, Science and Technology (1980-86), and Walter Hardwick, Deputy Minister of Education (1976-80) and later President and Chair of KNOW (1980-85).

It is important to understand the origins of the two organizations to shed light on the forces which shaped their eventual amalgamation and therefore the initial structure of OLA. The first part of this chapter offers the historical background of OLI and KNOW and events leading up to their amalgamation into OLA. It is not meant to provide an exhaustive account but rather to provide some insights into the nature of internal and external forces at work in the respective organizations prior to the formation of OLA. It is a history swept with antipathy between OLI and KNOW, different approaches to distance education and use of instructional technology, and conflicting roles in their respective organizational mandates for the provision of distance education in B.C.
OLI Background

Beginnings

OLI was formally established by an Order-in-Council on June 1, 1978, under the College and Institute Act. Its mandate was to provide programs of study leading to undergraduate degrees in arts and sciences and non-degree credentials in career, vocational, technical and adult basic education subjects. (A codicil was added to the Universities Act in 1979 to give OLI the power to grant baccalaureate degrees in arts and science in its own name.) The instruction in these areas was to be achieved by distance education means and through collaboration with other institutions. The fulfillment of a dream of the Minister of Education, McGeer, and his Deputy Minister, Hardwick, OLI was created over the widespread opposition of senior administrators and faculty in provincial universities and colleges and in the face of indifference and misunderstanding in government.

The organization was unique for two reasons. First, it used distance education methods (somewhat novel in itself at the time) and maintained no full-time academic teaching staff on site, but rather part-time tutors on contractual appointments working from their homes. "Its structure resembled no other higher educational institution in B.C. or indeed in Canada" (Moran, 1991, p. 19). Secondly, "the Institute straddled the binary divide and fitted comfortably into neither university nor college arena" (Moran, 1991, p. 98).

Moran describes the skepticism and widespread ignorance of the nature and practice of distance education at the time; in some cases, institutions felt threatened by this new presence on the post-secondary scene. She attributes the tension, fear and hostility about OLI's presence in the
early years to the original vision that McGeer and Hardwick had for the organization and its subsequent interpretation into a formal mandate:

There was an element of hubris in creating a new provincial institute, but also a pragmatic political judgment that a separate institute, with powers similar to its B.C. peers, was the only way to ensure their goals were met. Yet the new Institute had a number of unique, innovative and disturbing features which affected its credibility and status. As created by McGeer and Hardwick, OLI was a hybrid organization crossing the conventional divide between universities and colleges. Moreover, it combined a potentially contradictory credential and service mandate, though that was not so apparent at first. OLI’s mandate also implicitly allowed for a flexible laddering of educational opportunity from adult basic education to degree level. If implemented, this might genuinely overcome some of the barriers to access entrenched in conventional higher education systems, and improve the prospects of equal educational outcomes. However, McGeer and Hardwick did not emphasise OLI’s unique breadth and comprehensiveness in their campaign to have the concept accepted. Their focus and rhetoric justifying OLI’s creation were firmly fixed on the Institute’s university-level activities.

The shape and flavour McGeer and Hardwick gave to OLI came directly from their perceptions of the BOU [British Open University], and their interest in experimenting with new telecommunications technologies. They ignored or misunderstood the actual nature and practice of distance education by the BOU which relied heavily on print and local tutorial services and was becoming cautious of television. Moreover, they somewhat naively believed all that would be required was quickly prepared, ‘wraparound’ materials to compensate for the ‘Britishness’ of the BOU materials. They saw ‘distance education’ as a technological form of education from the beginning, and would probably have applauded Peters’ industrial model as the most efficient way to deliver education at a distance.

These perceptions coloured their subsequent dealings with OLI, the resources they gave the Institute, and the attitudes they passed on to Ministry officials. However, they did not build their definition into the mandate OLI received, thereby laying a base for future conflict with OLI’s leaders over the meaning and practice of distance education. Seeds of conflict were also sown in giving OLI a dual role of credential provider and service agency. The former suggested one set of parameters for seeking and being accorded legitimacy. The latter suggested a different set. (pp. 122-123)
Survival, the first imperative

With these beginnings, a board comprised of six community representatives and three university members appointed John Ellis as OLI's first principal. He was seconded from Simon Fraser University for a period of two years (to August, 1980).

Ellis was already well-known in the field of education. He had joined the University of British Columbia's faculty of education in 1959 from the school system. In 1965, he moved to Simon Fraser University, first as a professor in the faculty of education, later as Director of Graduate Programs and Dean of Education. He had also worked in a multinational teacher education project in Indonesia prior to coming to OLI. Moran (1991) describes Ellis as an effective, pragmatic manager who held strongly to an ideal of quality in teaching and research but was willing to experiment with innovative educational strategies (p. 131). His interest in distance education had been stimulated by a visit to the BOU in the early 1970's.

The first board and management of OLI saw survival as its first imperative and rapidly put into place organizational structures, systems and curriculum that made OLI a recognizable, credible institution. They also needed to convince senior administrators and faculty in the post-secondary system that OLI would not threaten jobs or other institutions, would be providing for a different clientele and could meet quality standards, although perhaps in a less traditional way from other colleges and universities.

In September and October of 1978, the board considered program priorities, organizational structure and budgets for 1978-79 and 1979-80 fiscal years. A set of founding principles was articulated to identify the ideological boundaries of the new organization and provide direction for its educational character and cultural norms over the ensuing decade. There were four
principles identified. The first principle asserted OLI’s independence. Though the Ministry set the general boundaries within which OLI would operate, the board determined its own priorities and methods to meet that mission. Ellis felt it important to distance OLI from McGeer and Hardwick’s personal stake in its creation, in particular, their speculations regarding the role and use of technology by the Institute and their perceptions regarding the simplicity of adaptation of purchased BOU materials (Moran, 1991, pp. 134-135). The second principle asserted that students of OLI should not only be assured of the same quality of education that they might receive elsewhere in British Columbia but assured of parity with education received from other post-secondary institutions. This implied coherent sequenced programs, guarantees of availability of courses and programs and articulation with curricula in the system. The students which OLI wished to attract were those who were geographically remote from campus-based institutions, those who were "socially remote" and found such institutions intimidating for various reasons, those with work schedules and family responsibilities inhibiting regular attendance at classes, those with disabilities which prevented attendance at campus-based institutions and those who preferred to study independently (Ellis, 1979). Given that OLI’s students were to be adult British Columbians, regardless of geographic, social or personal obstacle, a third principle emerged: the importance of access to its programs and consequently the choice of accessible, "popular" instructional media. "From the beginning, television was downplayed in favour of print and audio learning materials and telephone tutoring. These media posed fewer technical problems or questions about their pedagogical respectability" (Moran, 1991, p. 136). The fourth and final founding principle was a pragmatic one: conformity of OLI’s programs to the existing system. Ellis (1973) had argued that if a BOU degree were to be imported to British Columbia, its survival depended on compatibility with the system and assurance that its credentials would be recognized elsewhere. This was very much in contrast to McGeer and Hardwick’s grand vision of a BOU-style degree with large, interdisciplinary courses (Moran, 1991, p. 139). In summary, the set of founding
principles described an interesting balancing act: conformity with the post-secondary system and prevailing norms, particularly those of the university, on the one hand; emphasis on openness rather than exclusivity, resembling the principles of accessibility which characterized community colleges, on the other hand.

The Athabasca University of Alberta and the BOU provided the main models for OLI's early organizational structure (Moran, 1991, p. 143). Athabasca's model resembled the familiar university division of academic and administrative affairs while the BOU comprised four main functional areas: programs (faculty); student services (which included a decentralized systems of regional offices); production and distribution; and bursarial functions (Perry 1977; Rumble, 1982). At first, Ellis chose a structure similar to that of BOU's; in late 1979, the structure was amended to resemble more that of Athabasca's. It was a flat structure with six directors reporting directly to the principal: administrative services; student services; program support services; and three program areas: university, career-technical-vocational and adult basic education (Grant, 1978). The structure was advantageous in its informality of decision-making and speedy communication but the disadvantages of wide span of control for the principal and awkward internal coordination became more apparent as OLI rapidly grew. In particular, tension grew over the lack of coordination of production schedules for course development. Consequently, Ellis brought program services and administrative services together and redesignated the head, Dean of Administrative Services. He also combined the three program areas into one division under a Dean of Program Development (subsequently retitled Dean of Academic Affairs). Student services continued to report directly to Ellis. In this way the span of control was reduced from six to three and the potential for more integrated academic policy development and program implementation was established. Because of tensions over different attitudes among the program areas toward course development roles, course formats and academic standards, three more structural changes were soon introduced
within the Academic Affairs area: a division of course design, comprising instructional
designers, editors and other specialist staff was introduced; student services was moved from a
direct reporting relationship to Ellis to Academic Affairs; and coordinators were appointed for
groups of subjects such as humanities, sciences and social sciences (Moran, 1991, pp. 144-
145). One striking and unique feature of the OLI was its lack of full-time faculty. Concern over
BOU's and Athabasca's bureaucratic and expensive course preparation process involving large
course teams of in-house academics and instructional specialists as well as cautiousness about
taking on the trappings of a traditional university (including the cost and expense of research
functions) dissuaded Ellis from hiring on full-time faculty. Instead, expertise required for
course development and tutoring was bought in. The consequences were far-reaching. Now
"OLI had to take seriously its mandate to collaborate with others in the educational system to
obtain specialist expertise and credibility" (Moran, 1991, p. 146). The lack of faculty also
served to clarify the distinct division between development and delivery of programs. A major
disadvantage of this approach was that tutors had no particular allegiance to the organization,
no disciplinary community nor any evident role models, a fact which would come back to
haunt OLI's successor organization in the early 1990's. The tutors complained of feeling
alienated from administrative and academic decision-making and separated from their
colleagues in Academic Affairs. (The part-time role of senior tutor was created in late 1982 to
assist in bridging the isolation felt by the tutors.)

Consolidation and restraint

The early 1980's were characterized by greater consolidation of organizational structures,
systems and curriculum. Some of the original misapprehension of the system had calmed; in
particular, senior administrators at the University of British Columbia and University of
Victoria were now less skeptical of the Institute. The early 1980's, however, were also a time of considerable fiscal restraint in the post-secondary education system.

Ellis departed in July, 1980 and Ronald Jeffels, Principal of Okanagan College since 1974 and a professor of French at the University of Victoria and the University of British Columbia for 23 years prior to that, took over the reins. Moran (1991) describes Jeffels as a leader with a flair for public relations, a "laissez-faire" management style and a penchant for written communications over electronic media, the latter of which would prove to be a major stumbling block in his relationship with Hardwick (p. 206-207). Jeffels was faced with the immediate challenge of manoeuvring OLI through an era of financial restraint. OLI was particularly vulnerable because it did not have large reserves of money nor did it enjoy at this point sufficient institutional prestige to weather a long storm of restraint successfully. The response to restraint was a strategy which included greater emphasis on the acquisition and adaptation of courseware (as opposed to original development), joint ventures with other post-secondary institutions and contractual work with non-educational organizations interested in using open learning methods to train and upgrade their employees. It also meant a somewhat harsh prioritization of resources: commitment to complete already scheduled programs and dependence on less exotic, inexpensive instructional technologies. Though KNOW was now firmly established and could not be ignored as a potential collaborative partner, the Institute saw few ways to expand its use of the television service without increased funding and therefore concentrated more on low-end technologies such as print, audiotape and teleconferencing (Moran, 1991, pp. 207-212). This created a (perhaps unwarranted) perception of the OLI as educationally conservative (Moran, 1991, p. 232).
The division of course design was disbanded in early 1982, as a result of structural and personal tensions, and instructional design staff were returned to program areas. A tiny, new division of educational technology was formed to explore uses of new educational technologies, develop systems of course and tutor evaluation and coordinate institutional research and in-house training but this proved to be a controversial and not wholly successful move; the division was disbanded a year later.

**Moves toward amalgamation with KNOW**

In 1985, the government moved to amalgamate OLI and KNOW (see last section of this part). In September, 1986, Jeffels retired and Glen Farrell was made Acting Principal of OLI and Acting President of the incipient Open Learning Authority. Farrell had come to B.C. in 1975 from Saskatchewan to continue a career in continuing education, first as Associate Director, then Director of Continuing Education at University of Victoria. While there he was instrumental in developing the University's distance education programs and became particularly interested in television and telecommunications (Haughey, 1985). In June, 1985, Farrell took a one year leave-of-absence from the University of Victoria and agreed to serve as president of KNOW on the understanding that OLI and KNOW would eventually amalgamate. When he became Acting Principal of OLI, he retained his presidency of KNOW and, in fact, carried out the dual leadership role until the union of OLI and KNOW was finally consummated in 1988. Though many of the broad principles and policies on which OLI was founded continued under Farrell's leadership, their emphasis changed. For example, he grew impatient with the term, distance education, which he felt narrowly defined a "toolkit of pedagogical methodologies" and suggested an artificial dichotomy with more traditional forms of instruction; he preferred use of broader term, open learning, which encompassed distance
education and connoted a spectrum of educational opportunities for the learner (refer to definitions, Chapter 2). Moran (1991) notes that the change in emphasis that Farrell brought to OLI distanced himself and the eventual Open Learning Agency from his predecessors:

Ellis' solution to the question of improving access was to build an organization whose programs conformed with the B.C. system, and whose strength came especially from its credential powers. Farrell instead moved to emphasize more the idea of OLI as a service agency, within his concept of a provincial open learning system. Ellis and Jeffels were, at best, lukewarm about television. Farrell saw television as a vital and potentially effective medium for communicating with large numbers of people, not only those actually enrolled in OLI courses. (p. 247)

Farrell brought new vitality to OLI. From September, 1986, onward, staff spent much time scrutinizing and integrating policies and procedures of both OLI and KNOW, in preparation for their anticipated amalgamation and in keeping with Farrell's wider concept of open learning.

**KNOW Background**

*Beginnings*

Moran (1991) notes that there has persisted in B.C. educational circles a view that McGeer and Hardwick created KNOW because OLI would not embrace television as a method of teaching (p. 283). This, she feels, may be accurate but is an overly simplistic explanation. She notes that they did not specify television (or any other medium) in OLI's mandate, though their interpretation of distance education as teaching by television was narrower than anyone at OLI or other distance education institutions might have imagined. McGeer could have used his powers under the *College and Institute Act* to force Ellis and Jeffels to use more television as a teaching strategy; however, he did not and this suggests perhaps some acquiescence on his and Hardwick's part of the technical difficulties in using this medium to achieve desired access for the students that OLI was intended to serve. When Ellis departed in 1980, Hardwick raised the
possibility with the OLI board of the Institute assuming responsibility for a new telecommunications authority. Reception to the idea was lukewarm. Instead, in a series of well-orchestrated and clever moves, McGeer and Hardwick circumvented federal restrictions and created a separate educational telecommunications authority, called the Knowledge Network of the West Communications Authority (KNOW). Hardwick resigned as Deputy Minister of Education to become the first president of KNOW and chair of its board.

**Role conflicts**

KNOW was officially created as a non-profit society on May 29, 1980, to: cooperate with educational institutions and other agencies in "development, coordination and delivery of educational programs and materials"; "operate a telecommunications network including cable, microwave, satellite and broadcast elements"; "foster, stimulate and participate in the development and production of high-quality educational programs and materials"; "enter into any contracts or arrangements...that may seem conducive to the Authority's purposes..." (British Columbia, 1980). The terms of reference were ambiguous and open-ended, to say the least, and contained within them, seeds of conflict. Implicit within them was a role for KNOW to coordinate distance education delivery. McGeer and Hardwick viewed OLI as a correspondence institution; KNOW's role was to complement the Institute's work. However, OLI's board saw the Institute's work as distance education. A collision course over the role of distance education coordination was inevitable. As such, relations between OLI and KNOW administrators could be characterized as strained: cordial but distant.

Moran (1991) identifies three significant issues which tended to keep OLI and KNOW separated. One example of the ambiguity of KNOW's boundaries and unease about its relationship with OLI was a long-running feud over control and use of the BOU materials that
Hardwick had purchased in 1978 (Moran, 1991, p. 288). Hardwick refused to believe OLI's judgment that it was not an easy matter of carving up and "wrapping around" the BOU courses and intimated that the OLI leaders did not have sufficient will to make it work. Yet OLI was not against the use of BOU materials; indeed, it had acquired some of them second-hand (already adapted by University of Victoria and International University Consortium) and collaborated directly with BOU on others. However, where Hardwick was concerned more with the television components of the BOU courses, OLI was of the opinion that these components were minor, although attractive, parts of the courses; the Institute's interest focussed more on their print components. Hardwick retained personal control as an agent for the BOU material in the province, though legal ownership was probably vested with the Ministry and its jurisdiction over non-television materials was dubious. The issue created a sense of mistrust about KNOW's territorial ambitions, much as had greeted the initial years of OLI in the system. A second issue that diminished OLI's (and indeed post-secondary) interest in KNOW was that, until 1986, the Network was not funded to produce nor even acquire original educational material and therefore highly dependent on other educational institutions whom the government expected to bear the costs of acquisition or development. A third and final issue that resisted closer ties between OLI and KNOW was the turbulent relationship of its principals: Jeffels and Hardwick both had very different personal styles and views about OLI and higher education in B.C.

Hardwick continued as president and board chair of KNOW until June, 1985, when Glen Farrell assumed the presidency of KNOW.
Amalgamation of OLI and KNOW

Amalgamation of OLI and KNOW, according to Moran (1991), was

...logical but not inevitable. Despite feints, delays and compromises, McGeer and Hardwick never really deviated from their long-term plan for one organization providing the full range of programs and delivery types, and inter-institutional cooperation to deliver open learning throughout B.C. (p. 289)

First attempts

KNOW had barely begun operating when, in 1981, McGeer proposed a closer formal relationship between it and OLI. Ministry officials were seeking to remediate problems of uncoordinated distance education programming, particularly as more colleges were beginning to explore distance education with small programs of their own. OLI, though willing to cooperate with KNOW, made it clear that it did not wish to be subsumed under the telecommunications authority (in fact, just the opposite) nor did it wish to jeopardize its status and integrity as a deliverer of high quality courses and programs.

In 1982, number of factors added to the complexity of the situation, not the least of which were fiscal restraint policies. Ministry officials perceived OLI and KNOW to be in direct competition for funding and students and they were no longer sure which one (if either) to fund for system course development activities. The B.C. Association of Colleges was certainly opposed to any suggestion of centralized program funding at KNOW or OLI: they did not embrace distance education as the panacea for access problems in the way that the Ministry appeared to and they reasserted the importance of maintaining a comprehensive regional college system. However, colleges were willing to work with OLI with respect to some programs or services (particularly those they could not readily offer in their immediate encashment areas), relying on its distance education expertise and gradually coming to accept its status as a provincial institute.
In mid-1982, at the request of the Treasury Board, another attempt was made by the two ministries to rationalize the service mandates of OLI and KNOW: OLI was to be given responsibility for identifying, coordinating, developing and funding open learning programs with more than regional application; KNOW was to be given responsibility for scheduling and broadcasting them. Though positively disposed toward the idea, OLI emphasized that it did not wish to be left to offer only those courses that other colleges had no interest in sponsoring. OLI also rejected the idea of a joint board with KNOW. Inter-Ministry conflicts and cuts in operating funds delayed further pursuit of the idea. The plan, however, resurfaced in the Ministry of Education's System Mission Statement and OLI's own mission statement. OLI boldly suggested that it should be the prime, though not sole, creator of distance education materials for B.C. and the exclusive distributor of same (usurping KNOW's distribution responsibilities). The Ministry of Education's System Mission Statement was less ambiguous and demanded that colleges genuinely collaborate with OLI to ensure access to programs which they could not offer. To achieve this, the two education ministries proposed an amended mandate for OLI that included: a coordination role for the Institute; development and management of a system of learning centres for teaching and advising; and creation of a British Columbia Open University for the purpose of awarding degrees. The proposal stopped short of full amalgamation of OLI and KNOW at this point, likely due to McGeer's reluctance to see KNOW's identity subsumed under OLI's more established presence and its different technological and academic orientation.

Though OLI accepted the new mandate, further delays were incurred due to a change of education ministers (Vander Zalm to Heinrich) in June, 1983, as well as abolition of coordinating councils and the unveiling of the newly re-elected government's restraint policy. The delays permitted time for other issues to foment: in March, 1984, a committee chaired by Andy Soles proposed that OLI lose its degree granting status and eliminate its third and fourth
year university courses to concentrate on sub-degree academic and vocational work. In April, 1984, the Distance Education Working Group of the B.C. Association of Colleges, in an extension of arguments previously proffered during the creation of OLI, provided a report to the Minister of Education and the Minister of Universities, Science and Technology in which they argued for centralization of course development and decentralization to the colleges of delivery—OLI would only be allowed to deliver distance education courses when colleges themselves chose not to do so (Beinder, 1984). The suggestion would have relegated OLI's role to one of service. The issues, however, were not entertained for long. In August, 1984, McGeer, in his desire to see the electronic classroom concept used to its fullest extent, requested that OLI and KNOW establish more formal relationships through joint board and executive-level committees dealing with policy and program issues affecting both organizations. Again, he stopped short of demanding amalgamation, but a merger now seemed more inevitable than ever.

A common board

In March, 1985, just as a draft letter of understanding about areas of cooperation was nearing completion, Hardwick announced his departure as President of KNOW (but remained as its board chairman). In June, 1985, Glen Farrell was appointed as KNOW's new president and on July 11, Cabinet announced its decision to create a common membership for the boards of KNOW and OLI in preparation for amalgamation and creation of an open learning authority which would "acquire, develop, produce and deliver high quality learning programs and systems throughout the province and encourage cooperation, coordination and collaboration among and between all institutions or organizations involved in distance education." The joint
board was asked to advise government on the authority's role, functions and organizational structure and legislation necessary to "enable open learning to be carried out in an efficient manner throughout the province" (Jeffels, 1986).

Moran (1991) comments upon the make-up of the common board membership and its effect on the outcome of the amalgamation. First, there were no longer members from universities or colleges on the joint board. Secondly, it was dominated by members with close political affiliation to the Minister. Thirdly, only one member (Fred Weber) had more than one year's experience with OLI as an organization. Fourthly, the joint board, or steering committee, was co-chaired by Hardwick and Nigel Hannaford (appointed to the OLI Board in 1984), neither of whom had much stake in maintaining Ellis' and Jeffels' original vision of OLI. Hardwick's forceful vision of an electronic classroom, mixing service and instruction to provide open learning throughout B.C., superceded any past visions of the respective organizations.

The boards of KNOW and OLI struck a strategic planning committee to prepare the report requested by the Minister of Education and the Minister of Universities, Science and Communications and submitted their report in September, 1985. The general content of the report was approved in principle by both Ministers and in January, 1986, Cabinet also gave general approval to it. The report recommended that an Open Learning Authority be established to plan, coordinate, direct and guide open learning in the province. It was to include within its organization and structure functions which were currently performed by OLI, KNOW, the Correspondence Branch, Open University Consortium of B.C. and the Provincial Educational Media Centre. The new organization was to build upon open learning efforts to date and seven goals were set out: to provide a continuum of educational programming including general education, programs relevant to schools, colleges, institutes and universities, workforce upgrading and professional development; to disseminate information about open learning
opportunities; to ensure system-wide evaluation of programs and program materials; to enrich and enhance credit offerings; to avoid duplication of efforts in the preparation and production of course materials; to encourage entrepreneurial activity; and to provide models of interest to international education. The report recommended the establishment of three components to ensure and enable needs analysis, program development, assessment and delivery in cooperation and collaboration with existing institutions: the Open University of British Columbia (to provide university-level programs), the Open Technical Institute of British Columbia (to provide career, technical, technological and vocational programs appropriate for province-wide delivery) and the Open Public School of British Columbia (to provide programs leading to a Grade 12 credential, the Dogwood Certificate). As well, the Knowledge Network would be a part and would continue to provide technological delivery systems, including television, computers and telecommunications. Also envisaged were: a system of electronic classrooms; a training office to ensure liaison with communities, business, industry and government; a centralized multimedia production facility; and a marketing unit (Hardwick and Hannaford, 1985).

An organizational structure unfolds

A project management committee was then struck to begin "phase two," planning for specific details of the merger such as structure of the Open University, Open College (a new title for the Open Technical Institute) and "Open Sector" (a term used to refer to general education), research component, telecommunications, student services, production and marketing, and space requirements. Various committees, drawing upon expertise in the post-secondary field, considered items such as the possible effects on employees, structure and organization and
lines of reporting, effect of changes in Ministers, advising centres and electronic classrooms, relationships with other institutions and universities, and a consolidated site for the two operations (Jeffels, 1986).

At this time a consultant, Larry McAuley, was also hired to provide recommendations for consideration concerning the overall architecture of the new organizational structure. Because of the unique mandate of the proposed organization, McAuley acknowledged the difficulty in creating an organization for which there are no precedents and that it went beyond mere amalgamation of existing activities; indeed, one was "attempting to create a structure and develop mechanisms to deal with the future" (McAuley, 1986, p. 3). In this sense the proposed structure was to be considered evolutionary: "a starting point, not a final solution" (p. 7). In his proposal, McAuley prefaced his recommendations by considering several organizational issues: direction, scope and nature of the enterprise; flexibility; component autonomy and control; roles of coordination and complementarity to the system; and need for internal collaboration. With respect to direction, scope and nature of the enterprise, he suggested that the board of the newly created organization would need to devote much of its attention to the proper place of the organization within the educational community, its current and future direction, and the priorities and parameters within which it would operate. He stressed that because of its lay constitution, much guidance, advice and counsel would be required from a dynamic and visionary Chief Executive Officer. Such an individual would not only have to have vision, objectivity and breadth of understanding to provide leadership to the Board but also educational and management expertise to provide leadership and direction to the operational components of the Authority. Secondly, he stressed that, because of the nature and the newness of the organization, its operational and organizational development would be evolutionary: change would be inevitable and flexible, planned approaches would be required. It was emphasized that the initial organizational structure adopted by the board be considered transitional and that
mechanisms would have to be established for carefully planned integration, development and future change. Moreover, when programs were to be planned and resource requirements identified, a system-wide rather than institutional or inward-looking perspective needed to be taken. Thirdly, envisaged components were to be considered discrete entities with respect to the system but needed to be consistent with the Authority's direction and policies as a whole. This ambiguity, further complicated by a last minute change removing the autonomy of the components as discrete employers under the umbrella of the larger organization, caused considerable tension and competitiveness in the first years of life for the organization (as will be seen in the latter half of this chapter). Fourthly, the thrust of the new organization's activities were to be multi-faceted: besides being a deliverer of its own program and course offerings, it was to provide complementary support for educational initiatives of public and private sector as well as to provide a central coordination role and guidance for all open learning activities throughout the province. It was pointed out that these activities must be aimed at enabling the desired results to be achieved, rather than attempting to achieve them through its own resources and facilities. Finally, McAuley indicated that, although components would have resources of their own, it was important that the resources be shared regardless of position within the new organization, best achieved through a project team approach.

In regard to structure of the new organization, McAuley recommended the creation of three major components: an Open University, an Open College and a Knowledge Network, with mandates and roles similar to those identified by the original steering committee in April, 1986, and each under the direction of a component head. The component head would be charged with responsibility for managing the affairs of the component in line with the policies of the board and within the operating policies and controls established by an Executive Council (described at the end of this paragraph). To recognize that component heads also carried responsibility in the organization as a whole, they had a second designation of vice-president. As will be seen, this
dual designation was to become a source of much tension in the first years of the organization's operation. The Knowledge Network was to continue as the television, telecommunication and communications component of the Authority. This function could be construed narrowly, limited to television and electronic delivery activities, or widely, comprehending all delivery and communication functions. McAuley was content to allow either situation to evolve, depending on the impact of new or modified delivery and access systems under exploration by the organization. If an Open Education (K-12) component were prescribed by the legislation, he envisaged this as a discrete fourth component. He further recommended that a separate administrative component be established which would provide centralized functions for all components: accounting and finance; personnel; data processing; program support; and the registry. (He acknowledged that the mix of the activities in this component would likely change over time, more perhaps than other components, and would need to be extremely sensitive to user needs to avoid infiltration of bureaucratic, inflexible approaches.) Finally, he also proposed that a small Development Directorate be established to carry out research, largely on a project basis. The directorate would include library operations — it would not carry component status but be attached to the Chief Executive Officer's portfolio. The Chief Executive Officer would be charged with responsibility for implementing board policies, for ensuring adherence by components, and for directing, monitoring, and managing the affairs of the organization. The four (possibly five) component heads and the Chief Executive Officer were to interact in a body called the Executive Council. The primary function of the Executive Council, chaired by the Chief Executive Officer, would be to ensure coordinated planning, policy development, monitoring, and control of all activities carried out by the organization and its components. In summary, the overall structure recommended by McAuley was quite flat, with a broad span of control for the Chief Executive Officer. However, it was felt to be manageable in view of the
delegated responsibilities assigned to component heads. Furthermore, a more vertical structure would have denied recognition of the individual nature of the components. The recommendations of McAuley were largely followed (McAuley, 1986).

A difficult legislative birth

Legislation for creation of the new organization (Bill 31, The Open Learning Authority Act) passed first reading in May, 1986, but fell into abeyance when a new election was called and the Legislative Assembly adjourned in June. In fact, it was not until almost two years later on April 1, 1988, that the Open Learning Agency came into being. The delays were primarily due to political events. Vander Zalm replaced Bennett as premier of B.C. in August, 1986, and chose to reorganize the education portfolios by bringing all post-secondary education together under the leadership of one Minister, Russell Fraser.

Fraser received much correspondence about the proposed new Open Learning Authority during the initial months of his appointment. In July, 1986, the B.C. Association of Colleges wrote him, raising a number of serious concerns about Bill 31. In particular, they were worried about the autonomous powers of the proposed components and pushed for more emphasis on the collaboration and cooperation with universities, institutions and boards of school trustees. They also had concerns about the distinctive nature of the legislation and the government's departure from the College and Institute Act in this instance. Similarly the University Council of B.C. wrote Fraser to remind him that the powers of the open university indicated in Bill 31 would necessarily be subsumed under the powers of the Council, per the University Act.
Fraser's term, however, was short-lived and in January, 1987, he was replaced by Stan Hagen, a political newcomer who requested a review of the legislation as he wanted to feel comfortable with its background before deciding the fate of the new authority. Momentum toward creation of the new organization was also slowed by the absence of one of its greatest proponents in Victoria: McGeer lost his political seat in October, 1986.

Despite the political delays, recruitment proceeded for the Chief Executive Officer and four component heads of the organization as well as an Executive Director of the Development Directorate. In addition, Jeffels and Farrell were instructed in June, 1986, to create a small representative committee to review the proposed bill and draft regulations (i.e., policies, procedures, limits on activities and powers of the Minister). After significant delays, Bill 31 was redrafted in 1987 as Bill 58, The Open Learning Agency Act, and passed third reading on December 11, 1987, coming into effect April 1, 1988. One significant difference between Bill 31 and Bill 58 was the evolution of the Agency into a single employer, as opposed to the existence of three discrete employers: the Open University, the Open College and Knowledge Network.

This act identified five purposes of the agency:

In collaboration with universities, institutions, boards of school trustees and other agencies concerned with education, OLA was to:

1. Provide an educational credit bank for students,
2. Coordinate the development of open learning education,
3. Use open learning methods to provide educational programs and services,
4. Carry out research related to open learning education, and
5. Operate one or more broadcasting undertakings devoted primarily to the field of educational broadcasting. (British Columbia, 1988, p. 2)
Moran (1991) comments that:

The limited research mandate suggested a new respectability for distance education (or open learning), and a status still somewhere between the universities and colleges. The development into an open university and an open college reiterated OLI's hybrid nature, upgrading the status of each from that of a Program to a semi-institution...The service-instructional dichotomy was still there... (p. 297)

Summary of Origins of OLA

From the late 1970's and early 1980's, five historical forces emerge which were to significantly influence the structure and operation of the new OLA. First, two organizations, OLI and KNOW, were amalgamated which had enjoyed, at best, a strained relationship in the past. Much of the tension derived from ambiguity over the respective organizations' roles with respect to coordination of distance education in B.C. and the relative emphases of service versus programming in each organization's mandate. Though the amalgamation was designed to resolve and rationalize this matter, the tension persisted into the first years of the Agency's operation. Secondly, this dynamic was exacerbated by the very different distance education traditions brought by the predecessor organizations to OLA. OLI had favoured, for many pragmatic reasons, inexpensive distance education delivery technology, primarily print-based with telephone support and little emphasis on television or other telecommunication technologies. On the other hand, KNOW was founded on the premise of television and telecommunication technologies as vital to the growth of distance education in B.C. Thirdly, while the distinct employer status originally envisaged for each programming component yielded to the Agency as a single federation of all three, the trappings of separate components remained. Staff tended to align themselves with their predecessor organizations and departments (components) even though it was the Agency that signed their paycheques. Dual titles were given to three executive members: not only were they head of their own
programming component but carried Agency vice-presidential responsibilities as well. The role conflict experienced by these executive members was to reverberate throughout the new Agency structure. Problems of a federated organizational model were also present in the formation of an Executive Council for coordination of planning among the distinct programming components, for it was to emerge as the sole locus of senior level decision-making for any Agency-wide issue and become burdened under the weight of detail. Fourthly, the amalgamation of OLI and KNOW incorporated a vision of incredibly broad and unique programming scope: university, college and adult basic education programming (contributed by OLI); and general interest, schools and children's programming (contributed by KNOW). The breadth of programming was to become an issue in the early years of the Agency as components competed for scarce development resources. Finally, tutor alienation, felt in the very early years of OLI, was to resurface in the early 1990's, with the formation of a new union, the Open Learning Agency Tutors' Association (OLATA). This too would have its effect on structural considerations at OLA.
Structure of Open Learning Agency, 1988-92, Prior to Reorganization

Introduction

This study now turns to a description of the structure of OLA during the period 1988 to 1992, prior to its reorganization. The structure will be described with reference to Mintzberg's (1989) definition (see Chapter 2) and comment upon three major elements of any organization: the organization's parts; its coordinating mechanisms; and key design parameters which determine how activities of the organization are divided and their coordination achieved. With respect to design parameters, particular emphasis will be given to the organization's approach to centralization and decentralization of decision-making power and strategy-making as these are significant indicators of any organizational configuration and will consequently be useful to the analysis of Chapter 4. Other design parameters will also be briefly considered.\(^6\)

Parts of the Organization

With respect to the parts of an organization, Mintzberg (1983, 1989) identifies seven major elements: operating core; strategic apex; middle line; technostructure; support staff; ideology; and presence of internal and external coalitions.

The operating core of OLA could be described as those staff involved in the development and delivery of training and educational programs, which would include instructional designers, program coordinators and managers, tutors and a host of production staff ranging from video production crews to page make-up technicians. In some respects, it is difficult to draw precise boundaries around the Agency's operating core; for example, some executive members would expand the core to include certain student services as well. It is the Agency's unique, non-traditional methods that make the task of defining the operating
core difficult. Unlike other educational institutions where instruction tends to be the purview of a select group of individuals (viz., faculty), at OLA instruction is a shared responsibility. The delineation of instructional responsibilities is not as clear; that is, aspects of instruction pervade numerous job descriptions at OLA rather than being centralized in a few key faculty job descriptions. As an example, it is enlightening to consider five aspects of instruction which are typically carried out by faculty positions in contrast to OLA's approach: assessment of learner needs; development of programs and courses; implementation of programs and courses; management of the learning process; evaluation of the learning process. At OLA the first two aspects, assessment of learner needs and development of programs and courses, occur in two major ways. Broad program needs assessment and program development are conducted by the institutional planning and research area of the Agency, its Planning Councils (described in the next section), program advisory committees, directors and coordinators. Specific course needs assessment and development are conducted by instructional development project teams consisting of contracted content experts and consultants (who are often faculty of other institutions), instructional designers, technical media specialists and production crews. The third aspect of instruction, implementation of programs and courses, is shared by program coordinators, program supervisors, part-time contracted senior tutors and tutors as well as Agency support services such as materials distribution and the registry. The fourth aspect of instruction, management of the learning process, is guided by instructional delivery method chosen (e.g., printed materials, audiotape, videotape, conferencing, computer-assisted instruction) and tutor; the tutor often occupies a facilitative rather than instructional role with respect to the instructional methods used at the Agency. The fifth and final aspect of instruction, evaluation of the learning, is shared by directors, program coordinators, program supervisors, part-time contracted senior tutors and tutors as well as Agency support services such as materials distribution, the exams department and other registry services. All job descriptions for these positions share elements of the instructional process and it is difficult to distinguish clear lines of instructional responsibility.
On the other hand, because of OLA's methods, there are clearer demarcations between responsibilities for development and delivery of instruction and a greater separation of instructional process and content responsibilities. Such dichotomies would not be so readily apparent to those occupying faculty positions at other institutions as they typically tend to be responsible for both development and delivery and both content and process of the courses in which they instruct.

The strategic apex as it existed prior to reorganization consisted of six executive members: Glen Farrell, Tony Bates, Sid Segal, Ian Mugridge, Richard (Dick) Scales, and Lucille Pacey (see Figure 1 of Appendix 3). Farrell occupied the Chief Executive Officer position, as president of the Agency. Appointed by the board, he was responsible for implementing board policies, ensuring adherence by components, and directing, monitoring and managing the affairs of the organization. (McAuley, 1986). He also maintained direct responsibility for the public affairs department and corporate communications. Bates was the Executive Director of Institutional Research and International Development. There were (and are) three main levels of research in the OLA research program: system-wide research, information collection and analysis on open learning activities on a province-wide basis (usually done on contract from the Ministry of Advanced Education, Training and Technology); research, information collection and analysis on an agency-wide basis (e.g., facts about the Agency, learner profiles, cost-benefit study); research into and evaluation of agency courses, programs and services. The Research Office had primary responsibility for the first two levels; program and service areas maintained responsibility for the third, with assistance where possible from the Research Office. International development activities included provision of a variety of products and services to international clients, ranging from delivery of individual courseware packages to complete educational systems. Activity extended around the Pacific Rim, Australia, Asia and the Middle East. Segal was vice-president of the administrative component, responsible for human
resources, finance and budget office, facilities and information services (see technostructure and support staff). He also carried corporate responsibility for the development of the Agency's strategic plan. The latter three executive members had dual titles: component heads with programming responsibilities and Agency vice-presidents with corporate operational responsibilities.

Mugridge was principal of the Open University component and carried corporate responsibility for the registry and the B.C. credit bank. Scales was principal of the Open College component and carried corporate responsibility for access services. Pacey was general manager of Knowledge Network and carried corporate responsibility for resource development (including marketing and fund raising) and the Discovery Training Network. The Open University offered (and offers) "courses leading to university degrees and, in collaboration with other institutions, provides 'ladder' or 'cap-stone' programs leading to degrees and qualifications in special fields of study." An example of the latter includes an agreement with the B.C. Institute of Technology which enables students with an advanced diploma in a nursing specialty to combine their diploma with credits earned from the Open University for an Open University Bachelor of Health Sciences (Nursing) degree. The Open College provided (and provides) "instruction in a wide variety of areas including trades and technology, health and human services, business, tourism and basic education." In response to the growing demand in business and industry for flexible, workplace-centred training, the Open College made workplace training the major focus of its activities. The Knowledge Network broadcast (and broadcasts) "a wide range of general education programming as well as program in support of instruction offered by B.C. schools, colleges and universities." The most public face of the Agency, operating an 18-hour-a-day, seven-day-a-week television broadcast reaching approximately 400,000 British Columbians a week, the Knowledge Network also produced (and produces) its own programs and provided services such as "computerized
audiographics, audio/video teleconferencing, audiotapes and printed materials." Each programming component received direction from a Planning Council, chaired by the component head, and comprising representatives from the education, business and communities at large (as appropriate), and Agency executive members and ex-officio staff members. The Planning Councils in some ways acted as grand program advisory committees. Annually each Planning Council received funds from the Ministry to allocate for the development and acquisition of open learning courseware and programming. Together, the six executive members comprised an Executive Council, chaired by the president. The role of Executive Council was to ensure coordinated planning, policy development, monitoring and control of all activities carried out by the organization and its components (McAuley, 1986).

The middle line of the pre-reorganized structure could be defined as approximately 20 directors and managers reporting to executive members. The regulatory technostructure of the Agency could be described as information services, production scheduling staff of the Knowledge Network, and the budget office. Support staff included administrative staff (secretaries) of components, human resources, warehouse and materials management, facilities management, the public affairs office, marketing, library, institutional research, registry and access services. Support staff comprised (and comprises) a significant proportion of Agency employees, the operating core being particularly dependent upon their services.

The prevailing ideology of the organization could be summed up by the broader conception of open learning introduced by Farrell in the mid-1980's to both predecessor organizations (and described earlier). Although no part of the organization hesitated to embrace this philosophy,
components tended to have their own interpretations regarding the means to achieve this end for their own distinctive clientele. A unifying ideology was somewhat tempered by a spirit of competitiveness among the components.

While competition among components was not necessarily unhealthy, staff coalitions, identities and allegiances tended to rest with program components rather than with the Agency. In particular, internal coalitions appeared to centre around the predecessor organizations from which OLA was created: the Knowledge Network component was still seen as a unique entity and sometimes regarded as the "favoured child" by former OLI staff. As one executive member phrased it, in essence KNOW and OLI had been "handcuffed" together as a result of Bill 58. This problem was exacerbated by factors of separate physical locations, historic antipathy between the predecessor organizations, different working conditions and the tremendous public profile enjoyed by the television service. (Each will be described in the last part of this chapter as one of the forces for change.)

**Coordinating Mechanisms**

Of mechanisms used by organizations to coordinate activities within and among the various parts, Mintzberg (1989) claims there are generally six: mutual adjustment; direct supervision; standardization of work processes; standardization of outputs; standardization of skills or knowledge; and standardization of norms. Of these, it was perceived by executive members that three of the six were primarily used at the Agency prior to reorganization, albeit weakly: direct supervision; standardization of work processes; and standardization of outputs. Direct supervision speaks for itself. Work processes varied across the organization and evolved, dependent somewhat on the expertise and prior experience of individuals who had come to the organization. Examples of work processes would include production of television broadcasts
and development of instructional materials (the "phased deliverables model", later called the "project management model"). Components exercised a fair amount of discretion regarding the interpretation and application of work processes. Even the "project management model" provided for individual component interpretation. The title of the document outlining a consensus of project procedures assembled painstakingly by a cross-Agency committee over a period of two years is revealing: "OLA project management model and guidelines for roles, responsibilities and deliverables" (emphasis supplied). The major examples of organizational outputs would be numbers and types of collaborative agreements entered into by the Agency, weekly viewer audience reach,\(^{17}\) and program enrollments. It is interesting to note that Farrell successfully argued with the Ministry of Advanced Education to have OLA removed from the FTE (full-time equivalent student) budget allocation method in favour of a block grant within a couple of years of his arrival. He had suggested that, given the collaborative nature of the OLA mandate, it was inappropriate for OLA to be competing against other institutions for the same FTE's; indeed, if OLA were able to facilitate increases in system-wide enrollments at other institutions through the collaborative use of open learning methods (perhaps at the expense of its own enrollments), this could be interpreted as fulfillment of its mandate. The Ministry agreed and indicated that anecdotal evidence of the impact of open learning in the province of British Columbia might prove even more useful than a statistical scrutiny of enrollments. Nonetheless, numbers of enrollments were (and are) still very much the "coin of the realm" at OLA and drive much of the budget preparation for program areas. Enrollment target variances were (and are) monitored on a monthly basis during budget variance review. Variance reviews at the Agency tend to be used as a management monitoring instrument rather than a club-like performance indicator wielded over a manager's head (what Mintzberg would refer to as a "control system"). There was little, if any, retribution for failure to meet enrollment targets, for example.
With respect to the three major coordination mechanisms at OLA, some executive members qualified their remarks by noting that the relatively small size of the organization (approximately 270 full-time staff and 180 part-time tutors in 1991\(^{18}\)) and the need to address frequent novel and unique situations also contributed as major factors in the coordination of organizational activities. As one executive member put it, "'I don't do windows' does not wash around here," referring to the fact that Agency employees were prone (and encouraged) to "roll up their sleeves" and undertake new or unusual tasks that did not necessarily fit with specific details of their job description, because if they did not, there were not others (either in number or expertise) within the Agency who could undertake the tasks. In other words, in such instances, standardization of work processes and outputs through explicit job descriptions played less of a role when embarking upon precedent-setting or unique tasks than did coordination mechanisms such as mutual adjustment or prior skills and knowledge.

Prior to the reorganization, most executive members also differentiated coordinating mechanisms at the corporate level compared with the component level. It was generally agreed that coordination tended to be better at the latter level than the former. There was an apparent lack of integrating capacity at the corporate level; indeed, one executive member even questioned the need for coordination across the Agency, suggesting that the diverse products, services and clientele served by components mitigated against such coordination. On the other hand, and perhaps in response to the lack of overall corporate coordination, a number of executive members pointed to the importance of an overarching, inspirational vision, adherence to which could capture the imagination of all staff in the organization and significantly influence their behaviours and attitudes.
Finally, committees and matrix project team structures were identified to be a very important source of coordination, particularly those assigned to complete a particular task within a specified period of time (as opposed to ongoing, routine meetings of management committees within components, for example).

**Design parameters**

Mintzberg (1989) identifies four major design parameters which can be manipulated within an organization to determine division of labour and achievement of coordination: approaches to decision-making; design of individual positions; design of the organizational superstructure (or grouping of individual positions into units); and design of lateral linkages among groups.

This study now focusses on three particular aspects of the first design parameter which tends to be unique among particular organizational configurations and will assist in the analysis of the 1988-92 structure of OLA in Chapter 4. These three aspects are: centralization and decentralization of decision-making power; and approaches to strategy-making.

*Centralization of power—Key part of the organization*

Who then wielded the power at OLA? This was difficult question for executive members to answer, on two grounds. First, there was an acknowledgement that power in an organization can be derived from several sources. For example, one executive member distinguished between theoretic and practical power, the former tied to position, the latter tied to the person and his or her ability to create appropriate processes, reason logically and build trust in staff. It was the legal-rational sense of power of position as opposed to power vested in an individual through tradition or charisma that was the focus of this question. Secondly, the concept of
power itself was somewhat foreign to the Agency context, which preferred to believe that it behaved in a more collegial fashion, building on the efforts of teamplay and principles of participative management rather than being channeled in one direction by the efforts of one or a few.

Given these caveats, however, three general comments can be made about the nature of power at OLA prior to reorganization. First of all, though Executive Council was seen as having final recourse, there was general acknowledgement that the power of Executive Council was either weak or not exercised well. Some blamed it on an unwillingness of its members to take decisive stands and a preference to engage in lengthy philosophical, but ultimately inconclusive, discussion. Others saw it another way and felt the weakness due to the lack of concrete expectations of positions and performance measures—reinforcement of the belief that "what gets measured, gets done." This view emphasized that the work of the Agency should and could not be left to chance or the "spirit of cooperation." For these reasons, power was seen to be vested more in the centre and bottom of the organizational structure, with the middle line and operating core, the latter being particularly powerful if capable of collective action.19

Secondly, technostructure regulatory mechanisms were also seen as having some power or influence at the Agency but usually in a negative sense, either through inaction (the inability of the organization to set in motion regulatory mechanisms which were attuned to user requirements), or through the maintenance of policing or gatekeeping functions. An example of the former would be the Agency's Student Information Management System (SIMS), a highly sophisticated piece of software developed by OLI's information services under the Registrar's direction in the early 1980's to track student assignment grades and registration information. The design of the software was highly specific to a single model of distance education delivery (students who receive course packages in the mail and obtain assistance through telephone
tutoring) and therefore inflexible in its application to other models of open learning (such as group instruction). Expensive to modify or replace, the Agency's intricate dependence upon it was a factor which hindered rapid growth and exploration of new open learning models. Regulatory mechanisms could not keep up with the new directions that the Agency was exploring. An example of the latter gatekeeping function would be controls exercised by the information services department regarding the use of computers by the Agency in its work. The Agency's commitment to a Macintosh platform conflicted with some new entrepreneurial alliances arising from the Open College's workplace training initiative which relied heavily upon an IBM platform. Though it was natural for information services to wish to ensure compatibility of Macintosh equipment acquired by various components of the Agency, it was reluctant or unsure of how to support an IBM "maverick equipment." 

Thirdly, the power base of the organization was not where it should be; executive members indicated that they wanted power to be established on the basis of accountability for specific performance targets, professionalism of staff (i.e., training and expertise of staff), and subscription to a common set of norms or vision, the latter seen to be one of the most powerful tools. "Empowerment," the flow of power to those in the organization closest to a situation who can act upon it, was a goal that each executive member ascribed as essential for the new organization. The consensus is not surprising as the reorganization was occurring at a time when executive members had been made particularly sensitive to total quality management approaches through an initiative by Scales and the paradigm of "learning organizations" developed by Senge (1990). The management consultant advising on the reorganization also stressed the importance of empowerment principles in an organization where staff were so highly interdependent.
Decentralization of power

The approach of the organization to decentralization of power follows from the previous discussion. Five trends emerged in the organization prior to restructuring. First, regulatory mechanisms were seen as too powerful and in many instances were perceived as the "administrative tail wagging the operational dog." Though attempts were made to be responsive to user needs, administrative convenience of systems was perceived to outweigh attention to user needs, a problem prophesied by McAuley (1986) in his original recommendations for the organization. Secondly, more power was ascribed to Executive Council than was actually the case. Moreover, what little power there was in Executive Council became increasingly diluted by a number of small operational decisions appearing on the agenda which were not appropriate to senior levels but had arrived there because the organization at large was unsure how to resolve them. Rather than being delegated downward, the more frequent Executive Council response was to either spend time determining the appropriateness of the agenda item or entertain it in the spirit of helpfulness and problem-solving. Furthermore, Farrell found himself, by virtue of the organizational structure, in the unenviable position of playing "ringmaster in a three-ring circus" referring to the final arbitration role he was often forced to play in order to resolve stalemates among his colleagues. With an inordinate number of decisions rising to the top and requiring final decision-making ultimately by the President, power elsewhere in the organization became somewhat tenuous. Thirdly, though the organization espoused delegation of responsibility and authority to the lowest level, executive members admitted that the actual delegation that occurred varied from component to component, dependent to a large extent on the management style of the component head. Power was generally more stable in the "inner ranks" of the operating core. Power that was delegated to special committees or task forces was typically limited to provision of recommendations to Executive Council and even here, in the interests of preserving
participative management principles and obtaining input from all corners of the organization, consensus was difficult to achieve, forthcoming recommendations were not always fresh, and entrenched status quo positions of components were often reinforced. Of those committee recommendations embraced by Executive Council, implementation was often inconsistent, ceding to the strength and individuality of the component. The difficulty in establishment of a common project management system across the Agency is a case in point. Fourthly, unclear decision-making responsibility exacerbated the problems of power at the Agency. Because staff were unclear about their limits in making decisions, many got unnecessarily bumped up to the Executive Council table and others which should have, did not. As a group, directors and senior managers were unclear about the boundaries of their decision-making power; tentative efforts to explore those boundaries were sometimes met with resistance from the Executive Council and as such, the group rapidly degenerated to simple information exchange. (Unsure of its raison d'être, it was subsequently was disbanded on March 4, 1992, pending the results of the new reorganization.) Even those second-in-command found difficulty in sorting out the unique dual allegiances of their role: to the Agency as vice-presidents or to their components as component heads. It was not always easy to distinguish a component issue over which the component head had comparatively absolute responsibility from an Agency issue over which a vice-president had collective responsibility with his or her colleagues to the president. Finally, the balkanization of the Agency into component parts, each with a positive motivation to serve its clientele with the best possible product or service, resisted synchronization of efforts across the Agency. "Are we three or are we one?" was a not uncommon question prior to the reorganization. Staff allegiances vacillated between their component and the Agency, though the majority of staff tended to identify themselves with the component first, and Agency, second. Despite efforts to the contrary, logo treatments on course packages and some affiliation products (such as tee-shirts and pens, for example) omitted reference to the Agency altogether and referred solely to the component, either Open University, Open College, or Knowledge
Network, as if they were standalone entities. Turf issues existed even in areas where one would expect a broader Agency perspective to prevail. Open College and Open University had separate academic committees which sometimes led to policy anomalies.23

**Approach to strategy-making**

With respect to strategy-making, there was generally no difficulty among staff in accepting the broad goal of lifelong learning. The details of how to get there, however, very much resided with each component and in essence, despite the best attempts to merge individual efforts into one plan for the Agency, the annual strategic plan and its day-to-day enactment were at best a collation of individual strategies. Farrell attributes this problem to historic reasons and Hardwick's original vision of three separate components as opposed to one organization. From that day forward, "kings of three mountains," to use Farrell's analogy, were created. Their creation limited Farrell's ability to effect any sort of unified strategic change. Though he had permission from each "king" to enter the "mountain" domain, it was in more of a passive than active sense: he could tour the "mountain" but did not dare "cut down a tree or plant a garden."24 It was not that the "kings" eschewed the need for change; it was just that the necessary changes always resided on the other "mountains." Executive members consistently reported that they preferred strategy-making consisting of a broadly understood goal with emergent details and input from the "grassroots" of the organization, particularly those in the operating core. In the organization prior to restructuring, details regarding the attainment of the vision of lifelong learning were fragmented at best.
Other design parameters

As previously mentioned, Mintzberg (1989) identifies three other design parameters which can be manipulated within an organization to determine division of labour and achievement of coordination: design of individual positions; design of the organizational superstructure (or grouping of individual positions into units); and design of lateral linkages among groups. This study now briefly considers each in turn.

Design of individual positions

With respect to design of individual positions, there are three aspects: job specialization; behaviour formalization; and indoctrination and training (see Chapter 2).

Positions at OLA involve a mix of specialization: at one end of the spectrum are horizontally and vertically specialized positions, found, for example, among the warehouse staff or registry clerks; at the other end of the spectrum are horizontally specialized positions, found, for example, among program coordinators and instructional designers of the Open University and Open College and among broadcast technical experts of the Knowledge Network.

Behaviour formalization at the Agency prior to reorganization was (and is) accomplished through a variety of mechanisms such as software systems, policies and procedures (which bring standardization to work processes) and job descriptions. Examples of software systems would be the Student Information Management System (SIMS) and the Financial Information Management System (FIMS). SIMS has already been described; FIMS was introduced in 1989, a vendor system which was adapted to OLA's internal environment and chosen particularly for its flexibility in project-based budget monitoring and reporting. Associated with
the software are a variety of policies and procedures such as the "project birth certificate" form (a device for requesting a new project budget to be set up on the system), expenditure transfer forms and policies regarding overhead charges on externally-funded projects. Examples of other policies and procedures which formalize the activities of staff would be: the project management model (formerly, "phased deliverables" development model) which outlines the phases of any project conducted within the Agency, but especially those pertaining to development and delivery of instruction; policies emanating from the Human Resources department; and the collective agreement.25 Aside from these notable exceptions, many policies and procedures at OLA were not written down and not always widely disseminated prior to reorganization, perhaps reflecting the youth of the new organization; some policies and procedures had been carried forward from OLI and KNOW, but as time progressed, were questioned and eventually replaced. Unlike the relative informality of many of the Agency's unwritten policies and procedures, job descriptions have been much more formally developed at OLA, classified on the basis of a job evaluation system, a modified Hays point system, which measures key duties of the job against criteria important to the Agency. The criteria in order of importance are: creativity and innovation; decision-making; supervision given; communications and relationships; effort; working conditions; and job knowledge.

Prior to reorganization, indoctrination at the Agency consisted of a short standard corporate orientation provided by Human Resources but otherwise was largely left to individual departments to administer. (Human Resources provided a checklist to aid department managers in the orientation of new employees.) Training at the Agency, with notable exceptions of training on Macintosh software provided in an open learning format and sponsorship of individual staff members to conferences and special training events, had been relatively
uneven, although commitments were made at the beginning of 1992 to concentrate more upon in-house training, particularly with respect to total quality management approaches and technological training.

Design of superstructure

The design of the superstructure is one of the more powerful design parameters to which Mintzberg (1983, 1989) refers. There are basically two types of groupings: functional and market. At the macro level, it would be fair to say that the organization prior to restructuring was designed on the basis of market groupings: the Open University component served a university clientele; the Open College component at first served a clientele pursuing entry-level career, technical and vocational programs and adult basic education but later sharpened its focus to workforce training; the Knowledge Network component had a dual focus (which was often a source of confusion both internally and externally) on general education, schools and children's programming (a market) and operation of an educational system telecommunication service, primarily television broadcast and a teleconferencing bridge (a function serving all components and the educational system). Naturally, the administrative component (budget office, finance and accounting, human resources, and information systems) would be considered to be a functional grouping, serving the other components. Within programming components, the nature of the groupings was not always market-focussed, which served to reinforce the distinctive nature of each component. For example, the Open University organized itself along programmatic or market-based lines (administrative studies, social sciences, sciences and humanities programs). The Open College, on the other hand, chose to organize itself using a mixed market and functionally-based set of groupings: a program delivery or market-based unit (adult basic education, business and tourism, health and human services, and trades and technical programs) and a functionally-based program and course
development unit serving the program delivery area needs as well as providing services to external parties on a contractual basis. The programming side of the Knowledge Network chose market-based theme areas to meet the needs of its general education clientele (arts and science, health, economic development, environmental issues, career and personal development, social and political issues, complementary programming for school curricula and children’s programs).

Design of lateral linkages

With regard to the last design parameter, design of lateral linkages, there are two aspects: planning and control systems (the former usually pertaining to improvements in the work processes and activities of functional groupings; the latter, to monitoring and measurement of outputs of market groupings) and liaison devices. The primary control systems at the Agency (discussed earlier under coordinating mechanisms) would be semi-annual viewer "audience reach" reports and monthly budget and enrollment variance reports which reviewed desired results after the fact (for example, the variance report for the month of September would be typically due at the end of October). Liaison devices at the Agency were numerous. Matrix management structures existed for development of projects drawing upon resources from various parts of the organization, coordinated under one project manager, usually a coordinator or manager from a program area. In addition, task forces, standing committees and individual positions were created to assist in coordination through mutual adjustment. One example would be the Technological Applications Group (TAG) which had membership from many parts of the organization and was set up to coordinate technologies in current and future use at the Agency. Another example would the Open College's Project Finance and Scheduling Assistant position, established to assist project managers of the Open College in the set-up and monitoring of project budgets and schedules; in effect, the position straddled the boundary
between the Open College and the finance department, interpreting the needs of the college to the financial and budgeting staff of the Agency and conversely, interpreting the needs of the finance and budget offices to Open College staff. Similarly, the information systems department of the administrative component established a Client Service Manager role within a number of its positions to liaise between component needs and regulatory needs of the department.

Conclusion

The second part of Chapter 3 has described the structure of OLA prior to reorganization based upon Mintzberg's (1989) definition: its parts; its coordinating mechanisms; and major design parameters. The third and final part of this chapter examines the forces which precipitated the need to review OLA's organizational structure.

Forces for Change

Introduction

McAuley (1986), in his recommendations for the original OLA organizational structure, predicted that:

Functions and activities now being carried out may disappear, or their scope changed dramatically. New activities may be introduced. The relationships between and among the Agency and the groups with which it deals can also be expected to change.

Because of this, it is important that the initial organizational structure adopted by the board be considered transitional, and that mechanisms be established for carefully planned integration, development and future change. (pp. 4-5)
After four years of operation, Farrell (and other executive members) felt that it was useful to review the organizational structure of OLA. Not all executive members were convinced that radical structural changes were necessarily required but perhaps a revitalization or renewal was in order that would positively influence the behaviour and attitudes of staff.

Nevertheless, several critical forces precipitated the need to, at the very least, reexamine the structure of the Agency. The forces can be grouped into six major categories. First, there was a growing sense of fragmentation within the Agency and unhealthy competitiveness among programming components; a greater sense of shared, corporate identity was urgently needed if the Agency was to remain intact as a single entity. Secondly, and related to the first, there was no cohesive public view of the Agency—it meant many things to many different people. Viewers interpreted the Agency as a public education television service; university and college enrollees, spread throughout the province, considered it an alternative to the campus; clients saw the Agency as vendors of educational training materials and services. While different markets were not necessarily problematic in themselves, what was harmful to the Agency was the lack of a significant collective public community that could wield political clout. Thirdly, the ambiguity of the role that Knowledge Network played within the organization was causing confusion and tension, both internally and externally. Fourthly, there was an acknowledgement of a need for the organization to make more effective and coherent use of technology than it had been as a strategy for reaching the goals of its mandate. There was a sense that the structure was obstructing this ability rather than enabling it. Fifthly, there was an improved understanding of the marketability of OLA's products and services and of the need for the organization to more effectively compete in its diverse markets. The structure would need some rejigging to reflect this emphasis. Finally, there were external controls on the Agency, such as the Ministry of Advanced Education, Technology and Training, the post-secondary system and
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federal employment programs, some stronger than others, which exerted forces upon OLA that could not be ignored. The third and final part of this chapter section explores each set of forces in more detail.

Unity Within

Need for a greater sense of shared identity and for less competition and fragmentation among components was a major theme of the drive for change at OLA. In his February 13, 1992, briefing to the board, Farrell expressed the internal unity issue as several needs to be met through a process of organizational review: clarification of ambiguity of roles; strengthened corporate leadership; greater empowerment of employees; more effective internal communication; and more effective feedback mechanisms.26

The ambiguity of roles at OLA manifested itself in several ways among senior management of the organization. According to Farrell, the way in which the concept of the component structures was originally implemented was "a major contributing factor to the lack of unity within the Agency."27 In particular, the dual titles of three executive members, head of a component and vice-president of the Agency, was a major concern of Farrell's, causing "confusion and tension" in the organization.28 The dual mandates of these individuals had a schizophrenic character and caused "role conflict between two sets of responsibilities that [were] quite different"29: defence on one's own autonomous component territory (the "king of the mountain" phenomenon to which Farrell referred30), on the one hand; participation in the collective goals of the Agency, on the other. This schizophrenia permeated the organization and resulted in much balkanization of the Agency and competition among components; indeed, staff in programming areas showed greater allegiance to their component than to the Agency. A good example of this was the reaction of staff to an article in the Vancouver Sun newspaper31
profiling the Knowledge Network component of the Agency with little reference to other parts of the organization. The article appeared in rather timely fashion on February 15, 1992, during the final throes of decision-making concerning the new organization. The staff of the Open University and Open College components were somewhat indignant at being "snubbed" and not enjoying significant mention in the article; several staff members read this as a ploy for Knowledge Network to break away from the Agency and become a separate organization. (These fears had been further fuelled by comments from the newly appointed Minister of Culture in the Globe and Mail newspaper, suggesting that she should become responsible for the Knowledge Network.) Farrell saw this staff reaction as further indication of the lack of shared ownership in the organization and was disheartened that, rather than celebration and appreciation of this profile of colleagues in the organization, a spirit of one-upmanship and a pervasive view of Knowledge Network as competitor prevailed. In turn, the competitiveness implied lost opportunities for linkages among program areas. Farrell characterized the delicate balance as "fostering a sense of unity while operationally recognizing diversity among the constituencies we serve." This could be difficult; as Kashner (1990) has noted, "various spheres of ownership may operate as potent points of resistance to change especially if projected innovations appear to threaten the proprietors" (p. 21).

A further manifestation of the ambiguity of role was in the unclear terms of reference for the middle line directors' group, who met on a regular basis, presumably to share information and make decisions on items of importance to one another. Membership not only included directors of operational units, but any person who reported directly to a vice-president; consequently, managers from the technostructure such as the budget office and Knowledge Network's scheduling and acquisition department and from support areas such as access services and the library were gradually added to the group, eventually overwhelming directors of operational units and creating unwieldly numbers for any meaningful discussion. Frustrations with lack of
any real decision-making power as a group, coupled with agendas and a membership that were becoming increasingly diluted, caused the group to disband on March 4, 1992, until it was seen what the Agency reorganization would bring.

Farrell also stated in his remarks to the December 11, 1991, board meeting:

I am concerned that we have not done a very good job of clarifying expectations, regarding decision-making authority, information flow, consultation and involvement in decisions, etc. between me and the vice presidents; between and among members of Executive Council; and, between members of Executive Council and those who report to them.  

One major consequence of this ambiguity was the arrival of numerous problems and requests for operational decisions at the Executive Council table, because staff members were unsure who in the organization should be dealing with them. Indeed much time was consumed at Executive Council meetings deciding if it was an appropriate item with which to be dealing, let alone making a decision on it. Another consequence was overlap and duplication of effort. Staff working on the same project (or similar projects mounted in different components) encountered problems of turf and had conflicting interpretations of their responsibility in achieving the desired end. A final symptom of ambiguity of role was the frequent complaint from staff that the Agency was involved in too many activities and going off in too many different directions at once. Internally, this was referred to pejoratively as the "mile-wide, inch-deep syndrome."

Hand-in-hand with battling the fragmentation experienced by the organization during its first four years of existence was the need to strengthen the corporate leadership of the organization. Executive Council was not working well. Though it was (in the president's opinion) composed of a talented group of individuals, many meetings were characterized by disharmony,
dysfunction and dissatisfaction.\textsuperscript{37} There were several pertinent factors. One had to do with the powerful personalities of the players themselves. As one executive member put it, "continuity of staff [from OLA's predecessor organizations] is both an asset and a liability." It was perceived as an asset in terms of continuity from previous organizations (only Bates and Pacey were relative newcomers); it was perceived as a liability in that personal interactions and habits of communication could become somewhat entrenched. Coupled with ownership issues regarding components and some unease over, or differing interpretations of, the common vision of the organization and how to get there, Executive Council meetings were not always perceived as the most productive forums. A second factor rested in the ambiguity of the Chief Executive Officer's role on Executive Council. Farrell indicated that he often found himself as "ringmaster of the circus,"\textsuperscript{38} and making decisions and adjudicating problems that could probably be handled in more appropriate ways. Farrell saw the current organization's structure as a critical factor giving rise to this phenomenon. Given the autonomous nature of the components, Executive Council meetings and particularly his chairmanship position on Executive Council were the only real locus for issues of Agency-wide concern; consequently, the weight of the organization appeared to pivot on the Chief Executive Officer's shoulders. Farrell's evident concern for preservation of the Agency, in light of the apparent fragmentation and competitiveness in the organization, and his natural willingness to assist in problem-solving on issues, made it difficult for him to stay uninvolved in these matters or to delegate them downward and thus provide time for himself to concentrate on the broader, long-term matters.

"Empowerment" of employees, or delegation of decision-making authority and responsibility to the most appropriate level in the organization, was another need. Farrell recognized that the Agency would be
...best able to serve its various constituencies in a flexible and responsive manner by ensuring that those parts of the Agency charged with the responsibility also have the appropriate authority. These groups need to be empowered to achieve these outcomes to the maximum extent possible—not encumbered with unnecessary policies and procedures. In doing so, responsibility must be clearly described in terms of purpose and this must be coupled with a clear definition of how success will be measured in order for there to be clear expectations on accountability.  

He further recognized that staff of the Agency were people "with particular skills and high levels of motivation" who had "a high need for feeling a sense of achievement, recognition and for feedback." In particular, Farrell, and other executive members, noted that some support services were still constraining the programming units in the way that they wanted to operate to serve their clients effectively; this, despite significant attempts on the part of support services to become more enabling and less regulatory.

With respect to effectiveness of internal communication, Farrell saw two aspects that needed improvement in the organization. First, there was a need for more "open, honest and direct" communication. Secondly, in decision-making, greater clarification was required in terms of staff members who need to be consulted, involved or informed of any decision taken. In particular, better linkages among operating groups as well as between operating groups and the senior leadership of the organization were seen as critical.

With respect to more effective feedback mechanisms, in order to maximize service to constituencies, Farrell emphasized that continuous feedback from stakeholders would be essential in order to establish effective relationships. He saw these feedback mechanisms applying both internally and externally: support services within the organization would need to solicit feedback from their internal "clients," particularly tutors; similarly, feedback from external clients was also important, particularly learners (or their sponsors) and viewers.
Unity Without

If fragmentation of the organization from within was a concern, of equal concern was the lack of a cohesive image in the public eye. The board had stated its expectation of OLA to be run as a single organization and had complained on several occasions of its low public profile.43

Though admittedly there were some difficulties in "selling" the concept of open learning as a service or product that could be readily understood by the public44 (indeed, one executive member seriously questioned the achievability of the Agency's wide mandate with contrasting emphases on product and service, program delivery and collaboration), there were political reasons why Farrell desired a common front as opposed to a conglomerate of distinct programming entities. One reason was by virtue of strength in numbers: he felt that the organization (especially one as small as that of the Agency) would stand a better chance of obtaining funding by presenting a consistently united front rather than programming components tripping over one another in contacts with stakeholders and funding sources. Another reason, one executive member speculated, was that it would be more difficult for a provincial ministry to "steal away" the high profile Knowledge Network from a single integrated organization. A singular organization would also provide a rallying point for key stakeholders, tutors, learners and viewers of OLA.

The Ambiguous Role of Knowledge Network

A major force for change at OLA was the ambiguous nature of the Knowledge Network. Farrell was long of the opinion that during the formation of OLA in the mid-1980's, KNOW had simply been "bolted onto" OLI and that the superstructure of management and support systems that had been created and "tinkered with" over time dealt only with symptoms and did
little to overcome the original problem. Pacey concurred and used the analogy of KNOW
being "handcuffed" to OLI with the regulatory functions of the Agency providing "the chain in
the middle." From the beginning, Farrell had opposed the "anomaly" of the Knowledge
Network. In his February 13, 1992, briefing to the board, he noted that the Knowledge
Network component not only had responsibility for operating a television service and
developing other electronic delivery networks on behalf of OLA as a whole but also had
programming responsibility for general interest programs for adults and children and
development of school-based programs, a function parallel to that of the Open University and
Open College components of the Agency. At the time of formation of OLA, Farrell had
pushed hard for the creation of a fourth programming component called "continuing education"
(or "general education") to avoid the dual service and programming role of the Knowledge
Network. The board at the time passed the minutes but Hardwick had intervened and would
not implement the idea, concerned about preserving the identity of the Knowledge Network. In
particular, Hardwick was concerned that if Farrell's idea was pursued, the local union of OLI
would more easily incorporate the Knowledge Network staff. The distinctive culture of the
Knowledge Network had been aided and abetted by other factors as well: separate office
locations; historic antipathy between the two predecessor organizations of OLA and differing
perspectives in provision of their services; different working conditions; and the tremendous
public profile enjoyed by the television service.

First of all, Knowledge Network differences were accentuated by the fact of separate physical
locations from the former OLI staff in Richmond. Knowledge Network maintained broadcast
facilities from cramped quarters at the University of British Columbia campus and management
offices at a downtown Vancouver location, shared with the president's office, public affairs
and the institutional research and international education office. A lack of space and air traffic
interference with broadcast signals precluded the integration of Knowledge Network staff at the Richmond site. Except for senior managers of the organization, few staff of the former OLI had opportunities to mingle with staff of the former KNOW on other than social occasions or special committee work.

Secondly, OLI and KNOW were both about eight to ten years of age at the time of OLA's formation and, by this time had achieved set ways of operating. There was the aforementioned historic antipathy between KNOW and OLI, fuelled by Hardwick and McGeer's vision of open learning by television and each institution's own perception of its role in the provision of open learning in B.C. Senior managers of the Knowledge Network component were quite candid in making a distinction between the viewers they were serving and the learners served by others in the Agency and were adamant that the needs of viewers had to be met by entirely different means. Even though the Knowledge Network had a general education programming mandate in addition to broadcast and telecommunication service operation, attempts to extend general education programming significantly beyond television were slow to be pursued; Knowledge Network staff appeared to identify themselves more closely with running a television service than being part of an educational enterprise. It is further revealing to consider the external stakeholders of the Knowledge Network component. While government directions for the Open University and Open College was largely received from the Ministry of Advanced Education, Training and Technology, Knowledge Network's stakeholders extended to the Ministry of Education (to provide complementary programming for school curricula and continue taking steps toward the formulation of a fourth component, the Open School), everchanging ministries responsible for provincial communications, the Ministry of Culture as well as federal bodies such as the Canadian Television-Radio Commission and Department of Communication.
Thirdly, working conditions were comparatively different. OLI staff had been organized under a British Columbia Government Employees' Union (BCGEU) collective agreement which was similar in content to other college agreements such as those of the British Columbia Institute of Technology, Kwantlen College and Douglas College. Unionized staff worked 35-hour weeks. KNOW staff, on the other hand, had not been organized into any union, having opted for a "fair comparison" method for establishment of salaries, and using other broadcasting organizations as their point of reference. Knowledge Network staff worked 40-hour weeks and also had a different salary, vacation and benefit structure from OLI staff. Salary levels for Knowledge Network staff in higher grades exceeded those of unionized staff while the converse was true for lower grades; in general, vacation and benefits for Knowledge Network staff exceeded those of unionized staff.

Finally, Knowledge Network had an extremely attractive profile with the general viewing public and, in fact, market surveys of the early 1990's indicated that it was better recognized by the average British Columbian than OLA. Indeed, British Columbians familiar with the Network were often unaware of the Agency's existence or mistaken about the relationship of the Network to the Agency, believing either the latter to be part of the former or indeed, completely separate.

Need for Improved Use of Technology

Another significant force for change was the need for the organization to better position itself with respect to use of technology. Farrell was concerned that a powerful corporate asset, namely the Knowledge Network educational broadcast channel, was being underutilized both by the Agency itself and by the educational system at large. The spectre of dozens of television channels offering quality fare as a result of changes in federal communications policy was seen
as a definite threat. Farrell was also frustrated by the apparent inertia in the Agency to embrace new instructional technologies for the delivery of programs. There were modest initiatives to use technologies such as computer conferencing and several promising pilot projects, but few took root in any major way among the programming areas. Knowledge Network general interest programs still relied primarily on broadcast television as the main vehicle of program delivery, as they always had; the Open University and Open College components still relied primarily on printed course materials as the main vehicle of program delivery, as they always had. Mastery of, and effectiveness in use of, technologies would be a critical competitive element.

**Emphasis on Marketability of Products and Services**

Steeples (1988) remarks that:

> Strategic planning expresses the arrival of the age of marketing in academia. The quest for institutional uniqueness, for differentiation, for comparative advantage, for a "niche", is essentially the search for an advantageous market position. Strategic planning is fundamentally a means of applying marketing concepts to higher education. (pp. 102-103)

Wriston (1990) suggests that in order to prepare learners for the information society, free choice must reign in education and a marketplace in education must be created (p. 83).

As a strategy, improvement in marketing (in its broadest sense) and acknowledgement of the diversity of OLA's markets stemming from a social necessity for lifelong learning was another potent force for change. The growing realization of the organization's assets in open learning products and services and its expanding role in international education were both catalysts. In the first four years of operation, OLA's "clients" had broadened immeasurably. Learners spanned the spectrum from television viewers, children and self-directed adult learners to learners in the workplace and learning centre classroom environments (through "enhanced
delivery" initiatives of programming components). Area of study included: basic skill level training; English as a second language; para-professional studies in business, tourism, trades, technology, health and human services; independent and cooperative undergraduate programs; continuing professional education; K-12 curriculum; and developmental programs for children. International links had long been established with Southeast Asia and Hong Kong and were expanding via marketing efforts, collaborative agreements and relationships with agencies such as the Commonwealth of Learning and brokers of training courseware to New Zealand, Australia, South America, Africa, the Middle East and even former Soviet bloc nations. Increased competition for these learner markets and the need to diversify revenue sources could not remain sideline interests of the organization. No longer was "learned helplessness" acceptable, to complain that the government did not supply enough money to the Agency to do what it wanted; rather, the Agency now had to help itself by locating other sources of funding and engaging in marketing and business development in a very real way. As Cross (1989) notes in a series of five propositions concerning current trends in higher education in the U.S.: institutions of higher education no longer enjoy a monopoly on the provision of educational services; roles of educational providers, once reasonably distinct, are blurring; student and faculty are increasingly become part-time; learning has become a lifelong necessity for everyone, from birth to death; and a change in educational methods is necessitated to equip learners for lifelong learning. She states that "higher education today provides a little over one-third of organized learning opportunities for adults: the remaining two-thirds is provided by a vast array of schools and non-collegiate providers, many of whom offer everything colleges do and more" (pp. 6-13). Clearly, the methods of open learning would be well-positioned to take advantage of the market trends Cross describes and compete effectively, if the right kind of organization were behind it. What kind of organization would OLA have to be? To achieve the competitive edge, Farrell indicated the need for OLA to become a "quality"
Increased emphasis on training in management and technology were to be significant elements in the Agency's quest for quality.

**External Factors**

Finally, a number of environmental factors may have also precipitated the need for change at OLA. All executive members were agreed that the Agency found itself in a complex and diverse environment; all except one agreed that the environment was dynamic, constantly changing and forcing the organization to adapt to change; on whether the environment was truly hostile or placid, however, executive members were divided. Several external controls were seen to be at play, some to a greater extent than others. For example, the board, having members with their own political agendas, was seen to be a somewhat strong influence in setting direction and change for the Agency. There were varied opinions on the influence of other institutions in the post-secondary system: some viewed their influence as strong, particularly in the Agency's university programs where few steps could be taken without the consent of the other universities; on the other hand, some viewed their influence as weaker, especially in the college sector; still others suggested that the post-secondary system had a rather ambivalent attitude toward OLA, bordering on a love-hate relationship. All would agree, however, that the system exerted a normative force upon the Agency and that it would be difficult to depart radically from norms of the system, even though the agenda of the post-secondary system and the Agency might not always be completely synchronous. For example, Farrell likened the Agency's tentativeness about participating in bodies such as the Advanced Education Council of British Columbia, AECBC, to that of Norway's reluctance to join the European Economic Community: there was little in common with the collective body other than a wish to simultaneously collaborate and compete with it to achieve individual ends. Though the Ministry of Advanced Education, Training and Technology was a significant source of funding
for the Agency (about two-thirds of its 1992-93 budget), it was seen to be a relatively weak environmental force, indirect and reactive. As will be seen in Chapter 5, the extent of its power was perhaps underestimated.

Other environmental factors identified by executive members were: the federal and provincial government employment programs and recent policy changes (an increasingly important source of diversified funding in view of the Agency's stated strategic focus on workforce training); viewers of the Knowledge Network television channel; business and industry as potential strategic partners or clients of the Agency; the Ministry of Education; and the unions (both the BCGEU, British Columbia Government Employees' Union, and the newly formed OLATA, Open Learning Agency Tutor Association). Students of the Agency were, curiously enough, seen as a relatively insignificant and unfocussed environmental force though there was a desire to see this group of stakeholders exerting a much stronger force. In sum, environmental sources of change for OLA corroborate Dennison and Levin's (1989) identification of primary sources of change and recent major influences upon Canadian community colleges, with the possible exception of the relative strength of the Agency's board which appears to counter the trend toward diminished authority of boards across Canada (pp. 165-174).

In summary, the external forces upon the Agency were, in a sense, diverse and divided, permitting the Agency to "play one against the other" as much as it was buffeted by them.
Conclusion

Fragmentation within the organization; a lack of a coherent public image; the ambiguous role of Knowledge Network; a need for more effective use of technology; a need for strengthened business development capability; and external factors—all were forces which precipitated the need to review OLA's organizational structure and, eventually, the need to reorganize.

Conclusion for Chapter 3

Chapter 3 has presented the historical origins of OLA and the roots of some of its organizational issues, a description of its structure as it existed during the first four years of its operation, and a summary of forces precipitating the need for review of the organization and its eventual restructuring. The next chapter analyzes which of Mintzberg's (1989) seven configurations most closely resembles OLA's structure prior to reorganization and makes a prediction on the basis of Mintzberg's contingency and life cycle hypotheses of the likely configuration into which it would transform.

Footnotes

1 For a more detailed account of OLI's history in particular, the reader is referred to Moran (1991).
3 Of the original directors two were to remain and become executive members of OLA: Sid Segal and Ian Mugridge. A third staff member of OLI to become prominent on OLA's executive was Dick Scales who joined OLI in 1979 and became a director of the Institute in 1982. Segal had previously been Assistant to the Vice-President, Administration at Simon Fraser University and was seconded by Ellis in 1978 to be OLI's Director of Administrative Services and Bursar. Mugridge, a graduate of Oxford and the University of California, had worked in Simon Fraser University's history department since 1967, serving as Department Chair and as Assistant Vice-President, Academic. He was first appointed to OLI as Director of University Programs and later became Dean of Academic Affairs. Scales came to OLI as a Senior Advisor in 1979 to set up advisory mechanisms and develop and accompanying student recruitment system. Prior to his appointment, he had been Dean of Student Services and Registrar at College of New Caledonia in Prince

4 Farrell managed to pry some money from the government in 1986. In 1988, the Knowledge Network Development Fund was established.

5 The position for Executive Director of the Development Directorate was not filled at this time and some of its functions were split and reassigned to other positions. Pacey originally applied for the Executive Director position but was offered and accepted instead the General Manager position for Knowledge Network; the resource development (fund raising) function of the Executive Director position was assigned to her.

6 The information which follows in the second and third parts of Chapter 3's case study has been primarily derived from individual interviews with the six executive members of the strategic apex, prior to reorganization of the Agency. The information has been corroborated ("triangulated") by the interviews of other executive members, archival materials such as meeting minutes and internal memoranda, and personal observation. The case study has also been validated by the executive members.

7 Of the six executive members, Bates and Pacey were the relative newcomers. Prior to joining OLA in 1990, Bates had been Professor of Educational Media Research at the Institute of Educational Technology of the British Open University, though he had consulted for OLI on several occasions in the early 1980's. Prior to becoming a vice president of OLA and General Manager of KNOW in 1986, Pacey had been with the University of Victoria where she had specific responsibility for the development and delivery of Public Administration and Business and Management Programs using television, teleconferencing and computer-based delivery systems. Like Farrell, she joined the organization with the understanding that OLI and KNOW would eventually amalgamate.

8 Memo from Bates to author, October 9, 1992.


10 The B.C. Credit Bank was (and is) a service making it possible "to consolidate credits from accredited educational institutions, and to gain credit for 'non-formal learning' such as industry-based training or on-the-job experience" and providing "a unique document evaluation service for people needing to equate foreign training and work credential to equivalent Canadian standards." Excerpts extracted from Quickfacts: Decade at a glance.

11 The Agency's access services provided (and provides) information and assistance to prospective Agency students.

12 The Discovery Training Network was an on-line educational database carrying information on "over 200,000 educational and training opportunities from both private and public organizations." Excerpts extracted from Quickfacts: Decade at a glance.


14 ibid.

15 ibid.

16 ibid.

17 Weekly audience reach is the number of people who tune into a given television channel on a weekly basis. The measure counts unduplicated viewership; that is, one person tuning in five times during one week counts as one, not five. The measure is derived from statistics provided by the Bureau of Broadcast Membership and Nielsen Media Research. Tabulated weekly, the measure is provided to the Agency on a semi-annual basis.
The Restructuring of OLA: Chapter 3

18 Source: Human Resources Department, OLA

19 The last comment may have reflected a sensitivity regarding the formation of the Open Learning Agency Tutor Association (OLATA) which won the right to certify in late 1991. One of the reasons cited for formation of the union was the need to have greater tutor input into the day-to-day operation of the Agency. Ties between the then-president of OLATA and the Minister of Advanced Education no doubt lent to this perception of power.


22 According to Senge (1990), learning organizations are those where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspirations are set free, and where people are continually learning how to learn together. To reach such a state requires the practice of five disciplines: systems thinking (the capacity for seeing patterns of interdependency); personal mastery (the capacity for clarification of values); mental models (the capacity to recognize how ingrained assumptions affect our actions); shared vision (the capacity to build a sense of commitment); and team learning (capacity for collective, synergistic dialogue).

23 In one instance, it became possible for an Agency student to receive credit for an Open College diploma program yet be denied "block transfer" credit toward an Open University degree because of different pass mark standards within the two components.


25 OLA had (and has) one local of the British Columbia Government Employees' Union (BCGEU) primarily covering all non-management, non-confidential positions from the old OLI ranging from secretarial and warehouse staff to program coordinators and designers. A second union was formed in late 1991, the Open Learning Agency Tutors' Association (OLATA), with connections to the College and Institute Educators' Association (CIEA).

26 Briefing paper re: OLA organizational review. Attachment to memo from Farrell to Members, Organization Review Steering Committee and Members, Directors' Group, February 7, 1992.

27 Paper entitled "Concerns identified by GMF (Farrell) at the 11 December meeting" [of the board], December 11, 1991.

28 ibid.

29 Briefing paper re: OLA organizational review. Attachment to memo from Farrell to Members, Organization Review Steering Committee and Members, Directors' Group, February 7, 1992.


32 Newspaper article, Activist combats 'sense of desperation', Globe and Mail, January 25, 1992. In the article, Darlene Marzari, named B.C.'s Minister of Culture after the election of the NDP party in October, 1991, pointed out that "cultural agencies were scattered through a variety of ministries, from post-secondary education (home to the province's public broadcaster, The Knowledge Network) to tourism." The article also
indicated that "she hopes to spinoff culture, broadcasting and communications into a separate ministry."


34 Attachment 1, *Organizational review of the Open Learning Agency*. Attachment to memo from Farrell to Members, Organization Review Steering Committee and Members, Directors' Group, February 7, 1992.

35 Paper entitled "Concerns identified by GMF (Farrell) at the 11 December meeting" [of the board], December 11, 1991.

36 Memo from Segal to OLA staff, Sept. 15, 1992.


38 ibid.

39 Attachment 1, *Organizational review of the Open Learning Agency*. Attachment to memo from Farrell to Members, Organization Review Steering Committee and Members, Directors' Group, February 7, 1992.

40 ibid.

41 ibid.

42 ibid.

43 Briefing paper re: OLA organizational review. Attachment to memo from Farrell to Members, Organization Review Steering Committee and Members, Directors' Group, February 7, 1992.

44 Paul (1990) points out that the vagueness of concepts like "open learning" and "distance education" pose significant marketing challenges. He also notes difficulties in explaining an open learning institution to someone without previous exposure to it (p. 184).


47 Briefing paper re: OLA organizational review. Attachment to memo from Farrell to Members, Organization Review Steering Committee and Members, Directors' Group, February 7, 1992.


49 These differences were to become a critical issue at the bargaining table during negotiations of the 1992-93 BCGEU contract in June and July, 1992.

50 Marktrend Marketing Research Inc. (April, May, 1990) *Top-Line Summary user, non-user focus groups*. pp. 7, 10.

51 A February 4, 1991, letter from Dr. John Dennison, Faculty of Higher Education, UBC to Glen Farrell advised that greater emphasis must be given to OLA's public profile if it were to play a powerful coordination role in post-secondary education. B.C. Research statistics at the time indicated that only a very small percentage of high school graduates were even aware of the Agency and open learning options for their continued education.

52 Memo from Farrell to Members, Organization Review Steering Committee and Members, Directors' Group, February 3, 1992.

53 Attachment 1, *Organizational review of the Open Learning Agency*. Attachment to memo from Farrell to Members, Organization Review Steering Committee and Members, Directors' Group, February 7, 1992.

Chapter 4: Analysis of 1988-92 OLA
Structure & Predictions for Reorganization
Introduction to Chapter 4

This study now turns to an analysis of OLA's organizational structure between 1988 and 1992 and identifies one of Mintzberg's (1989) configurations which most closely resembles it. A prediction is also made, on the basis of Mintzberg's contingency and life cycle hypotheses for its reorganized configuration. The first half of the chapter is devoted to the analysis and the latter half, to the prediction.

Analysis of OLA's 1988-92 Structure

Introduction

Mintzberg (1989) proposes that organizations typically cluster into six or possibly seven "configurations": entrepreneurial; machine; diversified; professional; innovative; missionary; and possibly, political (the latter configuration being quite unstable). To determine which of the configurations best matches OLA's structure prior to reorganization, six organizational design considerations will be taken into account: (1) who performs the basic work of the organization; (2) what is the key coordinating mechanism used; (3) what is the key part of the organization; (4) how is decision-making power decentralized in the organization; (5) what is the organization's approach to strategy-making; (6) what is the context or environment of the organization. Other design parameters such as design of individual positions, superstructure grouping of positions and lateral linkages will also be briefly considered.

Before analyzing the structure of OLA, a caveat must be made. If, in the course of this analysis, a configuration emerges which fits well with the case study description of OLA prior to reorganization, it does not necessarily follow that a causal relationship exists between the variables proposed by Mintzberg and the organization being studied; other independent
variables might also be at work, particularly if one believes that no two organizations, nor the environments in which they find themselves, can be the same. De Vries (1990) replies to this concern by noting that "Mintzberg's models are based on an extensive survey of empirical research, which fact increases the likelihood that they are reasonable descriptions of organizational design parameters in their representation of real-life organizations; in his context causality need not be proved in order to obtain valuable insights from relationships observed" (p. 108). He further remarks that "inductive analyses and intuitive insights are among the generally accepted characteristics of qualitative research" (p. 108). Application of Mintzberg's configurations can provide a richer, "thicker" understanding of the phenomenon of organizations than the study of simple cause-effect relationships which have been maligned by some (as discussed in Chapter 2) for the narrowness and imprecision of variables chosen, and consequently of organizational insights gained.

The Basic Work of the Organization

As seen in Chapter 3, the operating core consisted (and still consists) of instructional and telecommunication professionals. These employees have learned their "craft" outside the organization (for example, at other educational institutions or broadcast facilities) but, because of OLA's unique methodologies, have adapted their knowledge and skills to the needs of open learning. To perform their tasks, a high level of interaction is required, typically in special committees or projects. Though the outputs that they produce (primarily instructional course materials and television programs) share common characteristics in general (reflective of good quality instructional design and broadcast standards), in some senses, each output is customized or tailored to the particular learner or viewer group being served; that is, an Open University course would be different in content and methodologies from an Open College course and a children's program on the Knowledge Network would be different from one of its
adult general education programs. Mintzberg (1989) notes that "the presence of extensively trained workers who require group collaboration and produce customized outputs suggests the innovative form" (p. 262).

Another clue to an organization's configuration in regard to its operating core is the ratio of support staff to operators: a ratio of three or four to one implies a professional or innovative configuration (Mintzberg, 1989, p. 266). A rough comparison of union support staff (grade levels VI and below) and union professional staff (grade levels VII and above) for the year 1991 indicates a ratio of 117:46, approximately 2.5:1. The ratio is consistent with an innovative configuration, as is the dependence professional staff place upon the support group.

**Key Coordinating Mechanism**

The replies of executive members concerning methods by which work was coordinated among the parts of OLA centered upon direct supervision, standardization of work processes and standardization of outputs as key coordinating mechanisms. On the surface, these mechanisms are characteristic of entrepreneurial, machine and diversified forms respectively; however, it is important to consider additional qualifying remarks made by Executive Council with respect to coordination of work as well as other contextual clues, as the initial comments may reflect more their desire than actual practice. For example, though work processes had been standardized to an extent, each component was left to its own discretion to execute the processes. The processes were conceived as "guidelines" rather than absolute rules and regulations, few of which exist at the Agency in any formal way outside of some administrative policy statements and the collective agreement. The great difficulty that the Agency had in arriving at a commonly accepted model for project development is a case in point: the title of the document which
issued from the committee after two agonizing years of deliberation and consensus-seeking was entitled "OLA project management model and guidelines for roles, responsibilities and deliverables." As another example, though it is true that enrollment and budget variance reports were (and are) regularly monitored, the focus of this controlling mechanism is to alert to potential management problems rather than to wield a club over manager's heads if targets are unmet. Though the control has the look of standardization of outputs, it does not have the feel of it.

The telling "I don't do windows' doesn't wash around here" comment suggests that direct supervision is likely less a coordinating factor than might first be expected and that mutual adjustment might be more the norm at OLA. The distinction between line management and operating staff was not always clear. Managers, of which there were a significant number, were involved primarily in seeking out project work for staff and performing liaison roles, coordinating among various project work teams and units (for example, the Directors' group which convened primarily to exchange information). Line and staff roles sometimes blurred, particularly during involvement on project teams. It would be fair to say, as was reflected by the difficulty executive members had in responding to questions regarding power-holders at the Agency, that managers derived greater power from their own expertise and interpersonal skills than from their positions. The distinction an organization makes between its line and staff is another clue to its configuration: its presence implying a machine or diversified configuration; its absence implying an innovative configuration (Mintzberg, 1989, p. 266).

There are two other coordinating mechanisms which point toward an innovative configuration, as well: the preponderance of committees and multidisciplinary project teams. Standing and special task force committees were commonplace and the bane of many a staff member of OLA, always democratic in ensuring equal representation from across the organization and for
this reason, a somewhat inefficient method of organizational communication. Resulting high
workload stress was a common complaint at the Agency. Project teams consisted of support
staff, operating professionals, middle line managers and experts either parachuted into the
project from functional groupings elsewhere in the organization (for example, the information
systems department of the administrative component or the telecommunications specialists of
the Knowledge Network component) or contracted in from outside the organization (in
particular, content specialists and consultants). The types of projects worked on were
instructional in nature, either funded through Agency budgets or, more frequently, through
funding from outside the Agency or a combination of both, part of the Agency's strategic
direction toward revenue diversification. Committees and project teams are characteristic of
fluid, organic structures like the innovative configuration; indeed, given the Agency's penchant
for outside funding, there appears to be a blend of two forms of the configuration: an
administrative and an operating innovative configuration.

The next two parameters, the key part of the organization and approach to decentralization of
decision-making, are considered in tandem; as will be seen, they are difficult to distinguish in
the pre-reorganized structure of OLA.

Key Part of the Organization and Decentralization of Decision-Making

At first glance, given the concerns over fragmentation of the organization into autonomous
components, it is tempting to conclude that the market-based groupings of OLA imply a
diversified superstructure. However, the nature of the work and coordinating mechanisms are
not typical of a conglomerate of independent businesses. Furthermore, the lack of performance
controls exercised by the strategic apex (indeed, its sense of relative weakness) and the inability
of each component to independently pursue its own individual strategy suggest that another
configuration may be at work. In fact, there appeared to be no clear locus of control at OLA prior to reorganization; power tended to flow to wherever the relevant expertise resided. Executive members saw themselves as relatively weak, caught up in inefficient minor day-to-day operational decision-making and unable to grapple with more significant, longer-term issues. They saw greater power belonging to the middle line and operating core, but acknowledged that, although delegation of authority and responsibility was espoused, it was inconsistent and varied from component to component. Frustration with dated and unresponsive regulatory mechanisms such as the Student Information Management System (SIMS) simply reinforced the lack of power. As Mintzberg (1989) notes, the innovative configuration is not competent at doing ordinary things; "it is designed for the extraordinary" (p. 218). All staff experienced conflict regarding the ambiguity of decision-making processes at the Agency: three executive members found themselves in frequent conflict regarding their dual roles of component leadership and Agency vice-presidency; the directors' group (ever expanding to accommodate non-directors who reported directly to vice-presidents) were unsure of their decision-making capacity and why they needed to meet, other than for exchange of information; operating staff frequently expressed concerns over common turf and differing component interpretations (for example, academic regulations for the Open University and Open College did not always match and sometimes led to internal contradictions). Ambiguity of tasks, coupled with selective decentralization of decision-making, is characteristic of the innovative configuration.
Approach to Strategy-Making

The desire of Executive Council for a "grassroots" approach to strategy-making at OLA is also reminiscent of the innovative configuration. Indeed, organizational acceptance of the overall goal, countered by lack of consensus concerning the details of means to achieve the goal, characteristic of OLA, is consistent with an innovative structure. Components in their press to serve the needs of their own clientele would often engage in what Mintzberg (1989) terms "skunkworks," a strategy pursued in a pocket of the organization which later becomes more broadly organizational when the organization, in need of change and casting about for new strategies, seizes upon it" (p. 213). OLA's foray into computer conferencing was conceived in just this way: the Open College had need of computer conferencing technology for one of its courses and when it ran into delays in other parts of the organization regarding policy decisions on the types of technology in which OLA should invest, it went out and rented space on a local private computer bulletin board service for its students. This is now being considered among viable alternatives for the Agency's provision of a computer conferencing service.

Context or Environment

The context or environment of OLA was consistently portrayed by executive members as complex, diverse and dynamic. The emphasis on expansion of instructional technology and capitalization on use of a major corporate asset, the television broadcast service, is also demonstrative of an organization that found itself in a highly competitive environment. Such is the environment innovative organizations, and especially young organizations, also find themselves in. Mintzberg (1989) notes that such a configuration is difficult to sustain over time and there is a tendency for such structures to bureaucratize as they age toward more machine-
like or professional configurations (pp. 208-209). Farrell's call for strengthened corporate leadership, clearer decision-making authorities and accountabilities, more effective communication linkages and improved feedback mechanisms may well reflect these tendencies.

Other Design Parameters

Several design parameters have already been commented upon, including approaches to strategy-making, decentralization of power and superstructure grouping of positions. Of the other design parameters not mentioned, design of individual positions and lateral linkages, these are also indicative of an innovative configuration. Within the design of individual positions, the mix of horizontal and vertical specialization among positions as well as the lack of significant indoctrination or training (other than that pursued by individual professionals) are consistent with innovative configurations. Behaviour formalization at OLA through the use of software systems and policies and procedures (many of which are unwritten) is relatively flexible; only the detailed job description and job evaluation process and inflexible Student Information Management Systems software, more in keeping with a machine-like structure, seem inconsistent with the innovative configuration. Lateral linkages, such as the soft control mechanisms of budget and enrollment variance, project team matrix structures, and liaison positions which straddle departments of the Agency in matrix-like fashion (e.g., the Open College's Project and Financial Assistant or Information Systems' Client Service Manager), again support the innovative configuration.
Conclusion

With the exception of design of individual positions and some inflexible regulatory mechanisms at the Agency which is more consistent with machine-like structures, the innovative form appears to provide a fairly accurate portrayal of OLA's structure between 1988 and 1992. A few telltale signs of the innovative form identified by Mintzberg (1989) provide confirmation. The innovative configuration's ever-changing organizational charts could not be truer of the Agency during this period: a running joke at public presentations was the suggestion that manipulation of small "post-it notes" on the organizational chart was the only way to maintain its currency. Indeed, as vice-presidential Agency responsibilities shuffled over time, it was sometimes difficult to obtain up-to-date charts, even from the President's office. The innovative configuration's penchant toward politicization is also evident in the conflict and tension giving rise to organizational restructuring.

In the second half of this chapter, a prediction is made for the Agency's reorganized configuration.
Predictions for OLA's Reorganized Structure

Introduction

McAuley (1986) reminded the joint board of OLI and KNOW that the proposed structure for OLA would be transitional in nature (pp. 4-5). There was an expectation that the initial structure of OLA would evolve and be a "starting point, not a final solution" (p. 7). But into what kind of a structure would OLA evolve? This is the next question to be addressed by this study. For some possible answers, Mintzberg's (1989) conceptual framework is relied upon once again, in particular, his contingency or situational hypotheses and his life cycle hypotheses.

Contingency or Situational Hypotheses

Mintzberg's contingency or situational hypotheses suggest ways in which factors of the organization's environment affect the choice of design parameters for an organization's structure. These factors include: age and size of the organization; its technical systems; its context or environment; and external powers which may influence it. The hypotheses do not speak to specific configurations but do give clues to the characteristics of an organizational structure under these environmental conditions; in other words, they narrow down the "playing field" of possible configurations into which an organizational structure might evolve.³ A cursory examination of the 14 hypotheses is revealing:
The Restructuring of OLA: Chapter 4

Age and size

1. The older an organization, the more formalized its behaviour.
2. The larger an organization, the more formalized its behaviour.
3. The larger an organization, the more elaborate its structure; that is, the more specialized its jobs and units and the more developed its administrative components. (p. 106)

The OLA has been in existence since 1988; its precursors, OLI and KNOW, had been in existence since 1978 and 1980 respectively. By 1992, the Agency was certainly getting older. And it was certainly getting bigger. The staff size of OLI in 1985 prior to amalgamation was 123 full-time staff and 160 part-time tutors;\(^4\) the staff size of KNOW in 1985 was 38.\(^5\) By 1991, the OLA had grown to 269 full-time staff (almost a two-fold increase in seven years) and approximately 200 part-time tutors (a 25% increase in seven years).\(^6\) By the first three hypotheses then, it would be fair to say that into whatever configuration OLA would evolve, it would be a formal and elaborate structure. In terms of Mintzberg's (1989) configurations, this would rule out the simple or entrepreneurial structure; other configurations, such as machine, diversified, professional and innovative, would still apply.

4. Structure reflects the age of the industry from its founding...[For example,] industries which predate the industrial revolution seem to favor one kind of structure, those of the age of the early railroads another, and so on...the surprising thing is that these structures seem to carry through to new periods... (pp. 106-107)

This hypothesis will be discussed in conjunction with the fourteenth hypothesis.
Technical system

5. The more regulating the technical system—that is, the more it controls the work of the operators—the more formalized the operating work and the more bureaucratic the structure of the operating core.

6. The more complex the technical system, the more elaborate and professional the support staff.

7. The automation of the operating core transforms a bureaucratic administrative structure into an organic one.

The Agency has been demonstrated to have a positive thirst for technology; indeed, Farrell indicated that its very survival rests on its ability to cultivate the technology and demonstrate leadership in the technology to achieve its mandate. Prior to reorganization, the Agency had already made a substantial investment in technology: 6.2 million dollars of public and corporate support were directed toward its broadcast and telecommunications facility and over 23 million dollars of government monies had been provided to build a new state-of-the-art facility, "wired" for the future, in Burnaby. Moreover, the organization already had a substantial history of technical systems: the Student Information Management System (SIMS) had been devised by the organization's information systems department and used since the early 1980's; a complete conversion of the Agency's electronic publishing system to a Macintosh platform had occurred in the late 1980's; the vast majority of staff had access to computer terminals and systems such as e-mail were in common usage by the mid-1980's. The move to the new Burnaby facility gave staff additional technological advantages such as voice-mail features on telephone sets, for example. Thus, from these hypotheses, it would be consistent to expect a configuration which is more bureaucratic in structure and more elaborate in its support structure. Also, one would expect an organic structure to evolve as staff become more
automated. A machine, diversified or professional configuration is not ruled out by the fifth hypothesis; a machine, diversified, professional or innovative configuration is not ruled out by the sixth hypothesis; a professional or innovative configuration is not ruled out by the seventh hypothesis. In sum, these hypotheses would point toward a professional configuration.

Environment

8. The more dynamic an organization's environment, the more organic its structure.
9. The more complex an organization's environment, the more decentralized its structure.
10. The more diversified an organization's markets, the greater the propensity to split it into market-based units, or divisions, given favorable economies of scale.
11. Extreme hostility in its environment drives any organization to centralize its structure temporarily. (pp. 108-109)

Executive members were agreed that the environment of the Agency is complex, dynamic and diversified. There was greater division on the question of hostility of the environment: some perceived it as quite hostile; others perceived it as placid; most perceived it to be somewhere in-between. Indeed, the absence of many external controls, the differentiation of markets served and hence lack of a singular competitor tend to make the eleventh hypothesis less relevant to the Agency's case, though Farrell's desire to strengthen corporate leadership of the Agency may be a reaction to a perception of hostility in the environment. Given the eighth, ninth and tenth hypotheses, then, one would anticipate an organic, decentralized structure with a propensity toward market-based divisions. Professional and innovative configurations favour such characteristics.
Power

12. The greater the external control of an organization, the more centralized and formalized its structure.

13. A divided external coalition will tend to give rise to a politicized internal coalition, and vice versa. (p. 109)

The absence of significant external controls, as reported by executive members, makes the twelfth hypothesis less relevant to the Agency’s case. On the other hand, the presence of divided external coalitions, particularly centering on the Knowledge Network component of the Agency, would imply the existence of a politicized internal coalition, as indeed existed among staff of this component and might continue to exist.

4. Structure reflects the age of the industry from its founding...[For example,] industries which predate the industrial revolution seem to favor one kind of structure, those of the age of the early railroads another, and so on...the surprising thing is that these structures seem to carry through to new periods... (pp. 106-107)

14. Fashion favors the structure of the day (and of the culture), sometimes even when inappropriate. (p. 109)

The fourth and fourteenth hypotheses are considered together. It is not surprising that executive members would be influenced by the structures and prevailing management theories of their time. In particular, Total Quality Management approaches, Senge's (1990) notion of the "learning organization" and the consultant's organizational paradigm gained significant attention as the restructuring process commenced at OLA. Scales took on, as a vice-presidential
responsibility, an investigation into quality management techniques and, together with a committee of interested volunteers, made a presentation to Executive Council in December, 1991, which recommended a statement of principle regarding the Agency's commitment to quality and training in quality management techniques, initially for senior staff and ultimately for all staff. Both recommendations were adopted and implemented in early 1992. Similarly, many references were made to Senge's work at this time and indeed, almost became "required reading" for senior staff who wished to be conversant in the principles of a "learning organization." The consultant's paradigm of an open system organization and the need for empowerment of employees, as mentioned elsewhere, also had considerable impact.

When queried on organizations they most admired, a number of common themes emerged among the responses of executive members. Many espoused the need for clarity of an organizational goal, one which provided a sense of the whole for employees and engendered ownership and appropriate attitudes and behaviour among staff. Nordstrom's famous and perhaps apocryphal one-line policy manual ("do what is best for the customer") was provided by some as an example of such clarity. Another theme which emerged was the desire for "fluid and flexible" approaches. There was a desire to be different from traditional institutions of education, seen to be "supply-oriented" and hampered by the autonomy of faculty departments; instead, a vision of multi-disciplinary teams responsive to demand was identified as a more appropriate direction for the Agency. As one executive member stated: "I therefore very much favour a smallish (up to 15) team approach, with teams organized around key functions (e.g., course design/delivery) but with clear mandates for the teams set by management. I am against hierarchically set procedures and regulations in an organization of this kind." Empowerment was clearly another theme, coupled with clearly-identified expectations and measurement of
achievement of those expectations on a systematic basis. The importance of staff training as a means of supporting empowerment and creating an ever-learning organizational environment was also noted.

The timing of the organization's founding and the nature of the organization's business would suggest a tendency toward an innovative configuration:

Every one of its characteristics is very much in vogue today: emphasis on expertise, organic structure, project teams, task forces, decentralization of power, matrix structure, sophisticated technical systems, automation, and young organizations. Thus, if the entrepreneurial and machine forms were earlier configurations, and the professional and the diversified forms yesterday’s, then the innovative is clearly today’s. This is the configuration for a population growing ever better educated and more specialized, yet under constant encouragement to adopt the "systems" approach—to view the world as an integrated whole instead of a collection of loosely coupled parts. It is the configuration for environments that are becoming more complex and more insistent on innovation, and for technical systems that are growing more sophisticated and highly automated. It is the only configuration among our types appropriate for those who believe organizations must become at the same time more democratic and less bureaucratic. (Mintzberg, 1989, pp. 209-210).

From Mintzberg's contingency or situational hypotheses, it appears that the environment of OLA would favour either a professional or innovative structure. Whatever the resulting structure, it would also likely be somewhat politicized.

Life Cycle Hypotheses

Although environmental factors are important in shaping an organization's structure, Mintzberg (1989) notes that transitions reflecting intrinsic forces, rather than extrinsic forces, tend to be more common (pp. 281-282). Consequently, he suggests a life cycle model for organizations may have some relevance: "the naturally occurring forces that sow the seed of the destruction
of one configuration and drive it toward another (or drive the organization itself to demise)” (p. 281). He identifies 13 hypotheses. If the analysis of the pre-reorganized form of OLA as an innovative configuration is accurate, only six of the 13 hypotheses are applicable:

*Development stage*

5. Meritocratization: New organizations dependent on expertise tend to make a relatively quick transition to the innovative configuration (if its mission focusses on creative design) or the professional configuration (if it applies standardized skills).

6. Early experimentation and later institutionalization of innovation: Given a choice between the professional and the innovative configuration, many young organizations will opt for the innovative one, although some will be inclined later to make a transition to the professional one.

*Maturity stage*

10. Transitional politicization: Most transitions tend to be driven and impeded by forms of the political configuration, typically brief confrontations, although sometimes prolonged by shaky alliances.

*Decline stage*

11. Eventual politicization: The absence of external control tends to have a corrupting influence on the mature configurations, closed machine and professional, driving them eventually toward the political configuration. Such transitions need not happen quickly; organizations can remain in this stage for long periods of time, held in check by market competition or professional standards or vestiges of an earlier ideology.
Artificial support or political demise: Barring renewal or some form of artificial support (such asfavoured funding from government or a privileged position in the marketplace), an enduring political configuration eventually leads to the demise of the organization.

Renewal stage

Revitalization or turnaround: Organizational renewal may take place in the form of gradual revitalization or, in the absence of that, dramatic turnaround, the former likely during maturity, the latter during demise.

Considering the hypotheses in sum, it would appear that three options are available to the Agency for transition depending upon at what stage one places the organization's "life": political configuration and eventual demise (from the eleventh and twelfth hypotheses, in particular); professional configuration; or innovative configuration. Assuming that the organization is seeking a stable configuration and that its political demise is unlikely (at least in the near future given the major investment of the provincial government), the two configurations which appear most likely for OLA's reorganized structure are professional or innovative. In the former case, this would suggest that the current innovative configuration would transform into a professional configuration; in the latter case, it would transform back on itself through a revitalization process. Though there is certainly a pull toward increased bureaucratization of Agency processes and procedures (strengthening of staff accountabilities and output measurement and reduction of ambiguity and inefficiency), as evidenced in interviews with executive members and research, there is considerable resistance to embrace values consistent with a bureaucratized structure. Instead, there is a desire to build upon and strengthen the work already accomplished by the organization, refining processes perhaps but
avoiding any sense of rigidity. The professional bureaucracy seeks to apply a standard solution to a given situation; the innovative organization seeks novel solutions for any given situation. The professional bureaucracy is characterized by convergent thinking; the innovative configuration is characterized by divergent thinking. For professional bureaucracies, perfection is the ultimate aim; for innovative organizations, innovation is the ultimate aim. It is the latter values in each of these statements to which executive management of the Agency subscribes. Mintzberg (1989) further warns that transitions of innovative configurations to professional forms, however easily effected, are not always appropriate:

The [innovative] organization came into being to solve problems imaginatively, not to apply standards indiscriminately. In many spheres, society has more mass producers than it needs; what it lacks are true problem-solvers...The television networks seem to be classic examples of bureaucracies that provide largely standardized fare when the creativity of adhocracy is called for (except, perhaps, for the newsroom and the specials, where an ad hoc orientation encourages more creativity). (p. 219)

Given that senior management will resist pressures to bureaucratize, it would appear that the life cycle hypotheses would predict a revitalization of the innovative configuration, that is, change through a "healthy mix of politics and ideology while maintaining its basic configuration" (Mintzberg, 1989, p. 294).

Conclusion

In summary, the context of the organization, its mandate and business, and the preferences of the organization's strategic apex appear to favour persistence of the Agency's pre-reorganization innovative configuration. Though the innovative configuration carries with it ambiguities of task and certain inefficiencies, as Mintzberg (1989) notes, "in general, there is no one best structure; in particular, there may be at a cost of something foregone, so long as the different attributes combine to form a coherent configuration that is consistent with the
situation" (p. 220). Certainly the innovative structure best positions the Agency to problem-solve in novel and unique ways the educational challenges which it will face over the next few years.

Conclusion for Chapter 4

Chapter 4 has provided an analysis of OLA's organizational structure between 1988-92 and concluded that Mintzberg's (1989) innovative configuration provides the closest description of the structure. It was further predicted that the restructured organization would demonstrate persistence and revitalization of the same innovative configuration.

The next chapter continues the case study of Chapter 3 and describes the reorganization process and ultimate organizational structure that emerged.

Footnotes

1 Analysis provided by the B.C. Government Employee's Union during collective bargaining, June, 1992.
2 Just how important support staff feel at the Agency was (and is) evidenced by the flurry of electronic mail messages that occur around vacation periods, informing all staff whom to contact in their absence rather than just informing immediate department members.
3 Special cases of the missionary and political configurations are excluded from this discussion; though they may evoke their own form, they tend to overlay on other forms.
4 The Open Learning Institute, A profile, issued by the Principal's Office, September 9, 1985.
5 Knowledge Network of the West Communications Authority Organizational Chart, issued by David Roach, Secretary to Board of Directors, March, 1985.
6 Human Resources Department, Open Learning Agency.
7 Executive Council and Directors' Meeting, January 27, 1992.
9 See Footnote 21, Chapter 3.
Chapter 5: Analysis of Reorganization
The Restructuring of OLA: Chapter 5

Introduction to Chapter 5

Chapter 5 provides background on the reorganization process that led to OLA's new organizational structure. It compares the reorganized structure with the former structure using Mintzberg's (1989) framework and classifies the reorganized structure as one of seven configurations. It concludes by comparing the reorganized configuration with the one predicted in Chapter 4.

Background on Reorganization Process

Introduction

Farrell had signalled as early as a strategic planning retreat in November, 1990, his intention to reorganize, bearing in mind the words of McAuley (1986) that the recommendation for the original OLA structure was only "transitional." However, it was not until July, 1991, that the process toward restructuring of the OLA began to accelerate.

The first part of this chapter continues the case study begun in Chapter 3 and describes the restructuring process which began in earnest in July, 1991. In particular, it details two organizational models which emerged from the process: the first, unveiled in late January, 1992, was ultimately rejected in favour of a second, alternative model, accepted by the board in March, 1992, and implemented on May 1, 1992.
Overview of Restructuring Phases

At the July 4-7, 1991, strategic planning retreat, Farrell stated again his intention to reorganize the Agency. He had made a similar announcement during a strategic planning retreat held the previous fall. Since nothing had transpired over the previous half-year, this announcement was greeted only with mild enthusiasm and some skepticism. However, this time, Farrell backed up his words with action. In the spring of 1991, he had engaged a consulting firm (Thompson & Associates). During the summer and fall of 1991, Farrell began an interview process with his executive regarding the outcomes and objectives to be sought from a reorganization. In early September, he prepared his own statement, incorporating many of the comments from senior management, which he found surprisingly consistent. He presented this statement along with a proposed timeline to the board at its September meeting.

At the board meeting, Farrell outlined three phases to the proposed restructuring of OLA. The first phase would accomplish three things: establish program entities and their mandates; clarify corporate roles; and determine operating entity groupings. The second phase would accomplish six things: define linking mechanisms among the entity groupings; consult with stakeholders; make any necessary adjustments to the groupings; identify leaders of the program entities; define "empowerment" at the corporate and operational level; set an implementation timetable; and determine appropriate training programs. The third phase would comprise implementation of the reorganized structure. From start to finish, Farrell estimated that the process would take two years. The deadlines for completion of the first two phases were March 31 and June 30, 1992, respectively. (In actual fact, the first phase recommendations were accepted by the board on March 12 and became effective May 1.)
Farrell candidly identified six objectives for the organizational review. First, he wished to clarify the organizational model as to its structure, relationships and decision-making authority and process. In particular, internally, he was concerned about the "turf wars" among components and missed opportunities for their interaction and collaboration; externally, he wished to bring a more cohesive view of the organization to OLA's clients and stakeholders. Secondly, he wanted an ability at the corporate level to manage planning effectively, which included the creation of vision and directions, priority decision-making and policy-setting, and the allocation of resources. In particular, he was concerned about being the sole locus of responsibility for corporate decisions. He attributed the dysfunction of corporate-level decision-making to the conflicting roles of three of the executive members (their component leadership role versus their corporate role) as well as to the conflict between programming component autonomy and broader, collective corporate needs. Thirdly, Farrell wished to achieve wider delegation of authority and responsibility—"empowerment" of OLA employees. He saw a need to implement "empowerment" practically and consistently and distinguished between support service "rules" and the Agency's learner market requirements. Fourthly, he sought effective internal communication. Participatory management at the Agency had gone awry—effective committee work was often strangled by the need to have a representative from different areas of the organization as a "safeguard." The authority to make decisions needed to be clarified as did the determination of who needed to be consulted about, or informed of, decisions. Above all, Farrell was looking for more open and honest behaviour than had characterized the Agency's internal communication during its first four years of operation. Fifthly, Farrell wanted more effective feedback mechanisms related to the needs of the Agency's learners, program results and efficiency measures. Though he noted that modest
gains had been made in this area in the period 1988-92, there was still much to do. Sixthly, and in some respects, as Farrell acknowledged, the sum total of the other five objectives, he was seeking a strategy for being a quality organization.

There were five specific outcomes that Farrell anticipated for the first phase of the organizational review process. These outcomes emanated directly from the objectives of the organizational review. First, Farrell wished to confirm the program operating units and their mandates. Secondly, he wished to strengthen corporate leadership capability (as opposed to the Agency's emphasis on component leadership) and, in effect, pull himself away from involvement in the day-to-day operational concerns which had dominated too many of the agendas of Executive Council meetings. Thirdly, he wished to clarify leadership roles at the Agency and eliminate any ambiguities, especially the dual role conflict experienced by three of the executive members with programming component responsibilities. Fourthly, it was important to clarify the organizational role of the Knowledge Network in two respects: to manage the television service as the "single most important corporate asset" of the organization with its power to influence and deliver messages; and to clarify its learner constituencies. As some staff felt disenfranchised by the emphasis Farrell put on the television service, he later rephrased his statement and described it as being the "most underutilized important corporate asset" of the organization. He saw the service as including video production capability, satellite receiving and sending, as well as emergent technologies (e.g., video compression and changes from analogue to digital signals). He also saw the need to manage the Agency's involvement in television in a way that was consistent with federal regulatory policy and would convey a coherent identity for viewers. With respect to learner constituencies, he noted that the Knowledge Network had expanded into a number of areas including programming for children, complementary programming for school curricula ("Schools TV"), adult general education programming (by theme area), community discussion groups (variously called "TV
Plus", enhanced television, and learning circles), and a bookstore operation providing supplementary materials to complement the television broadcasts. Finally, Farrell wished to conclude on the initial assignment of other functions of the Agency such as support services and business units (e.g., international consulting, marketing).

Before entering into a process of reviewing the organizational structure, Farrell was also careful to articulate, or re-emphasize, seven key strategic directions of the Agency. First, he stressed that OLA's business is lifelong learning. Secondly, he pointed out the Agency's commitment to serve its learners in their homes and the workplace and at learning centres and other educational institutions. Thirdly, he noted that the effective and efficient use of instructional technology was critical to the achievement of the Agency's mandate. Fourthly, he captured the range of learning opportunities that the Agency wished to provide: from non-formal learning (both passive and interactive) to basic skills training to professional upgrading to university-level education. Fifthly, he stressed the need for laddered curricula, that is, curricula that would stretch across age groups and credentials in the pursuit of lifelong learning. Sixthly, he noted that diversification of the Agency's revenue bases would have to be a prime strategy for survival as an organization. The government, in his opinion, would never provide sufficient resources to satisfactorily accomplish the broad mandate of the Agency. Finally, partnerships with public and private sector to accomplish the Agency's mandate would be a significant strategic direction. The board signed off on the outcomes and objectives of the restructuring exercise at their September, 1991, meeting.

At the same meeting, Farrell also recommended a consultant to assist him in the reorganization process. The suggested consultant was the same one who had assisted Hardwick in the determination of the original OLA structure, Larry McAuley, a principal of Robert Thompson and Associates.
Thompson and Associates came from a very specific theoretical orientation with respect to models of organizational structure. Key influences on them were the works of Ludwig von Bertanffly's general systems theory, first introduced in 1966, and Stafford Beer's managerial cybernetics theory, first introduced in 1976. In general, they subscribed to a systems model of organizations which were continually responding and adapting to their environments, much in the way a biological organism reacts; however, unlike their biological counterparts subject to the laws of nature, organizations were made and therefore also controlled by people (managers). The consultants worked on the principle that an organization must first understand the markets it serves and then work backwards, building operating units to meet clients' needs in each market. Their generalized model of organizational structure consisted of five "levels" of forces or key functions (not necessarily positions) within an organization: (1) management of the operating units which serve the various markets; (2) regulatory mechanisms which establish rules and regulations on the basis of historical need to coordinate the operation of the units and monitor adherence to these mechanisms (equivalent to the function of a Chief Financial Officer); (3) integrating mechanisms which manage the capacities of the operating units into a unified whole (equivalent to the function of a Chief Operating Officer); (4) management of future-related activities, responsible for organizational change (equivalent to the function of a Chief Development Officer); and (5) management of the entire organization, set apart from the day-to-day operational details of the organization and focussed upon the longer term strategy (equivalent to the function of a Chief Executive Officer). The consultants emphasized that in the design of linkages among the five forces of the organization, three elements were critical. First, because they believed that the success of any organization was contingent on the quality of its decision-making, empowerment of employees was a significant matter. By empowerment, they meant the prescription of how individuals within the organization contribute to decision-making in regulatory, operational and developmental (future) matters. Secondly, they believed that the linkages set up in an organization must be non-restrictive and support solid communication and
change. Thirdly, organizational capacity for sensitivity to future needs was paramount. It was on the basis of this model of organizational structure that Farrell and his steering committee set about the task of planning a process which would bring about a new form to the Agency.

With a consultant appointed, one of the first steps was to establish an "organization review steering committee" to assist Farrell in the process. It consisted of all the Executive Council members. One of their first tasks was to identify the markets or constituencies served by OLA. They met on October 15, 1991, and came up with an exhaustive list including: television viewers, pre-school and school-age children, professional educators, adult self-directed learners, and learners with needs for education in basic skills, English as a second language, "para-professional" studies (business, trades and technology, health and human services), associate and university degrees (offered either independently by OLA or in collaboration with other universities of the province). On the basis of these market groupings, it was presumed that the key operating units of the organization could now be determined, consistent with the application of the consultant's model.

On December 16, 1991, the steering committee met to establish principles that would guide the definition of these operating units and identify functions which would be performed at the corporate (as opposed to operating unit) level. On January 21, 1992, the first signs of a new organizational structure emerged. The steering committee drafted definitions and mandate statements for four programming entities under working titles of: Open University; Workplace Training College; General Education and Open School. A corporate management model was also described.
The First Model

A proposed organizational structure was unveiled to staff in late January, 1992 (see Figure 2 of Appendix 3). The strategic apex of the organization was to consist of a Chief Executive Officer and five corporate "leaders" of operational areas: education programs, business development, technology, strategic support and strategic resources. Responsibility for management of Knowledge Network (which included the definition of program target zones for children, schools, adults and institutional programs, definition of the "look" of the service, schedule preparation, and determination of acquisition policy and procedures, monitoring of regulatory matters) was flagged separately as a matter still to be decided.

The Chief Executive Officer's role was to be generally accountable to the board for all aspects of mandate and functions and specifically responsible for corporate communications, external relations, resource acquisition and corporate policy. In other words, Farrell would no longer be as intimately involved with day-to-day operational concerns as he had previously been.

It was envisaged that programming operating entities, together with library and registry functions, would come under the responsibility of a leader (title to be determined) of education programs. To serve the learner markets, four programming entities were proposed under the following working titles: an Open University; a Workplace Training College; an Open School; and General Education programs. The programming entities were no longer considered to be separate components in their own right but rather the diverse programs of a single Agency.

The mandates of all four entities included maximization of use of the Credit Bank and revenue generation in keeping with the strategic direction of revenue diversification. In particular, the mandate of the Agency through its Open University program entity would be to: offer courses
leading to university degrees awarded by the Open University and in collaboration with other institutions; and provide continuing education programs for professions who obtain their qualifications at the university level. The mandate of the Agency through the Workplace Training College would be to: provide programs for learners in the workforce to acquire, maintain and upgrade workplace-related skills and knowledge; and offer courses leading to certificates and diplomas awarded by the Open College and in collaboration with other bodies. The mandate of the Agency through the Open School would be to: provide developmental learning television programs for pre-school and elementary school-aged children; provide curriculum-based television programs and supplementary materials in support of instruction offered by the province’s elementary and secondary schools; collaborate with other operating entities and outside bodies in the provision of television-based continuing education programs for professionals and para-professionals working within the K-12 system; monitor and acquire pertinent educational services available through television satellite and network technology and make these available to interested parties in the pre-school and K-12 system; develop collaborative working relationships with those in the school system relative to program development, delivery and support; and provide public issue and information programs for parent and parent teacher groups. The mandate of the Agency through the General Education programs would be to: provide educationally valuable television programming to British Columbians; provide materials and directed studies than complement and add educational value to television-led general education programs; offer courses leading to certificates and diplomas awarded by the entity itself or in collaboration with other bodies; collaborate with other program operating entities to maximize opportunities for cross-utilization of broadcast materials. Unresolved at this time among these mandates was the placement of the adult basic education program, previously the purview of the Open College in the Agency pre-reorganization structure. There were two places that might accommodate the program: the Workplace Training College or the Open School.
The leader of business development would be expected to manage the operation of regional centres, learning centres, workplace training consultation, marketing, international development and consulting, "turn-key marketing," joint venture development and warehousing and distribution operation of the Agency. An example of turn-key marketing was an agreement between Hong Kong Polytechnic and the Agency whereby the Polytechnic taught the course materials supplied by the Agency and invigilated examinations which were marked by Agency tutors as a measure to ensure maintenance of academic standards.

The leader of technology would be responsible for television operations, information systems, conferencing networks (audio, video, computer and audio-graphic) and print production.

The leader of strategic support functions would have responsibility for directional and strategic planning including identification and monitoring of performance measures, issues management, organizational development and research. This position was likened to a driver of a car monitoring the traffic ahead through the windshield, the traffic behind through a rearview mirror, and the speed and condition of the vehicle through the gauges on the dashboard.

The leader of strategic resource management functions would be responsible for the development and monitoring of organization procedures, provision of information to corporate and operating entity management and the operational management of finance and budgeting, human resources and facilities.

There were several significant differences between this proposed model and the Agency's former structure. First, there would be a different internal conception of the Knowledge Network. No longer a separate component with ambiguous roles, the various parts of the Knowledge Network were integrated and found in various parts of the proposed new
restructuring: operation of the television service would be part of the responsibilities of the leader of technology while general education programming would be part of the responsibilities of the leader of education programs. Moreover, a distinct management function of the Knowledge Network (under corporate guidance) was also emerging. Secondly, there was a major change in the relationship of programming operating entities to the corporate whole. What had formerly been distinct components would now be together under the responsibility of the leader of education programs and, in this way, help dissipate the competitiveness among program areas which had been an ongoing problem. Thirdly, the problematic dual titles of the vice-presidents with programming responsibilities were eradicated. Fourthly, there was much closer alignment between the operational responsibilities of the leaders in corporate management and the stated strategic directions of the Agency. In summary, there was clearly an attempt in the proposed model to move away from the confining market-based groupings which had caused so much tension in the organization toward function-based groupings better aligned with the strategic directions of the Agency.

Reactions to the First Model

Between January 22 and February 3, 1992, reactions to the model were garnered from several quarters: steering committee members; the directors of the Agency (the middle line); staff of the Agency in general who were interested (through "President's Forum" lunch hour meetings); the Ministry of Advanced Education, Technology and Training; and the board.

The model received, at best, a mixed review. Some criticisms were defensive in nature and probably represented predictable staff resistance to change. Others were more whole-heartedly enthusiastic in their support, seeing the wisdom of clarifying Knowledge Network's role and the alignment of corporate roles with Agency strategic direction. In between these two
extremes, a number of critiques emerged which merited consideration. First, there was a concern raised regarding the wide variety of learner markets served; indeed the question arose, "whom does the Agency not serve?" Moreover, there was an important distinction raised in the television market between viewers and learners. This was not to ignore the importance of self-directed and enhanced learning projects but to acknowledge that the current ratio of viewers to learners was about 95:5. A second critique centered on the breadth of the position of leader of education programs as compared with other leaders. Given that this leader had not only responsibility for programming but also associated educational support services, it was felt that the voice of learners of the Agency might go unheard with such singular representation in a corporate management structure consisting of six individuals. The critique led some to suggest a reduction in the number of corporate leaders from six to two: education and operations. Some called for a single Chief Operating Officer position. Others suggested alternative methods of structuring program areas that would be more responsive to the Agency's learners and more in keeping with the notion of lifelong learning; that is, rather than structuring programming units along traditional institutional lines (school, college, university, continuing education), thematic subject areas were proposed crossing all age groups and credentials, such as trades and technology, health sciences, management and administrative studies, and arts and culture. Those who defended the position of leader of education programs noted that the span of control could be offset by the extensive delegation envisaged for the new organization. Greater corporate emphasis on student support services (notably the registry and access services) emerged as a significant theme in discussions. The appearance of an Open School programming entity raised a third set of concerns. One had to do with timing of its addition; resources were already stretched in the Agency and the addition of yet another programming entity would further dilute them. The absence of credentialling in the Open School's program mandate led some to question that if there were a need for the program, why not offer educational credentials and conversely, if there were no credentials to be offered, why create a
separate programming entity? The focus on television as a mainstay of this program area was also viewed negatively by some. A fourth area of concern dealt with the separation between technology and education programs. For those who saw the function of technology primarily as an educational program support, they feared that the separation would jeopardize the use of technology in educational programs and felt that technology should be diffused throughout all programs. Fifthly, the cost of implementation of such a structure was questioned, particularly by those in the Ministry who saw a top-heavy management structure for a relatively small organization as unnecessarily extravagant. The Ministry's reaction was to be a particularly significant factor in the organizational model that ultimately emerged.

On February 4, the steering committee considered feedback from the wide consultation on the model and on February 13, Farrell briefed the board regarding the progress of the restructuring process. On February 18, the steering committee met again with the directors' group, this time to review feedback received on the model, finetune any changes to the model and determine implementation requirements. On February 27, 1992, the Organization Review Steering Committee met to consider all the feedback received and prepare final recommendations to the board. A number of changes were made to the first model. It was determined that the Open School should not be created at that time but seen as a future initiative (perhaps including a credentialling function) under the management of the leader of education programs. Current activities consistent with the initiative (such as "Schools TV") would rest within the General Program area for the interim. A second change was to conclude on the placement of Knowledge Network management functions under the leader of education programs. Thirdly, it was determined that there should not be a chief operating officer position between the Chief Executive Officer and other corporate leaders. Fourthly, a student support area requiring corporate coordination and leadership emerged and
was composed of: the registry; library; warehouse and distribution; access services; and
learning centres. Fifthly, the title of the technology area was changed to technology
applications, in keeping with concerns that the technology support instruction. There was still
some question whether the print shop should remain in this entity, be part of student support as
it was a significant supplier of course materials for the Agency's learners, or business
development as it also supplied services to contract clients. Finally, the terms, "strategic
resources" and "strategic support," were deemed somewhat confusing and the latter was
changed to "planning and research." No alternative was proposed for the former term at this
time though there was not enthusiastic endorsement of it either.

The Second and Final Model

As the March 12 board meeting loomed, it became apparent that there was a need for a second
alternative organizational model. The Ministry had expressed concern that the model as
originally conceived was too expensive to implement and operate and would incur significant
personnel changes. In particular, it viewed the position of leader of education programs as an
additional and extravagant layer of management, inconsistent with an era of funding restraint.
Farrell assessed the risks to the Agency, both certain and possible, of remaining with his
favoured first model and determined that creation of a second model would be prudent. Over a
"perplexing 72-hour period" Farrell crafted an alternative model in consultation with his
steering committee. What emerged was a model that, in Farrell's mind, was only three-quarters
of a step toward his desired goal but better than no step at all.10 In the second model that was
proposed, and ultimately adopted by the board (see Figures 3 and 4 of Appendix 3), the
strategic apex again consisted of a chief executive officer and five corporate "leaders:" learner
support and Open University; market development and Open College; technology applications
and General Education; human resources and administration; and planning and research. (The
final "official" names of the leaders became: Vice-President, Student Support and Open University; Vice-President, Business Development and Open College; Vice-President, Technology, Television and General Education;11 Vice-President, Administration and Human Resource Development; and Executive Director, Research and Strategic Planning.)

The program operating entities were reduced from the original four to three: Open University; Open College; and General Education. The Open College label was preferred over the Workplace Training College label which had been seen as too narrow. The mandate of General Education programs was amended to reflect the viewer slant to its target audience. The Open School was retained as a future option and Schools TV would continue to be managed within the General Education program entity. With respect to the other functions, tentative groupings were made as follows. Learner support included: the registry; library; materials management (warehouse and distribution); access services; and learning centres. Market development included: marketing; international consultancies; workplace training consultants; regional centre development; joint ventures; and the print shop operation. Technology applications included functions identified in the first model; Knowledge Network management functions were now tied to this office as well. Human resources and administration included: human resources; finance and budget; and facilities. The resource development (fundraising) office and public affairs would continue reporting to the president's office.12 There were two significant differences between the first and second models. First of all, corporate level leadership for program operating entities was distributed rather than centralized. As a result, a coordinating mechanism was introduced, called an "Operations Management Committee," consisting of all the leaders except the Chief Executive Officer and the leader of planning and research. The committee was to collectively function much in the same way that a Chief Operating Officer would and be responsible for the day-to-day program operation of the organization. A second committee, "Executive Committee," was also established, comprising all five corporate leaders
and the Chief Executive Officer, to provide advice to the Chief Executive Officer for overall strategic direction and long-range policy planning for the organization. Secondly, whereas programming and operating responsibilities had been distinct under the first model (i.e., there were separate vice-presidents for operations and a separate vice-president for education programs), they were now combined within three vice-president positions in the second model. However, the titles, "Principal of Open University", "Principal of Open College", and "General Manager of Knowledge Network," were discarded. As previously noted, it was the view of Farrell and the board that one Agency be promoted as opposed to individual components. In this way, there was an attempt to move the model away from a federation of discrete components under one Agency umbrella toward a more cohesive and singular organization.

The second model was accepted by the board and became effective May 1, 1992. With the first phase of the organizational review process complete, the second phase kicked in to play and there were several next steps: finalizing mandate statements for the Open University, Open College and General Education program units; finalizing terms of reference, membership and procedures for the Operating Management Committee and Executive Committee; and defining mandates, accountabilities and decision-making authorities for corporate leader roles. These were accomplished by the end of June. (See appendices 5, 6 and 7). Following this, corporate leaders would review all operating units reporting to them and identify sub-units. They would develop mandate statements for all non-program operating units and sub-units. They would review the mandates and accountabilities and define decision-making authorities for all heads of all operating units. Additional linking mechanisms, management information requirements, training and performance management systems would be identified. The structuring of the resource development office and corporate communications/public affairs would be reviewed at this time as well. These activities were to be accomplished by September 30, 1992. Left
without a specific deadline were tasks such as: review and definition of mandates, accountabilities and decision-making authorities of operating sub-unit managers; implementation of training programs; and definition of procedures for monitoring organizational effectiveness.

Differences between the Reorganized Structure and the Former Structure

Four significant differences emerge when the reorganized structure of OLA is compared with the structure that existed prior to reorganization. First of all, there has been an attempt to de-emphasize programming components as semi-autonomous entities. Though the dissolution of components has not been as drastic as originally intended in the first organizational model presented in January, 1992, especially as the same executive members retain responsibility for the same program areas, it is nevertheless a feature of the reorganized structure. In particular, the Knowledge Network component of the former structure experienced the greatest change: its General Education programming became a separate programming entity; television operations were joined to other technologies; and management of the television service (its look and continuity) was distinctly identified. Similarly, the workplace training consultative services aspect of Open College programming was separated and has become a distinct unit within the Business Development. Only the Open University was left relatively untouched structurally in comparison with its former status. Secondly, and in contrast to the first difference, there is a heightened emphasis in the new organization concerning structural alignment to four key strategic directions: student support; business development; technology; and the Agency's human resource development. Student support services (including Registry, Access Services and Materials Handling and Distribution) had not enjoyed such prominence under the old regime. The appearance of these services attached to vice-presidential corporate responsibility signals the importance that the Agency attaches to provide service to its learners and
consequently, the front-line employees who serve them. This emphasis has already shown its effect in the commissioning in May, 1992, of a consultant, Jane Brindley, from Athabasca University, to review the Agency's student support services. Her central finding has revealed the lack of a coherent philosophy of student support and marginalization of this service at the Agency, corroborating the need to attach greater importance to it structurally.\textsuperscript{13} The appearance of business development responsibilities at the corporate level is seen to legitimize entrepreneurial activities that have been underway for many years, in both OLA and its predecessors, and always seen as a significant strategic direction, though seemingly relegated to the background in the former structure. The marriage of the television operation and other technologies, including information services, capitalizes on trends of convergence of television and computers (e.g., compressed video technologies) and paves the way for integrated instructional technology solutions for Agency clients. A recent request for proposal from vendors for technology to support the Agency's new Prince George learning centre demonstrates this convergence in that a single request has been formulated by the Agency, rather than multiple requests for different technological aspects, as tended to be the case under the former structure. The Agency's new technological strategic plan is another example. The inclusion of human resource development in the name of the former administrative component of the Agency reflects a heightened awareness of the need for significant training support of Agency personnel and organizational development. The net effect of the first two changes is that other Agency activities such as student services, business development, technology and human resource development are, operationally, on a more equal footing with program areas.

Thirdly, the creation of an Executive Committee (consisting of the president, four vice-presidents and executive director) to advise the president on policy matters, and an Operations Management Committee, a sort of collective Chief Operating Officer (consisting of four vice-presidents), to coordinate the day-to-day program operation of OLA, is a significant move away from the Executive Council structure of the former organization in three ways. One is the
extraction of the president from day-to-day program operational affairs, permitting him to concentrate on external liaison activities, broad stroke priorities and corporate-level policy and direction. Another is that the vice-presidents act only in an advisory capacity to the president on matters of policy, rather than having decision-making authority as they did under the former structure. Executive Committee, unlike Executive Council of the former structure, is not a decision-making body. The third way in which the move is significant is that the vice-presidents join the Operations Management Committee table with Agency responsibilities rather than with the conflicting and ambiguous dual responsibilities of the former structure; as a result, it is anticipated that issues of turf and the need to defend and protect programming areas will diminish in favour of a collective approach to the resolution of Agency issues. Fourthly, in comparison to the former structure, there is (and will be) greater clarity in locus of responsibility and decision-making powers through provision of program operating entity mandate statements and statements of decision-making authorities and accountabilities for all managers within the organization.

Farrell summarizes the changes by claiming that, as a consequence of the organizational review, the 1988 legislative merger of KNOW and OLI has finally been realized. He is satisfied that the new organizational structure addresses (or has the potential to address) the six concerns articulated in his February 13, 1992, briefing to the board, namely: the new organizational structure discourages the perception of autonomous components and reinforces the public image of OLA as a singular entity; role conflicts caused by dual titles of three executive members have been eradicated; the anomaly of Knowledge Network as a television service and programming area has been put to rest; ambiguity of job responsibilities and decision-making authorities have been (and will be) clarified; and a structure has been created which will facilitate adjustment to increased learner diversity, new options for open learning...
delivery, greater competition for learner markets, external demands for greater accountability, need for diversification of revenue sources and need for strong corporate leadership balanced by decentralized operational management.¹⁵

An Analysis of the Reorganized Structure Compared with the Former Structure

Introduction

This study now turns to an analysis of OLA's reorganized structure through a comparison of significant differences with former structure using Mintzberg's (1989) conceptual framework as a guide. As in Chapter 4, to determine which of Mintzberg's configurations best matches OLA's reorganized structure, six structural design considerations will again be taken into account; that is, consideration will be given to changes that have occurred in: (1) those who perform the basic work of the organization; (2) the key coordinating mechanism used; (3) the key part of the organization; (4) the decentralization of decision-making power in the organization; (5) the organization's approach to strategy-making; (6) the context or environment of the organization. Other design parameters such as changes in the design of individual positions, superstructure grouping of positions and lateral linkages will also be briefly considered. It is important to recognize that, at the time of writing of this study, the structural changes of OLA are still relatively new and in transition.

The Basic Work of the Organization

Aside from changes on the organization chart in some reporting relationships, there is no significant change in those who perform the basic work of the organization. The operating core of instructional and telecommunication professionals remains the same as it did under the former structure.
Key Coordinating Mechanism

The majority of executive members of the Agency saw the variety of pre-reorganization coordinating mechanisms as remaining valid for the new organization. Most, however, also felt that greater liaison among different program parts of the organization would occur as a result of the formation of the Operations Management Committee with its coordination responsibility. Farrell, in particular, pins his hopes on the collective Chief Operating Officer mechanism as the major way to address concerns about coordination of organizational programming activity.\(^{16}\)

The broadening of vice-presidential responsibilities was also seen to encourage coordination (i.e., different areas reporting to the same vice-president would be more likely to liaise). However, this liaison, coupled with articulation of decision-making authorities, accountabilities and systematic performance measures for each manager, would be more formalized and less "ad hoc" than it had previously been. It was speculated by one executive member that a greater similarity of work patterns among various parts of the organization might emerge as a result. Some indicated this as a positive move, implying less defaulting to regulatory mechanisms of the organization (as was often the case under the former structure) and greater proactivity in coordination. As one executive member put it, contrasting the administrative-tail-wagging-the-operational-dog approach of the former structure, the new structure engenders more of a "top-down, rather than tail-up, approach." Others, however, worried about the dangers of becoming too bureaucratic and wondered whether the coordinating mechanisms set in place would be more apparent than real. One executive member suggested that allowing inefficiencies of duplication of effort within the organization would be more desirable than permitting something to fall through the cracks because an "accountability statement" for it had been overlooked. The coordination balance of rigidity and formality versus creativity and informality is viewed as potentially precarious under the new structure.
Key Part of the Organization

Aside from obvious changes in the strategic apex of the organization, executive members saw little change, aside from new reporting relationships, from the former structure with respect to its middle line, operating core, technostructure or support staff.

Curiously enough, since the announcement of the new organization, two significant "coalitions" have emerged (one legitimized by the organization, the other more politically motivated in origin). Both are telling. One is the formation of a program directors' committee, a type of "linking mechanism," consisting of directors from the university, college and general education program areas who convene to consider matters of cross-program importance, such as allocation of resources for course development, for example. It is, in a way, the next level counterpart to the Operations Management Committee. This development is significant in two ways. First, the committee initially formed on its own accord, on the basis of mutual interest, and set its own terms of reference. It has since been formally recognized by the Operations Management Committee and, indeed, was delegated the task of determining an improved resource allocation process. Secondly, the coming together of this group demonstrates a shift away from parochial, programming-based interests toward a broader Agency perspective on programming. It is conceivable that programs in the future will collaborate and share resources more widely than has been the case in the past. The other coalition that has formed appears to be in reaction to the disintegration of the former Knowledge Network component and the loss of its identity. Despite the fact that the nomenclature, "Knowledge Network," now only applies to the television service, conspicuously-placed distinctive signs suggesting a continued relationship with the Network have appeared at the workstations of Agency employees who, at least on the new organizational chart, are no longer associated with it—a sort of behind-the-scenes resistance effort. The backlash has been further exacerbated (and the group further
unified) by an attempt of the B.C. Government Employees' Union to obtain a variance in June, extending to the exempt employees who belonged to the Knowledge Network component under the former organizational structure. Clearly, former employees of this component have felt most strongly the effects of the "1988 merger realized."

**Decentralization of Decision-Making**

Decision-making authority and power is clearly better articulated and formalized under the new structure than the former, though it is too early to make a valid judgment on the actual effects of implementation of "empowerment." As one executive member commented, it is difficult to know how much of an organization's activity can ultimately be structured, nor can one reliably predict the effects of use of informal power in an organization (for example, "grassroots" movements). Nonetheless, decentralization of decision-making to the most appropriate level within the organization still appears to be the norm under the new regime as it was under the old, however poorly executed. The exercise of determining decision-making authorities and accountabilities will force examination of all organizational activities, the staff who need to be involved and the degree of their involvement in decision-making which is required or desired. The Operations Management Committee will increasingly examine ways to delegate responsibility. The technostructure will continue to provide support to the operating core (its "internal customers") balanced by necessary gatekeeping but in the context of clearly-defined authorities. The all-important support staff, frequently the point of first contact for the Agency's students, viewers and clients, should benefit from this clarification of roles as well. Moreover, it is felt that the organizational structure should enable more meaningful subsets or groupings of employees with defined purposes to emerge. (For example, the clustering of business development, student support services, and technology and television provides
greater shape to the work of managers in these areas as opposed to the cross-Agency Directors' Group under the former structure which had ill-defined terms of reference and ultimately lost its raison d'être.)

The separation of long-term policy decision-making (Executive Committee) from day-to-day operational decision-making related to programming issues (Operations Management Committee) is clearly a significant step toward alleviating some of the frustrations felt by executive members under the former regime. However, in the minds of some executive members, there is an inherent weakness in the power structure developed for the strategic apex. In comparison with the former structure, while program operational decision-making has, in effect, been "pushed down" from the president to the vice-presidents via the establishment of the Operations Management Committee, policy-making has been "pushed upward" from vice-presidents to the president; that is, the vice-presidents have gained more control of daily operations but have lost powers related to longer term policy-making decisions. Under the new structure, outside of the strategic planning process, the locus of responsibility for policy-making ultimately rests upon the shoulders of the president, placing considerable pressure on his personal performance. The CEO only raises matters on which he feels he needs guidance. Moreover, because the links are only advisory in Executive Committee as compared to Operations Management Committee's ability to implement, there is a real risk of cumulative operational decisions possibly drifting away from policy decisions, resulting ultimately in a lack of integration of the two.

Farrell sees another potential danger and paradox in regard to the implementation of empowerment principles within the organization. Emphasis on empowerment, designed to clarify and optimize decision-making authority and accountability in the organization and thereby facilitate enhanced communication among organizational members, may have the
opposite effect, if interpreted narrowly by those who hold the decision-making power, of decreasing communication among its members. He cautions that communication processes and networks for information-sharing will need equal emphasis under the new structure to ensure that appropriate organizational expertise is considered in decision-making. It is a modified view of participatory management, which he terms "communicative management;" that is, decision-making within the organization will not necessarily have input from all members but input from relevant members must be assured.

Approach to Strategy-Making

Executive members saw little change to the organization's approach to strategy; if anything, they expected more of the same, that is, broader "grassroots" input from across the organization, including student input (though executive decisions on strategic direction at appropriate times would not be precluded). Certainly the development and pursuit of three independent strategies by program areas in the organization, an issue which plagued the former structure, has been redressed, or at least dissipated, by the new structure. Instead, the new structure provides a more logical and powerful internal environment for effective and cohesive strategy creation. That is, through the creation of the Operations Management Committee and more rational, relevant groupings of employees (business development, student support services, and technology and television), the structure enables those employees who need to be involved with one another in formulating strategy to have greater opportunity to do so. Linking mechanisms, however, will still be critical to ensure that the former programming component "mountains" are not replaced by empires of a different kind.17
Context or Environment

Again, there little change is seen in the context or environment of the organization as a result of the restructuring. The same complex, dynamic, diverse environmental conditions will still apply, as will the previously-identified external controls. In an extension of this comment, one executive member speculated that while qualitatively, the context of the organization would remain the same, quantitatively there may well be increases in the number of environmental players. In particular, with greater corporate emphasis on business development, increased contacts with business and industry might well result in a potential shift in the Agency's funding base toward less dependence on government grants and more dependence on funding from private sources.

Other Design Parameters

Several design parameters have already been commented upon, including approaches to strategy-making, decentralization of power and superstructure grouping of positions. Other design parameters such as design of individual positions and lateral linkages remain essentially the same in the new organization as in the organization prior to reorganization, with a few notable exceptions. With respect to individual positions, while job specialization and indoctrination remain essentially the same as before, behaviour formalization (through the use of decision-making authority and accountability statements for managerial positions) and training have been significantly strengthened. Lateral linkages such as soft control mechanisms of budget and enrollment variance, project team matrix structures, and liaison positions still remain. As has been noted earlier, the Operations Management Committee can be conceived as a type of lateral linkage device as can vice-presidents for their respective areas of responsibility (for example, the integrated request for proposal prepared by television operations and information services). Other lateral linkages are emerging, as the formation of the Program
Directors' Committee attests. Other cross-Agency committees have also been formed, such as the Council on Credit Assessment, to establish uniform, integrated policies on matters of transfer credit to the Agency and among its programs and provide consistent application of Credit Bank assessment mechanisms. It is anticipated that more liaison positions and committees will be established as the implementation of restructuring continues.

**Summary of the Reorganized Configuration**

In summary, many design parameters of the reorganized structure remain unchanged in comparison to the former structure. However, two significant changes have occurred. One major change has been made to the strategic apex (with the establishment of the Executive Committee and Operations Management Committee as well as changes to vice-presidential responsibilities); the net effect of this change is seen to be greater coordination and liaison among the various parts of the organization. The other significant change is articulation of decision-making authorities and responsibilities for all levels of managers within the organization, removing ambiguity of tasks which existed under the previous structure. In terms of Mintzberg's (1989) conceptual model, then, the configuration remains for the most part, innovative; however, overtones of a professional configuration are surfacing. The decentralization of decision-making, consistent with both configurations, still exists, but it appears to be moving away from the selective ("as needed") decentralization, typical of the innovative configuration, toward a more formalized full horizontal and vertical decentralization, particularly to the operating core, more typical of the professional configuration. Similarly, the establishment and clearer locus of responsibility of the Operations Management Committee to coordinate daily program operations and the Executive Committee to advise on policy matters suggests a strategic apex found in the professional form, concerned primarily with resolution of troublespots within the operating core and management of the organization's boundary. On
The Restructuring of OLA: Chapter 5

the other hand, the collective nature of the Operations Management Committee (as opposed to a single Chief Operating Officer) and the mixture of cross-Agency responsibilities held by each vice-president suggests a desire to maintain a more fluid form of strategic apex found in the innovative form, concerned with ensuring appropriate liaisons for projects at hand.

A Comparison of the Reorganized Structure with the Predicted Structure

Mintzberg's (1989) contingency and life cycle hypotheses pointed toward two options for restructuring of the organization: a transition toward a professional configuration; or a revitalization of its innovative configuration. In either case, politicization would likely also be present. Chapter 4 predicted a revitalization of the innovative form, assuming resistance by senior management to pressures to bureaucratize. As indicated earlier, the reorganized Agency structure appears to be essentially an innovative one; however, a professional configuration, as Mintzberg predicts, looms in its shadow. Based on the reservations expressed by the majority of senior management about the introduction of too much formal control usurping the Agency's creative ability to respond to new situations, it appears that there will be continued resistance of pressures to bureaucratize. Only time will tell whether the Agency can retain its unique ability to find innovative, novel educational solutions for its students, viewers and clients and resist falling into the comfortable niche of applying efficient, standardized approaches, typical of the professional form.
Conclusion for Chapter 5

Chapter 5 described the major differences between the reorganized configuration of OLA and its former configuration. Few differences were noted. As predicted, the configuration remains for the most part innovative; however, the advent of more formalized management procedures (Operations Management Committee, Executive Committee, operating entity mandate statements, accountability and decision-making authorities, and systematic performance measures) suggest characteristics of a more machine-like form, and the possibility to cede to pressures of a more bureaucratic, professional form.

Footnotes

2 OLA Board minutes, September 12-13, 1992.
3 Attachments to memo from Farrell to Members, Organizational Review Steering Committee and Members, Directors Group, February 3, 1992.
5 Memo from Farrell to all OLA staff, December 4, 1991.
7 ibid.
8 Memo from Farrell to Members, Organizational Review Steering Committee and Members, Directors' Group, February 21, 1992.
11 The title was changed as of August 5, 1992, to Technology and Educational Television, in keeping with the tradition of an ever-changing organizational chart!
12 Memo from Farrell to all staff, March 16, 1992.
Briefing paper re: OLA organization review. Attachment to memo from Farrell to Members, Organization Review Steering Committee and Members, Directors' Group, February 7, 1992.


Ibid.
Chapter 6: Summary and Conclusions
Introduction to Chapter 6

Chapter 6 briefly summarizes the study and draws four conclusions from it. The chapter also makes four recommendations for OLA with respect it new structure and finishes with suggestions for further research.

Summary of the Study

The study can be briefly summarized as follows. Chapter 2 provided definitions of what is meant by organizational structure for the purposes of the study and reviewed the literature of organizational theory, higher education and distance education for the internal and external forces that influence organizational structure. It also provided a rationale for the choice of Mintzberg's (1989) models and hypotheses as the basis for an integrative framework upon which to conduct the analysis of succeeding chapters. Chapter 3 presented a case study of the Open Learning Agency, its structure prior to reorganization, the internal and external forces acting upon it as seen through the eyes of its executive members and the key issues facing the organization, including the reasons for wanting to review the organizational structure in 1991. Chapter 4 analyzed the structure prior to reorganization and classified it as an example of Mintzberg's innovative configuration. The chapter also predicted an innovative configuration for the Agency's reorganized structure based upon Mintzberg's contingency and life cycle hypotheses. Chapter 5 presented an analysis of the reorganized structure that actually resulted and agreed with the prediction.
Conclusions

The problem to be addressed by this study was: How will the Open Learning Agency restructure to achieve its mandate and strategic direction?

The central question was divided into five subquestions:

1. What was OLA's configuration prior to reorganization?
2. What internal and external forces acted upon the current configuration to change it?
3. From a theoretical perspective, given these forces, what would be the predicted reorganized configuration for OLA?
4. What did the final reorganized configuration of OLA turn out to be?
5. What are the reasons for the lack of congruence, if any, between the predicted and final configuration?

The first four of the five subquestions have already been addressed by this study. The fifth subquestion and the central question remain. The conclusions address these now.

Conclusion 1: The innovative configuration is appropriate for the Agency in the pursuit of its mandate and strategic direction.

Though the innovative structure, in Mintzberg's (1989) opinion, is one of the most difficult to sustain in pure form because of its relatively loose and free-wheeling nature (p. 266), it is the configuration that among all Mintzberg's configurations has the greatest potential to enable the organization to achieve its mandate and strategic directions that it has set for itself. There are four justifications for this conclusion: (1) the superstructure (grouping of units) of the
innovative form has addressed, or has the potential to address, the six major issues which originally precipitated the need for organizational review; (2) of the possible life cycle transitions, revitalization of the innovative form was the most desirable; (3) of possible other configurations, the innovative form was most consistent with the Agency's context; and (4) the strategic apex has expressed support for the emergent configuration. Each of these reasons are considered in more detail below.

First of all, six issues (described in the case study of Chapter 3) originally precipitated a need for organizational review: unity within; the need for external perceptions of unity (unity without); the ambiguous role of Knowledge Network; need for improved use of technology; emphasis on marketability of products and services; and external environmental factors. Though an organizational structure can never be a panacea for resolution of all issues facing it, the superstructure of the innovative form has addressed, or has the potential to address, each one of them. The new clusters facilitate opportunities for collaboration among staff. Internal unity issues of fragmentation and competition among the programming components, reflected critical concerns for the structure prior to reorganization; the lack of prominence of programming components in the reorganized structure has served to de-emphasize this issue. Though changes to the program areas have not been as drastic as originally conceived in the first model for reorganization (i.e., program areas under the leadership of a single vice-president), the desire for improved integration has nevertheless had its effect. Evidence for it lies in the ad hoc evolution of the Program Directors' Committee where directors of program areas have set aside previous competition and differences in favour of a closer collective working relationships. The lack of a unified public image has also been addressed. The question of a federated model of separate entities versus a singular Agency which plagued the organization prior to its restructuring has been put to rest: the clusters within the structure of the Agency as it now exists reinforce the image of one comprehensive organization. Furthermore,
the consistency of strategic directions with vice-presidential responsibilities gives a coherence to the new structure, one which is more easily communicated and better understood by the public than the former structure. The ambiguity of the role of Knowledge Network has been removed through the separation of its programming and service roles. The creation of a general education programming area which is distinct from the television broadcast service and restriction of the Network label to refer solely to the television channel operation have served to reinforce a critical distinction between two unique aspects of the Agency's mandate. The need for more effective use of technology has been addressed by the convergence of the Agency's diverse technologies, previously distributed across the organization in a variety of departments, under the responsibility of one vice-president. Already the effect of this "merger" has been felt (for example, in the previously-described development of a request for proposal to vendors to provide for integrated learning centre technologies). Whether this convergence will emerge as a new sort of "mountain kingdom" in the Agency, however, remains to be seen. Similarly, emphasis on marketability of products and services has been achieved by the convergence of the Agency's diverse business development interests under the responsibility of one vice-president. External factors arising from a complex, diverse and dynamic environment have also been addressed. Greater attention to learner, viewer and client markets through the reorganization process and establishment of an Operations Management Committee have resulted in a structure of program operating responsibilities that is agile and manoeuvrable in response to environmental disturbances. Moreover, through the greater integration of the former Knowledge Network component, there is less likelihood that it can easily be peeled away from the Agency or the Ministry of Advanced Education.

Secondly, given the choices of configurations into which the Agency might have transformed according to Mintzberg's (1989) life cycle hypotheses, the revitalization of the innovative configuration was the most desirable. Certainly, a transition toward a politicized model and
eventual demise of the organization was an unacceptable outcome of an organizational review process. Though transition toward a professional configuration might have partially met some of the Agency's obligations toward fulfillment of its mandate, it is dubious that such a configuration would enable the Agency to continue to meet the lifelong learning needs of British Columbians in anything but a very narrow, standardized manner. As Paul (1990) warns, "by and large...institutions claiming to be open are simply more open than their more conventional counterparts on specified and quite limited dimensions of openness" (pp. 49-50). There is great danger among open learning organizations of refining and standardizing approaches to distance education in such a way that they ironically become just as rigid as their more "closed," conventional counterparts. Paul's central thesis is that "if our institutions are to be as open as we say they are (and it does not take very much insight to recognize that they are not), management must be open and driven by the same values which are represented in the organization's mission statements and strategic plans" (p. 53). If one subscribes to Paul's thesis, it follows that the novel solution-seeking, divergent-thinking character of the innovative organization should be much more inclined to open approaches than the professional form.

Thirdly, and following from the second point, the other configurations would not have adequately met the needs of the Agency in relation to its context. An entrepreneurial structure does not account for the complex nature of the organization's environment; moreover, the Agency is too large an organization to be governed by a simple structure. The machine and professional configurations are unable to accommodate the dynamic and unpredictable nature of the Agency's environment. The diversified form, an extension of the machine form, suffers from the same consequence; as well, divisionalization of the Agency into relatively autonomous units would contradict the interdependence of the Agency's parts and contravene the desire for unified, coherent whole.
Finally, executive members themselves expressed support for the reorganized structure. A more rational and understandable structure, it was felt that the organization was more likely to survive under the reorganized form. More particularly, it was felt by all that the organization's effectiveness was likely to be enhanced. Three reasons were stated. One reason was that greater attention was vested in the Agency's learners, viewers and clients by virtue of the restructuring and organizational review process. For example, the superstructure clustering and elevation of student support services to a vice-presidential level gave greater emphasis to a previously neglected and unorchestrated parts of the organization which had direct contact with learners. The clarification of the Knowledge Network's role, the separation of the television broadcast operation and corporate emphasis on management of the television service should enable a more coherent service for viewers of the television channel. The creation of a business development area comprehends clients that were previously served by disparate parts of the organization; the unit should enable more consistent approaches to marketing of products and services and formation of strategic partnerships and alliances. Another reason was the integration of related resources under vice-presidents and the more effective use of those resources through linking mechanisms such as the Operations Management Committee and the Program Directors' Committee. Lateral linkages of this nature which crisscross the organization are more prevalent in the innovative structure compared with other configurations. A final reason is that, through the implementation of empowerment principles, the organization should become a more satisfying place to work, particularly for individuals who enjoy creativity and innovation in their jobs. Decision-making power which can flow to wherever the relevant expertise resides within an organization is a hallmark of the innovative form.
Conclusion 2: OLA's configuration will be susceptible to the introduction of increasingly bureaucratic processes.

Mintzberg's (1989) sixth life cycle hypothesis suggests that at the developmental stage, given the choice between a professional and innovative configuration, younger organizations more frequently opt for the latter though some will be later inclined to make a transition to the former. The transition toward a professional configuration occurs as procedures get established, professionals of the operating core develop preferences and clients recur; "ad hoc development of novel solutions is replaced by the routine delivery of standardized ones" (p. 285). He notes that there are three issues associated with the innovative configuration: "its ambiguities and the reaction of people who must live with them, its inefficiencies, and its propensity to make inappropriate transitions to other configurations" (p. 217). Though many organizational members, especially those of creative persuasion, may dislike structural rigidity and concentration of power, not everyone shares these values. Indeed, even the most dedicated staff member can become frustrated with the fluidity and confusion that characterizes the innovative configuration. A yearning for greater structure, more clarity in reporting relationships and decision-making authorities and more efficient lines of communication is and will be a natural complaint of numerous employees in this organizational structure. Designed to do the extraordinary, the innovative configuration is not terribly competent at the ordinary and consequently, inefficiencies abound. One source of inefficiency lies in unbalanced workloads. Keeping expensive professionals busy 100 percent of the time on diverse projects is almost impossible and as a result, professionals may find themselves frequently between extremes of either too much work or too little, but rarely in-between. Another source of inefficiency is the high cost of communication: the plethora of liaison devices (personnel and committees) and the degree of input required from diverse parts of the organization in project team settings makes for lengthy (and therefore) costly decision-making. In response to ambiguity and inefficiency,
innovative organizations are frequently tempted to consider transitions to more stable, bureaucratic forms. An operating adhocracy which, in response to such pressures, selects a set of standard programs which it does best, reverts to a professional form. If it specializes in one lucrative market niche in which to mass produce, it reverts to a machine form. Administrative adhocracies which exist to innovate for themselves within their own industries and which convert to a more machine-like configuration risk eventual demise by having destroyed their very raison-d'être. Mintzberg (1989) warns that, in spite of the disadvantages of ambiguity and inefficiency, it is important for innovative organizations to resist inappropriate transitions into bureaucratic forms (either centralized or decentralized)—"in many spheres, society has more mass producers than it needs; what it lacks are true problem-solvers" (p. 219). Paul (1990) similarly cautions that "as organizations which must constantly change in response to societal needs, open universities must avoid institutionalizing open learning so that it becomes a new rigidity in itself" (p. 187).

The point has not been lost on executive members. In fact, the most common concern expressed by all of them was the potential danger of rigidity imposed by the new structure. In particular, executive members were concerned that rigorous definition of decision-making authorities and accountabilities not impede the flexible, innovative nature of the organization. One executive member indicated that it would be more desirable to risk duplication of effort than risk lost opportunities because no one had been deemed accountable within the organization. Farrell himself expressed concerns that empowerment if too narrowly interpreted could result in less communication and collaboration within the organization rather than more as originally intended.1 It remains to be seen whether liaison mechanisms such as Operations Management Committee will work successfully. Some executive members are doubtful that a "collective Chief Operating Officer" can produce anything but compromise decisions at best, especially considering that the players under the new structure are the same as those under the
former structure. Should the committee structure fail, Farrell has indicated that he would replace it with a single individual. Whether greater bureaucracy or less would occur as a result would be highly dependent on the management style of the individual selected.

On the other hand, some executive members wonder if the Agency structure attends well enough to its "bread and butter" market of learners, contending that despite the innovative directions it is seeking, the Agency is very much, in the main, an educational institution serving learners. If there is greater emphasis placed on this aspect of the Agency's mandate, particularly within the current climate of accountability and fiscal restraint, it is conceivable that a professional configuration which is more consistent with other educational institutions and more efficient in serving its learner markets might emerge. As well, vestiges of OLI, which, with a narrower distance education focus, was more machine-like in its approach, still linger. The inflexible Student Information Management System (SIMS) software is evidence of this; student service support staff who still long for the "good old days of OLI" when all courses were the same and procedures much simpler are another example. The unfolding of negotiations for the first collective agreement with the Open Learning Agency Tutors' Association (OLATA) reveals a propensity among the executive committee of the association, many of whom had their start in OLI, toward less flexible instructional arrangements and more usual "faculty" status with assurances of full-time employment, traditional rights such as regulation of curricular matters and traditional benefits such as regular, paid sabbaticals. Vestiges of the OLA's more bureaucratic predecessor will continue to be a significant force in the agency, pressing for greater standardization.
Conclusion 3: OLA's configuration will be susceptible to internal and external politicization.

Mintzberg (1989) notes that innovative configurations, because of inherent ambiguities combined with much interdependency, are prone to politicization and sometimes can become rather ruthless in nature, supporting only those who remain fit enough to weather the structure's fluidity (p. 218). The innovative form has relatively weak systems of authority but strong ones of expertise; thus, power tends to be distributed in a fluid way among many individuals. Due to the innovative configuration's work being so variable and its structure so organic, friction inevitably arises during the normal operation of the organization. Consequently, there is much room for political "games" (Mintzberg, 1989, pp. 238-240) and a propensity to play games that build narrow power bases (Mintzberg, 1989, p. 247). In the case of transitions between two expert configurations, from an innovative one to a professional one, experts of the operating core are likely to confront one another or to form a temporary "shaky alliance," one side representing creative adhocracy, the other stable professionalism (Mintzberg, 1989, p. 290). Innovative organizations are also characterized by their responsiveness to markets; sometimes they are too responsive and react too quickly to external changes which may again give rise to a political configuration, though Mintzberg (1989) suggests such a transition is likely to "reflect more a temporary difficulty and less a permanent shift to a state of decline" (p. 293) en route to more bureaucratic configuration.

The dangers of politicization, both from internal and external forces, exist at OLA. The formation of a coalition centred around the former Knowledge Network component and its predecessor, KNOW, is one example of internal politics in action. There are numerous examples of external political involvement, in particular, union movements, provincial government shifts and federal government changes. In May and June, 1991, the B.C. Government Employees' Union (BCGEU) sought a variance to incorporate Knowledge
Network employees into the existing collective bargaining unit at OLA. The College and Institutes Educators' Association (CIEA) through its affiliation with the Open Learning Agency Tutors' Association (OLATA) has become an increasingly significant pressure, both at the bargaining table and outside of negotiations. In the broader provincial context, the election of the NDP government has introduced recent changes in the composition of OLA's board, the effect of which is still indeterminate. Proposed labour code changes regarding expedition of first collective agreements are also bound to affect the union environment of OLA. At the federal level, a shift in federal jurisdictions over training and telecommunication to the province would also directly impact the Agency.

Conclusion 4: A structural approach has proven helpful in giving limited understanding of the organization, its issues and its choices for change.

The writer agrees in part with DeVries (1990) who arrived at a similar conclusion after application of Mintzberg's conceptual framework to the organizational structure of the Justice Institute of B.C. While examination of organizational structure can be likened to examination of moving targets (particularly in consideration of the innovative form), the strength of Mintzberg's conceptual framework is in the identification of the parts to look for - important features of any organizational structure. He has provided a route to follow, a way of making sense out of the multitude of patterns presented by study of organizations. Moreover, it is the identification of key organizational features relative to others rather than the absolute categorization of elements that appears to be the most significant aspect of analysis. For example, as has been demonstrated by this study, the Operations Management Committee can be interpreted in numerous ways as part of the Agency's structure: a collective coordinating mechanism overseeing the day-to-day operation; a centralized decision-making structure; or a lateral linkage device. What is important is not so much the categorization of this committee as
the insights gained upon review of the relative and diverse roles such a committee can play in
the organization. A better understanding of the forces which act upon an organizational
structure can, in turn, improve one's understanding of how to manage within such a structure.
This is what Merriam (1988) refers to as the "catalytic element in the unfolding of theoretical
knowledge" in qualitative, case study research (p. 57). As Mintzberg (1989) explains:

> Theories are used in management not to mirror reality but to help explain it. They
may do so deductively by helping us to slot the behavior into categories, but they
must also do so inductively by providing the concepts through which we can see
new things, and so make better diagnoses. (p. 268)

There are, however, some limitations of the structural approach. While a richly descriptive tool
which provides for broad analysis, it is limited at a more detailed level and does not account for
factors which may significantly affect a restructuring but cannot be specifically pinpointed in a
conceptual framework. The framework affirms the spectrum of environmental and managerial
influences on organizational structure and change. Indeed, when one strips away everything
else, the organizational model that is in place at the Agency today is the result of the
"perplexing 72-hour period" prior to the March board meeting where Farrell and his executive
colleagues fashioned an alternative to their original proposed model in the face of opposition
from a significant external force, the Ministry. What the conceptual framework does not, and
perhaps cannot, do is provide an analysis of the organization that provides more prescriptive
guidance for its managers. The Agency prior to reorganization had an innovative configuration
and if the conclusions of this study are correct, it ended up with an innovative form after
reorganization as well; yet it is clear that in the minds of the executive, problems existed in the
former structure which have now been addressed by the new structure (or in the very least,
solutions are better enabled by the new structure). What accounts for the difference? The first
model of reorganization proposed and the second model ultimately chosen were both similar in
configuration yet, in Farrell's mind, the second model represented only "three-quarters" of a
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...step toward the first model which he preferred. Again the broad identification of the configuration can only hint at the source of such issues but does little to explain the subtle differences that exist within configurations. It may be true that Mintzberg has broken the "genetic code" of organizational structure, but there appears much to be studied still in terms of "chromosomal variations." It is perhaps this limitation that gives rise to Mintzberg's (1989) creation hypothesis and LEGO analogy: "The truly great organization transcends convergence, congruence, configuration, and contradiction, while building on them to achieve something more" (p. 280). Mintzberg alludes to a forthcoming book which will explore examples of organizational LEGO played constructively with these forces (p. 281).

Nor does Mintzberg's conceptual framework adequately explain factors which may contribute immeasurably to the effectiveness of an organization's structure yet are not directly attributable to internal or external forces. Farrell speculates that "coordination of activity and synergy within the Agency has been aided considerably by propinquity of personnel" since the consolidation of staff under one roof at the Burnaby office in March, 1992. Would the organizational restructuring have been as effective had the Agency maintained three separate Lower Mainland sites? Changes in personnel and changes in operating styles of existing personnel are also factors which are difficult to attribute to any particular cause or effect. Have different responsibilities changed executives' attitudes toward their work, and consequently those who report to them? Or would these changes have naturally evolved without the restructuring effort? It is difficult to say, yet it seems that it is often less identifiable factors such as these which can have a profound influence on an organization's structure.
Recommendations for OLA

To recap, the four conclusions of the study are:

**Conclusion 1:** The innovative configuration is an appropriate configuration for the Agency in the pursuit of its mandate and strategic direction.

**Conclusion 2:** OLA's configuration will be susceptible to the introduction of increasingly bureaucratic processes.

**Conclusion 3:** OLA's configuration will be susceptible to internal and external politicization.

**Conclusion 4:** A structural approach has proven helpful in giving limited understanding of the organization, its issues and its choices for change.

If these are accepted as valid conclusions, several recommendations are suggested.

**Recommendation 1:** OLA management should take a significant role in assisting staff to understand the nature of the restructured organization in which they find themselves.

As previously mentioned, Mintzberg (1989) notes that the innovative configuration is one of the more difficult configurations to sustain, yet it is one that also has much potential for meeting challenges of the environment in which OLA finds itself. Ambiguity of role and certain inefficiencies are always going to be characteristic of innovative organizations; these disadvantages, however, are counterbalanced by the significant advantages of making truly innovative contributions. Rather than permitting staff to become frustrated with ambiguity and
inefficiency, it will be important to help staff become more accepting of these characteristics of the enterprise. This is not to suggest a laissez-faire approach to management, but rather, quite the opposite: orientations which provide a framework by which employees can make sense of the Agency's organizational reality; use of language and terminology consistent with the innovative form; staff celebration of the Agency's innovative educational achievements; continuous monitoring of training needs to meet new project challenges; continuous identification of liaison mechanisms that encourage the free flow of communication among staff and discarding of those mechanisms that have outlived their purpose. The crafting of a singular inspirational vision statement for the Agency, though a difficult task, would be useful guide for the day-to-day actions of staff. Paul (1990) describes the notion of an "open management" philosophy which is congruent with open learning principles; it is this congruence that the Agency should seek.

**Recommendation 2:** OLA management should ensure that any bureaucratic mechanisms introduced into the organization do not interfere with the organization's ability to innovate.

It is the Agency's innovative approaches that attract staff and clientele alike. Yet these very approaches engender ambiguity and inefficiency.

There will be driving forces from within and outside the organization which press toward greater bureaucratization and standardization of processes and outputs. While the need for efficiency in any organization is acknowledged, particularly in some departments more than others (financial accounts or the print shop, for example), attempts to put rigid procedures in place should be resisted to avoid the risk of losing creative potential. All procedures and processes will need to be scrutinized to ensure that flexibility of approach is ultimately guaranteed (Nielsen, 1990). Implementation of staff empowerment meant to enable flexibility
of individual positions has the potential for narrow, bureaucratic interpretation and as such, must be introduced with care and periodically revisited to ensure that the original intent has not been lost. The negotiation of the OLATA collective agreement will be particularly critical. A drive toward rigidly-defined positions described in terms of past or current technologies could reduce the flexibility and openness espoused by the Agency's name.

The success of the Operations Management Committee performing as a collective Chief Operating Officer will be particularly important to monitor. Its collective nature has the ability to either impede or accelerate bureaucracy at OLA. There are unanswered questions concerning its feasibility and perhaps a built-in "catch-22:" the Operations Management Committee is held collectively accountable for the smooth day-to-day program operation of the Agency which, in turn, is contingent on each vice-president's effective performance of his or her role; however, individually, vice-presidents report to the president on matters of performance. In the event of ineffective performance of any of its members, the Operations Management Committee may use informal persuasion but, in a contest of wills, would ultimately be at the mercy of the president to intervene. De facto, the president may become reinvolved in the very operational matters from which he sought to extract himself. Replacement of the collective chief operating officer function by a single officer could avoid the problem but may bring with it a more conventional hierarchy and, depending upon the individual who fills that role, increasing bureaucratic demands.
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**Recommendation 3:** OLA management should be especially sensitive to internal and external political influences on the organization.

Because of its innovative form, the Agency is particularly susceptible to political influence. The inefficiencies of developing creative, novel and unique educational opportunities as well as the inherent ambiguity of tasks performed within the innovative structure make it fertile ground for informal personal power and political influence, both internal and external, to germinate and grow. With regard to internal political influence, empowerment of employees through the specific definition of their decision-making authorities and accountabilities is aimed at countervailing the typically weak systems of authority found in innovative structures. However, for those inclined to take advantage of it, empowerment carries with it the potential for empire-building, or as Farrell put it, replacing one set of mountain kingdoms with another.\(^5\) Again it will be important to introduce empowerment and monitor its effects carefully. With regard to external political influence, the Agency should focus on four areas. First, it will be important to continue to educate Ministry staff at all levels with respect to the mandate and operation of the Agency. The more logical new structure may assist in efforts to help the Ministry grasp the nature and potential impact of the Agency's role in the post-secondary system. Secondly, the Agency should make a significant effort to sensitize those within the educational community to the potential of open learning and secure their commitment.\(^6\) Thirdly, the Agency should take steps to ensure that "alumni" of the Agency are regularly contacted to serve as advocates of open learning. Finally, the Agency should take care to ensure that diversification of its revenue sources designed to bring greater freedom and flexibility to the enterprise does not skew the services provided by the Agency to the narrow interests of a few stakeholders. Each contractual arrangement and partnership will need to be assessed on its own
merits—consistency with Agency mandate and strategic direction will be an important consideration. In all cases, a strong, unified corporate communication strategy with consistent messages will be critical.

**Recommendation 4:** OLA should engage in revitalization on an ongoing basis.

As an innovative form difficult to sustain, and just as McAuley (1986) predicted for the former structure, being in constant evolution, revitalization of the form will be necessary if it is to endure and not stagnate into a professional form, or worse, become politicized and eventually disappear. Revitalization here is used in Mintzberg's (1989) sense, that is, "a gradual process that operates within, reflecting the capacity of the organization to renew itself, in other words to change while maintaining its basic configuration" (p. 295). It is here that the politics characteristic of innovative configurations can be used in a positive manner to challenge the status quo and stimulate healthy change; it is also here that the strength of an organization's ideology assists in creating a culture that facilitates the acceptance of change. With regard to OLA, consideration should be given to four factors during a revitalization process. First, the process itself should not be long and drawn out. Executive members found the timelines of OLA's restructuring process (exceeding one year) counterproductive and stressful for the organization at large. Many issues were put on hold at the Agency to "wait and see what the reorganization would bring." Secondly, use and choice of external consultants should be weighed carefully. All executive members felt ambivalent toward the contribution of the consultants in OLA's restructuring process. Though the principal consultant had substantial acquaintance with the organization, it was felt that there was not sufficient understanding of the function and dynamics of the organization. Moreover, the consultants came with a preset rather traditional corporate organizational model in mind which many executive members deemed unsuitable and inapplicable for an enterprise such as that of the Agency's. Their rigid,
inflexible approaches to architecture of the organization and the processes within it appeared to be at odds with the open, flexible principles espoused by the Agency. The language used by the consultants grated on the ears of some executive members. Many executive members felt that the restructuring could have been more easily accomplished without the consultants' assistance. Thirdly, communication with staff about the process and results of revitalization should continue. Farrell wrote numerous memoranda to all staff concerning milestones in the restructuring process and conducted "President's Forum" meetings to respond directly to staff questions. Staff were invited to provide feedback on the originally proposed restructured model prior to presentation to the board. Though some executives would question the number of closed-door steering committee meetings on the reorganization issue and commented on the difficulty of consistent communication across three separate sites, the intent of openness of communication is consistent with the values of the organization and should be maintained. Fourthly, it should be noted that revitalization does not necessarily imply significant change to the superstructure (or groupings of units); indeed, such upheaval in an organization's life, because of the stress carried with it, should be limited and perhaps considered only as a last resort.

Recommendations for Further Research

The study and analysis suggest a number of areas that could merit further investigation with respect to the Agency itself, distance education theory, higher education theory, organizational theory and Mintzberg's conceptual framework.

With regard to OLA itself, this study is limited in two respects. First of all, the study of the restructuring of the organization has focussed upon the views of its executive members alone, albeit triangulated with archival data and personal observations of the writer. It would be
interesting to extend the study to include observations of those outside the strategic apex of the organization as well as dominant stakeholders in OLA's environmental context. Secondly, the study has concentrated upon a particular time periods, approximately July, 1991 through September, 1992, periods immediately preceding and following the May 1 announcement of the reorganized structure. It is difficult to make conclusive comments on the post-reorganized structure as several of its elements have yet to fall into place. A follow-up investigation may provide additional insights into the effectiveness of the organizational changes and determine if the Agency has been successful in maintaining the precarious innovative configuration.

With respect to organizational theory pertaining to distance education institutions, it has been noted that there is a scarcity of literature on this subject. Peters (1969, 1971, 1973, 1989), Perraton (1987), Rumble (1972, 1986) and others subscribe to an industrial model of distance educational institutions, suggesting that significant elements of a distance education organization have machine-like characteristics. Paul (1990) contrasts two categories of organizations termed "professional" and "bureaucratic" on dimensions of authority, rules, procedures, client treatment, technical competence, and personnel specialization (pp. 27-29) and similarly concludes, on the basis of his experience with Athabasca University, an autonomous distance teaching institution in Alberta, that:

...Open university rather more pointedly than most organizations incorporates two conflicting forces—the professional and the bureaucratic (Mintzberg's 'machine' category). In Mintzberg's terms, it is a professional organization with a significant machine organization embedded within it, with the interface between the two one of its most significant management challenges.

While Mintzberg's conception of a professional organization includes a 'machinelike' organization for the support staff who serve the professionals, in an open university, this bureaucratic component is far more prominent. Faculty autonomy is compromised by the course team concept and by the visibility of the course package (the teaching product). Such routinized functions as course production, the distribution of course materials and individualized student tracking and records systems impinge directly upon rather than merely support the teaching and learning process in the institution. Hence, open universities almost
uniquely represent the strongest tendencies of both orientations—the professional autonomy of university academics and the bureaucratic demands of a large publishing house and service organization. (p. 30)

Calvert (1986) comments that organizational models of autonomous Canadian distance education institutions are quite different from "dual-mode" campus-based institutions and in some ways from one another (p. 105). This study suggests that OLA has a different configuration from the open university configuration described by Paul (1990) and from the popular industrial, machine models of distance education literature. In this writer's opinion, the presence of machine-like forces in distance education institutions and their generalization to an overall structure appear to be an oversimplification subject to the same criticisms as Stroup's (1966) bureaucratic treatment of educational organization. It ignores the increasing convergence of traditional and distance forms of education, not to mention the burgeoning plethora of instructional technologies available to each. It would therefore be interesting to further research and classify configurations of other autonomous distance education institutions in search of their structural response to common issues facing them.

With respect to organizational theory pertaining to higher educational institutions, much literature has been devoted to four diverse models or forces of governance but comparatively less research has attempted to integrate the models into a common analytical framework. As described in Chapter 2, there is a sense that the models only provide a partial perspective on higher educational institutions.

Some researchers have been dissatisfied with the limitations of the four models and have sought to extend knowledge about higher education through the development of synthesized models. Hardy (1988), in the footsteps of Mintzberg, identifies a link between retrenchment strategies of six Canadian universities and their context. She extends Mintzberg's
configurations and argues that the category of professional bureaucracy is too broad to capture differences among university structures. She identifies six contexts (decentralized collegium, technocratic bureaucracy, federal bureaucracy, sectarian university, collegial bureaucracy and centralized collegium) and suggests a linkage among the retrenchment strategies chosen by the key decision-making groups (office of the president, deans, senate, board and faculty association) within the structure.

Similarly, Dennison and Levin (1989) propose a more complex model for analysis of change in educational organizations and apply it to 14 community colleges across Canada. The model consists of four dimensions: function of the college, based on McCartan (1983); mission, based on Dennison and Gallagher (1986) and Cross (1985); power configurations within the structure, based on Mintzberg (1983); and approaches to adaptation, based on Cameron (1984). Dennison and Levin (1989) point out that "discussions on change in the community college mainly adhere to the doctrine of internal direction, i.e., actions are rational, deliberate, and goal directed" (p. 19) as opposed to perspectives which emphasize external determination or middle ground between internal direction and external determination. They seek to extend and integrate these other perspectives in their model. For example, they note that Mintzberg's (1983) hypotheses on organizational environment have relevance to the community college: the dynamic environment implies a less bureaucratic, more flexible structure; the complex environment has implications for colleges with highly technical activities in that decisions and actions are dispersed among individual units rather than residing with one dominant group; the operation of multi-site campuses, student diversity and increased variety in curriculum and instruction stimulates creation of autonomous divisions within a community college; and labour disputes or severe financial constraints may push the college toward greater centralized control.
In each case, Mintzberg (1989) has provided a useful conceptual framework for the study of organizational structure within higher education but there is a sense that either finer distinctions or additional dimensions need to be introduced to truly understand differences among higher education institutions. In particular, as Paul (1990), Shale (1988), Farrell (1987) and others suggest, distinctions between distance and conventional educational institutions are gradually disappearing. A common theoretical framework as a basis for comparison of distance and conventional educational organizations would be a useful tool and possibly yield results that would enable better understanding of the operation of each.

With respect to organizational theory in general, suggestions of convergence among corporate and higher educational structures merit further investigation. Paul (1990) notes that:

As knowledge institutions in a knowledge society; as institutions which combine highly specialized professionals with large production systems; and as organizations dedicated to the application of new information technologies to the business of teaching and learning, open universities also provide case studies of interest to those concerned with such universal issues as leadership, management and organization. (p. 22)

Ironically, while some university academics continue to resist any challenge to the collegium, more and more businesses are emulating aspects of collegial models of governance and decision-making as they cope with the challenges of managing highly specialized professionals. (p. 56)

Again Mintzberg (1989) may provide a useful common basis of analysis by which to sort out commonalities and differences among corporate sector and higher education institutions and whether the notion that elements of management structures can be imported from one to another is more real than fanciful. Or is there a hybrid emerging in-between the two? It would be interesting to research the conjecture that open learning institutions are, in fact, a bridge between higher educational institutions and corporate sector structures. A corollary to this conjecture might be that open learning institutions are themselves merely a transitional
structure, symptomatic of a major shift occurring for organizations of all sectors toward the so-called knowledge organization.

With respect to Mintzberg's (1989) conceptual framework itself, there is room for continued case study research, particularly with respect to Mintzberg's provocative life cycle and contingency hypotheses. As well, given the whimsical yet powerful impact of political factors and personalities of leaders on an organization, further study into the overlay of the political configuration upon other configurations might assist in discerning obstacles to effective management of organizations and their cultures.

**Conclusion for Chapter 6**

Mintzberg's (1989) conceptual framework of organizational configurations as well as his contingency and life cycle hypotheses have been useful instruments in making sense of what is often a most tumultuous time for any organization: structural change. They not only identify appropriate congruencies between a structure and its context but point toward likely options for transition. Managers and administrators of higher education institutions would do well to retain such instruments within their repertoire if they wish to manage more proactively than reactively.

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**Footnotes**

1 Farrell, interview, August 19, 1992.
2 ibid.
3 ibid.
4 ibid.
5 ibid.
6 John Dennison, Faculty of Higher Education, UBC, makes the same point in a February 4, 1991 letter to Farrell in response to a request to review the Agency's strategic plan.
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The Restructuring of OLA: References


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Nielsen, M.L. (1990, June). The Open Learning Agency: Only the beginning! In D. Hornblow and K. Stevens (Eds.), The learner: Proceedings of the seventh annual conference of the Distance Education Association of New Zealand (pp. 466-475). Lower Hutt, New Zealand: The Open Polytechnic of New Zealand.


The Restructuring of OLA: References


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Appendix 1:
Primary interviews conducted by the writer


Mugridge, Ian: Director of University Programs, OLI (1979-83); Dean of Academic Affairs, OLI (1979-87); Vice-President, OLA and Principal, Open University (1988-1992); Vice-President, Student Support and Open University, OLA (1992- ). Interview dates: February 10 and August 5, 1992.


Appendix 2:  
Interview questions and pre-interview questionnaire

Pre-interview questionnaire

About the current structure

1. In your opinion, what positions within the organization currently perform the basic work of OLA with respect to its mandate?

For questions 2 through 10, please circle the letter of one or more of the phrases which best apply. A space is provided if you wish to make further comment concerning your response.

2. How are activities currently coordinated within the organization?
   a. Most activity is coordinated by means of informal communication.
   b. Activity is coordinated by means of direct supervision where a supervisor is responsible for one or more subordinates.
   c. Work processes used throughout the organization have been standardized to ensure coordination.
   d. Coordination is achieved through the use of performance targets and specification of products or services.
   e. We rely on the specialized training and professional standards of each position to ensure coordination.
   f. Because we all subscribe to the same norms and vision, this is our main way of coordinating our activities.
   g. We do not really have any mechanisms to coordinate our activities.

3. Who currently holds the majority of power within OLA?
   a. The Executive Council
   b. Middle managers of the organization (such as directors and coordinators)
   c. Those who perform the basic work of the Agency (named in Question 1)
   d. Those who regulate the operation of the organization and define standards for it (such as budget analysts, quality control committees, information services personnel, accountants)
   e. The support staff (such as secretaries, human resources personnel, corporate lawyer)

4. What is the organization's current approach to centralization/ decentralization of power?
   a. Power is centralized within Executive Council.
   b. Power is shared between Executive Council and those who regulate the organization's activities.
   c. Power is delegated to the middle managers.
d. Power rests with those who perform the basic work of the organization (named in
   Question 1)
e. Power is dispersed to various people within the organization who work in teams at
   various levels within the hierarchy.
f. Power is shared more or less equally among all members of the organization.
g. It is impossible to say - it changes daily.

5. How would you characterize OLA's basic approach to strategy-making?

   a. It is broadly understood but details of the strategy are allowed to emerge over time.
   b. There is considerable resistance to any significant strategic change.
   c. Executive Council manages three separate strategies for each component.
   d. The basic strategy is stable but the details of the strategy are somewhat fragmented
      and continually changing.
   e. Strategy-making is basically a "grassroots" process at OLA: it emerges from the
      bottom of the organization and is shaped rather than directed by management.
   f. We have a clear, inspiring vision to which everyone subscribes.
   g. Strategic decisions are made primarily on the basis of self-interest of the power-holders.

About the desired organization

6. In your opinion, what positions within the organization should perform the basic work of
   OLA with respect to its mandate?

   a. Senior management
   b. Middle managers of the organization
   c. Those who perform the basic work of the Agency (named in Question 1)
   d. Those who regulate the operation of the organization and define standards for it
      (such as budget analysts, quality control committees, information services personnel, accountants)
   e. The support staff (such as secretaries, human resources personnel, corporate lawyer)

7. How should activities be coordinated within the organization?

   a. Most activity should be coordinated by means of informal communication.
   b. Activity should be coordinated by means of direct supervision where a supervisor is
      responsible for one or more subordinates.
   c. Work processes used throughout the organization should be standardized to ensure
      coordination.
   d. Coordination should be achieved through the use of performance targets and
      specification of products or services.
   e. We should rely on the specialized training and professional standards of each
      position to ensure coordination.
   f. We should all subscribe to the same norms and vision as our main way of
      coordinating activities.
8. Who **should** hold the majority of power within OLA?
   a. Senior management
   b. Middle managers of the organization (such as directors and coordinators)
   c. Those who perform the basic work of the Agency
   d. Those who regulate the operation of the organization and define standards for it (such as budget analysts, quality control committees, information services personnel, accountants)
   e. The support staff (such as secretaries, human resources personnel, corporate lawyer)

9. What **should** be the organization's approach to decentralization of power?
   a. Power should be centralized within senior management.
   b. Power should be shared between senior management and those who regulate the organization's activities.
   c. Power should be delegated to the middle managers.
   d. Power should rest with those who perform the basic work of the organization (named in Question 1).
   e. Power should be dispersed to various people within the organization who work in teams at various levels within the hierarchy.
   f. Power should be shared more or less equally among all members of the organization.

10. What **should** be OLA's basic approach to strategy-making?
    a. It should be broadly understood but details of the strategy should be allowed to emerge over time.
    b. There should not be any significant strategic change - status quo should be maintained.
    c. Senior management should manage separate strategies for each market served.
    d. The basic strategic goal should be stable but the details of the process to arrive at the goal must continually be adapted.
    e. Strategy-making should emerge from the bottom of the organization and be shaped rather than directed by management.
    f. A clear, inspiring vision to which everyone subscribes is all we need.

11. Are there particular organizational structures you admire? Why?
Pre-Restructuring
Interview follow-up questions

About the current structure

Review of responses to questionnaire completed prior to interview.

About the desired organization

Review of responses to questionnaire completed prior to interview.

About the forces for change

1. In your opinion, what are the key issues facing OLA which have precipitated the need for reexamining the structure?

2. What historical factors influence OLA's structure?

3. What strategic choices influence OLA's structure?

4. How would you characterize the external environment of OLA? (Choose which phrases best apply and give examples, if possible.)
   a. Dynamic
   b. Stable and predictable
   c. Complex—demands are not always rationalizable
   d. Simple
   e. Diverse markets
   f. Singular or integrated market
   g. Hostile
   h. Placid

5. What external controls (e.g., governments, the Board, business and industry) exist for OLA?

6. How great a control does each body named in #5 exert?

7. Do the external controls named in #5 represent a solid or divided front? In other words, does OLA find itself serving one or a number of masters?
Post-restructuring Interview Questions

1. In your opinion, what are the most significant organizational and structural changes that occurred in the May 1 reorganization of OLA?

2. In particular, what has changed (or is expected to change) in the organization with respect to:
   a. Work of the:
      i. Executive Committee?
      ii. Middle managers of the organization?
      iii. Those who perform the basic work of the organization (viz. those involved in the development and delivery of courses and programming for learners and viewers)?
      iv. Those who regulate the operation of the organization and define standards for it (such as budget and accounting personnel, information services personnel)?
      v. The support staff (such as secretaries, clerical support, warehouse personnel)?
   b. Coordination of activities within the organization?
   c. Distribution of decision-making power within the organization?
   d. The organization's approach to strategy-making?
   e. The environmental context of the organization?
   f. External controls of the organization?

3. If you could have done the restructuring process over again, what might you have done differently?

4. What effect do you believe the restructuring will have on OLA and its work?
Appendix 3:
Organization charts

Figure 1

OLA ORGANIZATIONAL STRUCTURE
(prior to May 1, 1992)

MINISTRY

BOARD

PRESIDENT
Glen Farrell

EXECUTIVE DIRECTOR
INSTITUTIONAL RESEARCH & INTERNATIONAL EDUCATION
Tony Bates

VP\(^1\)
PRINCIPAL OC
Dick Scales

VP\(^2\)
PRINCIPAL OU
Ian Mugridge

VP\(^3\)
GENERAL MGR KN
Lucille Pacey

VP\(^4\)
ADMINISTRATION
Sid Segal

1. Agency responsibility: Access services
2. " " : Registry
3. " " : Marketing
4. " " : Strategic planning
PROPOSED ORGANIZATION MODEL
(January, 1992)
Figure 4

ORGANIZATION CHART
(August 5, 1992)

OPEN LEARNING AGENCY

Board of Directors

Open Learning Foundation

Resource Development
G. McNeil

President & CEO
G. Forst

Communications & External Relations
G. McNeil

V.P. Business Development & College Programs
D. Ennis

V.P. Student Support & Open University
E. Drayton

V.P. Administration & Human Resource Development
S. Engle

V.P. Technology & Educational Television
C. Perry

Human Resource
A. Stewart

Finance
L. Lawy

Planning
F. Higgins

General Education
B. Jone

Molds T.Y.
C. Young

Open University

V.P. Resource Management
A. Stewart

Budget
G. Olw

Academic Studies
S. Iwam

Library
C. Pappas

Research
D. Block

Planning

Business Development Group

Innovations
K. Rodgers

Regional Centre

Facilities
D. Hughes

International

Trade & Technology
Health & Human Services

Innovation Development
M. Iwam

Workplace Training Systems
G. McNeil
### Table 1: Forces on Organizational Structure (Spectrum of Organizational Theory Perspectives)

<table>
<thead>
<tr>
<th>POPULAR ECOLOGY (NATURAL SELECTION)</th>
<th>STAGES OF GROWTH (LIFE CYCLES)</th>
<th>STRATEGIC CHOICE</th>
<th>MANAGERIAL INFLUENCE (SYMBOLIC ACTION)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Environmental Uncertainty</strong></td>
<td><strong>Life Cycle</strong></td>
<td><strong>Creation of Environment by Organization</strong></td>
<td><strong>Classical Perspective</strong></td>
</tr>
<tr>
<td>• Burns &amp; Stalker (1951)</td>
<td>• Haier (1975)</td>
<td>• Child (1972); Pfeffer &amp; Salanick (1978); Leondakis (1983)</td>
<td>• Taylor (1911)</td>
</tr>
<tr>
<td>- stable environment</td>
<td>- 5 stages: birth, growth, maturity, revival, decline</td>
<td>- &quot;strategic choice&quot; of managers</td>
<td>- scientific principles of management</td>
</tr>
<tr>
<td>- unstable environment</td>
<td>- different structures</td>
<td>- Weick (1969, 1977)</td>
<td>- Weber (1947); Fayol (1949); Mooney (1942); Lorsch (1942)</td>
</tr>
<tr>
<td>• Lawrence &amp; Lorsch (1967); Thompson (1967); Parsons (1967)</td>
<td>• Lipsh (1965)</td>
<td>- &quot;environmental enactment&quot;</td>
<td>- bureaucratic structure appropriate for all organizations</td>
</tr>
<tr>
<td>- couples environment</td>
<td>- 3 stages: birth, youth, maturity</td>
<td>- organizational &quot;callouts&quot;</td>
<td>- does not fit with evidence to contrary</td>
</tr>
<tr>
<td>- increased differentiation and integration</td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>• Hannan &amp; Freeman (1977)</td>
<td><strong>Developmental Stages</strong></td>
<td><strong>Effect of Strategy on Structure</strong></td>
<td><strong>Syntropic Action Perspective</strong></td>
</tr>
<tr>
<td>- unstable environment</td>
<td>• Chandler (1962)</td>
<td>• Chandler (1962); Fournier &amp; Steptoe (1968)</td>
<td>• Peters &amp; Waterman (1982)</td>
</tr>
<tr>
<td>- generalist structure</td>
<td>• Type I, II, III organizations: single owner; bureaucratic, divisionalized</td>
<td>- domain defenses, domain offensives, domain creation</td>
<td>- eight principles of excellence</td>
</tr>
<tr>
<td>- change in niche size</td>
<td>- single business (small, dominant product) &amp; multi-business (related, unrelated product) styles</td>
<td>- &quot;second order change&quot; or &quot;organizational transformation&quot;</td>
<td>- &quot;second order change&quot; or &quot;organizational transformation&quot;</td>
</tr>
<tr>
<td>- specialist structure</td>
<td>• Grothus (1972); Elgin (1977); Miller &amp; Friesen (1983); Cameron &amp; Whetten (1987)</td>
<td>- &quot;bounded rationality&quot; of managers</td>
<td>- ascribes too much power to managers and ignores uncontrollable internal and external constraints</td>
</tr>
<tr>
<td>- change in niche shape</td>
<td>- creativity, direction, delegation, coordination, collaboration stages</td>
<td>• Argyris (1974)</td>
<td>- has potential for manipulation and politicization of organization</td>
</tr>
<tr>
<td>- generalist structure</td>
<td>• Miller &amp; Friesen (1980)</td>
<td>• March &amp; Simon (1958); Cyert &amp; March (1963); Thompson (1967)</td>
<td>- views &quot;organizational culture&quot; as distinct, controllable entity</td>
</tr>
<tr>
<td>• Miles &amp; Snow (1978)</td>
<td>- Archetypes of organizational transition</td>
<td>• &quot;bounded rationality&quot; of managers</td>
<td>- does not explain how syntropic action affects structure</td>
</tr>
<tr>
<td>- stable environment</td>
<td>• Mintzberg (1980)</td>
<td>• March &amp; Simon (1958); Cyert &amp; March (1963); Thompson (1967)</td>
<td>-</td>
</tr>
<tr>
<td>- bureaucratized, centralized structure</td>
<td>- formation, development, maturity, decline, turnaround or revitalization stages</td>
<td>• &quot;bounded rationality&quot; of managers</td>
<td>-</td>
</tr>
<tr>
<td><strong>Technology</strong></td>
<td><strong>Critique</strong></td>
<td><strong>Effect of Structure on Strategy</strong></td>
<td><strong>Syntropic Action Perspective</strong></td>
</tr>
<tr>
<td>• Woodward (1965)</td>
<td>• overspecification of biological analogy</td>
<td>• March &amp; Simon (1958); Cyert &amp; March (1963); Thompson (1967)</td>
<td>• Peters &amp; Waterman (1982)</td>
</tr>
<tr>
<td>- unit production</td>
<td>- disregards tremendous variation among organization life cycle patterns</td>
<td>• &quot;bounded rationality&quot; of managers</td>
<td>- eight principles of excellence</td>
</tr>
<tr>
<td>- flexible structure</td>
<td>- disregards mergers as means of growing</td>
<td>• March &amp; Simon (1958); Cyert &amp; March (1963); Thompson (1967)</td>
<td>• Levy &amp; MacIver (1961); Ranso, Hittman &amp; Greenwood (1982); Bartunik (1984)</td>
</tr>
<tr>
<td>• Pareto (1967); Thompson (1967); Parsons &amp; Woodward (1967)</td>
<td></td>
<td></td>
<td>- &quot;second order change&quot; or &quot;organizational transformation&quot;</td>
</tr>
<tr>
<td>- control and coordination imposed by technology affects structure</td>
<td></td>
<td></td>
<td>- ascribes too much power to managers and ignores uncontrollable internal and external constraints</td>
</tr>
<tr>
<td>• Van de Ven et al (1975)</td>
<td>- &quot;contingency&quot; or &quot;situational&quot; factors</td>
<td>• &quot;bounded rationality&quot; of managers</td>
<td>- has potential for manipulation and politicization of organization</td>
</tr>
<tr>
<td>- task uncertainty, workflow interdependence, submit size affect communication style within structure</td>
<td></td>
<td></td>
<td>- views &quot;organizational culture&quot; as distinct, controllable entity</td>
</tr>
<tr>
<td>• Mintzberg (1979)</td>
<td>- &quot;second order change&quot; or &quot;organizational transformation&quot;</td>
<td>• &quot;bounded rationality&quot; of managers</td>
<td>- does not explain how syntropic action affects structure</td>
</tr>
<tr>
<td>- age and size, technical systems, environment, external powers affect structure</td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td><strong>Critique</strong></td>
<td></td>
<td><strong>Effect of Structure on Environment</strong></td>
<td><strong>Syntropic Action Perspective</strong></td>
</tr>
<tr>
<td>• Mintzberg (1979)</td>
<td><strong>Effect of Structure on Environment</strong></td>
<td>• March &amp; Simon (1958); Cyert &amp; March (1963); Thompson (1967)</td>
<td>• Peters &amp; Waterman (1982)</td>
</tr>
<tr>
<td>- age and size, technical systems, environment, external powers affect structure</td>
<td></td>
<td>• &quot;bounded rationality&quot; of managers</td>
<td>- eight principles of excellence</td>
</tr>
<tr>
<td><strong>Critique</strong></td>
<td><strong>Effect of Structure on Environment</strong></td>
<td>• March &amp; Simon (1958); Cyert &amp; March (1963); Thompson (1967)</td>
<td>• Levy &amp; MacIver (1961); Ranso, Hittman &amp; Greenwood (1982); Bartunik (1984)</td>
</tr>
<tr>
<td>• Mintzberg (1979)</td>
<td>• focus too much on internal forces and ignores external forces</td>
<td>• &quot;bounded rationality&quot; of managers</td>
<td>- &quot;second order change&quot; or &quot;organizational transformation&quot;</td>
</tr>
<tr>
<td>- age and size, technical systems, environment, external powers affect structure</td>
<td><strong>Critique</strong></td>
<td>• &quot;bounded rationality&quot; of managers</td>
<td>- ascribes too much power to managers and ignores uncontrollable internal and external constraints</td>
</tr>
<tr>
<td>- external environment</td>
<td>• failure to highlight strategic importance of strategy and structure as determinants of effective organizational performance</td>
<td>• &quot;bounded rationality&quot; of managers</td>
<td>- has potential for manipulation and politicization of organization</td>
</tr>
<tr>
<td>- environmental&quot;</td>
<td>• does not explain the relationship between strategy and structure</td>
<td>• &quot;bounded rationality&quot; of managers</td>
<td>- views &quot;organizational culture&quot; as distinct, controllable entity</td>
</tr>
</tbody>
</table>

**Notes:**
- "Situational" refers to the situational approach to management, which emphasizes the importance of the context in which management decisions are made.
- "Organizational ecology" refers to the study of the external environment and how it affects the organization.
- "Archetypes of organizational transition" refer to the different stages a business goes through as it matures.
- "Second order change" refers to changes that occur at a deeper level within an organization, often requiring changes in the fundamental assumptions of the business.
- "Organizational transformation" refers to fundamental changes in an organization's structure, mission, or strategy.

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### Table 2:
**FORCES ON ORGANIZATIONAL STRUCTURE**
*(SUMMARY OF HIGHER EDUCATION PERSPECTIVES)*

<table>
<thead>
<tr>
<th>BUREAUCRATIC MODEL</th>
<th>COLLEGIAL MODEL</th>
<th>POLITICAL MODEL</th>
<th>ANARCHIC MODEL</th>
</tr>
</thead>
</table>
- hierarchical administrative bureaucracy
- rational decision-making and standard operating procedures
- community of peers
- shared decision-making (by consensus)
- fragmented, complex federation of professionals
- decision-making through negotiation and political influence
- conflict seen as natural and necessary for organizational change
- "organized anarchy"—lack of coherent structure
- fluid participative and "garbage can" approaches to decision-making

**Critique**
- does not adequately explain teaching and research functions
- does not adequately explain process of planning and decision-making
- fails to acknowledge contribution of professional autonomy and hierarchical position
- fails to acknowledge informal power
- is too normative
- fails to explain decision-making in times of crisis
- fails to explain bureaucratization through collective bargaining (faculty unions)
- provides only a partial view
- underestimates role of environmental and organizational structural factors
- fails to distinguish power of leaders and faculty
- "excuses" mismanagement and places too much emphasis on implicit organizational characteristics
- dismisses institutional competitiveness and calls for accountability
- fails to explain strategy formulation in higher education structures

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Table 3: Comparison of Mintzberg's Configurations

<table>
<thead>
<tr>
<th>Configuration</th>
<th>Entrepreneurial (Simple)</th>
<th>Diversified (Divisionalized)</th>
<th>Professional (Militaristic)</th>
<th>Innovative (Adhocracy)</th>
<th>Missionary</th>
<th>Political</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type of Control</strong></td>
<td>Direct supervision by strategic apex</td>
<td>Standardization of work processes by technostructure</td>
<td>Standardization of output by middle line</td>
<td>Standardization of skills or knowledge of operating core</td>
<td>Mutual adjustment, dominated by support staff</td>
<td>Standardization of norms through subscription to common ideology</td>
</tr>
<tr>
<td><strong>Structure</strong></td>
<td>Centralized, personal control by CEO</td>
<td>Limited horizontal decentralization</td>
<td>Limited parallel and vertical decentralization</td>
<td>Full horizontal and vertical decentralization to operating core</td>
<td>Selective decentralization</td>
<td>Purest form of decentralization</td>
</tr>
<tr>
<td><strong>Context</strong></td>
<td>Simple, flexible</td>
<td>&quot;Centralized bureaucracy&quot;</td>
<td>Central headquarters, market-based divisions</td>
<td>&quot;Decentralized bureaucracy&quot;</td>
<td>Fluid and organic</td>
<td>Can evolve own configuration or be overlaid on other configurations</td>
</tr>
<tr>
<td><strong>Strategy</strong></td>
<td>Simple, dynamic (usually young organization)</td>
<td>Diverse markets (usually large, mature, risk-adverse organizations)</td>
<td>Corporate strategy managed by central headquarters; individual business strategies managed by divisions</td>
<td>Overall strategy stable but details fragmented and continually changing</td>
<td>&quot;Grassroots&quot; strategies emerge from bottom of organization and are shaped rather than directed by management</td>
<td>Pursuit of clear, inspiring mission to which all subscribe out to change world rather than itself</td>
</tr>
<tr>
<td><strong>Issue</strong></td>
<td>Responsive to environment</td>
<td>Resistance to strategic change: change in configuration required to effect strategic change</td>
<td>Corporate strategy managed by central headquarters; individual business strategies managed by divisions</td>
<td>Overall strategy stable but details fragmented and continually changing</td>
<td><em>Grassroots</em> strategies emerge from bottom of organization and are shaped rather than directed by management</td>
<td>Pursuit of clear, inspiring mission to which all subscribe out to change world rather than itself</td>
</tr>
<tr>
<td><strong>Examples</strong></td>
<td>Small manufacturing firm</td>
<td>Major automobile company</td>
<td>Business corporation</td>
<td>Hospitals</td>
<td>Space agencies</td>
<td>Kibbutz</td>
</tr>
<tr>
<td></td>
<td>Aggressive entrepreneurship</td>
<td>Major airline organization</td>
<td>Government</td>
<td>Universities</td>
<td>Universities</td>
<td>Volunteer organization</td>
</tr>
<tr>
<td></td>
<td>New government department</td>
<td>Fast food chain</td>
<td>Education (&quot;multiversity&quot;)</td>
<td>Social work agencies</td>
<td>Social work agencies</td>
<td>Religious sects</td>
</tr>
<tr>
<td></td>
<td>Fire service</td>
<td>&quot;High tech&quot; product design firms</td>
<td>&quot;Operating&quot; perform contract</td>
<td>Rock music recording company</td>
<td>Rock music recording company</td>
<td>Revolutionary organization</td>
</tr>
</tbody>
</table>
Appendix 5:
Terms of reference for Executive Committee and Operations Management Committee

Executive Committee
Terms of Reference

The Executive Committee provides advice and assistance to the President in the development, implementation, and coordination of management functions to ensure achievement of the objectives of the organization as established by the Board, articulated by legislation, and specified or inferred by policy directives of the Minister.

The Committee is chaired by the President and is accountable to him for fulfilling its mandate.

Regular Committee membership will include all designated executive leadership positions (currently the Vice-President, Student Support and Open University; the Vice-President, Business Development and Open College; the Vice-President, Technology, Television and General Education; the Vice-President, Administration and Human Resource Development; the Executive Director, Research and Strategic Planning) and the President. Other staff may be called upon to attend meetings to assist the Committee in its deliberations.

In fulfilling its mandate the Committee may advise the President on the following:

1. Development of priorities, policies and parameters governing the implementation of OLA directional and strategic plans, and for the development and implementation of such plans throughout the organization.

2. Review, approval, monitoring, assessment and modification of OLA directional and strategic plans.

3. Approve missions and mandates for the Program, Operating and Corporate Units to ensure adherence to OLA directional and strategic plans and priorities.

4. Establishing the corporate organization structure and management processes.

5. Establishing and enforcing appropriate corporate level empowerment and decision interactions and effective linking mechanisms; ensuring that similar interactions and mechanisms are established throughout the organization.

6. Review, approval, monitoring and modification of OLA regulations, policies, procedures, and systems to guide the activities of the organization and ensuring the establishment of complementary approaches by all Program, Operating and Corporate Units.
7. Development of strategies, plans and priorities for the acquisition of resources required for achievement of OLA objectives. Determination of the priorities, parameters and empowerment within which resources will be allocated, including the establishment of special or discretionary 'funds'.

8. Establishment or approval of Agency projects deemed suitable for organization-wide involvement or for support from any corporate funds established for such purposes.

9. Development and articulation of ethical and professional values within which the organization will operate and establishment of mechanisms to ensure adherence to these values throughout the organization.

10. Review, approval and monitoring of mechanisms designed to foster the synergistic capabilities within the organization.

11. Reinforcing the concept that employees at all levels are expected to seek ways they can support and assist others to be effective.

12. Developing mechanisms, policies and procedures to ensure the effectiveness of its own activities and for governance of the behaviour of its members and for taking corrective action as required.

*Approved: 19 May 1992*
The Restructuring of OLA: Appendix 5

Operations Management Committee
Terms of Reference

The Operations Management Committee is responsible for the integration, coordination and collaboration of the joint activities of the Program Operating Units and the operating units which primarily support them - the Student Support and Business Development Groups. The Operations Management Committee is collectively accountable to the President as would be a single individual in the capacity of Chief Operating Officer.

The membership of the Operations Management Committee will include the Vice-President, Business Development and Open College; the Vice-President, Student Support and Open University; the Vice-President, Technology, Television and General Education; the Vice-President, Administration and Human Resource Development (Chief Financial Officer); and the President (ex-officio).

The Operations Management Committee will

1. Ensure integration, coordination and collaboration in the development and implementation of the strategic and operating plans of the Program Operating Units and the Student Support and Business Development Groups.

2. Ensure that empowerment, decision and linking mechanisms are prescribed and enforced within, between and among the Program Operating Units and the operating units which primarily support them.

3. Identify and recommend resource requirements and, within approved corporate policies and allocated resources, determine priorities and allocate resources (funds, staff, equipment) among the Program Operating Units and the Student Support and Business Development Groups.

4. Distribute the Development Fund, authorized by the Executive Committee, in accordance with corporate policies and priorities.

5. Foster and ensure appropriate use of technology within, between and among the Program Operating Units and require evaluation of this activity.

6. Ensure the development of effective mechanisms for resolving operational problems, disputes and misunderstandings between and among component parts of the Program Operating Units and the Student Support and Business Development Groups.

7. Develop proposals for projects deemed suitable for Agency-wide involvement or for support from the Corporate Project Fund.

8. Develop mechanisms, policies and procedures to ensure the effectiveness of its own activities and for governance of the behaviour of its members, including implementation of mechanisms for regular monitoring and assessment of overall Committee activities.

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Appendix 6:
Program entity mandate statements

GENERAL EDUCATION PROGRAM UNIT

Mandate

The Open Learning Agency will, through the General Education Program unit:

- Offer television programs to child and adult viewers within priority target groups that meet the educational objectives of established thematic areas.

- Collaborate with other Agency program units in the development and delivery of educational television programs.

- Collaborate with other broadcasters, independent producers, government agencies and institutions, and community groups to produce, acquire and utilize educational television programs.

- Provide enhanced learning opportunities that complement and add value to the Agency's television programs and enable certification as appropriate.

- Collaborate with other bodies to maximize use of the Credit Bank relative to accreditation of non-formal learning.

- Generate revenues over and above those provided by the Agency through approved fund-raising mechanisms.

June 3, 1992
OPEN UNIVERSITY

Mandate

The Open Learning Agency will, through the Open University:

- Offer courses leading to university degrees awarded by the Open University.
- In collaboration with other institutions, offer courses leading to degrees and qualifications in other particular fields of study.
- Provide continuing education programs for professionals who obtain their qualifications at the university level.
- Collaborate with other bodies to maximize use of the Credit Bank, relative to credentialing at the university level.
- Generate revenues, in addition to those provided by the corporation, through various corporately approved fund-raising mechanisms.

June 25, 1992
OPEN COLLEGE

Mandate

The Open Learning Agency will, through the Open College:

• Provide programs for learners in the workforce to acquire, maintain and upgrade workplace related skills and knowledge.

• Offer courses leading to certificates and diplomas awarded by the Open College.

• In collaboration with other bodies, offer courses leading to certificates, diplomas and credentialing in other institutions.

• Collaborate with other bodies to maximize use of the Credit Bank, relative to credentialing in workforce training.

• Generate revenues, in addition to those provided by the corporation, through various corporately approved fund-raising mechanisms.

June 25, 1992
Appendix 7:
Accountability statements and decision-making authorities for vice-presidents

VICE-PRESIDENT TECHNOLOGY
AND EDUCATIONAL TELEVISION

MAJOR ACCOUNTABILITIES

Accountable to the President for the development and implementation of plans, strategies, policies and programs, including financial and other resources, governing: general education and school-oriented program activities; the Agency's television service, the Knowledge Network; and broadcast, audio and video production, electronic networking, and technological support services required to achieve the Agency's directional and strategic objectives.

SPECIFIC ACCOUNTABILITIES

General Education - accountable for:

1. Ensuring the development of directional, strategic and annual operating plans to fulfill the Agency's mandate for the General Education program unit, including Schools T.V.

   Authority: Recommend directional and strategic plans to the President (through OMC) and make decisions re operating plans in consultation with OMC and others as deemed appropriate.

2. Fostering and establishing collaborative mechanisms through which to involve other institutions and organizations in the planning and delivery of open learning programs as they relate to the mandate of the General Education program unit.

   Authority: Make decisions with consultation as deemed appropriate.

3. Monitoring and documenting the effectiveness of the General Education program unit in achieving its mandate.

   Authority: Make decisions in consultation with the Executive Director, Research and Strategic Planning, and others as deemed appropriate.

Schools Initiative - accountable for:

4. Developing strategies and plans for the creation of an Open School program unit as an integral part of the provincial K-12 system.

   Authority: Make decisions with consultation as deemed appropriate.
Knowledge Network Management - accountable for:

5. Developing policies and procedures governing the image, accessing and operations of the public education T.V. channel, the Knowledge Network.

**Authority:** Recommend policies to the President. Make decisions, with consultation as deemed appropriate, re procedures to carry out the approved policies.

6. Ensuring the provision of services for program scheduling and acquisition in accordance with Agency policies and the overall educational priorities and objectives.

**Authority:** Make decisions and inform as appropriate.

7. Ensuring the establishment of effective mechanisms for liaison with regulatory bodies and for regular monitoring of broadcasting activities to ensure compliance and to monitor future developments.

**Authority:** Make decisions and inform as appropriate.

8. Establishing mechanisms for monitoring audience reaction to the Network and the effectiveness of the programming on the Knowledge Network.

**Authority:** Make decisions and inform as appropriate.

9. Establishing the organization and management structure for the Knowledge Network, including the provision of appropriate internal and external linking mechanisms, in a manner that will ensure their own effectiveness and enhance their ability to act in a collaborative and supportive manner with other Agency units and outside organizations.

**Authority:** Recommend organization and management structure to the President and make decisions, with information to others as necessary, regarding implementation.

Technology - accountable for:

10. Ensuring the development of directional and strategic plans and operating policies regarding the use and provision of technologically-based delivery systems to serve the needs of the Agency's markets and to support its own activities.

**Authority:** Recommend directional and strategic plans to the President. Make decisions, with consultation as deemed appropriate, regarding the development and implementation of operating policies necessary to achieve the approved directional and strategic plans.

11. Ensuring the ongoing planning, provision and management of technical equipment and facilities.

**Authority:** Make decisions and inform as appropriate.
12. Establishing plans and policies for the development and management of audio and television program production, post-production and studio management services to meet the needs of its users in accordance with the Agency's educational and technological priorities and objectives.

**Authority:** Make decisions in consultation with others as deemed appropriate.

13. Ensuring the establishment of policies, plans and programs for the management of Teleconferencing, data-base access services and computer network services.

**Authority:** Make decisions and inform as appropriate.

14. Ensuring the establishment and management of plans and policies related to computer networks, office automation, communications, hardware/software selection and other systems support needs of the Agency.

**Authority:** Make decisions and inform as appropriate.

General - accountable for:

15. Establishing the organization and management structure of the Technology Group, the operating units within, and the General Education program unit, including the provision of appropriate internal and external linking mechanisms, in a manner that will ensure their own effectiveness and enhance their ability to act in a collaborative and supportive manner with other Agency units and outside organizations.

**Authority:** Recommend to the President and make decisions, with information to others as necessary, re implementation.

16. Participating effectively as a member of the Executive Committee, the Operating Management Committee and such other Agency linking mechanisms as may be required.

**Authority:** Make decisions and inform as appropriate.

17. Ensuring the establishment of appropriate empowerment and decision interactions within, between and among the various organizational entities and work units.

**Authority:** Make decisions and inform as appropriate.

18. Establishing appropriate standards to measure the performance of the various organizational units and staff; monitoring performance and initiating improvement programs or corrective action as required.

**Authority:** Make decisions within the context of the overall Agency's approach to performance evaluation and inform others as appropriate.
19. Adhering to the ethical and professional values for which the organization stands.

*Authority*: *Make decisions and inform as appropriate*.

20. Fostering and reinforcing the concept that employees at all levels are expected to seek ways they can support and assist others to be effective, as well as to be effective in their own accountability areas.

*Authority*: *Make decisions and inform as appropriate*.

21. Developing and maintaining contacts and effective working relationships with appropriate personnel in both the public and private sectors to foster positive awareness, support, cooperation and information flow on matters affecting the current and future direction and development in the areas of major accountability.

*Authority*: *Make decisions and inform as appropriate*.

22. Representing the organization before the public, regulatory bodies, ministries and educational or professional groups as required.

*Authority*: *Make decisions in consultation with the President and others as judged appropriate, and ensure information is communicated as necessary*.

22 June 1992
VICE-PRESIDENT STUDENT SUPPORT AND OPEN UNIVERSITY

MAJOR ACCOUNTABILITIES

Accountable to the President for the development and implementation of plans, policies and programs, including financial and other resources, governing the activities of the Open University program unit, and for the provision of Student Support services designed to achieve the objectives of the Agency's Program Units.

SPECIFIC ACCOUNTABILITIES

Open University - accountable for:

1. Developing directional, strategic and annual operating plans to fulfill the Agency's mandate for the Open University program unit.

   Authority: Recommend directional and strategic plans to the President (through OMC) and make decisions re annual operating plans in consultation with OMC and others as deemed appropriate.

2. Fostering and establishing collaborative mechanisms through which to involve other institutions and organizations in the planning and delivery of open learning programs as they relate to the mandate of the Open University program unit.

   Authority: Make decisions with consultation as deemed appropriate.

3. Establishing strategies and programs to reinforce and enhance recognition of the Agency's university programs as an important and integral part of the Province's educational system.

   Authority: Make decisions with consultation as deemed appropriate.

4. Monitoring and documenting the effectiveness of the Open University program unit in achieving its mandate.

   Authority: Make decisions in consultation with the Executive Director, Research and Strategic Planning, and others as deemed appropriate.

Student Support - accountable for:

5. Developing directional, strategic and operating plans for student support services to ensure the achievement of the objectives of the Agency's Program Units.

   Authority: Recommend directional and strategic plans to the President. Make decisions, in consultation with OMC, regarding annual operating plans.
6. Ensuring the establishment and maintenance of Registry services appropriate to the needs of the Program Units.

**Authority:** Make decisions and inform as appropriate.

7. Ensuring the planning, development and provision of appropriate Library services and access to materials required for the educational needs of Agency staff and students.

**Authority:** Make decisions and inform as appropriate.

8. Ensuring the planning and provision of information and advisory services to enhance learner understanding of, and access to, programs suited to their educational goals.

**Authority:** Make decisions and inform as appropriate.

9. Developing strategies, priorities and plans for the development and management of Learning Centres in support of the Agency's objectives.

**Authority:** Make decisions in consultation with OMC and others as deemed appropriate.

10. Ensuring the planning, development and provision of materials management services to meet the needs of the Agency.

**Authority:** Make decisions and inform as appropriate.

**General - accountable for:**

11. Establishing the organization and management structure of the Student Support Group and Open University program unit, including the provision of appropriate internal and external linking mechanisms, to ensure their own effectiveness and enhance their ability to act in a collaborative and mutually supportive manner with other organizational units and outside organizations.

**Authority:** Recommend to the President through OMC.

12. Ensuring the establishment of appropriate empowerment and decision interactions within, between and among the various organizational entities and work units.

**Authority:** Make decisions and inform as appropriate.

13. Establishing appropriate standards to measure the performance of the various organizational units and staff; monitoring performance and initiating improvement programs or corrective action as required.

**Authority:** Make decisions, in consultation with the Executive Director, Research and Strategic Planning, regarding the establishment of standards. Make decisions regarding the monitoring and initiating of improvement programs or corrective action and inform as appropriate.
14. Adhering to the ethical and professional values for which the organization stands.

**Authority:** Make decisions and inform as appropriate.

15. Fostering and reinforcing the concept that employees at all levels are expected to seek ways they can support and assist others to be effective, as well as to be effective in their own accountability areas.

**Authority:** Make decisions and inform as appropriate.

16. Participating effectively as a member of the Executive and Operating Management Committees and such other linking mechanisms as may be required.

**Authority:** Make decisions and inform as appropriate.

17. Developing and maintaining contacts and effective working relationships with appropriate personnel in both the public and private sectors to foster positive awareness, support, cooperation and information flow on matters affecting the current and future direction and development of the Open University program unit, the Student Support Group and the Agency as a whole.

**Authority:** Make decisions and inform as appropriate.

18. Representing the organization before the public, regulatory bodies, ministries and educational or professional groups as required.

**Authority:** Make decisions in consultation with the President and others as deemed appropriate and ensure information is communicated as necessary.

22 June 1992
VICE-PRESIDENT BUSINESS DEVELOPMENT
AND COLLEGE PROGRAMS

MAJOR ACCOUNTABILITIES

Accountable to the President for the development and implementation of plans, policies and programs, including financial and other resources, governing the activities of the Open College program unit and the establishment and management of Corporate business development strategies, plans and programs to optimize revenue generation for the Agency.

SPECIFIC ACCOUNTABILITIES

Open College - accountable for:

1. Developing directional, strategic and annual operating plans to fulfill the Agency's mandate for the Open College program unit.

   Authority: Recommend directional and strategic plans to the President (through OMC) and make decisions re annual operating plans in consultation with OMC and others as deemed appropriate.

2. Fostering and establishing collaborative mechanisms through which to involve other institutions and organizations in the planning and delivery of open learning programs as they relate to the mandate of the Open College program unit.

   Authority: Make decisions with consultation as deemed appropriate.

3. Establishing strategies and programs to reinforce and enhance recognition of the Agency's Foundation and Applied Skills programming as an integral part of the Province's educational system.

   Authority: Make decisions with consultation as deemed appropriate.

4. Monitoring and documenting the effectiveness of the Open College program unit in achieving its mandate.

   Authority: Make decisions in consultation with the Executive Director, Research and Strategic Planning, and others as deemed appropriate.
Business Development - accountable for:

5. Developing directional, strategic and operational plans for the development, conduct and monitoring of Corporate-level business development activities.

*Authority:* Recommend directional and strategic plans to the President (through OMC) and make decisions re operational plans in consultation with OMC and others as deemed appropriate. Noted that the operational plans will, in effect, be the operational plans of the various operating units included in the Business Development group and that there will be need for linking between the directional and strategic planning process for the Business Development group and the Agency-wide fundraising strategy.

6. Developing policies, programs and related support systems to guide, coordinate and facilitate business development-related activities throughout the organization.

*Authority:* Recommend policies to the President as and when deemed necessary. Make decisions regarding programs and systems in consultation with OMC and others as deemed appropriate.

7. Monitoring and documenting current business-related activities and information-gathering and dissemination designed to assist and support business development activities in all parts of the Agency.

*Authority:* Make decisions and inform as appropriate.

8. Identifying and recommending new growth and revenue-generation opportunities; developing and managing business development programs to capitalize on appropriate opportunities.

*Authority:* Make decisions re recommendations to be made to the President. Make decisions and inform others re the development and management of approved programs.

9. Ensuring the development, implementation and management of strategic and operational plans for the sale of instructional and related materials, the conduct of workplace-based training and consultative services, international consultancy and joint-venture activities.

*Authority:* Make decisions re strategic and operational plans in consultation with OMC. Implementation and management of those plans would be expected to occur through the officers responsible for the various operating units.

10. Ensuring effective and efficient planning and management for the production and sale of print-based materials for staff, students and outside public and private sector groups.

*Authority:* Make decisions and inform as appropriate.
11. Ensuring the development, implementation and management of strategic and operational plans for Regional Centres in appropriate locations in the Province to enhance achievement of the Agency's directional and strategic objectives.

   Authority: Recommend strategic plans to the President (through the OMC). Make decisions regarding operating plans in consultation with OMC.

General - accountable for:

12. Establishing the organization and management structure of the Business Development Group and Open College program unit, including the provision of appropriate internal and external linking mechanisms, to ensure their own effectiveness and enhance their ability to act in a collaborative and mutually supportive manner with other organizational units and outside organizations.

   Authority: Recommend to the President with prior consultation through OMC. Make decisions, with information to others as necessary, re implementation.

13. Ensuring the establishment of appropriate empowerment and decision interactions within, between and among the various organizational entities and work units.

   Authority: Make decisions and inform as appropriate.

14. Establishing appropriate standards to measure the performance of the various organizational units and staff; monitoring performance and initiating improvement programs or corrective action as required.

   Authority: Make decisions and inform as appropriate.

15. Adhering to the ethical and professional values for which the organization stands.

   Authority: Make decisions and inform as appropriate.

16. Participating effectively as a member of the Executive and Operating Management Committees and such other linking mechanisms as may be required.

   Authority: Make decisions and inform as appropriate.

17. Fostering and reinforcing the concept that employees at all levels are expected to seek ways they can support and assist others to be effective, as well as to be effective in their own accountability areas.

   Authority: Make decisions and inform as appropriate.
18. Developing and maintaining contacts and effective working relationships with appropriate personnel in both the public and private sectors to foster positive awareness, support, cooperation and information flow on matters affecting the current and future direction and development of the Open College program unit, the Business Development Group activities, and the Agency as a whole.

*Authority:* Make decisions and inform as appropriate.

19. Representing the organization before the public, regulatory bodies, ministries and educational or professional groups as required.

*Authority:* Make decisions in consultation with the President and others as deemed appropriate and ensure information is communicated as necessary.
EXECUTIVE DIRECTOR
RESEARCH AND STRATEGIC PLANNING

MAJOR ACCOUNTABILITIES

Accountable to the President for the development of policies and programs governing the establishment, management and conduct of Corporate directional and strategic planning activities, coordination of research activities and the identification and management of future-related issues and activities.

SPECIFIC ACTIVITIES

Research - accountable for:

1. Monitoring and analyzing factors that may influence general developments in the field of open learning and affect the current and future mandate and activities of the Agency.
   Authority: Make decisions and inform as appropriate.

2. Identifying future related issues and opportunities that require specific attention by the Agency; developing and maintaining appropriate recording and tracking mechanisms to ensure that such issues are monitored, analyzed and acted upon in an organized fashion; monitoring and managing as required Corporate projects established to deal with those requiring specific action.
   Authority: Make decisions, in consultation with the President and others as deemed appropriate, on matters related to issues and opportunities and with regard to recording and tracking mechanisms. Make decisions re monitoring and management of corporate projects and inform as appropriate.

3. Establishing mechanisms for monitoring political, social, economic and technological developments that may influence the educational needs and/or desires of current and potential users of the Agency's programs and services.
   Authority: Make decisions and inform as appropriate.

4. Developing and implementing strategic and annual operating plans for institutional research and evaluation.
   Authority: Recommend strategic and operating plans to the President. Make decisions regarding the implementation of plans once approved and inform as appropriate.
5. Establishing information-gathering and dissemination approaches designed to assist and support the operating units in their program planning, development and delivery activities.

Authority: Provide recommendations and counsel to the Program and Operating Units in consultation with the appropriate Vice-President.

6. Recommending and establishing programs to provide Corporate-level leadership, assistance and support for instructional design staff.

Authority: Decide, with consultation as appropriate, as to the program recommendations to be taken to OMC. OMC will decide with respect to such recommendations.

Planning - accountable for:

7. Developing policies, programs and related support systems to guide and facilitate directional and strategic planning activities throughout the organization; and monitoring and coordinating their implementation.

Authority: Recommend to the President regarding policies and programs to guide and facilitate directional and strategic planning. Decide, with consultation, re implementation of approved policies and programs.

8. Identifying suitable measurements and criteria for monitoring the overall performance of the Agency and, in collaboration with other corporate leaders, developing systems, reports and other feedback mechanisms designed to meet monitoring-related information needs of Corporate management.

Authority: Recommend to the President with respect to measures and criteria. Make decisions, with consultation as appropriate, regarding the data collection systems and reports deriving from the implementation of the agreed upon measures and criteria.

9. Providing analytical support, guidance and counsel to the President in the development of Corporate-wide directional and strategic plans, policies and priorities.

Authority: Recommend as judged appropriate.

10. Coordinating the management of special projects identified as requiring Corporate-level direction, funding or support.

Authority: Make decisions with consultation as deemed appropriate.
General - accountable for:

11. Establishing the organization and management structure of the Research and Strategic Planning group, including the provision of appropriate internal and external linking mechanisms, in a manner that will ensure its own effectiveness and enhance its ability to act in a collaborative and mutually supportive manner with other organizational units and outside organizations.

   Authority: Recommend to the President and make decisions, with information to others as necessary, re implementation.

12. Ensuring the establishment of appropriate empowerment and decision interactions within, between and among the various organizational entities and work units.

   Authority: Make decisions and inform as appropriate.

13. Establishing appropriate standards to measure the performance of the group and its various organizational units and staff; monitoring performance and initiating improvement programs or corrective action as required.

   Authority: Make decisions and inform as appropriate.

14. Adhering to the ethical and professional values for which the organization stands.

   Authority: Make decisions and inform as appropriate.

15. Participating effectively as a member of the Executive Committee and such other Agency linking mechanisms as may be required.

   Authority: Make decisions and inform as appropriate.

16. Fostering and reinforcing the concept that employees at all levels are expected to seek ways they can support and assist others to be effective, as well as to be effective in their own accountability areas.

   Authority: Make decisions and inform as appropriate.

17. Developing and maintaining contacts and effective working relationships with appropriate personnel in both the public and private sectors to foster positive awareness, support, cooperation and information flow on matters affecting the current and future direction, development and well-being of the organization.

   Authority: Make decisions and inform as appropriate.
18. Representing the organization before the public, regulatory bodies, ministries and educational or professional groups as required.

**Authority:** Make decisions in consultation with the President and others as deemed appropriate and ensure information is communicated as necessary.
VICE-PRESIDENT ADMINISTRATION
AND HUMAN RESOURCE DEVELOPMENT

MAJOR ACCOUNTABILITIES

Accountable to the President for the development and administration of policies and programs governing the establishment and management of Corporate Financial and Budget, Human Resources, Facilities and administrative services to support the directional, strategic and operational objectives of the organization.

SPECIFIC ACCOUNTABILITIES

Finance and Budget - accountable for:

1. Developing short and long-range strategies and plans, within financial policies, to achieve the priorities and objectives of the organization.

   Authority: Make decisions in consultation with the President, OMC and others as deemed appropriate.

2. Developing, managing and monitoring the implementation of appropriate policies, systems, procedures and controls to assist and support Corporate and Operating managers in the preparation of budgets and financial plans, and the management of expenditures.

   Authority: Recommend to the President with regard to policies. Make decisions regarding the management and monitoring of the implementation of the approved policies and inform as appropriate.

3. Coordinating and facilitating the preparation of estimates, reports and other financial expressions of Agency activity.

   Authority: Make decisions and inform as appropriate.

4. Developing and maintaining a financial information and reporting system to support the Agency's activities.

   Authority: Make decisions in consultation with OMC and such others as deemed appropriate.

5. Developing policies, procedures and controls to ensure for the proper investment, safekeeping and control of the organization's assets.

   Authority: Make decisions and inform as appropriate.
Human Resources - accountable for:

6. Developing plans, policies, procedures and related systems to assist and support management personnel in the recruitment, selection, discipline and dismissal of staff, training and development of staff, development and implementation of individual and/or group performance management and measurement approaches, and the coaching and counselling of staff to overcome performance deficiencies and job classification and compensation.

Authority: Make decisions in consultation with the President, OMC, and the Executive Director, Research and Strategic Planning and ensure that information is communicated throughout the organization as appropriate.

Note: this authority is qualified in instances where policy recommendations require Board approval, in which case recommendations will be made to the President.

7. Developing policies, programs and approaches to ensure the development and maintenance of cooperative labour-management relations including contract negotiation and administration.

Authority: Recommend to the President with regard to policies. Make decisions with consultation as deemed appropriate regarding programs and approaches.

8. Developing mechanisms for monitoring the ongoing appropriateness and effectiveness of the organization's structure and management processes, and for the development and assessment of alternative arrangements.

Authority: Make decisions in consultation with the President, OMC, and the Executive Director, Research and Strategic Planning and others as deemed appropriate.

Facilities - accountable for:

9. Developing plans, policies, procedures and mechanisms to ensure provision of facilities, furniture, equipment and supplies to assist and support Corporate and Operating managers to achieve the objectives of the organization and to meet the needs of its users.

Authority: Recommend to the President with regard to plans and policies. Make decisions regarding the procedures and mechanisms deemed necessary to carry out approved plans and policies and inform as appropriate.
General - accountable for

10. Developing mechanisms for identifying the information needs of Corporate and Operating managers and coordinating the development and implementation of measures to meet identified requirements.

Authority: Make decisions with consultation as deemed appropriate.

11. Establishing the organization and management structure of the Finance and Budget, Human Resources and Facilities operating units, including the provision of appropriate internal and external linking mechanisms, in a manner that will ensure their own effectiveness and enhance their ability to act in a collaborative and mutually supportive manner with other organizational units and outside organizations.

Authority: Make recommendations to the President.

12. Ensuring the establishment of appropriate empowerment and decision interactions within, between and among organizational entities and work units.

Authority: Make decisions and inform as appropriate.

13. Establishing appropriate standards to measure the performance of the operating units, their various sub units and staff; monitoring performance and initiating improvement programs or corrective action as required.

Authority: Make decisions and inform as appropriate.

14. Adhering to the ethical and professional values for which the organization stands.

Authority: Make decisions and inform as appropriate.

15. Participating effectively as a member of the Executive Committee, the Operating Management Committee and such other Agency linking mechanisms as may be required.

Authority: Make decisions and inform as appropriate.

16. Fostering and reinforcing the concept that employees at all levels are expected to seek ways they can support and assist others to be effective, as well as to be effective in their own accountability areas.

Authority: Make decisions and inform as appropriate.
17. Developing and maintaining contacts and effective working relationships with appropriate personnel in both the public and private sectors to foster positive awareness, support cooperation and information flow on matters affecting the financial, human resource development and facility-related activities of the organization.

**Authority:** Make decisions and inform as appropriate.

18. Representing the organization before the public, regulatory bodies, ministries and educational or professional groups as required.

**Authority:** Make decisions in consultation with the President and others as deemed appropriate and ensure that information is communicated as necessary.

25 June 1992
Appendix 8:
Abbreviations used in this paper

BCGEU: British Columbia Government Employees' Union
BOU: British Open University
CIEA: College and Institutes Educators' Association
KNOW: Knowledge Network of the West Communication Authority
NDP: New Democratic Party
OLI: Open Learning Institute
OLA: Open Learning Agency
OLATA: Open Learning Agency Tutor Association