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Book Review
*The Boundaryless Organization:
Breaking the Chains of Organizational Structure*

by

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Book Review

The Boundaryless Organization: Breaking the Chains of Organizational Structure

As explained in the first sentence of the preface: “This book grew out of [the authors’] experience with one of the largest and most ambitious organizational change efforts ever attempted, the GE Work-Out process.”

The phrase “boundaryless organization” was an integrative theme coined by Jack Welch, then and still chief executive of General Electric, when this giant corporation’s transformation was initiated in 1988. Almost all students of organizational design and function have heard about this endeavor. What is striking is that the underlying ideas have application to symphony orchestra organizations!

In the opening chapter the authors set the framework for their ideas by noting that for much of the 20th century the mindset for organizational success was based on economics of scale; subdivision of work; clear distinctions between manager and worker; well defined levels of authority; specialization and finely defined functional and task disciplines; and, control as a primary management function.

The authors point out that, due to technology and globalization, old ways of doing business have become a liability and new factors of success have emerged, including: quick customer response; rapid product development; flexible strategies; large organizations acting like small ones; people acquiring multiple skills shifting among jobs and working in ad hoc teams; more emphasis on mobile rather than fixed resources to get work accomplished; and attractive incentives for innovation and creativity.

The book then goes on to illuminate the four types of boundaries—vertical, horizontal, external, and geographic—which inhibit organizational effectiveness and which modern organizations are finding ways to “loosen” and “make more permeable.” The book is about how to achieve *more process* and do with *less structure*.

—continues on page 95

From The Boundaryless Organization

About vertical boundaries:

“Like buildings with multiple floors, organizations are commonly thought of . . . as vertical structures. Managers are at the top and workers are at the bottom. Orders flow down the chain of command, and production takes place below. At the top is the head, and at the bottom the hands. In between are multiple layers that translate orders, provide materials, measure output, make corrections, and report to the top on the final results.” (p. 34)

“[What] should concern companies today is not how to eliminate hierarchies but how to have healthy hierarchies, structures that meet the success requirements of organizations for the twenty-first century. . . .” (p. 40)

“In a hierarchy with more permeable vertical boundaries, data and ideas are shared widely throughout the organization. Owing to this shared information, all employees have a common sense of purpose and an understanding of organizational goals. They are therefore more accepting of organizational directives. Understanding the *why*, they are more likely to accept the *what*. . . . Each employee or team of employees can set goals consistent with the overall organizational goals.” (p. 44)

“Moving decision-making authority down the organization requires trust that employees at lower levels will make accurate, well-informed decisions. This trust is directly linked to the loosening of boundaries surrounding competence and information. Employees are more trustworthy when they have accurate information and are competent to make decisions.” (p. 47)

About horizontal boundaries:

“We have compared vertical boundaries to the floors and ceilings of an organization’s house and horizontal boundaries to the room walls. As such, horizontal boundaries are the dividing lines between divisions, departments, groups, units, and functions. . . . [They] define functional specialties . . . distinguish people within a function . . . each group having its own rules and regulations, ways of tracking work time, access to buildings or files, and so on. In short, horizontal boundaries are the lines of demarcation that organizations use to divide up the territory within the firm.” (p. 111)

“ . . . horizontal boundaries fulfill people’s natural desire to relate to others who are like them in some way. Whenever people form functional groups, a bonding occurs among members that solidifies the group and its unique identity. . . . Bonding in smaller groups within the organization

makes it easier for people to get to know and accept those with whom they work most closely. However, such groupings also tend to validate people's tendencies to stereotype the world outside their groups, dividing the universe into camps of 'we' and 'they.' We easily support those in 'our' group and easily find fault with those in other groups. . . ." (p. 114)

" . . . management must first view the organization not as a set of functional boxes, but as a set of *shared resources and competencies* that collectively define the organization's range of activities. Only then can management address the more fundamental question: *How does the organization create **processes** to ensure that all its shared resources and competencies—arrayed across the horizontal spectrum—create value for customers?*" (p. 126)

About "making it happen" and bringing about change:

"While helping others grapple with the new realities of the boundaryless world, senior executives must also confront their own needs for transformation. This is probably the most difficult challenge of all. . . . Today, instead of driving decisions, leaders need to drive discussions and create buy-in. . . . Instead of controlling, leaders need to be empowering, coaching, counseling, encouraging, and supporting their people — freeing them to use their talents to the greater good of the corporation. . . . It is always easy to tell others to change. It is much tougher to say the same thing to that familiar face in the mirror." (pp. 331-332)

—continued from page 92

The discussion of vertical and horizontal organizational boundaries and how to alter them will be of keen interest to leaders in all functions within symphony orchestra organizations. But even the discussion of external and geographic boundaries has some application to the world of symphony orchestras. Every so often, the symphony reader will have to substitute “symphony organization” or “institution” for “company,” “corporation,” or “firm,” but the meaning will fully carry over.

This book is full of tasty insights and ideas; their flavor can be sensed in some key quotations. We commend this book to you.

***The Boundaryless Organization:
Breaking the Chains of Organizational Structure***

Ron Ashkenas, Dave Ulrich, Todd Jick, and Steve Kerr
Jossey-Bass Inc., Publishers, 1995.
364 pp. \$28.50.

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