

Joaco's Café and the Social Sciences of Organizations

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Very often I visit Joaquín Villamil's Estudios Técnicos for a brown bag lunch and a creative dialogue, a transparent interaction between three amigos who have shared perspectives and ideas for a long time. Our conversations hope for resolving societal problems and policy issues so that at least a theoretical outcome yields solutions to the challenges we read in the daily newspapers. We lunch and talk in the executive conference room that I baptized as Joaco's Café. The requirement is that it has to be an intellectual and useable knowledge conversation. The participants are Barty Gamundi, Joaco Villamil, and Coco Morales. I have also called this group "the three amigos."

Our last lunch conversation was on developing an interdisciplinary science of organization. We started by acknowledging that science is built in a cumulative manner, and that researchers like each one of us base their work on that of predecessor. For the study of all kinds of organizations, an aggregation of theories, concepts, findings, and practices is needed. In addition, integrating frameworks have to be created in order to bridge the gaps between disciplines in their varying approaches to organizations research, theory and transformation strategy. We talked about essential topics such as psychology, sociology, economics, anthropology, and political sciences (since they can provide illumination to the study and transformation of organization), and how they differ in their approaches, level of analysis, considered variables, meanings attached to those variables, methods of measurements, and kinds of drawn inferences. We shared different frameworks for overcoming differences and for the possibility of establishing an interdisciplinary science of organization.

The three amigos fairly believe that it is possible to create a common language of meaning among disciplines. We called this integration the science of organizational design. The point is that to design or transform an organization, the integration of social sciences knowledge is an imperative.

So, what is the science of organizational design? A robust organizational design ensures consistency and alignment among a number of

elements, as they relate to the strategy being pursued by the institution. It is a useable knowledge venture that requires decisions at least in three interrelated areas: 1) Organizational structure refers to how duties are differentiated and coordinated. It indicates the way tasks are defined and the hierarchy of the organizations, the formal relationships and the decision-making power. 2) Human resources include decisions on the selection, motivation, compensation, education, and succession planning for the key people of the organization. This factor points to the importance of understanding formal and informal culture, and whether it is appropriate for current and anticipated strategy moves or not. 3) Processes include decision-making, planning, budgeting and financial processes, workflows and the important information technology architecture of the organization, as these elements wisely impact the customer base and the market foundations.

These three core dimensions must be congruent with each other. As organizations grow or face difficult situations, they should develop new structures, processes and human resources systems to handle the increased complexity. At the same time, since these dimensions are interlinked, they can make change and transformation more difficult due to the interdependencies, whereby change in one may require change in another.

Organizations face a rapidly changing and unpredictable environment. Consequently, transformation management must become an integral feature of the organization. Environmental or market change results not only in changing the strategy, but also in continuous change in the organization's design.

Given the speed and unpredictability of external changes, what organizational design characteristics are likely to be critical in the future? 1) Organizations will need to become increasingly flexible and agile in order to cope with unanticipated changes. 2) Creativity, knowledge and intelligent innovation will become more critical like the basis of competitive advantage. 3) With the higher rate of change in the environment, organizations will need to act faster when it comes to decision-making in order to lounge new businesses and respond to customers at a faster pace. This will require higher levels of empowerment with decision-making closer to the point of contact with the customer and with less bureaucracy. 4) With increasing competition in product and service markets, organizations will need to maintain high levels of efficiency, so they will focus on core activities in which they excel

and outsource the rest. Partnerships and joint ventures are the order of the day to increase scope and capability.

To respond to these challenges an interdisciplinary framework that treats individuals, groups, teams, organizational and market level variables or factors as interacting forces requiring simultaneous studies rather than as independent projects acting in isolation is needed. These new context relationships and the capacity of managing them are everything!

These are the kinds of things the three amigos- Joaco, Barty, and Coco discuss while having lunch at Joaco's café.

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