

Organizational Intelligence: Knowledge and Policy in Government and Industry.



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BOOK REVIEWS

Organizational Intelligence: Knowledge and Policy in Government and Industry. By HAROLD L. WILENSKY. New York: Basic Books, 1967. xiv, 226 pp. \$5.95.

This book opens a whole new field—the macrosociology of knowledge. It is as different from the traditional sociology of knowledge as the study of interaction is from that of the structure of total societies. The concern here is not with the social conditions under which knowledge is valid, but with the structures and processes of social units which affect their capacity to collect, process, and transmit knowledge. The units Wilensky studies are neither men (psychological reductionism) nor Man (social philosophy) but complex organizations and states, *the* action units of collectivities and societies. And the stress is where it ought to be: on the systematic comparison of concrete social structures and processes, not on statistical regularities whose sociological meaning is unknown, or on relations among variables which are so abstract that they cannot be “grounded,” to use a term recently given new power by Barney G. Glaser and Anselm L. Strauss.

Ignorance has never been a favorite explanatory variable of sociologists. The statement, for instance, that the U. S. Air Force continued to bomb civilians in Germany and Japan because it held that this would shorten World War II, is viewed by the collective wisdom of the discipline as too manifest (“common-sensical”) and rationalistic (or enlightenment-like). We tend to assume that even if the Air Force had *known* better, the bombing still would not have been stopped. Recent experience in Vietnam seems to support this position. Vested interests, non-rational beliefs, psychological rigidities, organizational power struggles, domestic policies, all may perpetuate a policy unwarranted by the facts (Wilensky refers to such factors as pathological). But sociologists tend to omit from their analytical schemes the amount and quality of information an actor commands, and the extent to which it is analyzed and communicated to both the decision-makers and the citizens.

After the publication of Wilensky’s book, this omission is unlikely to be continued. Of course, he realizes and documents the effects of other factors on knowledge, but Wilensky amply illustrates that the amount and quality of knowledge has significant effects of its own, drawing

on a wide variety and large number of industrial and governmental studies.

The power of Wilensky’s contribution is further magnified by his historical perspective. He studies structures and processes, but not in a vacuum. The rapid growth of investment in the production and processing of knowledge, the new technology of knowledge (especially electronic processing), and the rising societal demands for it have made knowledge increasingly important as a societal factor. Hence,

An increasing share of organizational resources goes to the intelligence function; structural sources of intelligence failures become more prominent; doctrines of intelligence—ideas about how knowledge should be tapped and staff services organized—become more fateful. (p. 174)

If we look at knowledge as a product, we may see facts as raw material which are mined (or collected), semi-processed (e.g., tabulated), and subject to “final” processing (when facts are adequately analyzed). Still the conclusion or insight gained can be consumed (or utilized) only if it reaches those who may benefit from it, whether the decision-making elites and/or the politically aware and active citizenry, including some who may be mobilized. (Intellectuals and intellect-workers may enjoy the new insight even if it is not put to any social use, but then we are leaving the sociological domain; i.e., our *professional* interest in it rapidly declines.) At each stage in the process, the input of knowledge may entail malfunction, and then the predictable dysfunctions will occur. For instance, if the citizens are kept uniformed about the reasons policies are changed, they may “backlash” at the elites. Much of what Wilensky deals with can be placed in such a process-chart. He himself uses an S-R model, referring to “roots of failure,” “main effects on intelligence” and “organizational defenses against information pathologies.” This may be one reason Wilensky is particularly concerned with the transition of knowledge from production units (e.g., staff, R & D) to elites, paying much less attention to the role of the lower ranks and citizens. (Most political scientists who have studied public opinion for its informational contents and political effects tend to minimize it.)

Nor does Wilensky deal with the social relationships in knowledge-producing units of the kind recently studied by Donald C. Pelz, Warren O. Hagstrom and William Kornhauser. But there is no reason why he should. He chose to study

one segment of the process and is thorough in that analysis. Examples are drawn from United States and British "strategic" bombing, the Council of Economic Advisors, the work of various intelligence agencies, the Department of Defense, and numerous other cases, including his own previous work on welfare agencies and intellectuals in labor unions.

Other recent works in the macrosociology of knowledge include Peter Berger and Thomas Luckmann's *The Social Construction of Reality*, Norman W. Storer's *The Social System of Science* (both more analytic works) and Norman Kaplan's anthology, *Science and Society*, updating Bernard Barber's basic work, *Science and the Social Order*. In political science numerous works have been published within the last years, of which Don K. Price's *The Scientific Estate* is probably the most often cited. Altogether, a significant new field is being opened, and Wilensky has made sociology a full partner in the endeavor.

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Organizations in Action: Social Science Bases of Administrative Theory. By JAMES D. THOMPSON. New York: McGraw-Hill, 1967. xi, 192 pp. \$7.95.

This could just possibly prove to be one of the best books on organization theory of the past decade. To be sure, it is relatively brief and avowedly eclectic, but it achieves much broader scope and vastly greater originality than this brevity and initial eclecticism might suggest. Essentially, the book is a propositional inventory, based on a synthesis of the "rational model" and "natural systems" approaches to organizational analysis; its central assumption is that "complex purposive organizations are natural systems subject to rationality norms." (p. 144) The exposition revolves around 95 propositions which start from this assumption and progress from the relationship of the organization to its external environment, to administrative processes internal to the organization.

As the title of the book suggests, the emphasis throughout is on what organizations do, rather than on the way they are structured. By and large, the propositions do not explicitly contain variables but seek to assert what will happen under specified conditions. Virtually all of them are of the form: "Given norms of rationality, under condition(s) x (and y , etc.), an organization will seek to do z ." An example would be: "Under norms of rationality, organizations facing heterogeneous task environments seek to identify homogeneous segments and

establish structural units to deal with each." (p. 70) Each proposition is discussed with appropriate empirical studies cited (though the amount of empirical support varies considerably from one proposition to another). No axiomatic system is attempted; rather, a framework is set up within which the propositions are accommodated. There is an orderly progression from one proposition to another through twelve chapters bearing on such topics as "domains" of organizational action in the social environment, coping with technological constraints, facing external assessment of performance, dealing with human variables, making decisions in the face of coalitions and political processes, and, finally, carrying on internal administrative processes generally. The influence of Herbert A. Simon's work is apparent throughout, particularly in the second part of the book, where "human" variables and administrative processes are treated largely within a scheme of inducements/contributions, optimal decisional strategies, and coalition-formation. The form of the propositions is such that the cumulative result is more of an ideal-type explication than a system of theory.

There are several notable features of this work. First, despite the initial synthesis of the "rational model" and "natural systems" approaches, the emphasis is primarily on rationality (defined by a combination of technical and economic considerations), and this book thus becomes virtually the only modern sociological treatment of organization which systematically treats the formal aspects of administrative structure. (It is simply not true, as is sometimes still asserted, that "informal organization" is much neglected while "formal organization" is much studied. Any cursory review of the literature will reveal quite the opposite to be the case). Second, this book gives much more attention to environmental and technological factors in organization than is usually the case. Among other things, the author proposes and uses an interesting, yet simple, typology of technological characteristics. Third, an effort is made to give a more specifically sociological structural content to various formulations deriving from the work of Simon, James March, and other similar writers. This effort meets with mixed success. On the one hand, it produces an interesting "political" treatment of internal administrative processes, which represents an alternative way of lending reality to formal structural constructs, in lieu of modifying them with "informal" psychological considerations. Yet it appears to result at times in a rather more dogged adherence to assumptions of rationality than is required or even implied by the initial conceptual framework. "Human"