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Complete and incomplete organisation

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Abstract

Organization theory the last fifty years has predominantly been occupied by the study of formal organisations. In order to distinguish organisations from other social orders one has used the distinction between organisation and environment. In this paper we argue that this distinction is of limited use for understanding organisation and organising. There is much organising outside organisations. And far from all processes in formal organisations have anything to do with organisation – there is no "informal organisation".

We start by defining organisation as a decided social order where organisational elements such as membership, hierarchy, rules, monitoring and sanctions are crucial. We demonstrate how organising outside formal organisations use one or a few of these elements only. Most of the extremely high degree of global order we see today is created by organisation – although not by one formal organisation (there is no world state).

The use of concepts such as institution, network, regulation and governance tends to hide rather than clarify the role of organising. In the paper we demonstrate that many phenomena designated by these concepts are in fact highly organised. We speculate that the relative low interest for the concept of organisation even within organisation theory may be one reason why this theory has had so little impact on social science in general.

Complete and incomplete organisation

Introduction

If we are to believe the discussion being conducted in much contemporary social science, we are living in an increasingly chaotic, fractious and difficult to explain world. Scholars are speaking of a transition from government to governance (Kjaer 2004) or of the network society (Castells 1996).

But modern society can also be described as ordered to an extremely high degree. The uncertainty that individuals are exposed to regarding their future is less, perhaps, than ever before in history. Not least, there is an extremely high degree of global shared order. It is remarkably easy to interact and communicate with people and organisations over great distances. It is almost as easy for us to anticipate distant individuals' and organisations' reactions as it is for us to anticipate those closer to us. There are good technical conditions for interacting with others remotely in the form of, for instance, good data and aeronautical communications.

Traditionally, scholars have explained much order with a special type of organisation - with demarcated and mighty nation states which created order within their own territories. Through globalisation and other processes states seem to have lost much of their previous role. The fact that states have obtained an altered role does not necessarily mean, however, that the modern world is less organised than previously. In this paper, we shall argue that societal order is still to a high degree the result of organisation, even if it is another form of organisation than the one characterising organisations such as states. The concept of organisation is useful when it comes to understanding contemporary societal

trends, but this requires a somewhat different organisational concept than the one common today in organisational theory.

1. From organisations to organisation

Within organisational theory, two distinctions have been especially important; the one between organisation and environment and the one between formal and informal organisation. The departure point for differentiating between organisation and environment is that these represent different orders; the order of the organisation does not exist in the environment. Admittedly, one can argue that a significant part of the environment of organisations consists of other organisations (Perrow 1991), but these are not mutually assumed to be organised. Instead, the order existing outside and between organisations has been designated as markets (Håkansson and Johansson 1990), as institutions (Scott and Meyer 1994) or as networks (Thompson 2003).

The distinction between formal and informal organisation refers to the difference between what management decides on in an organisation and what the co-workers do. The special order that the organisation and its management stand for, the formal organisation, permeates far from everything that happens in an organisation. Informal organisation refers, for instance, to conceptions, to patterns of behaviour, to power balances and to networks arising within organisations alongside, and sometimes in opposition to, the decisions of management.

The result of these distinctions is that organisational studies have become both narrow and broad. They have become narrow in the sense that organisation only seems to have occurred within organisations. Organisational studies have mainly evolved for studying organisations in the plural, not organisation. Several classical

works, as well as known textbooks in the subject, have the term organisations in their title (March and Simon 1958; Scott 1995; Perrow 1986). It is more unusual for organisational theorists to study organisation outside organisations – in the "environment", and those who have done so have regularly used other terms than organisation for the organising they have seen there; for instance, terms such as institutions, networks, or projects have been used.

Conversely, organisational studies have become broad in that largely speaking everything which happens within organisations has been studied; both what is known as formal and what is known as informal organisation. Organisational theory normally encompasses studies of most of what happens at workplaces and in the activities of associations. There are studies of gender roles, ethnicity, bullying, creativity, the development of technology, trust and culture within organisations. Since a very large part of our lives is nowadays enacted at workplaces, or within the framework of our membership of states or associations (Ahrne 1994), organisations are bristling with "human relations" in general and a lot is happening there.

In this paper, we make another distinction, i.e. between organisation and other forms of order, between the organised and the non-organised. We see organisation as a special kind of social order. We will define organisation as active, decided upon attempts to achieve special orders that differ from already existing ones, for example those that are culturally determined. Such a definition abolishes the distinction between organisation and environment. It entails, in this respect, a broader definition than the traditional one. We can find organisation not only within but also outside and between formal organisations. There can be elements of organisation within markets, networks and institutions.

Our definition is also narrower than the prevalent one and abolishes the distinction between formal and informal organisation. Not everything that occurs within the framework of organisations is organised; nor is it an example of organisation. There is no informal organisation. Organising is a special kind of activity. There can be varying degrees of organisation in different organisations at different points in time; and in the same way, there can be varying degrees of organisation outside organisations.

However, we will still be using the term "formal organisation" – but in another way which is also common within organisational theory: in order to denote organisations such as states, firms and associations. We make a distinction between these formal organisations and organisation outside them.

It is quite easy to define what a formal organisation is. In modern societies, there is a strong institution of formal organisation. There are laws describing which rules must be complied with in order for an entity to be registered as an organisation, there are rather fixed shared conceptions regarding what constitutes an organisation and what does not, and there is a scientific literature describing the institution. In the next section, we shall be describing in more detail what we mean by organisation as the cause of social order and what are the fundamental elements of formal organisations.

In section 3 we point out that several of the characteristics which we ascribe to formal organisations also occur outside of them. We describe various forms of incomplete organisation – organisation that does not involve the use of all elements of organisation. We demonstrate some of the similarities and differences between full, formal organisations and incomplete organisation.

In section 4, we compare the concept of organisation with the concepts of institution and network which we think often conceal rather than clarify organisation. In section 5, finally, we use our concept of organisation to analyse global order.

2. Organisation as a decided order

By social order, we mean that there are shared patterns of behaviour and shared distinctions with a certain amount of stability over time, which create predictability and facilitate interaction and communication between people and organisations. A shared culture entails, for instance, that people expect certain patterns of behaviour and that they make certain shared distinctions. They have shared conceptions and norms.

Shared patterns of behaviour, conceptions and norms can develop in several ways. Berger and Luckmann describe institutions as the result of a mutual adaptation between people which leads to certain routines which are then taken for granted and are thus repeated (Berger and Luckmann 1966). In a corresponding way, a genuine network arises spontaneously through people meeting in various contexts and getting to know one another. This develops through those who are involved in the network having their own contacts, which coincide, or not, with each other.

In this and other ways, social scientists have paid great attention to such emergent orders, orders which happen more than they are created (Abrahamsson 2007). They develop through interaction between people without being able to point to a person or organisation that is controlling their development.

In contrast to such emergent orders, we would like to define organisation as a decided upon order, an order which one or more entities have actively designed and decided upon. Decision, the conscious choice of acting in one way rather than in another, is an essential aspect of organization (March and Simon 1958; Luhmann 2000).

Decision has two aspects. One of these is choosing order; that is the content of the decision. The other aspect is the wish to determine that order, i.e. exert an influence on practice; that is the desired effect of the decision. We can illustrate these aspects using organisation within formal organisations.

When one organises, the contents of the decisions do not just relate to how others (often but not always including oneself) are to act but also to which distinctions they are to make, which identities and classifications shall exist and be important. For example, formal organisations regularly give people identities as members and non-members. And organisations regularly attribute more precise identities among members in the form of titles and job descriptions, for example. Accounting systems classify resources as belongings of the organisation and in various more detailed ways. Identities are regularly used in order to create status orders, for instance between various hierarchical levels of the organisation.

The decisions entail choosing a special order. The fact that formal organisations have been decided upon also entails that they are a sort of local order – they differ from each other and they differ from the order that would have prevailed without organisation. There is little meaning to organising in a way that entirely matches the order prevailing without organisation or without our organisation specifically. The local features of organisations make them both uninteresting and interesting. They are relatively uninteresting just because they are local: being able to

understand an organisation entails understanding a smaller part of reality than understanding an entire society. However, they are also interesting just because they deviate from the more general – we cannot entirely understand organisation solely on the basis of studies of the more general order in a society.

Organising does not just entail working out and communicating a local order, it is also about attempting to implement it. The decisions made in organisations have the purpose of exerting an influence on the practice of the members. However, exactly what effect decisions have on practice is always uncertain. Organising entails <u>attempting</u> to create an order. It is far from certain that success will result.

If we are to understand organisation, we thus need to understand both the attempts and the results, both the decided order and which order this actually creates. Organisational research is about explaining why people try to introduce specific forms of organisation as well as about explaining why certain attempts, or parts of such attempts, at organising succeed better than others. This is an important difference vis-à-vis a lot of other social science research where scholars are often only interested in understanding and explaining the actually existing order. Modern organisational research is a little bit of today's dismal science: it is not only interested in results but also in failures - why things often do not turn out as we had envisaged or decided.

When explaining order, it is relevant if it is organised or not. An organised order arises and functions differently to emergent orders. Pointing out that something is organised entails obtaining other opportunities for explaining its origin. It is decided and a decision can be traced to certain people in a certain situation. One can search for motives and for what options were considered. We can pose other questions than if we assume that an order is not organized. How much unity was

there around the decision? Which deliberations were made? Which interests lay behind it? And we may ask why it was a success or a failure.

Organisational elements

To organise is also to use special instruments for establishing an order. In a formal organisation, management has access to a number of instruments when attempting to introduce a local order. The most important of these are membership, hierarchy, rules, monitoring, and sanctions. They constitute, as we will show, fundamental elements of formal organisations, but they can also be used outside these.

Organisations decide about *membership*, about who will be allowed to join the organisation. Membership entails obtaining a certain identity, being different to non-members. It also entails being able to expect to be treated by the organisation in a way that is different to non-members, and that the organisation expects different behaviour from its members than it does from others. Membership of an organisation differs from other forms of affiliation. In, for instance, a genuine network, the affiliation is latent and is not decided upon, developing gradually. A network has no beginning or end and no clear boundaries.

Organisations also include a *hierarchy*, a right to decide over others. This can be certain people who are given this right or it can be some form of decision-making mechanism with that right, for example an order whereby the majority can decide over the minority. Hierarchy entails a form of organised power. The source of the power is a decision. Those who are given this power do not need the characteristics that bestow power outside organisation, for instance superior or desirable resources or strong charisma.

Rules are one of the most fundamental instruments of organisation (Weber 1968;

March, Schulz and Zhou 2000). The management of an organisation has the right to impose binding rules that the organisation members have to comply with (as long as they choose to remain members). Binding rules require the existence of formal organisation: it is only the managements of formal organisations that have the right to impose binding rules. Rules can directly relate to the members' actions. However, in that rules do not just clarify how members are to act but also who among them is to act and in which situation (March and Olsen 1989), they also contain distinctions. Rules can also directly relate to distinctions: which rules are to be complied with when classifying people or things.

Rules are mostly in written form and always pronounced. They are decided upon. In doing so, they differ from norms. Norms also regulate people's behaviour and their distinctions, but they have not been decided upon by anyone. Norms are handed down within groups or societies via processes of socialization and internalization. Most frequently, the source and origin of a norm are unknown.

In an organisation, management does not just have the right to decide over others by issuing orders and imposing rules, it also has the right to *monitor* compliance with these orders and rules. Monitoring is not just about ensuring that the organisation's members do not do anything that is prohibited; it is equally about attempting to measure and estimate how well the different members carry out their tasks or how much they do so. The fact that this monitoring is organised means that it occurs openly and that those who are being checked know what it is all about, for example piecework or a school exam. The results of checks are documented and can form the supportive data for wage setting or grades, for instance. Such monitoring differs from that occurring in other forms of human interaction and which is mediated via, for example, rumours and gossip.

Organisations also have the right to bring *sanctions*, both positive and negative. They can decide to give more resources to some members than to others or to change a member's status. Through sanctions of this type, the sanction of exclusion can often be avoided. Sanctions can be negative or positive. Negative sanctions can range from a conversation with the boss or principal to wage deductions or even exclusion from the organisation. A grading system can be understood as a type of sanction which varies from negative to positive and in so doing combines punishments and rewards. Positive sanctions in particular can be applied in the form of economic rewards or maybe in the form of diplomas or medals. However, it can also be about being promoted or awarded a commission of trust.

These organisational elements jointly constitute formal organisations – they are a part of the institution of Organisation. They are to be found in laws and conceptions of formal organisations. If we are to make people believe that something is an organisation or a "true" organisation, then we have to show them that it has access to all these elements. If an element is lacking, it will be difficult to gain acceptance of a claim that we are talking about a formal organisation. And conversely; if we use all elements, then it will be difficult for us to assert that there is no formal organisation. The elements act, so to speak, as a group. The utilization of all organisational elements brings a certain predictability to the operation and autonomy to the individual organisation. Together, the elements often enable coordination and sometimes a far-reaching division of labour.

Those who wish to organise, however, do not always have the possibility of or interest in building a formal organisation. Instead, they can use just one or a few of the organisational elements. They create a kind of incomplete organisation which can be described as laying outside formal organisations.

3. **Incomplete organisation**

Organisation outside formal organisations entails people deciding to attempt to introduce a local order which deviates from the one that would prevail without their attempts. They attempt to use one or more of the elements of organising that are used in formal organisations. Sometimes only one organisational element is made use of.

We can organise just by using *membership*. In retail and services, companies sometimes form "clubs" for their customers. Loyal customers can become members of the IKEA Family club or the British Airways Executive Club. Restaurants and nightclubs can acquire members by sending out membership cards to a number of celebrities whom they wish to see visiting their clubs. Members obtain special discounts or other benefits. However, there is no hierarchy; the company does not have the right to decide over its members; there are no rules that the members must comply with, or in any event very rudimentary ones; there are no sanctions; and there is no automatic right to monitor associated with membership.

It is not uncommon that *hierarchy* is used on its own as an instrument of organising. When private individuals or representatives of organisations are to accomplish something jointly outside organisations, it is common for them to appoint someone who will decide, at least for a brief period or for a certain task. When we meet to discuss things, we often appoint a Chair; when we are unsure of the way to the restaurant, we put someone in charge so that we all go in the same direction at least; when we have to steer a sailing-boat together, we appoint a captain.

There are groups in which no one has any idea about who the other participants are and which do not have any jointly decided upon rules but which nevertheless have a hierarchy. This can apply, for instance, to resistance movements or gangs of smugglers. Participants in such groups only meet one or two others in the group, give and receive orders or information about what is to be done, and then do this or pass the information or order onwards. The cohesion in such a group arises from a strong internal interdependency between its participants, which can be due to an external threat, for example the risk of disclosure and harsh punishment. Such groups are sometimes described as underground.

Rules are also imposed outside of organisations, i.e. they are imposed on people or organisations not included in the same organisation as the rule-imposer. In our earlier work, we have called such rules standards (Brunsson and Jacobsson 2000). Examples of these can include so called technical standards imposed by international standardisation committees. Another example is the rules that various management gurus propose regarding how to successfully run a business and which are published in a very extensive management literature (Holmblad Brunsson 2007).

Rules outside organisations cannot be made binding. In that sense, standards are voluntary with regard to compliance. They are a kind of recommendation or advice. Many standards thus have few or even no adherents. Even so, there are a great many standards which are adhered to by many people and organisations across the entire world.

There are plenty of organisations which wholly or partly devote themselves to *monitoring* other organisations. Ratings institutes like Standard & Poor's and

Moody's monitor what they call the creditworthiness of states, municipalities, and major companies across the world (Kerwer 2002). Some periodicals rank other organisations. The Financial Times regularly ranks, for instance, business schools all over the world. World Human Rights Watch monitors states and how these behave when it comes to dealing with human rights. These ratings and rankings are explicit attempts to create status orders. A lot of social science research is an organised monitoring that registers and measures what people in different social groups do, how they feel and what they think. Such monitoring is conducted at universities, but also by many public opinion institutes.

Other organisers are more focussed on *sanctions*. The usual thing is that they have positive sanctions to offer. Certification and accreditation institutes make decisions to pass or fail those seeking certification and accreditation and this affects the recipients' identity as well as their status. Others set up prizes and awards which can bestow both status and resources on the winner.

Asfaltdjungelns indianer (the Indians of the Concrete Jungle) is a group of Swedish activists working with sanctions. Their concept is to sabotage 4x4 vehicles by opening their tyre valves and deflating the tyres putting a note on the windscreen of the vehicle where they state their motives for taking action.

It is common for organisers to utilize more than one organisational element or rely on other organizers for other elements. Certain standards are supplemented with systems of certification. Rankings can be based on explicit rules. Membership of a customer club can be supplemented by a system of monitoring the customers' purchasing habits. Hierarchy can be combined with rules.

Common aspects of organisation

Complete organisation and incomplete organisation are similar in important respects. Both forms of organisation are based on decisions. Decisions dramatize uncertainty (Luhmann 2000). Decisions are attempts at creating certainty, at establishing what the future will look like. But they also create uncertainty by demonstrating that the future is chosen by someone; so it could be different. In this way decisions pave the way for contestation. Thus, whether we organise inside or outside formal organisations, there is a great risk that decisions and their content will be called into question. Even if the decisions have been successful and led to the desired organisation, this organisation will be fragile. As long as the prevailing order is perceived specifically as organisation, i.e. a decided order, it will be open to criticism for not being the right one; alternatives can be pointed out and demands for new decisions can be put forward. Decided orders are characterized by a certain instability. History is certainly full of organisers who have attempted to portray the order they have decided upon as more firmly grounded, necessary, or natural: the King obtained his power by God's grace; among managements and governments; it is popular to speak of "economic necessities"; and the organisation of the family was, for a long time, bestowed upon nature. However, far from all of these attempts have succeeded – the order has often been perceived, nevertheless, as decided upon and as only one option among many possible ones.

Another effect of decisions is that they indicate the significance of the individual person. They link order to decision-makers. Decisions dramatize control; that the decision-makers are causes of subsequent actions. The decisions provide a way of explaining the prevailing order – it often appears to be more easily explained than orders that are not perceived as decided upon. At the same time, high demands are placed on really being able to explain. Unclear points during the decision-making

process easily lead to calls for greater transparency – there is a desire to know who made the decision, when it happened and in which context.

Because decisions are perceived as choices driven by the decision-makers' preferences, they dramatize the fact that the decision-makers have a free will and that they use it – that they make choices of their own. At the same time, they are causes - they cause the future. Being a cause by one's free will is the way of becoming responsible (Aristotle 1984). Making decisions is, perhaps, the most effective way of assuming responsibility that is available to us. In formal organisations, it is clear who is responsible, in both the legal and moral senses. Formal organisations concentrate responsibility: they make certain people, the decision-makers, highly responsible and other members relatively irresponsible. And organising outside organisations also concentrates responsibility more than other orders.

By means of the decisions linking actions and distinctions to people, the legitimacy of the former becomes partly dependent on the latter. We find it easier to accept an order which has been decided upon by the right people and in a proper way. The formal organisations' constitutions are expected to guarantee that the members accept decisions made in the name of the organisation.

The fact that an order is decided upon also affects its legitimacy. It is not in all areas of life that we accept compliance with decided orders. We want to make decisions for ourselves. Using Barnard's (1938) term, we can say that we have a limited zone of indifference. It is difficult to gain sympathy for organisation when it clearly infringes established institutions, norm systems, or conceptions. Organisers in a weak position may be forced to adapt to prevailing perceptions as regards what is right and true if they want to make an impact with their

organisational attempts. "New" management models being propagated by gurus and consultants are normally not so radical, instead typically connecting very closely with institutionalised conceptions of how an organisation should work (Brunsson 2006).

Sometimes, we accept orders just because we do not perceive them to be decided upon; however, if they are subjected to decisions, we protest. People who accept large wage differences between different occupational groups because it has always been like that may react to small changes in the taxation or allowance systems that are decided by governments or parliaments. The fact that certain people are affected more than others by illness is accepted more easily than public healthcare prioritizing certain people and illnesses over others. Despite such protests, organising often gives rise to order quite quickly when compared with, for instance, cultural processes.

Dynamics of incomplete organisation
Differences between complete and incomplete organisation are linked to how many and which organisational elements are being utilized. Different combinations of organisational elements provide different opportunities. The more organisational elements that are utilized - the greater will be the similarity with a formal organisation. At a certain point in time organisation of varying degrees and types exists.

One reason for the existence of incomplete organisation may be that organisers are unable to utilize all elements because of resistance either from members or potential members or from others. But incomplete organisation may also be deliberately chosen as an alternative to a complete organisation. With incomplete

organisation, some of the problems and costs arising in complete organisations can be avoided, for example members demanding more influence or management being made accountable. And, in practice, incomplete organisation can be enough to also create a high degree of order.

In principle, however, incomplete organisation does not, have as much capacity for creating order as a complete, formal organisation. If there are no members, organising will face outreach problems and there will be less control over who is affected and where. If there is no access to a hierarchy, then the opportunities for governing others will be less. At the same time, there is less concentration of responsibility.

Organisers without the capacity of monitoring whether or not their rules are actually being complied with may not just fail; they will also have problems seeing that they have failed. It is often easy for people and organisations to maintain a façade of rule-compliance which is not matched by rule-compliance in practice (Meyer and Rowan 1977). Moreover, without sanctions, there will be a risk that an organiser only organises the willing – who may, perhaps, have organised themselves in the same manner even without this particular organiser.

Incomplete organisation involves special kinds of dynamics. In order to get a stronger impact organisers may want to use more elements and those who are being organised may want less. But also those who are being organised sometimes require more organising. For example, those being monitored and placed in a status order might want to know exactly which rules are being applied so that they

can exert an influence on their position. Those who are organised by rules may ask for hierarchy in order to increase transparency. More organisation may also be needed in order to solve a shared problem: Ostrom (1990) shows that the successful attempts to manage a shared resource were characterized by the use of more organisational elements than were the unsuccessful attempts.

There may be many who wish to organise others. In doing so, competition may arise between various attempts at organising. For instance, different rules may be proclaimed for more or less the same things. For those who wish to comply with a rule, this means that they are either forced or they get the opportunity to choose between different rules, which is seldom the case in complete organisations. The result of many people attempting to organise in competition with each other may result in an increasing disorder rather than the creation of a new order.

4. **Concepts that conceal organisation**

Organisation outside organisations is an under-analysed phenomenon in social science. In order to understand such phenomena, both organisational and other researchers normally use concepts which have a tendency to conceal rather than clarify the element of organisation. The most common concepts are institution and network. We also believe that what is often called "governance" has more to do with incomplete organisation than to do with institutions or networks.

Institution

Institution is one of the most common concepts in the social sciences. It has been ascribed with varying meanings. In some political science literature, the concept is often used to describe what in traditional organisational theory is called formal organisations, a usage which is not too fruitful in a discussion about the difference between institution and organisation. In sociology, the concept is more frequently used to designate shared patterns of behaviour, rules and conceptions of high stability (Jepperson 1991). In more limited definitions, the concept is readily linked to the notion of the taken-for-granted. Institutions are patterns of behaviour, rules and conceptions that are taken for granted by a larger or smaller group of people; there is no need to "mobilise" or justify one's actions when acting in accordance with institutions (ibid.).

Various authors have emphasized different aspects of institutions. Economic historians such as Douglass North (1990) have understood institutions mainly as government laws. Scott (1995) pointed out three pillars of institutions: the

cognitive, the normative and the regulative pillars. We can take a certain pattern of behaviour for granted because we share certain conceptions, cognitions, with others. We can follow a certain pattern of behaviour because there are norms that tell us what to do. Both these phenomena are, in our opinion, very different from what Scott calls the regulative pillar, for example government rules. The regulative tallies quite well with what we have called organisation. In the regulative "pillar", we find several organisational elements: rule-setting, monitoring, sanctioning activities and even coercion. However, also part of the "normative pillar", in our opinion, are examples of organisation, for example certification and accreditation activities.

Using his pillars, Scott makes it clear that there can be different kinds of causes for our following a certain general pattern of behaviour. We believe that it would be even more useful to clearly distinguish between cognitive and normative aspects of institutions on the one hand and organisation on the other. There is a large difference between these, with regard to the conditions of their origin, strength, stability, and change.

In order for certain conceptions and norms to be taken for granted, it is normally a requirement that they are actually shared by many. In modern, open and democratic societies, it is probably relatively uncommon that we are forced to take conceptions and norms for granted which very few actually share. The processes that lead to people sharing the same conceptions and norms are often prolonged and complex and include socialisation. Conceptions and norms are difficult to influence and influence normally requires a prolonged public opinion endeavour during which access to the media or to educational organisations is important. Once people have taken certain conceptions on board, it can take a long time to change these. It is not unusual for people to see their present conceptions as true

and correct, i.e. they see no reasonable alternative to them.

Organisation is seldom taken for granted. On the contrary, organisation often tends to be called into question. It can even be the case that the organising *per se* threatens established institutions; if we decide upon a previously institutionalised order, there will be a risk of it being questioned and challenged.

And when organisation is taken for granted it is likely to be in another sense than the one where it is seen as the only order possible. Organisation can be taken for granted in the sense that we assess that the decisions made will be in force during a contextually relevant future regardless of what we ourselves do and think about them. In a formal organisation, the members are often forced to take management decisions as a given which they are not able or do not have the energy to challenge. A standard can be taken for granted because we assess that many others will comply with it or regard it to be the right one. However, the taken-for-granted which is based on organisation is something rather fragile; there is always a risk of it being challenged or that people quite simply seek positions where they do not need to take anything organised for granted – they can, for instance, change organisation.

Scott argued that fully developed institutions are based on all the pillars, i.e. they encompass both taken-for-granted conceptions and shared norms and written rules. This is a state of affairs that organisers dream about and may work towards achieving but which they extremely rarely attain.

Furthermore, organising and organisation are of significance whether it has become institutionalised or not. It is not only institutions that govern people's actions. The existing global order is probably less institutionalised than most

national orders but it exists anyway. Formal organisations do not just have an environment of institutions, they also have an environment of organisation. Organising and organisation are such important phenomena that they are worth concepts of their own. And terms like regulative or regulation, we feel, are too narrow - organisation is not just about rules. Having entirely different concepts for denoting organisation inside and outside formal organisations easily becomes a way of strongly exaggerating the differences between these phenomena.

Network

In its original meaning, network is an example of what we described above as an emergent order, i.e. orders that arise spontaneously rather than being decided upon. Networks arise through many people's or organisations' autonomous actions and adaptations to each other. A network is hardly visible to those who are not involved and it lacks identity. Only those involved in the network know that it exists even though they do not know either how big it is or have an overview of who its members are. There is usually talk of networks being embedded in other social relations (Thompson 2003: 144). Networks have a tendency to "ramify endlessly" (Knoke and Kuklinsky 1982: 24; Borgatti and Forster 2003; Thompson 2003: 201).

Furthermore, networks lack both hierarchy and decided rules (Podolny and Page 1998). Those taking the initiative and attempting to ask or persuade people to do something can involve some of those involved in the network. Reciprocity is an important mechanism for whether people join in or not; one good turn deserves another. However, it is not formally agreed in advance what people expect from each other, instead that develops step by step.

In a network, no monitoring is decided upon either. However, when people involved in networks meet, they gossip about each other and ask what so and so is doing and whether he or she can be trusted. Those who no longer fit in, who people indicate their disapproval of, will in time be ostracised; no one wants to talk to them anymore and no one rings them.

The concept of network has become common in social science research and investigating the occurrence of networks between or within organisations is an important task. However, the term network is often used in a considerably broader meaning than in its original one. It is used to describe a number of different constellations of individuals or organisations characterized by much that does not tally with the qualities emphasized in a genuine network. Many of the phenomena called networks in social science contain one or more elements of organisation. Even formal organisations which have other organisations as members, meta-organisations, are sometimes called networks. Grahame F. Thompson differentiated between self-organised and organised networks. An organised network "involves conscious directive action to establish and sustain the network" (2003:29). Furthermore, he emphasised that a network needs to be led and governed to prevent it from becoming all too chaotic (2003:133-4). There are even those who have spoken of "bureaucratic networks" (Grandori 1997: 912).

The narrow and original concept of network can be fruitfully juxtaposed with organisation. A genuine network can be seen as the opposite of a formal organisation. Groups of people or organisations ordered with one or more elements of organisation have other characteristics and qualities than does a genuine network. Nevertheless, such organisation is often described as genuine networks and ascribed with the qualities associated with such, for example reciprocity, responsiveness, informal decisions and flexibility (Kanter and Eccles

1992: 525). Speaking of networks in this way gives the impression of it being a matter of an emergent order which has arisen, to all intent and purposes, of itself and which functions in accordance with another logic than a decided upon order. However, a network which introduces one or more organisational elements acquires an altered character. It becomes less embedded and gains increased autonomy, becoming more visible. It can acquire an identity and a purpose. However, it can also be called into question and criticised in an entirely different manner - and it can fail.

5. The example of global organising

Just like formal organisations, incomplete organisation is a very common phenomenon. The existing global order that we alluded to in the introduction demonstrates that organisation may give rise to a high degree of order even if it is incomplete. There is a strong global order – great similarities all over the world regarding how people act and which distinctions they make. The global order is to a large extent an organised order. There are many global formal organisations, for example transnational companies or pressure groups such as Amnesty International or the WWF. There are also approximately 10,000 international meta-organisations, organisations where other organisations are the members. Examples range from the UN and the EU to the International Egg Commission, from Birdlife International to the International Cremation Federation. These organisations create internal orders which exceed the territories of states (Ahrne and Brunsson, 2008).

However, most global organisation is incomplete, consisting of one or two organisational elements or different combinations of them (Ahrne and Brunsson 2006). International standardisation organisations and many other individual or

meta-organisations such as the OECD, Amnesty International or the World Wildlife Fund impose rules concerning organisations all over the world. Certification organisations certify companies right across the world in accordance with rules governing quality or corporate social responsibility. Not only Standard and Poor's and Financial Times but many other organisations rate and rank other organisations globally. They contribute, as do award committees such as the Nobel Foundation, towards creating global status orders.

Trade across national boundaries, like all trade, must be organised in order to work. International markets are dependent on both national and international organising. Just who can be a player on a certain market is determined by, for instance, various systems of authorisation and certification, as well as by calls to boycott certain producers in certain countries made by pressure groups or by laws governing age limits applicable to purchasers. States and international organisations such as the WTO and the EU acquire hierarchical authority and the opportunity to issue binding rules. Rules applied to marketplaces do not just govern who will be allowed to act as sellers and purchasers, but also the quality of the goods. They are partly regulated by government agencies such as the Medical Products Agency but also to a high degree by standards issued by international standardisation organisations and by interest organisations, for example in cases of environmental and fair trade labelling. There are also rules governing how trade is to be conducted in the form of, for instance, competition laws (Djelic 2006). There are a number of international law firms and legal associations involved in transnational law-making in the context of commercial and corporate law (Quack 2007). Markets are monitored in a number of ways; by stockbrokers, banks, statistics agencies, and interest organisations. Sellers not meeting standards are exposed to all sorts of sanctions, from refused certification to boycott. Purchasers

who purchase from the wrong supplier, for example retail companies buying goods from producers using child labour, are exposed to similar measures.

International networks are highly dependent on modern technology like data communications and air transportation. However, the global utilization of this technology would not be possible without very extensive organising on the global level, among other things of the efforts of international standardisation organisations and organisations like IATA or the Internet Society.

All this does not mean that organising is the only reason behind global order. Global order is also created by a global dissemination of shared cultural elements (Drori et al. 2003) such as conceptions and norms regarding the individual. But we can expect connections between organising and shared cultural conceptions and norms. Organising is facilitated by shared cultural elements (Barnard 1938; Drori et al. 2006) and can in the long run lead to shared conceptions and norms. For instance, the distinctions emerging from organising can become a part of how people perceive the world. When a periodical ranks business schools, it is not only a lot of university colleges that wish to define themselves as business schools, this category can at least, as time goes on, be perceived as natural and a self-evident part of a university college's identity. Different forms of organisation are often carriers and important means of disseminating shared conceptions and norms.

Global order is dissimilar to national order in one important respect – there is no overarching state, no world state. In individual countries, the state has traditionally been an important organiser. States have organised both people and organisations that have been active within their territories. This means that much of the order has been possible to explain as a result of formal organisation.

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