

## INSTITUTIONAL MANAGEMENT IN THE KNOWLEDGE SOCIETY

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*„An excellent team made of individuals is by far better than a team made of excellent individuals”.*

### ABSTRACT

*The issue of institutional management has become one of efficiency strategy and identification of performance in the knowledge society. The author, former rector with management experience in university structures analysis the relationship between organization and institution, as well as the extent to which Aurel Vlaicu University of Arad fulfils the demands of a knowledge institution, with didactic and scientific activity.*

**KEYWORDS:** institution, management, organization, the knowledge society, Aurel Vlaicu University of Arad.

### 1. ORGANIZATION AND INSTITUTION

The word *organization* is more and more used in a modern meaning – without distinction – for any type of coherent group, irrespective of the social or economic area it functions in. Moreover, if the economic environment used words such as firm, factory, plant, corporation, etc., nowadays the theoreticians of *organizational behaviour*<sup>3</sup> who come from the economic area promote the concept of *organization*. The concept sums up any human behaviour, *organized* according to principles, rules, hierarchies. Furthermore, the *organization* is redefined as a “field” or a “network”. The issue of possible confusion between *institution and organization* was brought up at a certain point.

*Institutions*, stated M. Vlăsceanu<sup>4</sup> (2003), are normative; they are subjected to constraining rules in terms of behaviour and action. Institutions

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<sup>3</sup> **Behaviour** is a observable activity of a organisms, an interaction with its environment. The notion can refer to an activity, in general (ex: "Ever since I know X, he behaves very nicely to people") or to a certain activity, thus a particular situation (ex: "Today, X has acted strangely, when I have met him on the street"). Ther concept was used in psychology for the first time, [J.B. Watson](#) and H Pieron, in the psychological paradogm called [Behaviourism](#), according to [Wikipedia.org/wiki/](http://Wikipedia.org/wiki/).

<sup>4</sup> Mihaela Vlăsceanu, *Organizații și comportament organizațional*, Editura Polirom, Iași, 2003, p. 46.

have formal rules (laws, jurisdiction) and informal rules (conventions, rituals, traditions), which induces the idea of reward for complying with the regulations and punishment for disobeying them. The institution develops a complex relationship between physical environment (material base, non-human resources) and human environment of a production society by valuing bureaucratic behaviour which involves performance of strictly professional “duties”. They can be regarded as the individuals` behavioural adjustment to (institutional) rules and regulations.

Competition and the urge to increase efficiency have determined the attachment of two new meanings to the rigid meaning of this concept. As these are predominant and obviously more important, the term was replaced by the concept of **organization**. Consequently, an *organization* is based on the existence of an institution (which promotes, rules, constraints, and regulations) but aims at performance by stimulating and motivating people and their satisfaction level. Therefore, in my management approach of almost 15 years, I have considered “Aurel Vlaicu” University (which I have managed as rector) both institution and organization. I would call it, *institution* as it is structured and *organization* as it has aspiration towards efficiency. Like a *field* (P. Bourdieu, 1980), an *organization* benefits from “hierarchical” positions and functions, each with specific attributions and interests. It has also (material or scientific e.g. accreditation, publications, authority) capital, abilities of self-regulation, change, adjustment and competition. The organization can make the boundaries between hierarchical levels and power proportions more flexible. It is quite difficult to define organisation within educational sphere therefore we appeal to E. Păun’s statement (1999): „*a system of activities structured around certain clearly stated finalities (goals, objectives) which involves a large number of individuals who have well-delimited status and role within a differentiated structure with positions of management and activity coordination*”<sup>5</sup>. We can synthesize the characteristics of an organization according to four coordinates: *organizational structure* (complexity, size, roles and bylaws, relationships, differentiating activities); *organizational control* (hierarchical structure, authority and power relationships, staff, bureaucracy); *organizational behaviour* (aims, organizational climate and culture); *organizational change* (flexibility, promoting innovation, staff development). According to Mary Jo Hatch<sup>6</sup> (1997), one can identify four “metaphorical” moments in the analytic evolution of an organization as reality, phenomenon and concept:

• *Classic vision or the machine metaphor* (“*imagines individuals as robots/machines who were built by the manager to*

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<sup>5</sup> Emil Păun, *Școala – abordare sociopedagogică*, Editura Polirom, Iași, 1999, p. 21.

<sup>6</sup> **Mary Jo Hatch**, management professor at The University of Virginia. She wrote: *Organization theory: modern, symbolic, and postmodern perspectives* (Oxford, 2006).

*fulfil pre-set objectives*”). In organizations where these “machines” function, the manager is an organizational engineer whose concern is to project, fulfil and ensure full functioning of these “machines”, namely a sort of “organizations without humans”;

- **Modern vision or the organic metaphor** („organization is a living organisms, which becomes environment and resource dependent in order to function and survive”);

- **Symbolic-interpretative vision or the cultural metaphor** („stresses out aspects concerning what we could call the ethos of an organization: traditions and customs, myths, legends, beliefs, values and symbols. They all make up the culture of that organization and the understanding of organization culture is relevant in developing a management strategy”)

- **Postmodern vision or the collage metaphor** (“the analysis of an organization cannot make a distinction between subject and object – they cannot be separated – postmodern theoreticians consider the collage metaphor representative for a type of art, where objects are rearranged to obtain a new object. Thus, they admit the existence of various manners of approaching organizations and building explanation theories”).

**To what extent is university an organization?** University, as stated earlier, has both the attributes of an institution and of an organization. **It is an institution**, because it has a legal status, a rector, students and teaching staff; **it is an organization** because it has human resources (the relationship network of individuals who belong to this community), material resources – technology – (communication system, curriculum which aims various educational goals depending on faculties) and supports **organization culture**. It has endured evolutionary “metaphors” such as the machine metaphor, supported by Ivan Illich’s ideas<sup>7</sup>, who describes “deschooling school” or “deschooling society”, then the organic and cultural metaphor typical for current universities and the postmodern collage metaphor which argues that universities do not fold the bureaucratic requirements, but show attraction towards crumbling, environment and utility. At the Aurel Vlaicu University of Arad, we have followed only one policy and model. It is the model of efficiency and clustering authority in competition with traditional universities as well as regional ones. I have always tried to have a close and careful look at our international visibility in times of review and reflexivity.

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<sup>7</sup> American sociologist of Russian origin, **Ivan Illich** issued ideas considered too terrible about a society without school and universities. He wrote *Deschooling society* (1970).

## 2. KNOWLEDGE ORGANIZATION

Professor H Dragomirescu<sup>8</sup> states in an essay-like study entitled **Knowledge based organizations**<sup>9</sup>, that when a society merges properly („*in an emblematic construction*”) **knowledge with organization**, it has reached maturity. Such a study allows the university activity to unfold in three processes: *innovation* (creates new knowledge), *learning* (acquires new knowledge) and *partner interaction* (capable of relations with identical universities). Such an organization is „*an organization model of the 21<sup>st</sup> century*” and an alternative to **authority and control-based organization**. For instance, it is „the brain-organization” the core of a self-aware organization, “*capable of assuming goals and turn them into projects, of developing and using the knowledge treasure creatively, thus highlighting that conception prevails over action*”<sup>10</sup>. As procedure, universities can turn to knowledge by:

- technology (equipment, information technology, learning);
- projects (action, coherence, efficiency);
- organization (research, source of knowledge).

During my management at “Aurel Vlaicu” University of Arad, I have focused on technological development starting from zero, on attracting and organizing viable projects that would bring funds, authority and intellectual stimulation, as well as on supporting research. A university needs good teachers but mostly good researchers. A policy with high impact on our university was the co-option of young researchers with outstanding research activity from foreign universities.

In organization theory, the **hierarchical paradigm (as rigid and authoritarian pyramid structure)** has an alternative, **the network paradigm**. According to this type of organization, every teacher is a manager who turns information into knowledge and action. Networks involve groups, who develop projects, promote cooperation rules, mutual representations and even cognitive maps. Therefore, all actors and human resources should be proactive, in terms of *co-elaboration* (generating knowledge), *co-learning* (mutual validation of acquisitions) and *co-management* (efficient use of knowledge).

To what extent can the university fulfil the demands of a **knowledge based society** through its didactic and administrative staff and its students? Unfortunately, **the street metaphor**<sup>11</sup> (Emil Păun) is for universities a form of

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<sup>8</sup> H. Dragomirescu, *Organizații bazate pe cunoaștere*, www.rocai.ro, p.3.

<sup>9</sup> Knowledge society is “*the one where information means power in a general meaning – irrespective if we refer to political, economic, financial power – obtaining, keeping and valuing information is the key to this society.*” (H.. Drăgănescu, 2001).

<sup>10</sup> Ibidem, p. 4.

<sup>11</sup> Each discipline from the curricula designs its own competences without interfering with others, only tangentially.

action, keeping them rigid, conservative and inefficient in terms of progress. Despite the idea of university autonomy, universities are bureaucratic and highly hierarchical organizations and their **core (faculties) are only enforcers of Senate's decisions but also of standardized curriculum.**

**Knowledge based organizations** (NBO) should bring about constant changes in management projects because separation of *management act* from *execution* is null. The manager declines administrative power and becomes „*an architect of systems and processes.*” The role is also of „*facilitator, mentor, moderator or promoter*”<sup>12</sup>, which implies „*special management attributions, such as strategic vision, interpersonal skills, project management and change management* (s.n. – L. M.). In other words, the manager handles „*collective competences*”, namely „*what an organization knows and is capable of doing, in relation to its objectives and determining environmental conditions, based on its members' individual abilities, which are systemically acquired and strategically mobilized*”<sup>13</sup>.

The economic environment – especially the Chinese, Asian and American - has developed its own „knowledge centre”, „organization system”, „brand universities” as an appeal to the inability of certain universities to develop such competences. What do we know about what is going on beyond the products on the shelves of the supermarkets? We see order, the effects of marketing, promotions, advertising, design, computing, market prospection, exhibitions, etc. There is no concern for a coherent vision over the entire management process in universities because they consider it the prerogative of economic businesses.

Theories, like any type of philosophy, describe the past of a process and its effects. Knowledge is not as humanized as one argues. There is a tendency to **imperialize** it and often it becomes a „public good” served as **pills**. Company X does not reveal its “secrets”, the results of its own creativity only when it replaces them with more performing ones. „Knowledge is sold” or becomes “public” only when it doesn't stand for the ambition of the organization who developed it and is replaced by more efficient and advanced technique. For instance, the secrets of a mobile phone programme can be „sold” or distributed to other organizations, only when creative knowledge generated another more efficient programme to meet their clients' satisfaction. Therefore, universities are aimed to generate high knowledge and be the promoters of regional development.

Organizations (KBO) generate knowledge because they are open to learning and creativity. They are organizations which do not lack money but time and valuable human resources. They are „**organizations that teach**”,

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<sup>12</sup> *Ibidem*, p. 13.

<sup>13</sup> *Ibidem*, p. 13.

because „*learning is a specific management tool for institutional culture*”<sup>14</sup>. According to F. Kofman and P. M. Senge, „*institutions that teach are those institutions where people constantly develop their ability to reach their goals and where thinking and communication are promoted*”. They have three fundamental elements which describe them:

- culture based on curiosity, modesty and understanding;
- practices for coordinated dialogue and action;
- ability to identify activity as a system;

Moreover, in each organization there are actors with different potential who are not motivationally involved:

- uninvolved, namely those who don't learn;
- potentially involved, those who want but need individual motivation;
- involved, those who are engaged and have organizational motivation;
- proactive, namely volunteers, dynamic people capable of bringing about changes

In terms of above stated perspectives, universities can become model institutions with already mentioned fundamental characteristics. Universities promote a specific strategy for each category, namely a particular operational plan, capable of determining procedural efficiency (*efficiency is expressed by “the share between results and time allotted to achieve them”*). Strategies involve assimilation of concepts, skills, rules, abilities, competences and behaviours in a global and differentiated manner.

We would like to state our opinion regarding the previously mentioned considerations. The first one refers to the notion of **knowledge based society**. What is the meaning of this notion? We are wondering, if there is a society which structures its existence without „knowledge”? Any responsible and efficient organization has its own proceedings relying on structural quality “inputs” in the system: the more the inputs are knowledge based, the more relevant the outputs are. Organizations “function” as organisms. If a university is capable of generating knowledge, then it shapes its personality and gives satisfaction to others. **The propensity of a university towards knowledge will provide it with quality and in this way students would want to be enrolled in such a university.** A university or faculty that only obeys various regulations will remain anonymous. Therefore, the statement „**knowledge based organization**” does not express a category but a quality. Without knowledge, a university dilutes its existence and functions.

On the other hand, any well-organized system – a university too – can be autopoiesis. By *autopoiesis* we understand the university's ability of self-regulation, of finding stimulation and balance resources when needed. A

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<sup>14</sup> T. Coșeriu, *Instituția care învață*, [www.design.ro](http://www.design.ro) (17. 05. 2014), p.1.

university which is incapable of proper and proactive reactions can no longer be called an organization.” Aurel Vlaicu” University of Arad is on a constant struggle to develop its organizational culture, to strengthen its authority and fame. Moreover, we can include it in the category of “knowledge organizations” because it is involved in a serious quality system through projects and vision.

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