

CHAPTER 2

PATHOLOGIES IN PUBLIC ORGANISATIONS

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Introduction

Directions of preventing organisational pathology, among others through the simplification of structures or modification of behaviours, constitute the subject of interest for researches representing various academic fields and disciplines. The research is often dominated by the legal point of view, focusing on the analysis of the compliance of the decision-making process with the provisions of the law. Legal analysis, whether it is based on the concept of clarifying or derivative interpretation, is not entirely sufficient to analyse the functioning of public organisations and explain actually occurring phenomena. The remaining advantages of the efficiency of action should also be taken into consideration: effectiveness, diligence, transparency, and accountability. It is because operations of public organisations are assessed based not only on the socio-economic programme they offer to the citizens. According to the concept of public governance, what is also subject to assessment is the manner in which citizens are treated by these organisations.

This paper presents the results of the research aiming at analysing the phenomenon of pathologies in public organisations. In the research methods typical for the discipline of management studies, such as text analysis and anthropological interview, were used. The adopted research methodology, carried out according to the concept of methods triangulation, enabled the collection and analysis of the research material, creating the foundation for the process of inference as well as identification, according to the author's intention, of research problems that require a solution.

Organisational pathologies from the perspective of management studies

From the perspective of management studies, organisational pathology is a relatively permanent inefficiency of an organisation that results in wastage exceeding what is socially acceptable (Kieżun, 1997, p. 376). It is a situation

where a disharmony occurs between the structural, sociological and psychological elements (Stelmach, 2010, p. 16). Narrowing the discussion to human resources management, it can be determined that pathology is an interference in the functioning considered to be a model, which constitutes a restraint in the development of competences (Listwan, Witkowski, 2008). A paraphrase of Kieżun's definition with reference to particular management functions is an observation that pathology of: planning, organising, motivating or controlling is a relatively permanent inefficiency resulting in wastage of resources necessary to fulfil these functions. The definition of organisational pathology formulated by Kieżun is characterised by relativism, and one of its ontological problems is the question, what are the limits of social tolerance for organisational pathology and whether they are immutable. From the author's own research conducted in Albania, Indonesia and Poland in the years 2008-2017 (based, among others, on text analysis, non-participant observation and anthropological interviews), it appears that the limits of social tolerance toward behaviours considered as pathological are different in each of those countries.

Organisational pathology is a certain kind of reality connected with gathering or expending funds, creating and conveying information, motivating employees; objective and independent of the subject or subjectively determined, while the limits of social tolerance for its outcomes may be regarded differently by the stakeholders. The analysis of the concept of organisational pathology enables the formulation of a generalisation stating that we can talk about pathology in the situation of interactions that negatively impact the proper – in the assessment of most stakeholders – functioning of the organisation, and therefore also the correct, according to them, execution of the adopted objectives. The limits of social tolerance are therefore objectivised, and not objective. A definition coherent with the one presented above is one that considers organisational pathology to be a dysfunction of the organisation that manifests in how ill-suited to the human needs at a particular period of time is the way things are organised and the results of actions (Dobrowolski, 2015, p. 59).

Widely accepted in management studies is the view derived from sociology, according to which social pathology concerning organisations comprises, among others: behaviours and attitudes questioned by a particular community, which are contradictory to the accepted values and behaviour patterns, or a situation that evokes strong social condemnation and demand for reparatory actions. From the perspective of the sociology of law, what constitutes a pathological phenomenon are instances of infringing norms, particularly legal norms, which the community finds concerning (Kopka, 2015, pp. 17-18). However, it should also be noted that provisions of the law can catalyse or legitimise pathological behaviour. The example in this respect is provided by the legislation of totalitarian

states. From the point of view of new institutional economy, the source of organisational pathologies is the lack of institutional balance.

In the modernist approach, organisational pathology can be considered from the point of view of mutual interactions between the organisation and its environment. It enables noticing the relativity of the rule of the equivalence of sharing information between the organisation and its environment, which can contribute, among others, to incorrect allocation of resources. In the interpretive/symbolic approach, organisational pathology can be regarded from the angle of Weick's theory of enactment as well as Berger's and Luckmann's social construction of reality. The organisation operating in the environment takes action and reacts to its consequences. Limitations created by people can take the form of pathological influences. Adopting the postmodernist approach, it is necessary to distance oneself from one's own, socially and culturally determined view of organisational pathology and conduct a deconstruction of this phenomenon. Finally, from the perspective of the paradigm of radical structuralism, organisational pathology means behaviours that serve the reinforcement of certain groups' domination over other people (Hatch, 2002). A given paradigm will influence the manner and scope of research devoted to organisational pathology.

Pathological management practices are characterised by an oppressive, manipulative character of management, abuse of power, unfair division of resources and destruction of common good. Abuse of power leads to obtaining unjustified social advantage, and the organisation resembles a totalitarian system. Sułkowski rightly remarks that due to the development of marketing, pathological culture of contemporary consumerism has become reality (Sułkowski, 2015, pp. 53-54). Public organisations are made of people indoctrinated by marketing communication, which results in their ambitions to possess goods, often superfluous (*ibid.*). This, in turn, often leads to corruption, fraud, and as a consequence – to the destruction of social capital, consisting in part of trust, defined from the perspective of management studies as stakeholders' ability to cooperate (Dobrowolski), element of social capital (Putnam), or the organisation's strategic resource (Collis, Montgomery) (Dobrowolski, 2017; Grudzewski, Hejduk, Sankowska, Wańtuchowicz, 2007, p. 31).

Directions of organisational pathology prevention

What should be included as a designatum of organisational dysfunction is alienation, understood as isolation of the organisation from its environment and cessation of fulfilment of certain functions that it should perform. Its consequence is oligarchising, i.e. creation of elites disconnected from the remaining members of the organisation, as well as atrophy or aberration of public dis-

course. Among the remaining designata of dysfunctionality we should mention ritualism, formalism, trained ineptitude, psychosis consisting in acquiring specific prejudice, and antipathy (Bolesta-Kukułka, 2003, pp. 228, 247-248, Stelmach, 2010, p. 13, Podgórecki, 1974, p. 61 as cited in: Dobrowolski, 2015, p. 59). A designatum of dysfunctionality that often occurs in operations of the organisation is legalism leading to routine when adherence to the rule becomes the superior value. This legalism is catalysed by the way public organisation activities are assessed. The assessment from the point of view of legality is the easiest, and in the case of supervision, it constitutes its only criterion. Legalism should be counteracted by the implementation in the practical functioning of public organisations of solutions adopted at the global ethics congress (in December 2016 during the Congress of INTOSAI, International Organisation of Supreme Audit Institutions, with over 185 countries attending, global guidelines were adopted – the Code of Ethics). According to the guidelines contained in the Code, the management and employees of public organisations should perform public tasks in the best possible manner, taking into consideration the public interest, and not limit themselves only to the adherence to legal regulations. Similar guidelines were included in the Ordinance No. 70 of the Prime Minister of Poland dated 6 October 2011 on adherence to the civil service rules and ethical principles of the civil service corps (Monitor Polski No. 93, item 953). Establishing in what way the postulate presented above is realised in the functioning of public organisations constitutes one of the research problems that require a solution.

The reason catalysing the occurrence of organisational pathology is the inflation of law. Execution of public tasks requires leaving certain decision-making liberty to those who execute them. A divergence between objectives and effects of actions causes the inflation of norms through the creation of new norms that eliminate gaps in provisions of the law and limit excessive freedom of interpretation. This, in turn, catalyses the demand for control and leads to reformalisation of the state control system. Improving the quality of legislation is used to prevent such a situation. Sułkowski points to the manipulation of meaning that leads to feigning actions (Sułkowski, 2015, p. 54). It can catalyse the phenomenon of regulatory capture (Dobrowolski, 2017).

The consequence or the cause of organisational pathology can be anomy, i.e. as Durkheim remarks, a situation in which individuals on a mass scale lose the ability to differentiate between good and evil (Stelmach, 2010, p. 19), or such a state of the organisation in which violation of norms remains unpunished (Dahrendorf, 1993, p. 255). Implicitly, the inevitability of the punishment and the effectiveness of its execution supports prevention. Formal institutions must, however, be accompanied by appropriate informal institutions. Without institutional balance, organisational pathology prevention is ineffective (Dobrowolski, 2015).

Another cause as well as effect of organisational pathology is conformism. Yielding to the public opinion, motivated by erroneous objectives, often leads to the deformation of the decision-making process (Ignatowski, 2015, p. 98). The sources of conformism can be found, among others, in a faulty information or normative influence on employees of public organisations. Unclear organisational objectives, lack of solutions enabling transforming tacit knowledge into formal knowledge and imprecise legislation are the catalysts for conformism (Aronson, 2006, p. 209-224, Ignatowski, 2015, pp. 98-99).

As it has already been mentioned, organisational pathology may be catalysed through the deformation of the information flow, including as a result of hierarchical influences. Information asymmetry may lead to deformations in economic calculations of transaction subjects, and from the perspective of macro organisation, to ineffective allocation of resources. An example of the action that could limit the possibility of such a situation occurring is disintermediation of the information, i.e. the removal of intermediaries, as well as despatialisation, i.e. minimisation of the role of the spatial factor in information circulation, including through the simplification of organisational structures. Using the Internet as an information tools, even if it facilitates the flow of information, catalyses negative effects. For instance, it can constitute a tool of organised influence on public discourse by formulating certain opinions in the social media (Dobrowolski, 2015, pp. 61-62). This, in turn, creates a temptation to institutionalise e-information, and further will lead to the reformalisation of the e-information control system.

The consequence and at the same time the cause of organisational pathology is corruption which leads to the wastage of resources, contributes to the loss of trust in institutions of the public life, and it can even cause delegitimisation of the state – the macrostructure. Corruption, as a phenomenon with clearly negative consequences for the economic cooperation both domestic and international, has become the subject of numerous international agreements, including the Civil Law Convention on Corruption concluded in Strasbourg on 4 November 1999, and adopted by Member States of the Council of Europe, other European countries as well as the European Community. According to the Polish law, the Convention was adopted with the Act of 28 February 2002 on the ratification of the Civil Law Convention on Corruption (Journal of Laws No. 41, item 359), by the Polish Sejm that authorised the President of Poland to ratify it. On 18 August 2004, a government statement was published, concerning coming into force of the current Civil Law Convention on Corruption concluded in Strasbourg on 4 November 1999. According to this statement, the President of Poland ratified the Convention on 20 August 2002. The ratification document was submitted to the Secretary General of the Council of Europe on 11 September 2002 in Strasbourg.

The Convention came into force on 1 November 2003 for Poland and the remaining States Parties. The other States Parties are: Albania, Azerbaijan, Bosnia and Herzegovina, Bulgaria, Croatia, Czechia, Estonia, Finland, Georgia, Greece, Hungary, Lithuania, Macedonia, Malta, Moldova, Romania, Slovakia, Slovenia, Sweden, and Turkey. The list above shows that not all countries have ratified the Convention. It enables the formulation of the following research problem: what are the reasons of the failure to ratify the civil law convention on corruption by all its parties, and how does it impact the effectiveness of corruption prevention?

Admittedly, Art. 2 of the Convention defines the term ‘corruption’ and indicates its passive and active sides, stating that it means requesting, offering, giving or accepting, directly or indirectly, a bribe or any other undue advantage or prospect thereof, which distorts the proper performance of any duty or behaviour required of the recipient of the bribe, the undue advantage or the prospect thereof. However, it does not oblige the Parties to the Convention to implement such a definition in the internal legal system of their country. It should be noted that the cited definition includes all acts of corruption, both in the public and private sector, in domestic as well as international relations.

Incidentally, it is noteworthy that on the basis of the quoted definition, the Polish definition of corruption was formulated in the Act of 9 June 2006 on the Central Anti-Corruption Bureau (Journal of Laws of 2016, item 1310 as amended). According to Art. 3 of this Act, corruption means an act that: 1) involves promising, proposing or giving by any persons, directly or indirectly, of any undue advantage to a person performing a public function for themselves or any other person, in return for acting or omission to act in performing the person’s function; 2) involves demanding or accepting by a person performing a public function, directly or indirectly, of any undue advantage for themselves or any other person, or accepting an offer or promise of such advantage in return for acting or omission to act in performing the person’s function; 3) is perpetrated in the course of business, covering the accomplishment of the obligations toward the public authority (institution), involving promising, proposing or giving, directly or indirectly, of any undue advantage to a person who manages a unit which does not belong to the public finance sector, or who works for the benefit of this unit in any capacity, for themselves or any other person, in return for acting or omission to act, which breaches their obligations and constitutes a socially detrimental reciprocity; 4) is perpetrated in the course of business, covering the accomplishment of the obligations toward the public authority (institution), involving demanding or accepting, directly or indirectly, of any undue advantage by a person who manages a unit which does not belong to the public finance sector, or who works for the benefit of this unit in any capacity, for

themselves or any other person, in return for acting or omission to act, which breaches their obligations and constitutes a socially detrimental reciprocity.

Corruption catalyses other dangerous phenomena, such as money laundering, within the meaning of Art. 2 sec. 9 of the Act of 16 November 2000 on the Prevention of Money Laundering and Terrorist Financing (Polish Journal of Laws of 2016, item 299, as amended), defined as a deliberate action consisting of: 1) exchange or transfer of assets derived from criminal activity or from an act of participation in such activity, with the purpose of concealing or disguising the illicit origin of such assets, or providing assistance to a person who participates in such activity to avoid legal consequences of such activity, 2) concealing or disguising the true nature of assets or rights associated with them, their source, storage location, administration, the fact that they are being moved, with the awareness that such assets are derived from criminal activity or from an act of participation in such activity, 3) purchasing, taking possession or using assets derived from criminal activity or from an act of participation in such activity, 4) abetting, attempting to commit, aiding or inciting in the case of acts specified in sec. 1-3 also when acts leading to the acquisition of assets were conducted in countries other than Poland, or in the grey zone defined as the part of economy where manufacturing and sales of goods and services are not covered by the statistical registry system (https://mfiles.pl/pl/index.php/Szara_strefa). The occurrence of corruption is fuelled by a small degree of freedom of management, the lack of or little accountability of decision-makers for management decisions, as well as a significant degree of discretion in planning, executing and controlling tasks. Therefore, implicitly, the elimination of barriers limiting business activity, reduction of the state's influence on economy to a necessary minimum, and at the same time ensuring the accountability of decision-makers should reduce the scope of corruption (Dobrowolski, 2015). Experiences of Scandinavian countries enable formulating a generalized conclusion that the most significant among the abovementioned solutions is the accountability of decision-makers. Combating corruption effectively is not possible without the implementation of integrity in the social life.

In Poland, corruption prevention is carried out at two levels. On the micro organisational level it consists of: 1) implementing managerial control in organisations; 2) introducing solutions to counteract nepotism; 3) counteracting the conflict of interests, among others, by obliging a certain group of officials to submit annual wealth statements. The author's own research shows that the aforementioned solutions do not function properly. For instance, the scope of legal norms counteracting nepotism is limited and easy to circumvent.

On the macro organisational level, counteracting corruption is executed, among others, through regulating the rules for lobbying as well as through the

adoption of the Government Anti-Corruption Program for the years 2014-2019 by the Council of Ministers on 1 April 2014 with the resolution No. 37 (Monitor Polski, item 299). The success of this programme depends on the efficiency of cooperation, aptly defined by Lichtarski as a set of activities aiming at achieving objectives that are not contradictory to one another (Lichtarski, 1992, p. 12). In the case of organisations with an often varying scope of entitlements, it requires the implementation of coordination mechanisms. A sine qua non condition of the effectiveness of this coordination is mutual trust, swift, uninterrupted data transmission, as well as organisational closeness. The anti-corruption programme mentioned above features established objectives and directional activities of its participants. Coordinators were appointed and institutions set up. However, we do not know the level of trust between the representatives of organisations participating in the government programme. Although the phenomenon of cooptation exists in the activities of public organisations (Brandenburger, Nalebuff, 1996), its impact on the effectiveness of the anti-corruption programme is unknown. Meanwhile, cooptation may generate opportunism of programme participants. Therefore, the study needs to resolve the following research problem: to what extent the phenomenon of cooptation in the public sector impacts the effectiveness of the anti-corruption programme?

None of the solutions would be successful without the implementation of particular values in the activities of the management and employees of public organisations. This is why the premises of the Government Anti-Corruption Program, which consists of supplementing curricula and training programmes for public officials with anti-corruption content, merit a positive appraisal. It leaves no doubt that the faster anti-corruption education will include the members of a particular community, the more thoroughly and deeper the process of internalisation can go, in which heteronomous norms would transform into autonomic norms (Dobrowolski, 2015, p. 64).

Finally, it should be mentioned that factors distinguished among the causes of pathologies include improper relations in organisations, including: neurotic desire for power, limited trust, artificial behaviour, reduction of interest in psychological needs, degeneration of altruistic and emphatic behaviours, degeneration of dialogue, and conflict of roles (Stelmach, 2010, p. 18, Laszczak, 1999, p. 51, Bolesta-Kukułka, 2003, p. 247, 248, 228). It makes one aware of the fact that the phenomenon of organisational pathology can constitute not only the subject of interest for management studies, but also other academic fields and disciplines, and interdisciplinary approaches, such as subsymbolic cognitive science (Dobrowolski, 2015).

Summary

Pathologies affect various areas of management, although they are the most visible in the area of human resources management. All solutions that serve the prevention of the occurrence of organisational pathology are justified only in the situation of a successful implementation and internalisation of ethical solutions in organisations. It should be accompanied by disintermediation and despatialisation of information, as well as the coordination of preventive actions, counteracting the reduction of the overall effect of the actions taken. It requires taking into account and counteracting negative consequences of public organisations' cooptation. The study identified and formulated the following research problems: what are the reasons of the failure to ratify the civil law convention on corruption by all its parties, and how does it impact the effectiveness of corruption prevention? To what extent the phenomenon of cooptation in the public sector impacts the effectiveness of the anti-corruption programme?

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