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A chunk view of research into temporary organizations

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A chunk view of research into temporary organizations

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Abstract

Purpose – This research note addresses theory building in the field of projects and temporary organizations.

Design/methodology/approach – This research note builds on commenting and deriving arguments from three main sources (the Transition paper, the End-states paper, and the Chunk paper) that all contribute to theory building in the field of temporary organizations and/or projects. In addition to Introduction section in the beginning and Discussion section in the end, this research note is organized to comprise four sections: Time, End states, Boundaries, and Chunk.

Findings – This research note expands the temporary organization view to include dimensions that fall outside the organizational dimension. Such dimensions include logic-related, immaterial, maybe even entrepreneurial issues that may reside outside the boundaries of any organizational entity. Furthermore, such dimensions include end states and potentially objects that [may] affect the end states like opportunity-seizing or risk-taking attitudes, or accidental or serendipitous incidents/events that would occur 'outside the temporary organization' in the uncertain environment (the environment being collaborative, competitive, or 'random'). This discussion relates to the challenging question of defining boundaries and understanding their dynamic and ever-changing nature. In the discussion part, the paper concludes by introducing the term 'business enterprise' to contrast e.g. the terms 'project' or 'temporary organization', for referring to the logic-related and other aspects that would otherwise fall outside the organizational dimension.

Practical/implications – Based on the findings of this paper, further conceptual and empirical research on temporary organizations and projects is needed, and academic debates are needed that would give a raise for combinations of existing theories and for several new theories, not just one theory.

Originality/value – Existing theories on temporary organizations and projects and the ways how they are used in individual studies are too single-sided and therefore not too helpful in explaining the new organizational forms referred to in this paper. Therefore, cross-disciplinary combinations of several existing theories are needed, and potentially new theories also need to be developed. This research note and the three main sources (the Transition paper, the End-states paper, and the Chunk paper) serve as a good start for such future theory-building and theory-combining studies.

Keywords – Temporary organization, Transition, End state, Chunk, Project, Firm, Enterprise, Business enterprise, Theory building

Paper type – Research note

Introduction

This research note addresses theory building in the field of temporary organizations and projects. This research note builds on commenting two other research notes published in this same journal issue (Vol 6: Issue 3). I call those other two research notes as:

1. the “**Transition paper**” (Jacobsson, Burström, and Wilson 2013: The role of transition in temporary organizations: linking the temporary to the permanent), and
2. the “**End-states paper**” (Lundin and Söderholm 2013: Temporary organizations and end states: a theory is a child of its time and in need of reconsideration and reconstruction)

I am in the middle of conceptual development of a new form of business enterprise being of unclear shape and form which I call a 'chunk'. In this research note I use contents and arguments from my latest paper on a chunk, which I presented in The 3rd International Project Business Workshop 2012, held in September 2012 in Brighton, UK. I call this paper as:

3. the “**Chunk paper**” (Artto 2012: Chunk – a new form of business enterprise?)

I use concepts and arguments addressed in the Chunk paper to contrast the concepts and arguments related to temporary organizations presented in the Transition and End-state papers.

Time

Time is naturally the core element in the theory of temporary organizations, as without the aspect of time we could not argue organizations being 'temporary'. Time is also necessary for describing the concept of transition. In the Transition paper the concept of transition is described through an occurred change in a state, for example 'subtasks redefined', 'funding increased', 'sponsorship changed', or 'project completed' (in Table 1 of the Transition paper). The Transition paper refers to action orientation: "... when there is a transition in one of the other concepts [in Table 1], there is action." Transition and action are described through a mixture of using nouns (e.g. end state, occurred change) and verbs (e.g. for describing actions or tasks). Nouns can be considered to refer to a static setting, and verbs to a dynamic setting where specific activities are going on continuously. Who does such activities? Who performs the actions? The obvious but maybe too straightforward answer is that the temporary organization performs such activities and actions. If we consider the temporary organization for being there for just for performing actions, we could ask whether the temporary organization only serves as a resource for those actions. This would probably lead us to use RBV as a theoretical basis.

For broadening this view, we could ask: Is it the same temporary organization that is responsible for the transition and for the end states? Does this temporary organization benefit for the change that it makes? How? Who owns the transition and the end states in the first place? That is, where is the agency? Or is there some other organizational body than the temporary organization that benefits from the long-term implications from the actions (that absorbs the beneficial or unfavorable long-term implications)? Or are there several organizations that have stakes in long-term implications, including private firms that aim to profitable growth, and public organizations that gain increased tax income but have to compromise these with adversarial societal effects like increase in unemployment locally or negative environmental effects through increased environmental loading from omissions. In the Transition paper one simplification in its theory-building is that one single permanent organization is assumed to be the external counterpart organization of a temporary organization. Furthermore, the permanent organization is assumed to be the implicit answer to the above questions, by introducing goals, expectations, control, and obviously by partly serving as the body that issues choices, decision making, or issues at least rules and limits for making decisions and choices to be made in the temporary organization (see e.g. Figure 2 in the Transition paper).

In the Transition paper the agency is at least partly thought of being in one single permanent organization. There are two limitations in this thinking that must be recognized. First, while the transition paper introduces a setting with temporary versus permanent organization with impermeable (or discontinuous) boundaries between these two, it can even be the case that a specific permanent organization does not exist at all, but the project – or temporary organization – just emerges and starts fulfilling its self-originated mission (or project strategy) in its broad external environment. This brings us to assumptions about deliberate and emergent, and to the question of how much the agency is in the temporary organization itself, e.g. in terms of autonomous choices and entrepreneurial mindset that enables the temporary organization to self-manage itself to pursue its self-originated goals. Based on what I argued above, in a special case is a temporary organization being an obedient servant of one permanent organization, we could argue that loyalty and obedience of the temporary organization can be considered as the temporary organization's self-originated strategies (despite the fact whether or not the permanent organization would have used its power to make the temporary organization to obey; that is, we are not arguing here whether one's choices are voluntary or not, they are still one's own choices). Second, when accepting the assumption in the Transition paper that there is a permanent organization and a temporary organization, we still have a conceptual problem with defining the boundaries in this paradoxical setting where the permanent participates to organizing temporary actions e.g. by introducing goals, expectations, or control, or related decision making on choices (see e.g. Figure 2 in the Transition paper). In doing such actions, the permanent organization becomes part of the temporary organization, and the boundaries between these two organizations become diffuse and these two organizations 'become one' where the permanent and temporary cannot be distinguished as separate parts – except by adopting a rather narrow activity and action view on specific work entities, and by considering the temporary organization as a mere resource for such activities and works that are preplanned outside the temporary organization (and e.g. assigned to the temporary organization by the permanent organization).

End states

The End-state paper introduces the end states, the 'projections of which' are the only reasons why the project – or the temporary organization – was originally established. In a deliberate organizing scheme, there would not be any temporary organization without [the aspirations of] the end states. The temporary organization is set for pursuing towards a change in end states – or towards a transition. However, in an emergent organizational setting we come into a hen-and-egg dilemma: do we have (and if so, who does) any projection of the end state to start with and the temporary organization is set to make a change towards this projection, or vice versa. Again, we come to the question of where (or who) is the agency? Who owns the end states and the inherent transformation? Who are the stakeholders that have stakes on the end state, and what their stakes are like? Which of the stakeholders are proponents and which are opponents for the project or the temporary organization? How do we treat the opponents and the competitive setting and

rivalry in the temporary or permanent organization? How do these all come to the organizational setting regarding the temporary and the permanent? In the Chunk paper, the argument is that there are multiple organizational actors and other entities (like serendipitous or unfavorable events, or opportunities) that interact, and that the business entity/enterprise called a chunk is of unclear shape and form in its many dimensions (organizational and other). In this respect, such business entity/enterprise – or a chunk – interacts with its environment and therefore the boundaries of a chunk are permeable (or diffuse) and the boundaries change all the time. The implicit assumption in the Chunk paper therefore is that the new form of a business enterprise is an inseparable part of its environment. This occurs as the agency within a chunk – or the logic, including the aspirations, expectations and projections of the end state – cut across the mere organizational boundaries of temporary, permanent, or other organizations.

The concept of end state introduced in the End-state paper could be considered to relate to many concepts that are introduced in the Chunk paper: the end states are implicitly or explicitly contained in the concepts of product (e.g. of a project) or technology (e.g. developed in a project), venture (or start-up), innovation, or firm (e.g. a firm's profitable growth). The concept of opportunity is most interesting when seeking for the agency in temporary or other organizations. The concept of opportunity relates definitely to pursuing towards anticipated end states. The Chunk paper borrows from the literatures of entrepreneurship and venturing, by citing to the well-known Shane and Venkataraman's (2000) article: "Although recognition of entrepreneurial opportunities is a subjective process, the opportunities themselves are objective phenomena that are not known to all parties at all times". and: "Entrepreneurial opportunities ... require the discovery of new means-ends relationships ...". The Chunk paper continues, by referring to any of The Chunky Kong's (an actor/character introduced in the Chunk paper) and/or its collaborators' and/or its enemies' viewpoint: "new business opportunities keep on opening all the time!" [simultaneously and continuously for all and any of these actors].

Furthermore, other theoretical discourses that could be used to address end states in the context of temporary organizations or projects include (these are mentioned in the Chunk paper, among others): systems approach to project management and product/technology development, the literature stream on [product and organizational] modularity, organization research (especially on design of organizations, search, and design propositions and rules), organization science, and design science. In addition, distinctive theories of a firm and related theories are relevant: for example, the concept of a Penrosean enterprise (Penrose, 1959), and also the Penrosean concepts a firm, business, and opportunity inherent to an enterprise are defined broadly, all with a special role of an entrepreneur, with obvious aspirations about end states. Referring to the analysis in the Chunk paper, I describe briefly some of the key concepts related to the Penrosean enterprise in the following. The Penrosean enterprise is defined as a flexible structure that resembles of a temporary entity pursuing in a dynamic manner towards achievement of end states which in an uncertain environment where new opportunities open up continuously as previous choices, the ever-changing environment, and current exploration provide new paths with different futures to select from. The Penrosean enterprise differs significantly from how the contemporary flesh-and-blood-organizations

– permanent or temporary – are often organized. The Penrosean enterprise is obviously closely related to ‘ambition’. This comes to businessmen and managers, whose entrepreneurial versatility is a question of imagination and vision, which may or may not be ‘practical’. The Penrosean enterprise is a dynamic and ever-changing purposeful entity, with changing boundaries, the important role of an individual as an entrepreneur, ambition, vision, an entrepreneur’s engagement to the game (i.e. business) for enjoyment (or power or prestige) rather than the profit motive, the temperament of an entrepreneur, the visionary and ambitious entrepreneurs pursuing new businesses that are not ‘practical’ vs. the ‘dull’ or restricted entrepreneurs/managers of enterprises pursuing practical – but potentially only mediocre, commonplace and short-sighted – ways of doing their business. Expectations and not objective facts are the immediate determinants of a firm’s behavior. The inherent uncertainty can be traced to an entrepreneur’s ‘temperament’ (for example, self-confidence and personal attitudes), and entrepreneur’s awareness of the information that he possesses.

Boundaries

Looking at the impermeable (or discontinuous) and static (rather than dynamic) organizational boundaries in the Transition paper is restrictive as it emphasizes the [organizational] ‘body’ dimension rather than the ‘soul’ (or logic) dimension (the terms body vs. soul are adopted from the Chunk paper). This orientation in the Transition paper can be seen as referring to issues that are transferred “from” a permanent organization “to” a temporary organization (and vice versa), and providing the “external focus on temporary organization by permanent organization” (e.g. in Table 1 and Figure 2 in the Transition paper). The organizational focus (e.g. temporary organization) emphasizes the existence of ‘a concrete actor’ or an almost ‘physical body’ (i.e. a focal organization) that gets somehow ‘organized for something’. Such organizational focus does not necessarily cover immaterial, maybe even entrepreneurial, logic-related issues that may reside outside the boundaries of any organizational entity. These logic-related issues relate to the questions of where the agency resides, or who represents the agency. The End-states paper, however, expands this restrictive organizational [body] dimension towards more logic-related dimensions that relate to end states. Such dimensions may include objects that are in the Chunk paper argued to fall outside the organizational dimension, the examples of such objects being the end states themselves and potentially objects that [may] affect the end states like opportunity-seizing or risk-taking attitudes, or accidental or serendipitous incidents/events that would occur ‘outside the temporary organization’ in the uncertain environment (the environment being collaborative, competitive, or ‘random’).

The Chunk paper argues that shifting from an organizational emphasis towards a logic-related emphasis can be sought from the concepts of Cohen, March, and Olsen’s (1972) garbage can paper which addresses organized anarchies. By deriving from the analysis in the Chunk paper, I introduce the organized anarchies in the following, as described by Olsen et al. Organized anarchies are organizations with problematic preferences, unclear technologies, and fluid participation. Such organizations can be viewed for some

purposes as collections or choices looking for problems, issues and feelings looking for decision situations, solutions looking for issues to which they might be an answer, and decision makers looking for work. Such organizations make choices without consistent, shared goals. Furthermore, one major phenomenon is contained in questions of how occasional members/participants of the organization become active and how attention is directed towards, or away from, a decision. Participants come and go. As regards to choices, every entrance is an exit somewhere else. Opportunities arise regularly and there are continuously occasions for choice. In an organized anarchy, problems are the concern of people inside and outside the organization. Problems might arise over issues of lifestyle, family, frustrations of work, careers, group relations within the organization, distribution of status, jobs, and money, ideology, or current crises of mankind as interpreted by the mass media or the next-door neighbor. “All of these require attention”. Also, “a solution is somebody’s product”. The inherent logic of choice does not necessarily follow the idea of first formulating the problem or question well before being able to answer with a solution, but – vice versa – the problem solving (or answer) may come before the problem (or question), i.e. the problem solving and inherent solution is already there, and finding the right question or problem for the solution comes later.

Coming back to the issue of time, the boundaries of the permanent and the temporary become blurred also in the time dimension. This occurs as the issues in the distant history (permanent or temporary, or realized [end] states in the history) affects the contemporary permanent and temporary organizations, and expectations of the long-term future – including expectations of the anticipated end states – affects the behavior of the contemporary permanent and temporary organizations. As referred to in the Chunk paper, these aspects can be contained in the concepts ‘shadow of the past’ (Poppo et al., 2008) and ‘shadow of the future’ (Heide and Miner, 1992). These concepts almost make the permanent and the temporary to become one, a boundaryless flow in time where permanent or temporary do not exist as separate organizational islands, but everything (organizations, events, and behavior) is interrelated to a flow that integrates the past, present, and the future. Furthermore, concerning the concept of an end state in regard to the ‘shadow of the past’ and the ‘shadow of the future’, we could ask what is the end state in this timely perspective anyways? Where does something end? What is it that comes to an ending [and therefore comes to an end state, accordingly]? Why is it considered as an end state, as the state continues to be continuously changing anyways, and the changes in the future are affected by the past states and the contemporary state?

Chunk

The Chunk paper concerns a new form of business enterprise, which is characterized by the word chunk. Concerning the word selection, the Chunk paper argues that the words project, innovation or venture, could be used to refer to something that in the paper has been decided to be called a chunk. Furthermore, as far as the use of the word enterprise (see also the characterization of the Penrosean enterprise above) to refer to a project is concerned, according to Oxford English Dictionary (2011) the term project is defined in business and science as a collaborative enterprise, frequently involving research or

design that is carefully planned to achieve a particular aim. In the above analysis, I have derived many concepts and arguments from the Chunk paper. Now, referring to the Chunk paper again, I list the seven statements that are developed in the Chunk paper to define and characterize a chunk. The seven statements are:

1. 'a chunk is defined as a business enterprise, being of unclear shape and form, being dynamic in terms of changing its shape and form continuously, and being distributed in many places and in many different dimensions.'
2. 'a chunk cuts across the organizational boundaries of projects, organizations and organizational units in time, and it also includes events, contextual issues, coincidental forces or dominant patterns, laws or practices, or opportunities that partly reside outside the organizational setting of projects, organizations, and their networks.'
3. 'a chunk is an inseparable part of its environment.'
4. 'any future states in the environment may affect the chunk.'
5. 'a chunk is hidden or invisible.'
6. 'a chunk does not reside within definable bodies like organizations or projects, but a chunk cuts across their boundaries and is partly even positioned outside in other than organizational dimensions.'
7. 'a chunk includes business logics, which may include many parallel logics that interact, and such interacting logics can also be sequential in time with inherent interrelated aspects of dynamism.'

Discussion

This research note builds on commenting and deriving arguments from three main sources (the Transition paper, the End-states paper, and the Chunk paper) that all contribute to theory building in the field of temporary organizations and/or projects.

This research note discusses underlying assumptions and limitations of the concepts and suggestions in the three main sources, and expands the temporary organization view to include dimensions that fall outside the organizational dimension. Such dimensions include logic-related, immaterial, maybe even entrepreneurial issues that may reside outside the boundaries of any organizational entity. Furthermore, I suggest that such dimensions include end states and potentially objects that [may] affect the end states like opportunity-seizing or risk-taking attitudes, or accidental or serendipitous incidents/events that would occur 'outside the temporary organization' in the uncertain environment (the environment being collaborative, competitive, or 'random'). This discussion relates to the challenging question of defining boundaries and understanding their dynamic and ever-changing nature. In regard to the concept of time, I suggest that the perspectives on the 'shadow of the past' and the 'shadow of the future' would provide means to characterize the diffuse and unclear boundaries between the permanent and the temporary in the time dimension. The Chunk paper introduces the term 'business enterprise' to contrast e.g. the terms 'project' or 'temporary organization'. Business enterprise as a term could be considered to include the logic-related and other aspects that would otherwise fall outside the organizational dimension: for example, consider the

‘business’ of pursuing towards specific (but continuously changing) end states by setting up an enterprise/endeavor that face the uncertain environment through e.g. opportunity-seizing, risk-taking, absorbing unpredictable shocks, and hedging against the adversarial implications from competitors’ or opponents’ potential moves.

Existing theories on temporary organizations and projects and the ways how they are used in individual studies are too single-sided and therefore not too helpful in explaining the new organizational forms referred to in this paper. Therefore, cross-disciplinary combinations of several existing theories are needed, and potentially new theories also need to be developed. Further conceptual and empirical research on temporary organizations and projects is needed, and academic debates are needed that would give a raise for combinations of existing theories and for several new theories, not just one theory. This research note and the three main sources (the Transition paper, the End-states paper, and the Chunk paper) serve as a good start for such future theory-building and theory-combining studies.

References

The three main references that this research note builds on:

Artto K., 2012. Chunk – a new form of business enterprise? The 3rd International Project Business Workshop 2012, September 10-12, 2012, Stanmer House, Brighton, UK, (available on request from the author – email to: karlos.artto@aalto.fi) – in this research note, I call this paper as the “**Chunk paper**”

Jacobsson M., Burström T., Wilson T., 2013. The role of transition in temporary organizations: linking the temporary to the permanent. International Journal of Managing Projects in Business, Vol 6: Issue 3 – in this research note, I call this paper as the “**Transition paper**”

Lundin R., Söderholm A., 2013. Temporary organizations and end states: a theory is a child of its time and in need of reconsideration and reconstruction. International Journal of Managing Projects in Business, Vol 6: Issue 3 – in this research note, I call this paper as the “**End-states paper**”

Other references:

The following items comprise few additional references that I considered necessary to refer to from the text of this research note – these items, however, and many others, are cited to from the more detailed analysis of the Chunk paper.

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