Chapter 2 Self-Control Beyond Clans and Culture: A Behavioral Perspective on Internalizing Control

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ABSTRACT

Modern organizations increasingly depend on employees' cooperation. Clan control has been proposed in the literature as a means of organizing cooperation. This conceptual chapter provides an overview of the origins of clan control in the fields of organizational culture and organizational control. While the literature review shows an existing underdevelopment in terms of how clan control translates into cooperative behavior, it still identifies the internal nature of clan control. Following this characterization, the authors develop a three-step process model of self-control that is initiated by supportive leadership, and translated internally through employees' cognitive and motivational processes into cooperative behavior. Further additive, weakening, and strengthening effects of combining self-control with bureaucratic control and market control are discussed. The model provides practical levers for implementing self-control, and extends existing theory to include its cognitive, motivational, and behavioral processes.

INTRODUCTION

Value creation in contemporary organizations depends on an engaged and cooperative workforce that acquires, uses, and shares knowledge (Foss, Husted, & Michailova, 2010; Grant, 1996; Kogut & Zander, 1996). These cooperative efforts have been proposed as a critical resource in creating and sustaining competitive advantage in knowledge-intensive work (Frost & Morner, 2011; Smith, Carroll, & Ashford, 1995).

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In the literature, control systems are discussed as a way of organizing cooperation (Ouchi, 1979). Traditional control systems such as bureaucracy or markets have been suggested as a means of governing cooperation successfully within tasks of low complexity and low interdependency. However, as knowledge-intensive work is characterized by high interdependency, the prerequisites of bureaucratic and market control are not met (Ouchi, 1979; Thompson, 1967, 1974). Bureaucratic control is based on the measurability of employees' behavior and market control on the measurability of behavioral outcomes (Eisenhardt, 1985; Ouchi, 1979). In knowledge-intensive work, however, when interdependent tasks are accomplished by joint efforts, it is difficult to identify individual contributions and their outcomes. It has therefore been argued that traditional control systems lose impact and become ineffective (Frost & Morner, 2010).

Thus, other control systems are called for. Ouchi (1979) assumes clan control to be an adequate control system for situations in which bureaucracy or market control fails. Accordingly, clan control fosters cooperation based on shared traditions and values that are internalized through socialization in an organization. However, Ouchi's (1979) description of clan control has been criticized for being vague, with an ill-defined residual category that merely captures the informal features of organizational life such as organizational culture (Chua, Lim, Soh, & Sia, 2012; Grandori, 1997).

In order to gain a better understanding of clan control, this chapter firstly reviews the traditional conceptualizations of clan control. These conceptualizations cover:

- The organizational culture approach (Harris & Ogbonna, 2011; Ouchi & Wilkins, 1985) and
- The organizational control approach (Eisenhardt, 1985; Turner & Makhija, 2006).

This chapter identifies the underdeveloped areas of the two approaches as regards the explication of how clan control translates into cooperative behavior.

While the organizational culture approach equates clan control with culture, it neglects research results that recognize different types of cultures. For example, the competing values framework (Cameron & Quinn, 2006), finds four types of culture – Clan culture, Adhocracy culture, Hierarchy culture, and Market culture.

Moreover, other research indicates that organizational culture does not necessarily foster cooperation, and can be destructive to cooperation (Kets de Vries & Miller, 1986; Sackmann, 2011).

Regarding the organizational control approach, the authors identify numerous conceptualizations of clan control, e.g. it has been equated with Relational coordination (Gittell, 2000), Concertive control (Barker, 1993), and Social control (Chen, Park, & Newburry, 2009; Das & Teng, 1998).

The conceptual confusion as depicted by the numerous labels has led to criticism and underlines the need for identification of the constituent elements and the underlying processes of clan control.

Secondly, to address this limitation, the authors introduce self-control conceptualized as a three-step model for internalizing control. The literature review on organizational culture and control approaches reveals that, in contrast to traditional control systems, clan control is not externalized in authorities or exercised by means of price mechanisms, but instead is located internally (Leifer & Mills, 1996); the organizational members take decisions themselves as individuals, in teams, committees and commissions. More specifically, employees are argued to direct and monitor behavior and its outcomes themselves. Accordingly, this internalized nature of clan control indicates that it corresponds with self-control (Kirsch, 1996; Manz, Mossholder, & Luthans, 1987) as opposed to personalized external control (authority in bureaucratic control) and depersonalized external control (price in market control) mechanisms.

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