

The role of the organizational sociology in understanding and improving corporate business management performance

Fatma Benabed ¹

University Amar Telidji of Laghouat –Algeria . Email: f.bena2013@gmail.com

Boualem Messaoudi ²

University Amar Telidji of Laghouat –Algeria. Email: messaoudmessaoud928@gmail.com

Received: 01-06-2024

Accepted: 12-01-2025

Published: 07-03-2025

Abstract:

The study aimed to determine the role played by organizational sociology in managing the business of organizations. The study concluded that the field of organizational sociology is rich in principles that can improve the performance of corporate business management through many aspects, the most important of which are developing organizational culture, reducing organizational conflict, enhancing participatory management and collaborative work, as well as increasing organizational citizenship and achieving greater organizational performance.

Keywords: Organizational Sociology; Corporate Business Management; Organizational Performance.

Jel classification: Z13 : Economic Sociology; Economic Anthropology

Introduction:

Organizational Sociology is defined as a scientific field that examines individual and group behavior within organizational settings, as well as the structure and behavior of organizations themselves. It is an interdisciplinary field that integrates insights from psychology, sociology, political science, and economics to study various aspects of organizations.

Corporate performance management (CPM) encompasses the processes and methodologies used to align an organization's strategies and goals to its plans and actions as a business. CPM products are generally data-driven, using many data sources and business processes. Software and other management tools facilitate the development of operational plans that drive CPM goals. Numerous providers offer corporate performance tools.

CPM is a subset of business intelligence (BI). It involves monitoring and managing an organization's performance, according to key performance indicators (KPIs) such as revenue, return on investment, overhead and operational costs.

Gartner coined the term *corporate performance management* and developed the concept in 2001. Since then, CPM has evolved as workplace practices and technologies have changed. The increased use of agile methodologies affected the concept significantly.

Today, Gartner describes strategic CPM in terms of corporate financial planning and other types of planning, such as operational risk, human resources and sales planning. CPM is also known as business performance management, enterprise performance management and financial performance management.

CPM is a framework and not a specific strategy. For CPM to be useful, organizations must create a suite of analytical applications that can support the decision-making processes, methods, metrics and outputs used in CPM.

Based on the above, the following question can be raised:

How can we benefit from the principles of organizational sociology to improve corporate business management performance?

The following sub-questions may be helpful:

- 1. What are the principles of organizational sociology?***
- 2. What are the foundations of corporate business management performance?***
- 3. What is the role of organizational sociology in corporate business management performance?***

1- Principles of Sociology of Organizations:

1-1- Sociology of Organizations definition: The sociology of organizations is a subfield of sociology that studies the behavior, structure, and dynamics of organizations. It examines how organizations are formed, how they operate, and how they interact with their environments. This area of study focuses on various aspects, including organizational culture, power dynamics, communication patterns, decision-making processes, and the impact of social structures on organizational behavior. Researchers in this field analyze different types of organizations, such as businesses, non-profits, government agencies, and social movements, to understand how they function and how they influence and are influenced by societal factors. The sociology of organizations also explores issues like authority, hierarchy, and the role of individuals within organizations, as well as broader themes such as globalization, technology, and social change.¹

The literature on the sociology of organizations is vast and represents a refracted history of the study of bureaucracy. The object of study is variously labeled bureaucracy, complex organizations, and formal organizations, but the concept of organization and the notion of organizing principles subsume all these labels. Thus, according to Blau and Meyer (1987), “the concept of bureaucracy, then, applies to organizing principles that are intended to achieve control and coordination of work in large organizations” . This vast literature will be reviewed by dividing the field into approaches distinguished by their organizing principles and discussed more or less in the chronological order of their emergence. This provides the reader with a context and addresses these organizing principles in readily digestible portions. However, the chronology does not imply that the field developed in a linear fashion, nor does the division into major approaches suggest that all scholarship fits neatly into distinct approaches. The discussion of each approach is followed by a critique, and the review concludes with speculation on the future of the sociology of organizations in the twenty-first century.²

1-2- The sociology of organizations Approaches:

The study of organizations varies within sociology, between academic disciplines, and across the globe, limiting in-depth communication. Studies of political parties by political scientists, private-sector firms by economists, and employees by industrial psychologists and sociologists within the United States and abroad may claim to predate the sociology of organizations. However, according to Scott (2003), there are three defining features of the sociology of organizations: (1) Examination is

1. Albrow, Martin. 1970. **Bureaucracy**. New York: Praeger, p 21.

² Hannan, Michael T. and Glenn R. Carroll. 1995. “**An Introduction to Organizational Ecology.**” in *Organizations in Industry: Strategy, Structure and Selection*, edited by G. Carroll and M. Hannan, p 31.

empirical, not normative; (2) organization is considered *sui generis*, not the aggregate of its members; and (3) an effort is made to generalize the analysis beyond analysis of the specific form of organization studied. These criteria became institutionalized after the 1960s and will be used to explore its refracted development.

1-3- Sociology of Organizations previews studies:

The Pyramids at Giza, the Roman conquests, and the spread of Christianity were accomplished through organizations and illustrate how the issues of organization stretch back in time. These large-scale organizational efforts represented attempts to grapple with the ambitions and stubborn facts of their day. The stability of societies was at stake, and their survival attracted powerful intellectual contemplation. As James March (1965) comments, “There is scarcely a major philosopher, historian, or biographer who has overlooked the management and perversities of organization. The church, the army, and the state had to be managed”. After all, religions passed into obscurity, armies were defeated, and states fell. Impressive as an intellectual fascination and operational challenge, the term bureaucracy appears rather late in Western history.

The concept of bureaucracy appeared in the eighteenth century as a semantic partitioning of society and a new element in the stratification of society. The French term *bureau*, understood as table, took on the additional meaning of where officials worked. Bureaucracy represented a new group of rulers and a new method of government in contrast to monarchy, aristocracy, and democracy. The concept of bureaucracy began to refer to power over the population. By the nineteenth century, the theme of bureaucracy as a threat to democracy developed into ideas that democracy was the fundamental corrective to the routine, inflexibility, and power that came to characterize bureaucracy.

John Stuart Mill provided an interpretation of bureaucracy and democracy by comparing different types of governments and raising the question of the locus of decision making and power. Gaetano Mosca, continued the theme of bureaucracy acquiring power relative to other forms of governance, classifying all governments as either feudal or bureaucratic. Bureaucracy was not an element of society but represented society. Robert Michels (1962) reversed the logic of nineteenth century thought by arguing that democracy was inconceivable without bureaucracy. He also viewed bureaucracy as a particular example of a more all-embracing category of social organization, and he investigated the generic features of this modern structure (Albrow 1970). In addition, Michels, reasoned that if salaried officials were a necessary part of bureaucracy, oligopoly was the result, in his notion of the “iron law of oligarchy” or the tendency of organizational leadership to maintain itself. Yet a systemic treatment of the concept of bureaucracy was left to Max Weber.

Weber’s renowned work on bureaucracy is spread across his theoretical, comparative, and historical analyses but may be briefly sketched in the following themes. Similar to Michels, Weber built his analysis of bureaucracy on the generic concept of *verband*, a group whose task it was to maintain the organization, including a leader and staff and a distinctive set of rules. *Verband* was broader than bureaucracy and included such differing notions as the state, political parties, commercial enterprise, and the church. Bureaucracy simply meant an “administrative body of appointed officials” whose work and influence could be seen in all kinds of organizations (Albrow 1970).¹

¹ Podolny, Joel M. and Karen L. Page. 1998. “**Network Forms of Organizations.**” Annual Review of Sociology p 76.

Using bureaucracy as a generic administrative body, Weber developed the theme of the affinity between Western rationalization and the rationality of bureaucracy and its inevitable importance. Precision, continuity, discipline, and reliability made bureaucracy the most satisfactory form of organization, both for authority holders and for other interests (Weber 1958, 1968, 1981). Weber's theoretical and empirical writings identify and develop key elements of government and profit-making organizations in Western society (Swedberg 2003). On the inherent tendency of bureaucracy to accumulate power, Weber advocated representative government as both a critical context and a training ground for leaders who could counterbalance the increasing power of bureaucracy.¹

Although his theory of organizations is much broader, Weber developed the ideal type of rational-legal bureaucracy as a methodological tool for his empirical work. Weber believed that rational bureaucracy was a major element in the rationalization of the modern world. Based on his position that legitimacy was fundamental to all systems of authority, Weber set out 5 related beliefs of legal authority, devised 8 propositions about the structuring of rational-legal authority, and then formulated 10 characteristics of the ideal-type bureaucracy. These include observing only professional duties, a clear hierarchy of authority, specification of functions of the office, appointment on the basis of contract, personnel selection on the basis of examination, graded salary positions, official's post as sole occupation, a career structure where promotion is based on seniority or merit, no appropriation of position or resources, and the organization being subject to unified control and discipline (Albrow 1970). This ideal type was then used to identify the degree of bureaucratization and its explanation in historical and comparative work.

Weber's theory of domination is based on a special type of power, authority, and the belief of the ruler to have the right to rule and the ruled to have an obligation to obey. This nexus of beliefs in the legitimacy of the administrative apparatus becomes fundamental for more specific discussions of rational-legal bureaucracy and the issues of domination, depersonalization, and exploitation. For Weber, bureaucratic power was both the cause and the consequence of the rise of capitalism and democracy in the West. Bureaucracy was the outcome of economic, political, and cultural features of the West, necessary for the development of democracy, and a tool of power affecting the rationalization of society and domination of its people. This broad intellectual canvas provided a rich legacy for the study of organizations.

1-4- Organizational Sociology in the Western countries:

The sociology of organizations began in the 1940s with Robert Merton's translation of a small portion of Weber's work. Indicatively, Weber's work that is typically cited in organizational sociology is "Bureaucracy" in Gerth and Mills's (1946) *From Max Weber*, representing a small excerpt from Weber's (1968) *Economy and Society*. This pagination illustrates how Weber's work on organizations was narrowly and selectively imported into the American academic scene. At that time, Merton was promoting the application of his "empirical functionalism" to "theories of the middle range" that circumscribed an emerging definition of organizations by focusing on elements of ideal-type bureaucratic structure as a self-perpetuating, legally recognized entity with goals and clearly defined and defended boundaries (Scott 2003).

¹ Fligstein, Neil. 1996. "Markets as Politics: A Political-Cultural Approach to Market Institutions." *American Sociological Review* p 73.

However, this dating of the origin of organizational sociology overlooks sources of the key conceptions of organizations provided by Chester Barnard (1938), Philip Selznick (1943, 1948, 1949), and Herbert Simon (1957). Barnard's work was the first comprehensive theory of an organization as a unit of analysis as a "cooperative system" (Perrow 1986:53). He develops a behavioral theory of organizations that includes coordination and decision making, rather than the legalistically and formally based theories. Influenced by a biological system heuristic and the Human Relations School, Barnard's theory emphasizes the social aspects of organizations conceived as social systems seeking stability and equilibrium of its internal and external relationships. The organization was a cooperative system, with interdependent elements (workers/ management, organization/environment) that must be consciously structured to address the maintenance needs of the organization and to obtain resources from the environment and use them in order to induce contributions from organizational members (Barnard 1938). Although in different forms, these themes are repeated in subsequent approaches to the sociology of organizations.

Selznick pioneered a structural functional theory of organizations, establishing the (old) institutional approach. Merging Weber's rational-legal elements of bureaucracy with Barnard's social elements of a cooperative system, Selznick stresses how formal structure never completely succeeds in conquering the social elements of organizational behavior. Therefore, Selznick emphasizes the importance of normative controls of values and norms that are both internalized by actors and enforced by others in social situations. Out of the dynamic interaction of human features and structural elements, Selznick developed a goal-oriented theory of adaptation for organizational survival. The adaptive interaction of human action and formal organizational structure is shown to produce unanticipated consequences, establishing the "exposé" tradition associated with the institutional school.¹

At about the same time, an important interdisciplinary development was under way at Carnegie Institute of Technology (Carnegie Mellon University), where Herbert Simon had gathered political scientists, economists, engineers, and psychologists to focus on a decision-making theory of administration. Simon combined rational aspects with social factors in his view of organizations as decision-making entities. He proposed a "boundedly rational" theory of decision making, based on the limitations and biases of individual decision making, in reaction to economic assumptions of rational maximizing models. People are intentionally rational but have structural and cognitive limits on their information. This leads to the notion that the search for alternative choices, rather than free, represents increasing costs, so that decision-makers settled for "satisfactory" rather than continuing to search for optimum solutions. Bounded rationality and satisfactory solutions lead to incremental decision making and the use of rules, standard operating procedures, routines, and habitual patterns of behavior (Pfeffer 1982). As in Barnard, organizational equilibrium represented a balance between the contributions of members and their organizational rewards. Later, the decision-making scholars recognized that organizational policies were the outcome of multiple and competing objectives of organizational participants and people who controlled the organization represented a coalition of interests that affected the organizational structures and processes (Cyert and March 1963). Later approaches adopt this view that human problem-solving processes determine the basic features of organizational structures and functions.

¹ Child, John. 1972. "Organizational Structure, Environment, and Performance: The Role of Strange Choice." *Sociology*, p 22.

By the 1960s, the master features of organizational sociology were becoming institutionalized through the publication of textbooks, handbooks, and a new journal, *Administrative Science Quarterly*, emphasizing the interdisciplinary character of the study of organizations. The new field of study underwent a conceptual transformation: The central features of organizational structural elements turned into dependent variables, rather than independent variables, whose variation became the focus of explanation (Scott 1975). Within this causal transformation, the field shifted back and forth between various approaches, with some emphasizing the causal import of a purposive organization involving goals, decision making, and strategies, while others emphasized a more passive organization shaped by its environment (Hall and Tolbert 2005).¹

2- Sociology of Organizations new developments:

2-1- approaches emerged in the sociological study of organizations:

Prior to 1980, several approaches emerged in the sociological study of organizations. They questioned the presumed tight linkage between actions and outcomes and instead postulated a looser relationship between the organization form, its members, and its environment. The approaches identify economic and social factors that disrupt tight interrelationships, causing problems of organizational performance. To manage these problems, each approach is distinguished by the adaptive mechanisms offered that change organizational structure, strategies, and practices that are designed to improve organizational performance. These approaches include strategic contingency, resource dependency, and neo-institutional and transaction cost analysis. The population ecology approach represents an exception to this pattern by assuming that individual organizations cannot change or change too slowly, so where problems of organization-environment interdependency occur, some organizations must fail.

The strategic contingency approach was popularized in the late 1960s and became prominent as a loose framework for synthesizing the principal notions of organizations as open systems with objectivist empirical research. The organization represents a configuration of strategies, structures, and processes, and the structural features that best fit the demands of environmental and internal contingencies are by definition the most efficient. Similar to economic models, the contingency approach emphasizes efficiency, but like sociology models, it contends that the structure of the organization depends on various environmental and strategy contingencies (Donaldson 1996). Environmental contingencies include firm size and the complexity, predictability, and interdependence of technological and market changes.

Strategy and environmental factors are the contingencies affecting organizational structure, and efficiency is found in the fit or alignment of the environment and strategies with organizational structures. Strategies are considered part of the normative culture of the organization, with a presumption of an efficiency-seeking orientation among managers. The notion of fit between the organization and its environment resides somewhere in management perception, interpretation, and action. Managers are constantly surveying their environments, interpreting “strategic contingencies” that affect corporate performance (Child 1972). Having perceived such contingencies, they would, for example, create new programs or specialized departments or adjust administrative rules or structures to adapt to these contingencies.²

¹ Campbell, John L. and Leon N. Lindberg. 1990. “**Property Rights and the Organization of Economic Activity by State.**” *American Sociological Review* p 55.

² Aldrich, Howard E. and Jeffrey Pfeffer. 1976. “**Environments of Organizations.**” *Annual Review of Sociology* p 105.

The contingency approach moved the sociology of organizations away from notions of a tight relation between the organization and the environment and that there was one best way to organize toward the notion that the better way to organize depended on the particular environmental contingencies confronting the organization. However, critics question the tautological character of organization-environment fit and the capacity of managers to perceive and change organizational structure (Pfeffer and Salancik 1978). Also unspecified are the internal dynamics that affect managerial strategies and the notion that the perception of environment contingencies may be social and political constructions rather than objective facts (Pfeffer 1982).

The resource dependence approach emerged in the late 1970s, in part as a reaction to the structural contingency approach. The environment was now the “task environment,” including customers, suppliers, competitors, creditors, and regulators (Dill 1958), with increasing emphasis on the structures and processes of organizational operations sensitive to resource flows, such as information, raw materials, markets, and credit. Resource requirements forced exchanges with other organizations, not for efficiency but for survival, and the scarcity and importance of a resource supplied by another organization determined the degree of power/dependence between the two organizations. These resource requirements entangle the organization in patterns of power-dependence relationships. Similar to the contingency approach, the emphasis on economic or technological resources implicitly orients the framework toward private firms.

Managers are responsible for gaining favorable exchanges and avoiding debilitating dependencies. They seek discretion to maintain their own power and to permit subsequent adaptations to new environmental dependencies. The distribution of power within the organization is seen as an outcome of environmental dependencies. Thus, decision making is a function of the internal power structure, which interprets and defines the most critical dependencies and the choices of strategies to address them. The actors’ position in the internal power structure depends on their ability to control and solve dependencies (Pfeffer and Salancik 1978) through their positions within the firm, their specialized knowledge, or their links to the outside world (Fligstein 1987). Management mediates the relationship between the environment and the organization by adapting the organizational structure, negotiating favorable terms of exchange, and using a range of strategies from stockpiling supplies to joint ventures and mergers. Organizations are seen as loosely connected to the environment, so managers are capable of “enacting the environment” by defining environmental dependencies and the practical options to address them. The sheer capacity to enact an environment implies that the resource dependency model is most appropriate for large, powerful, and dominating organizations.¹

The resource dependency model focuses greater attention on internal organizational decision making and the efforts of managers to strategically adapt to the environment. However, the larger pattern of asymmetrical relations in which the focal organization is enmeshed is left largely unexplored.

The neo-institutional approach began with the work of Meyer and Rowan (1977). Building on the earlier institutional school of Selznick, this approach represents a reaction to economic contingency and resource dependency models that postulate that organizational structure is the result of technical and economic contingencies in the environment. Instead, this approach presumes that many sectors and even parts of organizations are free of these technical and economic constraints and that

¹ Cyert, Richard and James March. 1963. **A Behavioral Theory of the Firm**. Upper Saddle River, NJ: Prentice Hall, p 193.

organizational structure is more the result of efforts to fulfill normative expectations in the environment. The emphasis is on how organizational decision making is shaped, mediated, and channeled by normative institutional arrangements (DiMaggio 1991), where these arrangements take the form of routines, operating procedures, and standard ways of perceiving the environment and agreed-on value priorities. Broadly shared patterns of beliefs and habitual practices mitigate problems of uncertainty, leading to emphasis on the role of ideas and belief systems in supporting and structuring organizations. Thus, organizations involve established procedures and rule-bound and standardized behaviors, and researchers attend to the process of infusing such procedures and behaviors into the organization as regularized and stable features (Jepperson 1991).¹

Isomorphic mechanisms infuse the organizations' structures with normative expectations of reference group organizations or the generalized expectations of the environment. Organizational structures become similar as organizations interact and formal or informal rules emerge to govern these interactions. Once institutionalized, or taken for granted, these rules exert powerful normative effects on subsequent organizational interactions, and changes in organizational structure result more from issues of legitimacy than from rational adaptation or efficiency. DiMaggio and Powell (1983) contend that the primary institutionalizing mechanism is imitation, which also works through coercive and regulatory mechanisms of the state and professions that disseminate and elaborate sets of beliefs and rules about appropriate organizational structure and practices. Their point is that modern organizations cannot be adequately understood in terms of efficiency and adaptations to technical and economic contingencies because of the often-contradictory demands of maintaining organizational effectiveness and legitimacy. One solution to this dilemma is for organizations to "decouple" their formal structure from their everyday operations. They adopt formal structures that are legitimate, while informal everyday activities pursue effective operations, independent of the formal structure.

The institutional approach is more applicable to public sector organizations because of its greater sensitivity to issues of normative expectations and legitimacy. The approach is criticized as tautological in the sense that outcome is the evidence for the cause and there is a lack of specification of what practices, procedures, and behaviors are institutionalized and which ones are freer to vary (Hall and Tolbert 2005). Also, the emphasis on normative features deflects attention from issues of interests, power, and conflict (Perrow 1986) and the technical and economic challenges to the organization.

The population ecology (or natural selection) approach began with the works of Hannan and Freeman (1977) and Aldrich and Pfeffer (1976) and presumes a tight relationship between the organizational form and the environment by stressing the impact of the environment on organizational survival. In contrast with approaches that explain organizational change through adaptation of individual organizations, population ecology scholars emphasize selection processes such as competition embedded in the environmental or ecological conditions of a population of organizations. This approach operates at the level of groups or populations of organizations that carry out similar activities, compete with each other, and are dependent on similar resources within the same ecological niche. They examine the birth or death rates of types or forms of organizations to identify the survival rates of a particular form. Organizational form changes not as a result of adaptation of existing organizations but through the replacement of one form of organization with another (Hannan and Carroll 1995:23).

¹ Galaskiewicz, Joseph. 1985. "Interorganizational Relations." Annual Review of Sociology, p 281.

There is no commonly accepted definition of organizational form, but rather, it represents a “heuristic” generally based on the interests of the researcher (Romanelli 1991).¹

The research objective is to explain the variation in form, the longevity of that form, and its birth rates and death rates (Hannan and Carroll 1995). Three evolutionary processes are viewed as the mechanisms linking the environment with the survival of the organizational form or activity. Variation in forms and activities of organizations may occur in a “planned or unplanned” manner. Some organizational forms or activities are selected over alternatives as a result of better fit in a given environment or “niche” (Aldrich and Pfeffer 1976). Researchers explain this selection based on characteristics of the niche representing a distinct combination of resources and density of organizations as a kind of organizational ecology. Narrow niches have been shown to support specialized forms of organizations, while broader niches support a more generalized form of organizations. Finally, the selected forms or activities are retained through some type of reproduction process, and reproduced forms generate variations that begin a new cycle of selection and retention.

2-2- Principles of Sociology of Organizations:

The future of organizational sociology depends on practical application of key assumptions and more rigorous comparative and longitudinal examinations of key concepts and relationships to better address the organizational forms and environments of the twenty-first century. Otherwise, it stands to relinquish its academic birthright to scholars from disciplines that are less encumbered by these assumptions. For at least 30 years, organizational sociologists (trained in sociology departments) have been taking positions in business schools to provide them with analytic rigor in the study of organizations. This has created a situation where scholars with an institutional location outside of sociology contribute considerably to the development of the sociology of organizations. A review of the top organizational books over the last several decades and a casual examination of the editorial boards of journals and handbooks of organizational studies reveal the extent of the interdisciplinary nature of the field of organizational sociology.²

3- Corporate business management performance:

3-1- Corporate business management definition:

Corporate management is the process of running a company. It’s about gathering information, making smart decisions, and putting plans into action to reach the company’s goals.

This includes tasks like planning what needs to be done, organizing resources, directing teams, and making sure everything is working as it should. Corporate management is about overseeing the day-to-day activities, creating strategies for long-term growth, and improving the business overall.

Managers are responsible for setting up the right processes, assigning roles, and making sure everyone is working together toward the same goals. They make sure the company stays on track and keeps moving forward.

¹ Martin, John L. 2003. “**What Is Field Theory?**” *American Journal of Sociology* p 49.

² Romanelli, Elaine. 1991. “**The Evolution of New Organizational Forms.**” *Annual Review of Sociology* p 103.

Corporate management involves various levels of responsibility, each with specific duties. Below, we break down the roles and what each manager is responsible for in the organization.¹

Figure 1: The role and responsibilities of corporate managers



Source : <https://kapable.club/blog/leadership/corporate-management/>

Top-Level Managers:

This includes CEO, CFO, COO, and other C-suite executives. These leaders set the vision, direction, and overall strategy for the company. Their responsibilities include:

- **Strategic planning:** Defining the company's long-term goals and strategies.
- **Decision-making:** Making high-level decisions that shape the company's future, including mergers, expansions, or major investments.
- **Leadership:** Leading the company's culture, ensuring alignment with values, and managing high-level relationships with investors, shareholders, and the board.

Middle Managers

This includes department heads, regional managers, division leaders. These managers are responsible for implementing the strategies set by top-level management. Their key responsibilities include:

Resource management: Ensuring their department has the necessary resources (people, finances, tools) to achieve objectives.

Team coordination: Managing the team's day-to-day operations and ensuring everyone works towards the common goals.

Performance monitoring: Tracking progress and performance within their departments, offering feedback, and making adjustments when necessary.

Project Managers:

This includes managers responsible for overseeing specific projects or initiatives. They focus on ensuring projects are completed on time, within budget, and according to specifications. Their tasks include:

¹ Madden, Bartley J. (September 2014). **Reconstructing Your Worldview**. Learning What Works Inc. p. 99.

Project planning: Setting timelines, goals, and resources for specific projects.

Risk management: Identifying and addressing any risks or obstacles that might impact the project's success.

Budget management: Keeping track of project costs and ensuring the project stays within budget.

Their roles overlap, but each has a distinct responsibility that ensures the company remains focused, efficient, and successful.¹

3-2- Corporate Performance Management (CPM):

3-2-1- Corporate performance management (CPM): refers to the management of important business processes throughout an organization—whether for crucial projects or day-to-day operations. As digital transformation became more of a focus for business leaders. CPM is still essential to understanding how your organization operates, especially when compared to financial performance management (FPM).

Corporate performance management is a holistic approach to business management meant to bridge the gaps between strategy, planning, and execution. It includes financial and accounting processes like budgeting, forecasting, financial consolidation, and reporting, but it isn't limited to financial processes. CPM also covers operations, supply chain management, and risk management. CPM may also be referred to as business or enterprise performance management.

Effective CPM is closely tied to the finance team's processes. Part of this approach is to collect, consolidate, and analyze financial data to guide decision-making since a complete view of an organization's financial performance is necessary for CPM. This helps organizations meet their financial and operational goals while staying aligned with their long-term strategy.

3-2-2- Core functions of CPM:

Budgeting and analysis: Budgeting is crucial to make the most out of your organization's resources. CPM is essential to deploying these resources effectively, creating better budgets, and aligning expenditures with organizational goals. Analyzing financial data goes beyond budgeting, revealing insights, explaining variance, and providing a foundation for data-driven decision-making in all operations.

- **Forecasting:** Forecasting is used in CPM to plan for potential future financial outcomes based on historical data and current market trends. Forecasts let organizations anticipate changes and quickly adapt their strategy.
- **Financial consolidation:** Financial consolidation is the process of collecting financial data from multiple departments or business entities into a single set of financial statements. These consolidated statements provide a singular view of the organization's financial health while eliminating internal transactions.

Reporting and analytics: Reporting and analytics turn raw data into action, making them essential to CPM. FPM software, advanced analytics tools, and real-time dashboards enable stakeholders to deploy their expertise where it's needed most.

¹<https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://www.abacum.ai/blog/what-is-corporate-performance-management-how-does-it-relate-to-finance&ved=2ahUKEwiC8cnf25aNAxVjBNsEHQRYJJAQFnoECC0QAQ&usg=AOvVaw3vugFGEeFhD9IYamzV5JJR>

3-2-3- The importance of Corporate Performance Management (CPM):

- **Driving strategic decision-making:** Leaders can make decisions when they don't have all the facts, but that rarely leads to a better outcome than when they have everything they need. CPM gets essential data to where it's needed most, meaning decisions are based on facts.
- **Aligning operations with business goals:** CPM bridges the gap between strategy and operation activities, providing a framework for teams involved in operations to better further strategic goals. The continuous monitoring of processes allows teams to stay in line with business goals, spotting issues as they come up and correcting them as needed.¹

4- Organizational sociology and corporate business management performance (CMP):

4-1- An overview:

Organizational sociology plays a significant role in corporate management performance by examining the social structures, relationships, and dynamics within organizations. Here are some key aspects:

- 1- **Understanding organizational culture:** Organizational sociology helps managers understand the underlying values, norms, and beliefs that shape employee behavior and influence performance.
- 2- **Analyzing power dynamics:** It sheds light on power distribution, decision-making processes, and how these impact organizational effectiveness.
- 3- **Improving communication:** By studying communication patterns, sociologists can identify areas for improvement, enhancing collaboration and reducing conflicts.
- 4- **Managing change:** Organizational sociology helps managers navigate organizational change by understanding the social implications of restructuring, downsizing, or cultural shifts.
- 5- **Enhancing teamwork and collaboration:** By examining team dynamics and social relationships, sociologists can provide insights on how to foster effective teamwork and collaboration.
- 6- **Identifying and addressing conflicts:** Organizational sociology helps managers recognize potential sources of conflict and develop strategies to resolve them.
- 7- **Informing leadership and management practices:** By studying leadership styles, sociologists can provide recommendations on effective leadership approaches.

By applying organizational sociology principles, corporate managers can:

- Improve organizational performance and efficiency.
- Enhance employee satisfaction and engagement.
- Develop more effective leadership strategies.
- Foster a positive organizational culture.
- Better navigate organizational change.

4-2- Organizational sociology and Understanding organizational culture:

Understanding organizational culture is crucial for effective management. It encompasses:

- 1- **Shared values and beliefs*:** The underlying principles guiding employee behavior.

¹<https://www.prophix.com/blog/whats-the-difference-between-cpm-and-fpm/#:~:text=Corporate%20performance%20management%20is%20a,t%20limited%20to%20financial%20processes.>

- 2- Norms and traditions*: Unwritten rules and practices shaping interactions.
- 3- Communication patterns*: Formal and informal channels influencing information flow.
- 4- Symbols and rituals*: Logos, dress codes, and ceremonies reflecting the organization's identity.

Benefits of understanding organizational culture:

- 1- Improved employee engagement*: Aligning with the culture enhances motivation.
- 2- Better decision-making*: Cultural awareness informs strategic choices.
- 3- Enhanced collaboration*: Understanding cultural nuances fosters teamwork.¹

To understand organizational culture:

- 1- Observe behaviors and practices.
- 2- Conduct surveys and feedback sessions.
- 3- Analyze company history and traditions.

4-3- (O S) and Analyzing power dynamics:

Analyzing power dynamics in organizations involves understanding how power is distributed, exercised, and maintained. Key aspects include:

- 1- Identifying power sources: Formal authority, expertise, networks, or charisma.
- 2- Understanding power structures: Hierarchical, flat, or matrix structures.
- 3- Recognizing power struggles: Conflicts, politics, and resistance.
- 4- Analyzing decision-making processes: Who influences decisions and how.
- 5- Examining communication patterns: Formal and informal channels.

Benefits of analyzing power dynamics:

- 1- Improved decision-making*: Understanding power influences can lead to more informed choices.
- 2- Enhanced collaboration*: Recognizing power dynamics can foster cooperation.
- 3- Effective leadership*: Leaders can adapt their style to the power context.
- 4- Managing conflict*: Understanding power struggles can help resolve conflicts.

To analyze power dynamics:

- 1- Observe interactions and behaviors.
- 2- Conduct stakeholder analysis.
- 3- Map power structures and networks.
- 4- Gather feedback from employees.²

4-4- (O S) and improving communication:

Improving communication in organizations involves:

- 1- Clarifying messages: Clear, concise language reduces misunderstandings.

¹<https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://global.oneibc.com/gx/en/insights/articles/corporate-performance-management-processes-and-measures&ved=2ahUKEwiC8cnf25aNAxVjBNsEHQRYJJAQFnoECDEQAQ&usg=AOvVaw2v9pU9R8rR6NIPmxyy1hf0>

²<https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://www.cubesoftware.com/blog/corporate-performance-management&ved=2ahUKEwiC8cnf25aNAxVjBNsEHQRYJJAQFnoECC8QAQ&usg=AOvVaw2gIrrY4RDwrDIZtEj2bO5c>

- 2- Active listening: Paying attention, asking questions, and paraphrasing.
- 3- Open channels: Regular feedback, transparent information sharing.
- 4- Adapting communication styles: Considering audience, purpose, and medium.
- 5- Technology utilization: Leveraging tools like email, intranet, or collaboration platforms.

Benefits:

- 1- Increased productivity.
- 2- Better decision-making.
- 3- Enhanced collaboration.
- 4- Reduced conflicts.
- 5- Improved employee engagement.

Strategies:

- 1- Regular team meetings.
- 2- Feedback sessions.
- 3- Clear policies and procedures.
- 4- Training programs.
- 5- Encouraging open dialogue.

4-5- (O S) and change management:

Change management involves planning, implementing, and sustaining organizational changes. Key aspects include:

- 1- Clear vision and goals*: Defining the need for change and desired outcomes.
- 2- Stakeholder engagement*: Involving and communicating with affected parties.
- 3- Change impact assessment*: Understanding the effects on processes, people, and technology.
- 4- Training and support*: Equipping employees with necessary skills and resources.
- 5- Monitoring and evaluation*: Tracking progress and adjusting the approach.

Effective change management:

- 1- Reduces resistance.
- 2- Minimizes disruption.
- 3- Enhances adoption.
- 4- Improves sustainability.

Strategies:

- 1- Communicate transparently.
- 2- Involve employees in the process.
- 3- Provide training and resources.
- 4- Address concerns and resistance.
- 5- Celebrate successes.

4-6- (O S) and Enhancing teamwork and collaboration:

Enhancing teamwork and collaboration involves:

- 1- Clear goals and roles: Defining objectives and responsibilities.
- 2- Effective communication: Open, transparent, and regular interaction.
- 3- Trust and respect: Fostering a positive team culture.
- 4- Diverse perspectives: Encouraging varied viewpoints.

5-Feedback and recognition: Regularly acknowledging contributions.¹

Strategies:

- 1- Team-building activities.
- 2- Collaborative tools (e.g., Slack, Trello).
- 3- Regular meetings and check-ins.
- 4- Cross-functional projects.
- 5- Empowering team members.

Benefits:

- 1- Improved problem-solving.
- 2- Increased innovation.
- 3- Enhanced productivity.
- 4- Better decision-making.
- 5- Stronger relationships.

4-7- (O S) and corporate leadership:

Improving leadership and management involves:

- 1- Developing self-awareness*: Understanding strengths, weaknesses, and leadership style.
- 2- Effective communication*: Clearly articulating vision, goals, and expectations.
- 3- Emotional intelligence*: Empathizing with team members and managing emotions.
- 4- Strategic thinking*: Aligning decisions with organizational goals.
- 5- Coaching and mentoring*: Developing team members' skills.

Key leadership skills:

- 1- Visionary thinking
- 2- Decision-making
- 3- Problem-solving
- 4- Adaptability
- 5- Empathy and emotional intelligence

Management strategies:

- 1- Setting clear goals and expectations
- 2- Providing feedback and coaching
- 3- Empowering team members
- 4- Fostering a positive work culture
- 5- Leading by example

Benefits:

- 1- Improved employee engagement
- 2- Increased productivity.
- 3- Better decision-making.
- 4- Enhanced teamwork.
- 5- Organizational growth.²

¹ Van Decker, John E.; Rayner, Nigel; Iervolino, Christopher (October 31, 2017). *"Back to Basics: The Refocusing of Corporate"*, p 73.

² Bracken, D., & Rose, D., "When does 360-degree feedback create behavior change? And how would we know it when it does?", *Journal of Business and Psychology*, p 26.

4-8- Organizational sociology and management: are distinct but interconnected fields of study. Organizational sociology focuses on the social structures, dynamics, and interactions within organizations, examining how these factors shape individual behavior and organizational outcomes. Management, on the other hand, is concerned with the effective application of planning, organizing, leading, and controlling to achieve organizational goals. While management emphasizes the practical aspects of running an organization, organizational sociology provides a sociological lens for understanding the internal workings and social context of these practices.

Organizational Sociology:

- **Focus:**

The social structures, power dynamics, cultural factors, and social interactions within organizations.

- **Goal:**

To understand how these social elements influence individual behavior, organizational performance, and overall societal outcomes.

- **Methods:**

Qualitative and quantitative research methods, including case studies, surveys, and interviews, to study organizational structures and social dynamics.

- **Key Areas of Study:**

Organizational culture, power and authority, group dynamics, leadership, communication, and change management.

Management:

- **Focus:**

The practical processes and techniques involved in planning, organizing, directing, and controlling resources to achieve organizational objectives.

- **Goal:**

To effectively use human, financial, and physical resources to achieve desired outcomes.

- **Methods:**

Decision-making models, strategic planning, performance measurement, and resource allocation.

- **Key Areas of Study:**

Leadership, strategic planning, operations management, human resource management, and change management.

Interconnectedness:

- **Shared Interest:**

Both fields are interested in understanding organizations and their behavior, albeit from different perspectives.

- **Complementary Insights:**

Organizational sociology can provide a deeper understanding of the social context in which management practices are implemented, helping to address issues like employee engagement, organizational culture, and social responsibility.

- **Practical Applications:**

Understanding the social dynamics within organizations can inform management decisions and strategies, leading to more effective leadership, communication, and change management.

Conclusion:

The sociological study of organizations encompasses both planned and formal organizations as well as spontaneous and informal ones. Sociologists examine organizations with attention to structure and objectives, interactions among members and among organizations, the relationship between the organization and its environment and the social significance or social meaning of the organization. The ways of defining and examining organizations vary depending on the theoretical emphasis.

In today's organizational sociology, organizations are usually regarded as late achievements of modernity in the history of mankind. Max Weber is repeatedly cited as the supposed guarantor of this thesis. But neither his type of "bureaucratic rule" nor his concept of "rational work organization" - although both are tailored to modern conditions - contain, on closer inspection, compelling arguments for a principled limitation of organizations as such to modernity. Both actually reach their depth of focus only in contrast to "pre-modern" forms of organization. Sociology of organization that wants to refer to Max Weber's work while avoiding the numerous common misunderstandings of its reception must broaden its historical view and consider the possibility of "pre-modern organizations".

Organizational sociology and organization studies have a long history together, while also sharing a proclivity to self-diagnose crises. Instead of taking these assessments at face value, this paper treats them as an object of study, asking what conditions have fueled them. In the case of organizational sociology, there are indications of a connection between rising levels of discontent and community building: self-identified organizational sociologists have progressively withdrawn from general debates in the discipline and turned their attention to organization studies, which, they suspect, has seen dramatic levels of growth at their expense. Organization studies, on the other hand, are still haunted by "a Faustian bargain": leaning heavily on the authority of the social sciences, business school faculty was able to facilitate the emergence of a scholarly field of practice dedicated to the study of organizations, which they control. However, in doing so, they also set organization studies on a path of continued dependence on knowledge produced elsewhere: notably, by university disciplines such as sociology.

References:

- 1- Albrow, Martin. 1970. **Bureaucracy**. New York: Praeger, p 21.
- 2- Hannan, Michael T. and Glenn R. Carroll. 1995. "An Introduction to Organizational Ecology." in *Organizations in Industry: Strategy, Structure and Selection*, edited by G. Carroll and M. Hannan, p 31.
- 3- Podolny, Joel M. and Karen L. Page. 1998. "Network Forms of Organizations." *Annual Review of Sociology* p 76.
- 4- Fligstein, Neil. 1996. "Markets as Politics: A Political-Cultural Approach to Market Institutions." *American Sociological Review* p 73.
- 5- Child, John. 1972. "Organizational Structure, Environment, and Performance: The Role of Strange Choice." *Sociology*, p 22.
- 6- Campbell, John L. and Leon N. Lindberg. 1990. "Property Rights and the Organization of Economic Activity by State." *American Sociological Review* p 55.
- 7- Aldrich, Howard E. and Jeffrey Pfeffer. 1976. "Environments of Organizations." *Annual Review of Sociology* p 105.

- ⁸- Cyert, Richard and James March. 1963. **A Behavioral Theory of the Firm**. Upper Saddle River, NJ: Prentice Hall, p 193.
- ⁹- Galaskiewicz, Joseph. 1985. "**Interorganizational Relations**." Annual Review of Sociology, p 281.
- 10- Martin, John L. 2003. "**What Is Field Theory?**" American Journal of Sociology p 49.
- ¹¹- Romanelli, Elaine. 1991. "**The Evolution of New Organizational Forms**." Annual Review of Sociology p 103.
- 12- Madden, Bartley J. (September 2014). **Reconstructing Your Worldview**. Learning What Works Inc. p. 99.
- 13-
<https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://www.abacum.ai/blog/what-is-corporate-performance-management-how-does-it-relate-to-finance&ved=2ahUKEwiC8cnf25aNAxVjBNsEHQRYJJAQFnoECC0QAQ&usg=AOvVaw3vugFG EeFhD9IYamzV5JJR>
- 14-<https://www.prophix.com/blog/whats-the-difference-between-cpm-and-fpm/#:~:text=Corporate%20performance%20management%20is%20a,t%20limited%20to%20financial%20processes.>
- ¹⁴-
<https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://global.oneibc.com/gx/en/insights/articles/corporate-performance-management-processes-and-measures&ved=2ahUKEwiC8cnf25aNAxVjBNsEHQRYJJAQFnoECDEQAQ&usg=AOvVaw2v9pU9R8rR6NIPmxyy1hf0>
- ¹⁵-
<https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://www.cubesoftware.com/blog/corporate-performance-management&ved=2ahUKEwiC8cnf25aNAxVjBNsEHQRYJJAQFnoECC8QAQ&usg=AOvVaw2gIrrY4RDwrDIZtEj2bO5c>
- ¹⁶- Van Decker, John E.; Rayner, Nigel; Iervolino, Christopher (October 31, 2017). "*Back to Basics: The Refocusing of Corporate*, p 73.
- ¹⁷- Bracken, D., & Rose, D., "**When does 360-degree feedback create behavior change?** And how would we know it when it does?", *Journal of Business and Psychology*, p 26.