Abstract

The literature on organization design is dominated by ideas and theories on how to manage manual work. This understanding is driven by a division of labor based on clear-cut responsibilities and by focusing on hierarchical organization structures like the U-form, M-form, and matrix. Governance mechanisms, for the most part, have been focused on transactional solutions, that is, on the monitoring of work behavior and monetary rewards. Today, knowledge workers dominate the workforce, and the integration of distributed, cross-functional knowledge is crucial. The most important governance mechanisms are no longer based on transactional but rather on transformational solutions that focus on the intrinsic motivation of knowledge workers and their willingness to collaborate. We provide theoretical insight into the collaborative process and discuss three evolving organizational designs that enable knowledge workers to collaborate.

Read more...
TrendTerms
Authors, Affiliations, Collaborations

Frost, Jetta* Corresponding author
Universität Hamburg, Hamburg, Germany
Osterloh, Margit
University of Zurich, Zurich, Switzerland
Weibel, Antoinette
Universität Liechtenstein, Vaduz, Liechtenstein

Read more ...

Similar Publications
Transactional and transformational are the two modes of leadership that tend to be compared the most. James MacGregor Burns distinguished between transactional leaders and transformational by explaining that:

- **Transactional leaders** are leaders who exchange tangible rewards for the work and loyalty of followers.
- **Transformational leaders** are leaders who engage with followers, focus on higher order intrinsic needs, and raise consciousness about the significance of specific outcomes and new ways in which those outcomes might be achieved. Followers are not encouraged to be creative or to find new solutions to problems.

Research has found that transactional leadership tends to be most effective in situations where problems are simple and clearly-defined. Transformational leaders are more effective in complex and ambiguous situations.