

**Final Exam Organizational Theory
M1 CCA
2019-2020**

Only the documents related to the course are allowed (printed format). Not PC or smartphones are allowed for this exam.

1. Please read carefully the two articles.
2. Write an essay that responds to the two questions below using the knowledge you have about organizational theories (please make sure you use references, cite authors, existing literature).
 - How management has moved from classical theories to the orange economy, uberization??? What has changed?
 - According to you, what are the strengths and weaknesses of modern management and organizations today?

THE CONVERSATION

Academic rigour, journalistic flair



Amabots at work. Reuters / Robert Galbraith

Understanding the Amazonian workplace – it's the law of the jungle

August 21, 2015 11.42am BST

In virtually every science fiction novel or film, there is an **evil corporation which dominates the world** – from LexCorp in the Superman franchise to Weyland-Yutani in Alien. Their masterminds tend to hide their ambitions behind stretched smiles and a language of care. That is, until the story's protagonist exposes their plans and saves the world by exposing the evil afoot.

Compare this to the real world. We have corporations with huge influence which do bad things, we are well **aware of it and yet we continue to let it happen**. Why?

Author



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The recent New York Times exposé of life working for Amazon used old-fashioned investigative journalism to reveal the harsh reality of working in the company's head office in Seattle. It documents a

culture of relentless criticism, with a reliance on continual measuring of performance and long working hours. Unsurprisingly, this results in high labour turnover, as those who refuse to become “Amabots” (a term used to describe someone who has become part of the system) get spat out like returned parcels.

Nothing new to see here

There has been predictable criticism of Amazon following these revelations – rightly so. But consider what we already know about the company. We have known for some time that it has a tax structure which ensures that it minimises its responsibilities in paying for the roads which allows it to transport its goods and the education that allows its employees to be able to read and write (Amazon’s British business paid just £4.2m in tax in 2014, despite selling goods worth £4.3 billion).

We know, following the work done by Spencer Soper in the US and Carole Cadwalladr in the UK that the conditions in its warehouses are punishing. Long hours, low wages and continual monitoring by technology result in high labour turnover. Oh, and (surprise surprise) Amazon doesn’t like trade unions.

Amazon factory workers in Germany striking last year for better pay and conditions. EPA/Roland Wehrauch

What else do we already know? That Amazon is a company which seeks to dominate markets through cost efficiencies, putting competitors out of business, or ensuring that they have to do their business through Amazon. There are well-documented accounts of its attempts to ensure that publishers offer the same discounts that it does, or that all print on demand has to go through its own company.

And, if that fails, it simply buys the competition with the huge piles of cash it has built from doing what it does, as it did with AbeBooks, LoveFilm, Goodreads, Internet Movie Database, The Book Depository, BookFinder, to name a few. And this isn’t even to mention its domination of the e-reader market through Kindle. Even if it doesn’t say so on the website, you might well be doing business through an Amazon subsidiary. If this isn’t a strategy for world domination, what is it?

In 21 years, Amazon has grown to become a company with almost US\$89 billion in turnover every year. To put this in context, that’s greater than the GDP of countries such as Cuba, Oman and Belarus. And it has made Jeff Bezos, its driven founder, a personal fortune of around US\$47 billion, which is about the same as the GDP of Costa Rica or Slovenia.

As one of his many plaudits, he was named “World’s Worst Boss” by the International Trade Union Confederation at their World Congress in May 2014. He also now owns the Washington Post.

All this, and much much more, is known about Amazon, but it continues to grow, recently suggesting a move into delivery by drones and beginning a food delivery service in a few US cities.

THE CONVERSATION

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Ricky, from *Sorry We Missed You*. Joss Barratt/Sixteen Films

Ken Loach's new film on the gig economy tells exactly the same story as our research

November 1, 2019 2.36pm GMT

Ken Loach's film, *Sorry We Missed You*, tells the harrowing tale of Ricky, Abby and their family's attempts to get by in a precarious world of low paid jobs and the so-called "gig economy".

But how realistic is it? Can Loach's film be accused of undue pessimism? After all, UK government ministers have applauded the gig economy and the freedom and flexibility of being an "everyday entrepreneur".

A new study by myself and employment expert Andreas Giazitzoglou investigates what we know about the gig economy, in order to get a clearer picture of what is really going on in the contemporary world of work in the UK.

Narrowly conceived, the gig economy means workers (as independent contractors) doing discrete, short-

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term tasks – or “gigs” – for companies via digital platforms such as Deliveroo, Amazon or Uber. As one study describes them, these are “labour contracts that are as temporary as is possible for them to be”.

We argue that it is better to see the gig economy as part of a wider shift towards insecure forms of work. Long-term unemployment is no longer a serious social policy problem, but standard, full time, long-term employment is also much less common.

Our study in illustrated form, by Dr Cheryl Reynolds, University of Huddersfield. Dr Cheryl Reynolds, Author provided

More and more people are churning from “one shit job to another shit job”, as Ricky puts it in Loach’s film, punctuated with periods of unemployment. And as Loach observed (in a Q&A session following a preview), *Sorry We Missed You* is a sequel to the 2016 film *I, Daniel Blake*, which explores the degradations of the UK’s benefit system.

These are two sides of the same coin, as research on “the low-pay, no-pay cycle” has shown. Many of these jobs are on zero-hours contracts, which although illegal across much of the EU, have boomed in the UK.

Read more: We showed I, Daniel Blake to people living with the benefits system: here's how they reacted

There were fewer than 200,000 of these contracts in 2007. Ten years later, in 2017, there were over 1.8m.

Employers insist that workers want this “flexibility”. But two-thirds would prefer a fixed-hours contract.

Degraded work conditions

The government celebrates high levels of employment but two-thirds of employment growth since the 2008 financial crash has been in self-employment or other forms of “atypical work”. Much of this self-employment appears to be bogus. Just like in *Sorry We Missed You*, employers designate workers as “independent contractors” to cut wage costs and employment rights.

Investigative journalism has exposed the degraded work conditions of “self-employed” delivery drivers like Ricky: intense pressure to meet delivery schedules, breaking speed limits, snatching meals on the run, urinating into plastic bottles rather than stopping, barely making the national minimum wage.

Even a government inquiry found that “some companies are using self-employed workforces as cheap labour”, damaging workers’ well-being in order to “increase profits”.

In his recent novel, *The Circle*, Dave Eggers describes a US internet company (a cipher for Google) that gradually moves towards world domination, using relentless monitoring of its employees and a continual rhetoric about exceeding customer needs. In the novel, when the customers or employees are confronted by criticisms of what the company does, they don't see it, instead pointing to all the ways in which the company is making their lives easier. Criticism is seen as negative, practised by people who want to turn the clock back.

Results driven: Amazon CEO Jeff Bezos. EPA/Michael Nelson

Talk to most people about why Amazon is a problem and you will get similar responses. "But it makes things so easy." "They are cheaper than anyone else." "What's wrong with efficiency?"

The law of the jungle

But this isn't just a debate about Amazon, as if it is a bad company surrounded by lots of good ones. It raises much broader questions about what corporations do. Essentially, they are machines which are designed to grow, to externalise their costs and privatise their profits. The fact that this produces a management culture of extreme bullying, or anti-union practices in its workplaces, or anti-competitive strategies in its marketplaces shouldn't really amaze us.

It's the law of the jungle, right? What should amaze us is the extent to which we know that this happens and yet – unlike the heroes in the sci-fi films – we continue to do nothing about it.

Behind the reflective surfaces of its buildings and website, Amazon is selling us something else. It's a vision of a different world of work and consumption. This is a privatised, measured and monetised world, in which every social value is for sale. You can even buy books which tell you what's wrong with corporations through the website, because the content doesn't really matter that much.

All that matters is that the company makes money, dominates markets, keeps customers happy. That is what Amazon sells, and we continue to keep buying it.

Why would anyone buy a newspaper?

Amazon's hachette job evokes George Orwell in ebook price fight

If not bogus, then much self-employment is likely to be “forced”, perceived as the only alternative to being unemployed. This was typical of the “young entrepreneurs” I interviewed in the 1980s.

Held up as role models for Margaret Thatcher’s “enterprise culture”, their ambitions were, in fact, much more prosaic. Rather than go on the dole, they used the (recently re-launched) Enterprise Allowance Scheme to set up “micro-businesses” – knitting jumpers, repairing bicycles, freelance photography – keeping going by undercutting other businesses and by gross self-exploitation. Very few succeeded over the long term.



Most plodded along until, exhausted, demoralised and in debt, they closed down their businesses. Low pay is also typical of more recent forced self-employment and has been a key factor in the UK’s shift towards low paid work.

Across the research, we found ten things that were common to workers’ experiences of this new, insecure labour market:


1. Modest aspirations (people were not looking to get rich quick but wanted regular work and to be able to pay the bills)
2. Lack of choice
3. Disempowerment (employers now have “disciplinary discretion” to withhold offers of work to people on zero-hours contracts)
4. Insecurity of work
5. Insecurity of income

6. Low pay
7. Debt
8. Exploitation
9. Self-exploitation
10. Anxiety

One of the duties of critical social science is to question fashionable ideas. We should be particularly alert when comfortably placed, middle-aged politicians exhort younger people to “take up opportunities” that they themselves would never dream of going near.

Would government ministers be quite so “excited” about the gig economy if they had to surrender their fixed salaries, paid holidays and pension schemes in favour of working a daily schedule so gruelling that toilet stops are impossible and the minimum wage cannot be earned?

All of us – the public who rely on the services of the gig economy just as much as the politicians who proclaim its virtues – need to wake up to the reality that, in this instance, “flexibility” is just another word for exploitation.

 [Unemployment](#) [Employment](#) [Amazon](#) [Uber](#) [Zero-hour contracts](#) [Gig economy](#) [Ken Loach](#)

Zero-hour contracts take a huge mental and physical toll – poor eating habits, lack of sleep and relationship problems

I, Daniel Blake: Ken Loach tells Britain it's time to kick the political door in

How zero-hours contracts could be making you ill