INFORMAL RELATIONS AND ITS EFFECTS ON INDUSTRIAL

ORGANIZATIONS

(A STUDY OF THE COCA-COLA BOTTLING COMPANY AND

GHANA BREWERIES LIMITED)

By

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CERTIFICATION

I hereby declare that this submission is my own work towards the MA (Sociology) and that, to the best of my knowledge, it contains no materials previously published by another author nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

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DEDICATION

This work is dedicated to my mum, Mrs. Victoria Anyan, Senior Administrative

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ABSTRACT

The defining characteristics of every organization are the structures, objectives and its people of which the "people" are the most important. Whenever a set of people gets together and starts interacting on a long term basis, they start to form an *informal group*. The formal organizations are therefore not really formal when human beings interact with each other over a long period of time; they develop a social structure that is only partly based on the formal organizational structure. Through informal relations, members of an organization can develop their own norms and goals that may counter or complement the objectives of the formal structure. The objective of this study was to identify the possible effects of informal relations on organizations and The Coca-Cola Bottling Company and Ghana Breweries Limited both in the Kumasi Metropolis were selected for the study. Social survey was the design used for this study. Two departments, the production department and the administrative departments were selected through stratified sampling technique. These constituted the population units for the study. Simple random sampling technique was employed to select the sample. In addition, purposive sampling technique which is a non-probability sampling technique was used to select various supervisors at the two departments. The population universe was 520 workers. Out of this, 200 workers were selected as sample size. The data used for this study included both primary and secondary. Questionnaire with both open-ended and close-ended questions was used to collect the primary data. In terms of analyzing the data collected, both quantitative and qualitative methods of analysis were used. In conclusion, it must be emphasized that informal relation is a natural, social and psychological need of workers and therefore it is the responsibility of astute managers to study the informal group in order to discover ways in which the interests of informal groups can blend with the interest of the formal organization for higher productivity.

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CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND TO THE STUDY

"One characteristic which distinguishes organizations from other collections of people is a commitment to achieving members' goals by means of an explicit and stable structure of task allocations, roles, and responsibilities. Mobs and informal groups are not organizations. Social and service clubs, like Rotary and Kiwanis, are organizations only part of the time. However, as long as one is concerned with organizational behaviour and not with social behaviour in general, one should emphasize the modes of behaviour in which organizations specialize." (Burns and Stalker, 1961) cited in (Starbuck, 1965)

Various schools of thought have written on organizations. The classical school provided the earlier views on organizations. The major work is Taylor's scientific management theory in 1911, followed by Fayol's administrative theory, Weber's concept of bureaucracy, and Hebert Simon's theory of administrative behaviour. These scholars perceived organizations as rational elements. That is, organizations are instruments designed to perform specific tasks. Thus, formalization and goal specificity are the defining characteristics of organizations. (Scott, 1992)

For instance according to Scott (1992), Taylor and his followers insisted it was possible to scientifically analyze tasks performed by individual workers to discover those procedures that will produce maximum output with minimum input of energies and resources.

Scott (1992) argued that the major contribution of the late 19th century to organizations was the notion of rationality. The essence of what Weber, Fayol, Taylor and all other classical theorists were saying was to try and organize people in a rational manner. Rather than making your brother vice-president of finance, put in somebody who is qualified to do the job. Instead of moving pig-iron the traditional way, work out the bio-mechanics of it and develop a work style that ensures maximum efficiency.

A part of this rationalist perspective was a simple motivational theory, based ultimately on Adam Smith and utilitarianism. The idea is that people work best when they are maximizing self interest, which was interpreted to mean money.

But there is more to formal organizations than purely formal behaviour, and more to human motivation than monetary reward. Human beings are social animals who need to hang around with others and desire to be liked by others. Human beings like respect, power and autonomy. So there are other needs that workers need to fill besides the ones money can buy. Whenever a number of people come together and starts interacting on a long term basis, an informal group emerges. An informal group is more than just a collection of people. Informal relations have internal social structure based on dominance and friendship relations.

Organizations contain a lot of informal groups. Their existence - and importance -really came to light in the 1920's and 1930's at the Hawthorne plant of the Western Electric Company in Chicago, studied by Elton Mayo, Roethlisberger and Dickson. These scholars started studying ways of improving workers' productivity, partly in the tradition of Taylor, and partly as a reaction to Taylor because one effect of Taylorization

was tremendous morale problems among workers. Their experiments were in three phases, namely, the illumination, relay assembly, and bank wiring room studies (Cross and Prusak, 2002)

The Bank Wiring Room Experiment is of significant interest and as the third phase of the experiments it was designed to investigate the social structure of employees. A basic question asked was that, is the informal social structure based on occupations? The answer was "somewhat". (Ibid)

One of the main events that went on in the Bank Wiring room was games: matching coins, lagging coins, shooting craps, card games, bets on combinations of digits in the serial numbers of weekly pay checks, pools on horseracing, baseball and quality records. Also they practiced binging (punching each other in the arm), and they did a special kind of arguing that was like a white version of playing the dozens: they would insult each other until somebody got mad. Whoever got mad lost. The games went on basically within two groups: a front-of-room group and a back-of-room group. In the end, most of the relationships came down to two cliques, each with a hanger-on, and some isolates. The groups included several different professions. Relationships were based more on physical closeness than anything else. These groups were recognized by the men themselves. They developed ideas about each other. (Draper, 2006)

The basic determinants of clique membership was that one was a rate-buster if one worked too much; one was a chiseler if one worked too little; one was a squealer if one let supervisor know anything that could possibly be used against operators; one was officious if one acted like an inspector. This form of ostracism acted as a form of social

control, forcing people to conform to group desires. Membership was also used to manage bosses. The men in a group would all stick together on stories, and would fudge reports so as to achieve uniform results. They also covered for each other. (ibid)

The groups established norms regarding output, treatment of supervisor, reciprocity and other interpersonal relations such as effective controls and sanctions. But the main thing, of course, was to keep piece-rates from changing. By having group cohesion, they could resist change.

The cliques served as a system for sense-making about organizational events. They developed their own set of beliefs, explaining things to each other like the complicated western electric payment system. Consequently, employee logic did not always agree with management or rational logic. One example was that they restricted their output even though it cost them money. (opcit)

Formal organizations are not really formal when human beings interact with each other over a long period of time; they develop a social structure that is only partly based on the formal organizational structure.

Formal organizations therefore develop informal groups within them. These informal groups have well-developed social structures, histories, culture etc. Informal structure and processes serve specific purposes of controlling members, and protecting group from management.

The informal social structure has as much to do with the way the organization runs as does the formal structure. The informal social structure may or may not work to

the detriment of the organization. It is safe to say that it is always in management's interest to understand that social structure, so that they can predict how workers will react in a given situation and respond appropriately.

The informal organization is the interlocking social structure that governs how people work together in practice. It is the aggregate of behaviors, interactions, norms, personal and professional connections through which work gets done and relationships are built among people who share a common organizational affiliation or cluster of affiliations. It consists of a dynamic set of personal relationships, social networks, communities of common interest and emotional sources of motivation. The informal organization evolves organically and spontaneously in response to changes in the work environment, the flux of people through its porous boundaries, and the complex social dynamics of its members. (http://en.wikipedia.org/wiki/Informal_organization) on 02/01/2010.

Tended effectively, the informal organization complements the more explicit structures, plans and processes of the formal organization. It can accelerate and enhance responses to unanticipated events, foster innovation, enable people to solve problems that require collaboration across boundaries and create footpaths showing where the formal organization may someday need to make changes.

1.2 STATEMENT OF PROBLEM

It is possible to identify many groups of varying size within a typical organizational setting. All those groups blend to form the informal organization. Informal relations are a set of evolving relationships and patterns of human interactions within an organization that are not officially prescribed.

The managers of formal organization establish what employees should do through organizational charts and job descriptions. Traditional managers tend to emphasize values of organizational and personal loyalty. The formal organization represents management's attempt to specify the way things should be accomplished in various sections, departments and divisions within the organization. It must however be noted that official structure is one portion of the story. There emerges another structure, existing alongside the formal one, consisting of informal relationships, created not by official designated managers but by members of the organization at every level.

Whenever a set of people meet together and starts interacting on a long term basis, they form an informal group. An informal group is more than just a collection of people. Groups have internal social structure based on dominance and friendship relations with social leaders. Human beings are social animals. They like respect, power and autonomy. Therefore, there are other needs such as recognition, interaction, and we-feeling among others that workers need to fulfill besides the ones that money buys.

Through informal relations, members of organization can develop their own norms and goals that may counter or complement the objectives of the formal structure.

In view of the strong influence of informal relations, the effects they can have on organizations cannot be underestimated and thus the research questioned whether "managers recognize the existence of the informal structures?", "what were the modes of operations of informal relations in the organization?", "to what extent did informal relations influence the performance of workers?", "were informal relations beneficial to organizations?", "to what extent did the informal group affect communication patterns within organizations?".

These among other stimulating and intellectual questions formed the basis around which this study was conducted to examine the effects of informal relations on selected organizations in the Kumasi Metropolis.

1.3 OBJECTIVES OF STUDY

The general objective of this study was to examine the effects of informal relations in organizations.

Specifically, the study sought to:

1. find out the modes of operations of informal relations in organizations.

2. evaluate the extent to which the informal relations influence the performance of workers

3. to determine the extent to which the informal relations impact the channel of communication within organizations

4. examine possible negative effects that informal relations have on organizations.

5. to identify ways in which the informal organization can be directed positively to complement the formal structure.

1.4 ASSUMPTIONS

1. Informal relations help to complement the channel of communication in organizations

2. Informal relations help to assist workers in the performance of their duties

3. Workers sympathize with colleagues in the same informal group to oppose authority.

1.5 LIMITATIONS OF STUDY

This study was not without challenges which threatened to affect the validity, reliability and replication of this study. The researcher encountered certain problems that impeded the smooth completion of the research.

Firstly, there was difficulty in obtaining accurate and sufficient information from the industrial organizations as a result of the stringent bureaucratic processes involved in releasing official information to the investigator. In addition, research participants (workers and managers) were busy pursuing their respective tasks and therefore did not have sufficient time to complete questionnaires or be interviewed.

To deal with these limitations, the researcher provided prior notice for collection of both primary and secondary data so that research participants had sufficient time to provide accurate and sufficient information necessary for this study.

In addition, most organizations were reluctant to release information on their profiles concerning their policies and employees. The researcher overcame this difficulty by assuring the organizations concerned and respondents of the confidential use of the information released and the end use of the information. Research participants were given the assurance that the study was for academic purpose only.

1.6 JUSTIFICATION OF STUDY

Man is a social being and therefore has a natural and psychological desire to interact with fellow beings. Failure to accomplish this natural desire leads to alienation of man from fellow humans. This is also evident in organizations. Though there are formally laid-down procedures for interaction or relations in organizations, there is always an informal structure that exists alongside what is formally prescribed. These informal structures have their own norms and values which may be used either to complement the formal structure or oppose it.

Results of this study would enable managers of organization to come to terms with the influence that informal structure can have on the performance of workers and thus affect the organization as a whole. Indeed, previous studies such as the Hawthorne studies have proved that workers are capable of developing norms to restrict output of colleagues and groups within which they find themselves. This study aimed to enable managers develop policies to incorporate the informal relations within the organizational

structure in order to make effort to direct the goals of the informal structure to be compatible with organizational goals.

It was important for this study to be conducted to help come to appreciate that organizations are not only instruments for achieving specified goals but also they are collectivities. Informal relations tend to complement the specified way of behaviour in the formal organization.

1.7 SCOPE OF STUDY

This section covered the geographical as well as the contextual scope of study.

In the first place, the geographical scope of study was Kumasi Municipality. The choice of Kumasi as an area of study was motivated by the fact that the Metropolitan area has various industrial organizations that fit the definition of cases for this study.

Kumasi Metropolitan Assembly (KMA) share boundaries with Kwabre East District to the north, Atwima District to the west, Ejisu-Juaben Municipal Assembly to the east and Bosomtwe District to the south. The 2000 Population Census estimated the population at 1, 170, 270. It was however projected to 1, 610, 867 in 2006 and has further been projected to be 1, 889, 934 by 2009.

(www.districtsinghana.com/kumasi.htpl on October 10, 2009)

The industrial sector is made up of manufacturing (breweries, beverages) and wood processing (plywood, boards). Most of the industries are located in the Asokwa-Ahinsan-Kaase industrial area, the hub of large-scale formal industries. Some production takes place in the area of manufacturing and industrial food processing. Automobile parts are manufactured at the Suame Foundry. Vehicle bodybuilding is undertaken at the Neoplan Assembly Plant. The Breweries as well as the Coca Cola Bottling Plant undertake beverage processing. Another area of manufacturing is in the wood processing industry, which is concentrated at the Asokwa – Ahinsan – Kaase enclave and Anloga. There are also pockets of other wood processing businesses dotted all over the metropolis. (Ibid)

The second aspect of the scope of study was the contextual scope. This referred to specific context within which the research was conducted. It is worthy to note that organization as an aspect of Industrial Sociology has various areas of study. Some of these areas include communication, leadership styles, labour relations, and employee-management relationship amongst other areas. In addition, the formal structures of the organization could be an area of study. However, this study was limited to the informal structures (relations) within the organization and their effects on industrial organizations.

The researcher studied informal relations because although studies have been conducted on the issue, not much work has been done especially concerning organizations in the Ashanti region of Ghana.

1.8 ORGANIZATION OF STUDY

The report of this study is organized into five chapters. Chapter one includes: background to the study, organization of study, statement of problem, objectives of study, justification of study. Chapter two covers literature review on various sub-areas of the problem of this study. Detailed discussion of the research methodology for the study constitutes chapter three. Chapter four consists of presentation, analysis, and discussions on the findings of the study whereas chapter five deals with the conclusions and recommendations of the study.
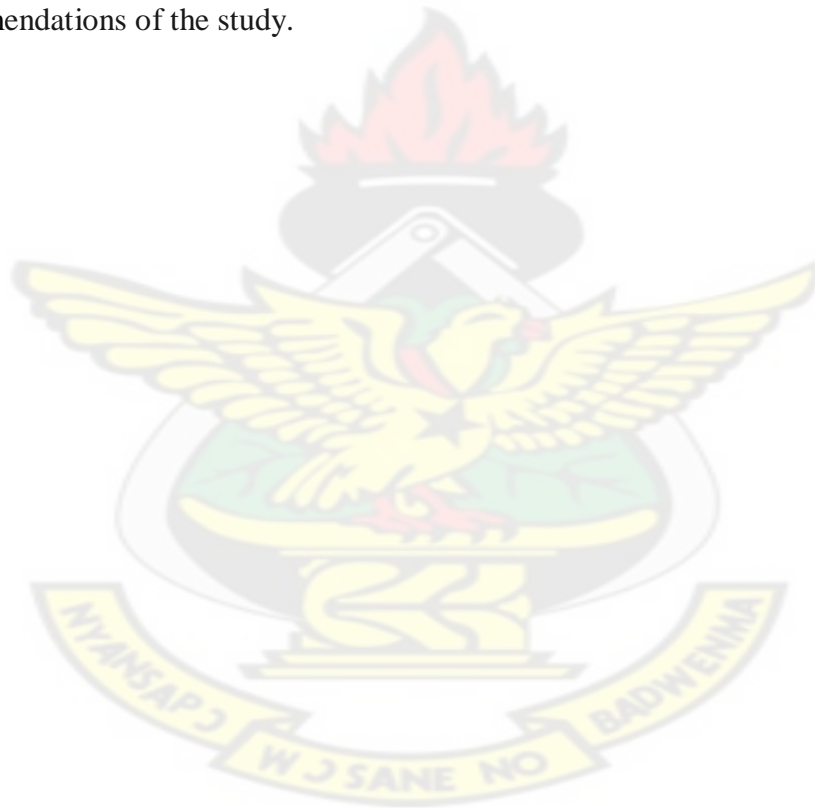
CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

This chapter is devoted to the review of relevant literature on the subject of the study. There were basically three forms of literature review that guided the search and review. These were: integrative review where the researcher singles out summaries of past research; theoretical review in which the researcher focuses on the extent to which theoretical framework relates to the problem being studied; methodological review in which the researcher focuses on methods and definitions. These provide not only summaries of past research but an actual critique of strengths and weaknesses of methods adopted (Copper, 1984) cited in (Gillespie, 1991).

Based on these methods, the study combined integrative and theoretical method of literature review. Details of the relevant literature reviewed are presented and discussed below.

2.2 DEFINITION OF INFORMAL RELATIONS

An informal relation is caused by certain drives and forces inherent in man himself. These may be psychological or social. They may also be a hindrance as well as help to the functioning of a formal organization. (Simon, 1947)

Gillespie (1991) regards an informal relation as "the network of social or personal and social relations which are not defined or prescribed by the formal organization".

In his "Functions of the Executive", Chester (1947) gives the meaning of an informal organization as "The aggregate of the personal contact and interactions and associated grouping of people….Though common or joint purposes are excluded by definition, common or joint results of important character nevertheless come from such organization…informal organization is indefinite and rather structureless…"

2.3 THE STRUCTURAL IDENTITY OF AN INFORMAL RELATION

Draper (2006) explains that an informal relation is of "fluid" character. That is to say, it does not manifest itself in any formal organizational structure. Rather, it depends on human whims and personal conduct. We may however say an informal organization possesses structural identity of its own principal characteristics.

In the first place, it is a contact between two or more persons, whether working in the same formal organization or in different formal organizations, for certain ends.

Moreover, such contacts may be entirely informal in nature and have nothing to do with the objectives of the formal organization in question. On the other hand, such contacts although informal may be made with the purpose of meeting the objectives of the formal organization.

In addition, informal relations do not conform to any set of relationship inherent in the chain of command. Rather it is based on personal friendship and acquaintance or administrative norms.

Also, such relationship in an informal organization generally accrues either from compatibility or a conflict of personality or interest of the person involved.

Draper (2006) continues to explain that as informality is a keynote in relationship. The informal relation has neither a formal chain of command nor a span of control. The management-subordinate relationship in the informal organization is due primarily to personal respect and appreciation that exist between them.

Lastly, one usually finds in an informal organization the following people: kinship, friendship, cliques and subcliques.

"To administer a social organization according to purely technical criteria of rationality is irrationality, because it ignores the nonrational aspects of social conduct".

(Blau, 1956) cited in (Scott, 1992). Scott (1992) does not deny the existence of highly formalized structures within organizations, but does question their importance, in particular their impact on the behaviour of participants. Formal structures purposely designed to regulate behaviour in the service of specified goals are seen to be greatly affected-supplemented, eroded and transformed by the emergence of informal structures. Formal structures are equated with norms and behaviour patterns that exist regardless of the characteristics of the individual actors. Informal structures are those based on the personal characteristics or resources of the specific participant. Thus, for example, formal authority refers to those control rights that are available to and exercised by all

incumbent of a given position, such as supervisor, teacher; informal authority would indicate those rights that become available to a particular supervisor or a teacher because of his or her special qualities or individual resources. Obviously one of the clearest ways to distinguish empirically between the formal and the informal elements in a given situation is to observe what happens to beliefs and behaviours when there is a change in personnel. (ibid)

Natural system analyst emphasize that there is more to organizational structure than prescribed rules, jobs, descriptions and the associated regularities in the behaviour of participants. Individual participants are never merely "hired hands" but bring along their heads and hearts: they enter the organization with individually shaped ideas, expectations, agendas and they bring with them differing values, interests and abilities.

Expressed through interactions, these factors come together to create a reasonably stable informal structure. One of the most important insights of natural system perspective is that social structure of organization does not consist of the formal structure plus the idiosyncratic beliefs and behaviour of individual participants but rather formal structure and informal structure; informal life is itself structured and orderly. Participants within formal organizations generate informal norms and behaviour patterns; status and power systems, communication networks and socio-metric structures and working arrangements. (opcit)

In early studies exploring informal structures, it was presumed that they characterized only the lower strata of the organization; managers and executives were

immune to such developments. But Dalton ((1959) cited in (Draper, 2006) and others dispelled such notions.

Also, early studies emphasized the dysfunctional consequences of the informal structures as private and "irrational" concerns that impeded the implementation of rational formal design.

However, Dalton (1959) cited in (Draper, 2006) equated the formal structure with the "logic of cost and efficiency" whilst the informal structure expressed the "logic of sentiments". Later, analysts emphasized the positive functions performed by informal structures such as increasing the ease of communication, facilitating trust, and correcting for the inadequacies of the formal systems.

2.4 THE GENESIS OF THE STUDY OF INFORMAL RELATIONS IN ORGANIZATIONS—A HUMAN RELATIONS APPROACH

Sociological approach to workplace behaviour started from the Hawthorne studies of Western Electric Company in Chicago between 1924 and 1932. These Hawthorne studies became the basis of human relations and the father was George Elton Mayo. (Draper. 2006)

Before these studies, economist and psychologists made simplified assumptions that man is naturally carried away by his own self interest and utility, and society is nothing but a sum of its individual members. The major contribution of the late 19th century to organizations was the notion of rationality. Weber, Fayol, Taylor among other

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classical theorists were trying to organize, in a rational manner, the relations that characterize organizations. A part of this rationalist perspective (particularly Scientific Management) was a simple motivational theory, based ultimately on Adam Smith and utilitarianism. The idea is that people work best when they are maximizing self interest which was interpreted to mean money. (Gillespie, 1993)

Gillespie (1993) asserts that when the individual is given laissez-faire, the wealth of nations will be good and bring happiness to all. Thus production did consider the individual as a potent force in any endeavour. The period was the reign of individualism. Out of this philosophy of man, a hypothesis known as the "Rabble-Hypothesis" was developed. The rabble hypothesis states that: natural societies consist of a horde of unorganized individuals; every individual acts in a manner calculated to secure his own self preservation and self-interest; every individual thinks logically, to the best of his ability and the service of this aim.

These ideas were associated with the "carrot and stick" policy. According to this policy man works in order to get money while the fear of starvation stops him from being idle. This doctrine achieved a lot of popularity. This sort of approach to human motivation and behaviour was accepted by many including the proponents of scientific management theory to the extent that they thought human beings were machines. (http://en.wikipedia.org/wiki/Informal_organization) on 04/02/2010.

The scientific management approach received its primary impetus from the work of Frederick W.Taylor in the late nineteenth and early twentieth century but was carried forward by the contribution of others, such as Frank and Lillian Gilbreth, Henry Gantt,

and Charles Bedeaux. Taylor and his followers insisted that it was possible to scientifically analyze task performed by individual workers in order to discover those procedures that would produce the maximum output with the minimum input of energy and resources. Efforts were concentrated on analyzing individual tasks, but attempts to rationalize labour at the level of the individual worker inevitably led to changes in entire structure of worker arrangements. The sequence of changes that resulted from Taylor's efforts to improve the efficiency of performing such menial tasks was shoveling coal and iron ore in a steel mill (Scott, 1992).

The scientific management approach developed by Taylor is based on the concept of planning of work to achieve efficiency, standardization, specialization and simplification. Acknowledging that the approach to increased productivity was through mutual trust between management and workers, it was not only, or even primarily, the lot of workers that was to be altered by the introduction of scientific management but also the role of management was to be transformed. Taylor sought to replace the arbitrary and capricious activities of managers with analytical and scientific procedures. The man at the head of the business under scientific management is governed by rules and laws which have been developed through hundreds of experiment just as much as the workman is, and the standards which have been developed are equitable. (Taylor, 1947: 211,189) cited in (Scott, 1992).

The activities of both managers and workers were to be rationalized; both were equally subject to the regimen of science. Taylor believed that the adoption of scientific management principles by industrial concerns would usher in a new era of industrial peace. The interests of labour and management would be scientifically selected to

perform those tasks for which they were best suited. Scientifically determined procedures would allow men to work at peak efficiency, in return for which they would receive top wages. "Once work was scientifically plotted, Taylor felt, there could be no disputes about how hard one should work or the pay one should receive for labor. 'As reasonably might we insist on bargaining about the time and place about the rising and setting sun,' he once said, "Managers would cooperate with workers in devising appropriate work arrangements and pay scales and would enjoy the fruits of maximum profits" (Bell, 1960: 228) cited in (Scott, 1992: 35).

According to Scott (1992), the underlying spirit of Taylor's approach—an amalgam of the protestant ethic, social Darwinism, and a view of human beings as motivated exclusively by economic incentives—found widespread acceptance among American managers at the turn of the century.

Contemporary with and yet independent of the scientific management school and those who attempted to formulate administrative principles was the work of Max Weber, the influential German sociologist working at the turn of the century. Weber's analysis of administrative structures was only a limited aspect of his much larger interest in accounting for the unique features of Western civilization. (Scott, 1992: 38)

Human relation movement arose as a reaction to all these assumptions. These reactions led to the Hawthorne studies. Certain experiments were carried out at the Hawthorne works of Western Electric Company and these experiments were based on earlier assumptions.

2.4.1 VARIOUS STUDIES AT THE HAWTHORNE PLANT

The Hawthorne experiments were groundbreaking studies in human relations that were conducted between 1924 and 1932 at Western Electric Company's Hawthorne Works in Chicago. Originally designed as illumination studies, to determine the relationship between lighting and productivity, the initial tests were sponsored by the National Research Council (NRC) of the National Academy of Sciences. In 1927 a research team from the Harvard Business School was invited to join the studies after the illumination tests drew unanticipated results. Two additional series of tests, the relay-assembly tests and the bank-wiring tests, followed the illumination tests. The studies assumed the label Hawthorne experiments or studies from the location of the Western Electric plant. Concluded by 1932, the Hawthorne studies, with emphasis on a new interpretation of group behaviour, were the basis for the school of human relations. (Miller and Williams, 1951)

Gillespie (1993) argues that probably the most well-known of group performance and productivity was conducted during the 1920s by the Western Electric Company at its Hawthorne work plant in Chicago. At the time, Western Electric Company was the largest producer of telephone equipment in the United States. Its management enlisted the help of some Harvard Business school Professors, Elton Mayo, F. J. Roethlisberger, and William Dickson, to help increase the output of workers assembling telephone relays. The research started out as an investigation on the effect of physical working condition on worker productivity but ended up very differently.

2.4.1.1 Illumination test

In the early 1920s Chicago's Western Electric Hawthorne Works employed 12,000 workers. The plant was a primary manufacturer of telephones, and in 1924 the company provided a site to cooperate with the National Research Council (NRC) on a series of test room studies to determine the relationship between illumination and worker efficiency. The basic idea was to vary and record levels of illumination in a test room with the expectation that as lighting was increased, productivity would too. In another test room, illumination was decreased, with the correlating expectation that efficiency would decrease. The electric power industry provided an additional impetus for these tests, hoping to encourage industries to use artificial lighting in place of natural light. The Illuminating Engineering Society's Committee on Research also supported the tests and cooperated with the NRC. From the fall of 1924 to the spring of 1927, three series of tests were conducted and carefully monitored. Three departments at the Hawthorne plant were involved—relay assembling, coil winding, and inspection. Workers were notified of the tests in order to attempt to control interference from human factors. When production increased in each test period, researchers looked to other factors such as increased supervision and a sense of competition that developed between the test and control groups. But the one conclusion that the impressive team of industrial specialists and academics discovered was the lack of a consistent correlation between lighting levels and product output. No further tests were planned originally, but researchers were surprised at the unanticipated results. (Blumberg, 1968)

Blumberg (1968), explains that the National Research Council (NRC) representatives and the engineers involved drew several conclusions. First, illumination

was one factor in output but not the most important. More important to the tests was the realization there was not a simple answer to the issue of illumination and worker productivity and that other factors that were not controlled presented a problem with the test results—the issue of human factors, that is, informal relations.

2.4.1.2 Relay-Assembly Test

The relay-assembly test room experiment was the second of three major Hawthorne experiments. The relay-assembly tests were designed to evaluate the effect rest periods and hours of work would have on efficiency. Researchers hoped to answer a series of questions concerning why output declined in the afternoon: Did the operators tire out? Did they need brief rest periods? What was the impact of changes in equipment? What were the effects of a shorter work day? What role did worker attitudes play? Hawthorne engineers led by George Pennock were the primary researchers for the relay-assembly tests, originally intended to take place for only a few months. Six female operators volunteered for the study and two more joined the test group in January 1928. They were administered physical examinations before the studies began and then every six weeks in order to evaluate the effects of changes in working conditions on their health. The women were isolated in a separate room to assure accuracy in measuring output and quality, as temperature, humidity, and other factors were adjusted. The test subjects constituted a piece-work payment group and efforts were made to maintain steady work patterns. The Hawthorne researchers attempted to gain the women's confidence and to build a sense of pride in their participation. A male observer was introduced into the test room to keep accurate records, maintain cordial working conditions, and provide some degree of supervision. (Gillespie, 1991)

The women were employed in assembling relays or electromagnetic switches used in switching telephone calls automatically. The women assembled the more than 35 parts of the relay by hand. The relays were then carefully inspected. The entire process was highly labor intensive and the speed of assembly had an obvious effect on productivity.

Initially the women were monitored for productivity, then they were isolated in a test room. Finally, the workers began to participate in a group payment rate, where extra pay for increased productivity was shared by the group. The other relay assemblers did not share in any bonus pay, but researchers concluded this added incentive was necessary for full cooperation. This single difference has been historically criticized as the one variable having the greatest significance on test results. These initial steps in the relay-assembly studies lasted only three months. In August, rest periods were introduced and other changes followed over the rest of the test period, including shortened work days and weeks. As the test periods turned from months into years, worker productivity continued to climb, once again providing unexpected results for the Hawthorne team to evaluate.

Productivity increased in excess of 30 percent over the first two and-a-half years of the studies and remained steady for the duration of the tests. The physicals indicated improved worker health and absenteeism decreased. By their own testimony, the women expressed increased satisfaction with all aspects of their jobs. Researchers tentatively concluded that performance and efficiency improved because of the rest periods, relief from monotonous working conditions, the wage incentive, and the type of supervision provided in the test environment. After additional study and consideration, further tests

were conducted in an attempt to verify the effects of incentives and working conditions. The results were still not totally conclusive. Finally, researchers realized worker attitudes within the group were influential as was the more personal atmosphere of the test room. They concluded factors such as lighting, hours of work, rest periods, bonus incentives and supervision affected workers, but the attitudes of the employees experiencing the factors were of greater significance. As a result, the Hawthorne team decided not to pursue similar studies. Almost as significant during the relay assembly tests was the introduction of a team of academics from the Harvard Business School into the experiments. Led by professors Elton Mayo and F. J. Roethlisberger, this new group of researchers would have an enormous impact on the Hawthorne studies and the future of human relations in the workplace. (Gillespie, 1993)

Mayo's contributions became increasingly significant in the experiments during the interviewing stages of the tests. Early results from the illumination tests and the relay-assembly tests led to surveys of worker attitudes, surveys not limited to test participants. From 1928 to 1931, more than 21,000 individuals were interviewed to survey worker morale in an attempt to determine specific features of their jobs workers either liked or disliked. The objective was to identify areas where reasonable improvements might lead to greater job satisfaction and thus increased efficiency and productivity.

Roethlisberger and Dickson (1939), explain initial conclusions were disappointing. Interviewers looked for factors concerning job satisfaction, working conditions and supervision. What they found was a complex battery of attitudes influenced by outside factors such as conditions at home or within the community, as well as one's social situation at work. Researchers began to conclude that prior life

experience had an important influence on worker attitudes, and that manipulation of lighting, pay, supervision and working conditions could not solely bring about a desired change. The one consistent conclusion was that employees felt more positive about the work environment when an interviewer or listener showed interest. This interviewing technique, the nondirective method, proved useful to later researchers at Hawthorne and eventually led to an employee counseling program, now widely practiced in personnel management circles.

The researchers had two potential explanations for these unexpected results. First, an informal network of interpersonal relations might have developed within the formal organization that facilitated job performance. The researchers argued that higher morale might have led to higher productivity. Another potential factor in higher productivity might have been the workers' perception of themselves as "special". Perhaps productivity increased because the workers chosen for the experiment were accorded special treatment and privileges by the company –the so called Hawthorne effect (Blumberg, 1968).

2.4.1.3 Bank Wiring Room Experiment

The third phase of the experiments was designed to investigate the social structure of employees. Mayo decided to investigate one of the departments of Western Electric Company, the Bank Wiring Room (BWR). The objective was to discover as much as possible the restriction on output by those employed in that room. Fourteen men were employed in the BRW. The Bank involved attaching wires to certain parts of

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telephone. Out of fourteen (14) men, nine (9) men attached wires, three (3) soldered them and two were inspectors. The problem was to observe exactly what went on. The investigations were carried out by two (2) men, an observer and an interviewer. The observer was in the wiring room with instructions to be friendly with everybody but not to give orders and to be noncommittal. The interviewer was instructed not to enter the room but to discover as much as possible by interview about individual workers, their feelings, thoughts, values, personal and family histories of the workers. (Gillespie, 1991)

Gillespie (1991), asserts that the team developed into a group with a natural leader who had the approval of the group. With regard to financial incentives of the company, the attitude of the group was one of complete indifference. Although the incentives plans provided that the more work an employee did, the more money he received, they had their own idea about what a fair day's work was. It meant for them wiring two (2) banks or making about 6000 to 6600 terminal connections for each 8 hours a day per month. This was far less than what management expected. They considered any production over this as dangerous to their lives. This implies that monetary incentives are not enough. The control of output was enforced through a set of rules or norms which had emerged from the group.

The values and customs of the group were more important to the group than the monetary benefits implying that informal rules existed to influence the norms of group. In other words, there was unofficial code of behaviour which exerted a powerful influence on the group. These were: one should not produce too much or above the "Bogey", if one does, one is termed a "Rate-Buster" or "Slave"; one should not turn out too little work, if one does, one is termed a "Chiseler"; one should not tell a supervisor

anything that would react to the detriment of an associate, if one does, one is termed a "Squealer"; and one should not attempt to maintain social distance, even inspectors should not behave as one.

For instance, the man who worked most in the room was called "Speed King". Another conscious worker who worked to 4:15 pm was called "4: 15 special". These norms were also enforced through the use of a device which was used to hit the offender high on the upper hand. This normally called for retaliation, what was not expected to exceed the punishment received. This type of protest was kept to ensure the maintenance of the group's code of behaviour in Bank Wiring Room. (Roethlisberger and Dickson, 1939).

Clearly there existed in the BWR a highly integrated scheme and social structure since the code of behavior conflicted the formal rules of management. The Hawthorne studies clearly show that that the informal can lower output in a factory.

Formal organizations are not as formal as they may seem, even if they are bureaucracies. When human beings interact with each other over a long period of time, they develop a social structure that is only partly based on the formal organizational structure.

All these studies as observed by Scott (1992), served to call into question the simple motivational assumptions on which the prevailing rational models rested. Individual work group do not behave as "rational" economic actors but as complex

beings with multiple motives and values; they are driven as much by feelings and sentiments as by facts and interest; and they do not behave as individuals, isolated actors but as members of social groupings exhibiting commitments and loyalties stronger than their individualistic self-interests. Thus in the bank-wiring observation room, workers were observed to set and conform to daily work quotas-group norms restricting production-at the expense of their own higher earnings. At the psychological level, the Hawthorne studies pointed to more complex model of worker motivation based on a social psychological rather than an economic conception of man; at the structural level, the studies discovered and demonstrated the importance of informal relations.

Scott (1992) asserts that the Hawthorne trunk has given rise to numerous research and reform offshoots, each of which has produced many individual branches. The major research issues pursued include studies of the work group in worker background and personality attributes on organizational behaviour. Reform attempts include the use of personal counsellors, leadership training, job redefining, and participation in decision making.

2.4.1.4 The Hawthorne Legacy

The Hawthorne studies were conducted in three independent stages—the illumination tests, the relay-assembly tests, and the bank-wiring tests. Although each was a separate experiment, the second and third experiments each developed out of the preceding series of tests. Neither Hawthorne officials nor NRC researchers anticipated the duration of the studies, yet the conclusions of each set of tests and the Hawthorne

experiments as a whole are the legacy of the studies and what sets them apart as a significant part of the history of industrial behavior and human relations. (Draper, 2006)

The tests challenged prior assumptions about worker behavior. Workers were not motivated solely by pay. The importance of individual worker attitudes on behavior had to be understood. Further, the role of the supervisor in determining productivity and morale was more clearly defined. Group work and behavior were essential to organizational objectives and tied directly to efficiency and, thus, to corporate success. The most disturbing conclusion emphasized how little the researchers could determine about informal group behavior and its role in industrial settings. Finally, the Hawthorne studies proved beyond certainty that there was a great deal more to be learned about human interactions in the workplace and academic and industrial study has continued in an effort to understand these complex relationships.

In the words of Draper, (2006), "The Hawthorne studies have been described as the most important social science experiment ever conducted in an industrial setting, yet the studies were not without their critics. Several criticisms, including those of sociologist Daniel Bell, focused on the exclusion of unionized workers in the studies. Sociologists and economists were the most commanding critics, defending their disciplinary turf more than offering serious criticisms. For his part, Mayo called into question research findings of both economists and psychologists. More serious questions were raised by social scientists who termed the studies bad science due to Mayo's conservative views."

Mayo (1993) asserts that in the studies where subjects had to go for long drives with no toilet breaks, the results should be considered biased by the feedback compared to the manipulation studies. He also argues that the rest periods involved possible learning effects, and the fear that the workers had about the intent of the studies may have biased the results.

Mayo, defines the Hawthorne effect as "the confounding that occurs if experimenters fail to realize how the consequences of subjects' performance affect what subjects do [i.e. learning effects, both permanent skill improvement and feedback-enabled adjustments to suit current goals]. His key argument is that in the studies where workers dropped their finished goods down chutes, the girls had access to the counters of their work rate.

But Mayo says it is to do with the fact that the workers felt better in the situation, because of the sympathy and interest of the observers. He does say that this experiment is about testing overall effect, not testing factors separately. He also discusses it not really as an experimenter effect but as a management effect: how management can make workers perform differently because they feel differently. A lot to do with feeling free, not feeling supervised but more in control as a group. The experimental manipulations were important in convincing the workers to feel this way: those conditions were really different.

Gillespie (1991) points out that the Hawthorne tests were based on industrial psychology and were investigating whether workers' performance could be predicted by pre-hire testing. The Hawthorne study showed "that the performance of workers had little

relation to ability and in fact often bore an inverse relation to test scores..." Braverman argues that the studies really showed that the workplace was not "a system of bureaucratic formal organization on neither the Weberian model nor a system of informal group relations, as in the interpretation of Mayo and his followers but rather a system of power, of class antagonisms". This discovery was a blow to those hoping to apply the behavioral sciences to manipulate workers in the interest of management[.]

The Hawthorne effect has been well established in the empirical literature beyond the original studies. The output (dependent) variables were human work, and the educational effects can be expected to be similar (but it is not so obvious that medical effects would be). The experiments stand as a warning about simple experiments on human participants viewed as if they were only material systems. There is less certainty about the nature of the surprise factor, other than it certainly depended on the mental states of the participants: their knowledge, beliefs, etc.

Research on the demand effect also suggests that people might take on pleasing the experimenter as a goal, at least if it does not conflict with any other motive, but also, improving their performance by improving their skill will be dependent on getting feedback on their performance, and an experiment may give them this for the first time. So you often won't see any Hawthorne effect—only when it turns out that with the attention came either usable feedback or a change in motivation.

Gillespie (1991) warns of gross factual inaccuracy in most secondary publications on Hawthorne effect and that many studies failed to find it. He argues that it should be viewed as a variant of Orne's (1973) experimental demand effect. So for Adair, the issue

is that an experimental effect depends on the participants' interpretation of the situation; that this is why manipulation checks are important in social sciences experiments. So he thinks it is not awareness per se, nor special attention per se, but participants' interpretation must be investigated in order to discover if/how the experimental conditions interact with the participants' goals.

Others expressed serious concerns about undue pressure from corporate interests and called Mayo and his colleagues "servants of power." Despite these critical views, the flow of writings on the Hawthorne studies attests to their lasting influence and the fascination the tests have held for researchers. The studies had the impact of defining clearly the human relations school. Another contribution was an emphasis on the practice of personnel counseling. Industrial sociology owes its life as a discipline to the studies done at the Hawthorne site. This, in part, led to the enormous growth of academic programs in organizational behavior at American colleges and universities, especially at the graduate level.

2.5 FUNCTIONS OF INFORMAL RELATIONS

Historically, scholars have regarded the informal organization as the byproduct of the inadequacies formal organization—arguing, for example, that "it can hardly be questioned that the ideal situation in the business organization would be one where no informal organization existed." However, the contemporary approach—one suggested

as early as 1925 by Parker, the pioneer of community centers and author of influential works on management philosophy—is to integrate the informal organization and the formal organization, recognizing the strengths and limitations of each. Integration, as Follett (2007) cited in (Mayo, 1993) defined it, means breaking down apparent sources of conflict into their basic elements and then building new solutions that neither allow domination nor require compromise. In other words, integrating the informal organization with the formal organization replaces competition with coherence. At a societal level, the importance of the relationship between formal and informal structures can be seen in the relationship between civil society and state authority. The power of integrating the formal organization and the informal organization can also be seen in many successful businesses.

Davis (2002) cited in (Mayo, 1993) suggests that informal groups serve at least four major functions within the formal organizational structure.

Firstly, they perpetuate the cultural and social values that the group holds dear. Certain values are usually held in common among informal group members. Day-to-day interaction reinforces these values that perpetuate a particular lifestyle and preserve group unity and integrity. For example, a college management class of 50 students may contain several informal groups that constitute the informal organization within the formal structure of the class. These groups may develop out of fraternity or sorority relationships, dorm residency, project work teams, or seating arrangements. Dress codes, hairstyles, and political party involvement are reinforced among the group members.

Secondly, they provide social status and satisfaction that may not be obtained from the formal organization. In a large organization (or classroom), a worker (or student) may feel like an anonymous member rather than a unique individual. Members of informal groups, however, share jokes and gripes, eat together, play and work together, and are friends-which contributes to personal esteem, satisfaction, and a feeling of worth.

Thirdly, they promote communication among members. The informal group develops a communication channel or system (i.e., grapevine) to keep its members informed about what management actions will affect them in various ways. Many astute managers use the grape- vine to "informally" convey certain information about company actions and rumours.

Fourthly, they provide social control by influencing and regulating behaviour inside and outside the group. Internal control persuades members of the group to conform to its lifestyle. For example, if a student starts to wear a coat and tie to class, informal group members may razz and convince the student that such attire is not acceptable and therefore to return to sandals, jeans, and T-shirts. External control is directed to such groups as management, union leadership, and other informal groups.

2.6 BENEFITS OF INFORMAL ORGANIZATION

Although informal organizations create unique challenges and potential problems for management, they also provide a number of benefits for the formal organization. An informal organization is caused by certain drives and forces inherent in man. These may be psychological or social. They may contribute positively to the smooth functioning of a formal organization. (Simon, 1947)

In a formal organization where rigidity of its rules sometimes occurs, informal relationship has frequently been instrumental in overcoming the obstacle and easing the workflow. For example, a personal relationship between a worker and his boss will result in greater co-operation between them. It will also help create satisfaction and stability among the workers. Communication between the various units of the organization will be expedited. An outlet for the strain and dissatisfaction of the workers in the organization which is a necessity will be created. (ibid)

2.6.1 Blend with formal system

Formal plans, policies, procedures, and standards cannot solve every problem in a dynamic organization; therefore, informal systems must blend with formal ones to get work done. As early as 1951, Dubin recognized that "informal relations in the organization serve to preserve the organization from the self-destruction that would result from literal obedience to the formal policies, rules, regulations, and procedures." No college or university could function merely by everyone following the "letter of the law" with respect to written policies and procedures. Faculty, staff, and student informal

groups must cooperate in fulfilling the spirit of the law" to effectuate an organized, sensibly run enterprise. (opcit)

2.6.2 Lighten management workload

Managers are less inclined to check up on workers when they know the informal organization is cooperating with them. This encourages delegation, decentralization, and greater worker support of the manager, which suggests a probable improvement in performance and overall productivity. When a professor perceives that students are conscientiously working on their term papers and group projects, there are likely to be fewer "pap tests" or impromptu progress reports. This eases the professor's load and that of the students and promotes a better relation- ship between both parties. (http://en.wikipedia.org/wiki/Informal_organization) retrieved on 02/04/2010.

2.6.3 Fill gaps in management abilities

Informal relations act as a safety valve and fill the gap of managerial abilities. For instance, if a manager is weak in financial planning and analysis, a subordinate may informally assist in preparing reports by either suggestions or direct involvement. 'Employees experience frustration, tension, and emotional problems with management and other employees. The informal group provides a means for relieving these emotional and psychological pressures by allowing a person to discuss them among friends openly

and candidly. In faculty lounge conversations, frustrations with the dean, department head, or students are "blown off" among empathetic colleagues. (ibid)

2.6.4 Encourage improved management practice

Perhaps a subtle benefit of informal groups is that they encourage managers to prepare, plan, organize, and control in a more professional fashion. Managers who comprehend the power of the informal organization recognize that it is a "check and balance" on their use of authority. Changes and projects are introduced with more careful thought and consideration, knowing that the informal organization can easily kill a poorly planned project. (opcit)

2.7 DISADVANTAGES OF INFORMAL GROUPS IN ORGANIZATION

Informal organizations also possess the following potential disadvantages and problems that require astute and careful management attention. an informal relationship sometimes leads to an indifference or even a resistance to any changes in a formal organization. Also, because of informal relationships, an undue rumour, started by one person, may quickly find its way around in an organization. Lastly, jeopardy may prevail in a formal organization should workers' satisfactory attitudes and standards of performance be found wanting in an informal organization.

(http://en.wikipedia.org/wiki/Informal_organization on 02/01/2010)

2.7.1 Resistance to change.

Perpetuation of values and lifestyle causes informal groups to become overly protective of their culture and therefore resist change. For example, if restriction of output was the norm in an autocratic management group, it must continue to be so, even though management changes have brought about a more participative administration. A minority female student may have a tough time being fully accepted on a project team composed of three white, prejudiced young men-regardless of her academic competency. (Cross and Prusak, 2002)

2.7.2 Role conflict.

The quest for informal group satisfaction may lead members away from formal organizational objectives. What is good for and desired by informal group members is not always good for the organization. Doubling the number of coffee breaks and the length of the lunch period may be desirable for group members but costly and unprofitable for the firm. Employees' desire to fulfill the requirements and services of both the informal group and management results in role conflict. Role conflict can be reduced by carefully attempting to integrate interests, goals, methods, and evaluation systems of both the informal and formal organizations, resulting in greater productivity and satisfaction on everyone's behalf. (Draper, 2006)

2.7.3 Rumour

The grapevine dispenses truth and rumor with equal vengeance. Ill-informed employees communicate unverified and untrue information that can create a devastating effect on employees. This can undermine morale, establish bad attitudes, and often result in deviant or, even violent behaviour. For example, a student who flunks an examination can start a rumor that a professor is making sexually harassing advances toward one of the students in class. This can create all sorts of ill feelings toward the professor and even result in vengeful acts like "egging" the residence or knocking over the mail box. (ibid)

2.7.4 Conformity

Social control promotes and encourages conformity among informal group members, thereby making them reluctant to act too aggressively or perform at too high a level. This can harm the formal organization by stifling initiative, creativity, and diversity of performance. In some British factories, if a group member gets "out of line", tools may be hidden, air may be let out of tires, and other group members may refuse to talk to the deviant for days or weeks. Obviously, these types of actions can force a good worker to leave the organization. (Cross and Prusak, 2002)

In conclusion, it has been established that an informal organization is caused by certain drives and forces inherent in man himself. These may be psychological or social. They may also be a hindrance as well as help to the functioning of a formal organization

(Simon, 1947). Therefore, it is against this background that this study is being conducted to access the effects of informal relations on modern industrial organizations.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 INTRODUCTION

This chapter discusses details of the various research methods used to achieve the objectives of this study. The research methods were chosen with the view that inaccurate methods would produce results which are flawed and compromise the quest for the reliability and validity of results of this study. The research methodology discussed in this chapter included research design, population of study, sampling units, sampling frame and design, sample size, sources of data collection, method of data collection as well as data presentation and analysis.

3.2 RESEARCH DESIGN

According to Kumekpor (2002), research design is the planning, organization and execution of social investigation. To him research design involves the careful planning of each stage in order to avoid waste of time, money and resources.

The design that the researcher used was fundamentally Cross-Sectional design. Cross-Sectional design, also known as social survey, is the type of design that is mostly used by social scientists. The researcher deemed this design appropriate for this research because this design is a method of data collection which entails the collection of data on more than one case at a single point in time in order to collect a body of quantifiable

data in connection with two or more variables which are examined to determine the pattern of relationship.

More importantly, cross-sectional study design comprises survey in relation to data, which are collected predominantly by the use of questionnaire or by structured interview method.

One of the best-known advantages of cross sectional study is that it provides the researcher with a consistent benchmark in terms of objectivity, reliability and validity.

3.3 POPULATION OF STUDY

The population of investigation is the total number of units of phenomenon to be investigated that exist in the area of study, that is, all possible kinds. (Kumekpor, 2002)

The population of this study (520) consisted of managers, supervisors and working staff of the administrative and production departments of The Cola Bottling Company of Ghana, Kumasi Branch and Kumasi Breweries Limited (KBL)

3.4 SAMPLING UNITS

All the various units (workers, supervisors and managers) within the administrative and production departments of The Cola Bottling Company of Ghana, Kumasi Branch and Kumasi Breweries Limited (KBL) constituted the sampling units. Members in the two departments within these organizations were studied.

3.5 SAMPLING FRAME AND DESIGN

This is the sampling scheme by which the sample for a particular study is selected. Purposive sampling, which is a non-probability sampling, was used to select various supervisors and managers from whom information was gathered. This sampling design was used because the respondents were intentionally picked for study because they had certain information that were not randomly distributed in the population universe but they exhibited most characteristics of interest of study.

According to Mcneill (1990), purposive sampling occurs when a researcher chooses a particular group or place to study because it is known to be what is wanted.

In addition stratified sampling technique, which is probability sampling, was used for the study. The organizations for study were already divided into departments which constitute the strata from which samples were taken. The organizations for study had three departments respectively: the production department, the administrative department and the distribution department. The production department and the administrative department were selected for study. The distribution department was not of interest since it consisted of a lot of casual or contract workers which were not of interest to this study. Casual workers do not have permanent contracts and therefore most of them were new to the organizational setting.

Simple random sampling technique which is also probability sampling was used to select samples from each unit (department). This enabled each unit within the population to have an equal chance of being selected or rejected. Thus simple random

sampling was used because each unit within the production and the administrative units of the organizations of study had the same or equal chance of inclusion as those units excluded.

3.6 SAMPLE SIZE

The sampling size was 200 workers selected from the administrative and production departments of The Coca-Cola Bottling Company Limited and Ghana Breweries Limited to represent the population of 520 workers. Out of the 200 sample size, 90 respondents were from the Ghana Breweries Limited whilst 110 respondents were from The Coca-Cola Bottling Company Limited. The sample size was calculated from the percentage of the population. The sample size was at 38% of the population of the organizations of study. This was done in order to have a true representation to allow for generalization.

3.7 SOURCES OF DATA COLLECTION

Mcneill (1990), asserts, "The data which is used by sociologists may be primary or secondary"

There was therefore the use of two sources of data, namely, primary and secondary.

The primary source of data was collected by the researcher at first-hand. This was done through the use of structured interview and self-administered questionnaire.

The secondary source of data included data that were available from other sources and in various forms. Secondary materials from textbooks, journals, articles, periodicals, as

well as academic sites on the World Wide Web (internet) were gathered and reviewed. It must be stressed that this aspect formed the core of literature. This assisted in broader understanding of the research problem.

3.8 METHOD OF DATA COLLECTION

Questionnaire used to collect data for the study was predominantly closed-ended. This method stimulated high rate of response, allowed participants a wider range of options and enhanced easy handling and quick analysis of data collected. This method helped to save time and presented information collected from all different respondents in almost the same form and order whilst making analysis simpler. In addition, open ended questions were included in order to get detailed explanation of answers to questions.

3.9 DATA PRESENTATION AND ANALYSIS

In terms of analyzing the data collected, both quantitative and qualitative method of analysis were used.

With the quantitative method, statistical tools of percentages and proportions were used. This part dealt with the process of transferring raw data from the field into standard form suitable for machine (computer) processing and analysis. Raw data was simplified in the form of frequency distribution tables and charts including bar charts.

The statistical analytic tools of percentages and proportions were used to provide a more comprehensive presentation for analysis and interpretation. Collected data was

edited, encoded and analyzed, then presented in the form of frequency tables and bar charts with the help of Statistical Package for Social Sciences (SPSS).

Not all the data was analysed using statistical tools. With the qualitative method of analysis (where there were areas for specifications), sociological inferences and analysis was implored. The qualitative data was used in the form of comprehensive statements and analytical inferences.

Analysis was made with reference to literature reviewed in relation to the study. Attempts were made to draw relations as to whether a particular finding was supported or not by the appropriate literature.
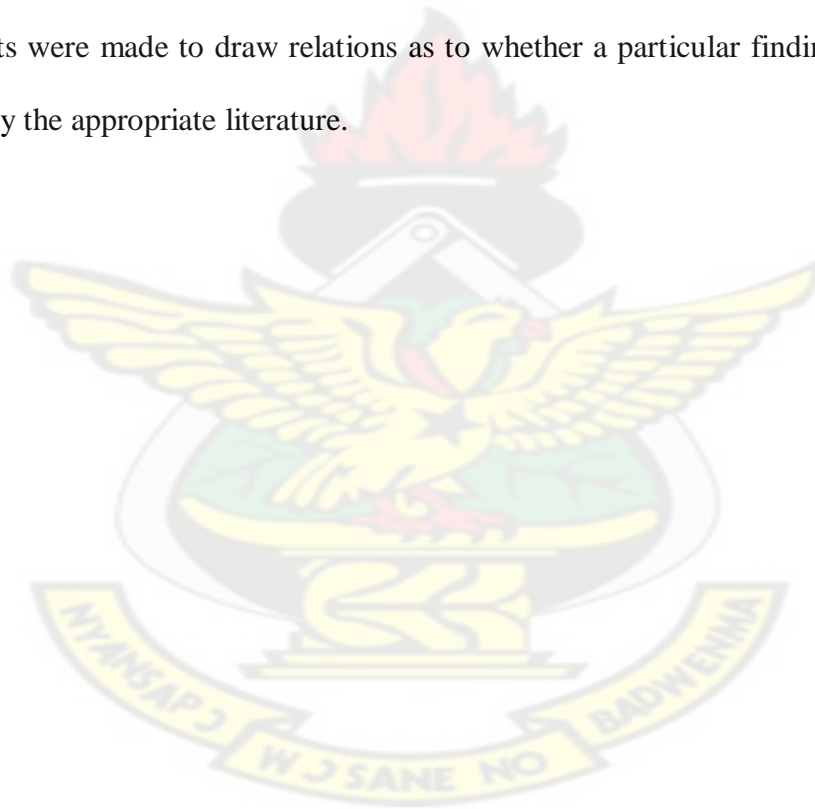
CHAPTER FOUR: PRESENTATION, INTERPRETATION AND DISCUSSION OF DATA

4.1 INTRODUCTION

This chapter includes presentation and interpretation of data collected from 200 respondents sampled from the Coca-Cola Bottling Company and Ghana Breweries Limited in the Kumasi Metropolis. All the data in this section was primary (first-hand information) gathered by the researcher. This section is divided into five sections. Section A covered the socio-demographic background of respondents; Section B reviews the operations of informal relations: Section C analyses the effects of informal relations on workers; Section D focuses on informal means of communication in organization; Section E discusses possible negative effects of informal relations on organization; and Section F covers recommendation on how informal relations can be directed positively to improve workers' performance and complement organizational goals.

4.2 SECTIONA: SOCIO-DEMOGRAPHIC BACKGROUND OF RESPONDENTS

4.2.1 Table 1: Sex of Respondents * Academic attainment

Sex of Respondents * Academic attainment	'O' or 'A' level	Diploma	University Degree	Postgraduate (MA, MPhil, PhD)	Total
Male	7	35	125	9	176
Female	1	7	15	1	24
Total	8	42	140	10	200

Table 1 above displays sex and academic attainment of respondents simultaneously. It was revealed that, 176 respondents which represented 88% were males and 24 respondents which represented 12% were females. In addition, respondents were asked to indicate their academic attainment in organization. Findings showed that 140 out of 200 respondents which represented 70% had University Degree. In addition, 8(4%), 42(21%) and 10(5%) had 'O' or 'A' Level, Diploma and Post-Degree (MA, MPhil, PhD) respectively.

From the above data, it means that most industrial workers from the two companies (Coca Cola Bottling Company Limited and Kumasi Breweries Limited) sampled were males. In addition majority of industrial workers in the administrative and production units have higher education.

4.2.2 Figure 1: Rank/Position of respondents in Organization
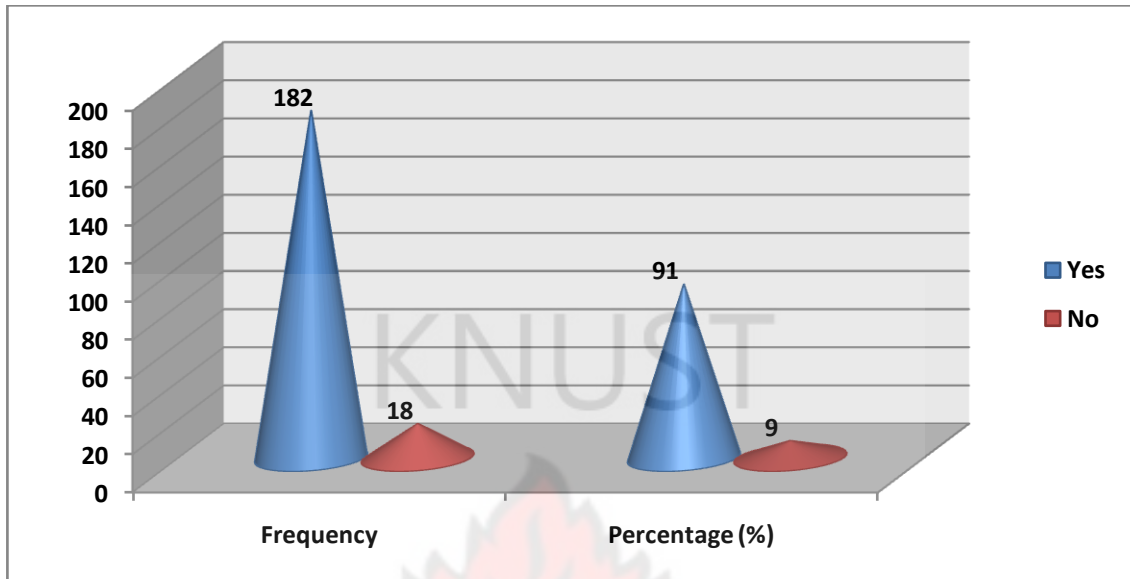
Figure 1 above displays the position or rank of 200 respondents. Findings showed that 168 respondents which represented 84% majority were junior officers whilst 32 respondents (16%) were senior officers.

This chart was drawn to show the nature and characteristics of industrial workers in the organization of study and as shown, there are more junior industrial workers than senior officers.

4.2.3 Table 2: Number of years spent in the organization

Years	Frequency	Percentage
1-5years	54	27.0
6-10 years	84	42.0
11 years and above	62	31.0
Total	200	100.0

Table 2 as shown above displays the number of years spent by 200 respondents in the organizations. Findings showed that 54 (27%) respondents had spent between 1-5years in their organization. Besides, 84 respondents (42%) had been in their organization between 6-10 years and 62 (31%) had spent 11 years and above in their organization. It therefore reveals that most respondents have spent 11 years and above in the organization.

The number of years that respondents had spent in the organization was relevant since this would determine their experience and knowledge in informal relations in organizations. It was interesting to note that most of the respondents had spent 11 years and above in their organization. This gave credibility to the information given by respondents since most of them had spent more years in their organizations and had interacted informally, probably on long-term basis with colleagues, superiors or juniors.

4.3 SECTION B: OPERATIONS OF INFORMAL RELATIONS

4.3.1 Figure 2: Permission to relate informally within the organization.

Permission	Frequency	Percentage
Yes	200	200
No	00	00
Total	200	100.0

Figure 2 above shows responses to the question as to whether the organizations did allow their workers to freely relate informally at the workplace. Most workers (200 out of 200 respondents constituting 100%) said they were permitted to relate informally in the organization. It can therefore be deduced that both organizations studied did allow workers to relate informally at the workplace.

This finding reveals that the industrial organizations as used in the study did not have a deliberate or direct policy to prohibit informal relation among workers. Therefore, workers could feely interact with colleagues, superiors or subordinates on an informal level. The lack of formal regulation to prohibit informal relations among workers in organizations represents an indirect endorsement of informal relation as part of workers' effort to achieve the organizations' objectives.

4.3.2 Table 4: Period of interaction of workers with colleagues, superiors or subordinates

Responses	Frequency	Percentage
During official working hours	24	12.0
During break time	16	8.0
Both during working hours and break times	130	65.0
Meetings	4	2.0
Social events (games, parties etc)	26	13.0
Total	200	100.0

Table 3 above displays responses of workers to the question "Which period do you interact with your colleagues, superiors or subordinates?" Findings showed that most respondents (130 representing 65%) usually interact with their colleagues, superiors or subordinates both during official working hours and break times. On the other hand, 24 respondents answered that they relate informally only during official working hours. Also, 16 respondents (8%) and 4 respondents (2%) said that they relate informally with colleagues, subordinates and superiors during break times and meetings only whilst 26 workers interacted informally during social events. It can therefore be deduced from the study that most workers do interact informally during both official working hours and break times.

The essence of this question was to know what time or period workers mostly interact informally. Interestingly, most workers interacted more both during official hours and unofficial hours. This means that workers have developed personal relations among themselves and relate more and more on personal basis in addition to prescribed official means of relations. This was good for the organization since interaction among workers informally boosts the morale of workers.

4.3.3 Table 5: Frequency of interaction with colleagues, superiors or subordinates

Responses	Frequency	Percentage
Monthly	16	8.0
Weekly	20	10.0
Daily	164	82.0
Total	200	100.0

Table 4 above displays responses on how frequent workers interact with their colleagues, superiors or subordinates. Findings revealed that out of 200 respondents, 164 respondents (82%) did interact with their colleagues daily. Respondents who interact monthly informally with colleagues, superiors and subordinates were 16 out of 200 respondents. The study also revealed that 20 respondents weekly interacted informally with their colleagues, superiors and subordinates. Findings from the study therefore

depict that most respondents 82% did relate informally with colleagues, superiors or subordinates when necessary.

The above finding means that informal relation is a daily occurrence among workers at the workplace. Indeed, managers could not be ignorant of or oblivious to this daily occurrence and as such the fact that there was no negative response means that there is a subtle acceptance of informal relations by officials of the organizations. As a daily occurrence it also means that workers interact informally on a regular basis.

4.4 SECTION C: EFFECTS OF INFORMAL RELATIONS

4.4.1 Table 6: Reasons for interaction with colleagues, superiors or subordinates in an informal way

Responses	Frequency	Percentage
To seek clarification	152	76.0
To release tension	16	8.0
To seek favours	6	3.0
To socialize	26	13.0
Total	200	100.0

Table 5 above shows why workers interact with colleagues, superiors or subordinates in an informal way. Findings show that 152 out of 200 respondents interact in an informal way with colleagues, superiors or subordinates to seek clarification or assistance in their work. Also, 16 respondents 8% interact with colleagues, superiors or subordinates to release tension. It must be noted that only 6 respondents did interact with colleagues, superiors or subordinates for the purpose of gaining favours whilst 13% of workers interacted informally in order to socialize. Findings therefore show that most workers interact with colleagues, superiors or subordinates when they wish to seek clarification.

This finding means that workers do not abuse informal relations for their own parochial interests but to the benefit of their organizations. In their quest to accomplish tasks, workers would sometimes have to go to the different departments or confer with other

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workers who are more experienced in the system to assist them. The other 13% who interacted informally to socialize might have done so during unofficial hours like lunch break since workers had already indicated in earlier findings that they interacted informally during both official and unofficial hours.

4.4.2 Figure 2: Informal relations and its effects on the performance of workers
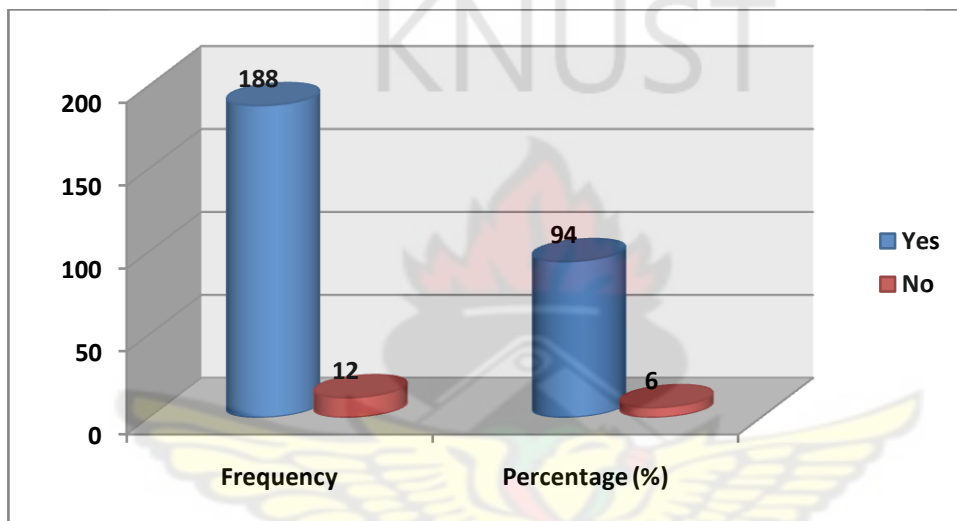
Figure 3 above displays findings on the effects of informal relations on the performance of workers. One hundred and eighty-four (184) respondents out of 200 respondents (92%) of respondents affirmed that informal relations improve their performance and this represents a majority response. On the other hand 16 respondents (8%) answered that informal relations did not improve their performance.

The finding above is of importance since it shows workers perception of informal relations in relation to their own performance in organizations. Most workers admitted that informal relations are an integral part of their quest to perform effectively at workplace—as earlier finding has indicated that some of the reasons why workers interacted informally were to seek clarifications when needed, release boredom amongst

others. The relevance of this finding is that if workers themselves perceive informal relation as being a fundamental ingredient to performing well, then such form of interaction should be encouraged since the organization stands to gain from it in terms of improved productivity and social harmony within the organization.

4.5 SECTION D: INFORMAL RELATIONS AND COMMUNICATION IN ORGANIZATION

4.5.1 Table 7: Means of receiving information at workplace

Responses	Frequency	Percentage (%)
Strictly through official means (notices, letters, emails)	38	19.0
Unofficial means (By asking colleagues)	30	15.0
Both official and unofficial means	132	66.0
Total	200	100.0

Table 6 above displays the means through which workers receive information at the workplace. Out of 200 respondents, 38 respondents (19%) received information strictly through official means (notices, letters, e-mails) at the workplace. On the other hand, 30 respondents (15%) receive information at the workplace through unofficial means. In

addition, 132 respondents (66%) received information both through official and unofficial means. It can be deduced from the findings that most respondents 66% receive information through both official and unofficial means. It must also be noted that (19%) indicated that they receive information strictly through official means at the workplace.

The researcher posed this question on the background that the grapevine is a source of information in organizations and this is perpetuated through informal relations among workers at different levels in the organization. Information is received both officially and unofficially. Indeed, the informal means complements the formal means of communication. For instance (13%) of workers indicated that they asked colleagues to access information. It is an undeniable fact that officials communicate with workers through formal means such as letters, memos, mails, notices among others but this is complemented by informal relations among workers who propagate these information. Thus officials release information but it is disseminated well through informal relations.

4.5.2 Figure 3: The possibility of receiving information before official release.
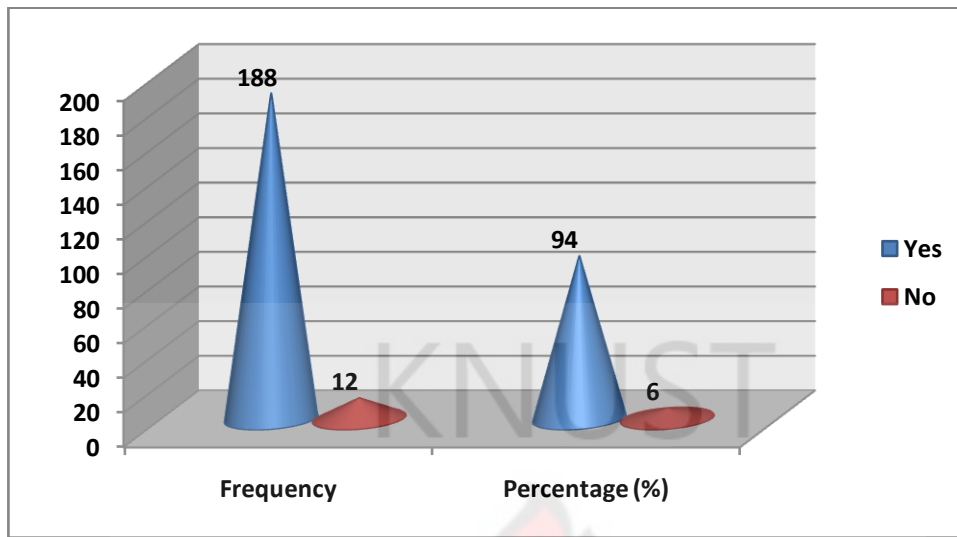
Figure 4 above shows responses to the question "Do you sometimes receive information informally before they are officially released?" Results showed that out of 200 respondents, 136 representing 68% majority did affirm that they sometimes receive information informally before they are officially released. Sixty-four respondents (32%) answered that they did not sometimes receive information before they are officially released. It is clear from the findings that most respondents sometimes receive information informally before they are officially released.

This finding supports the earlier finding that informal relations is a major means of information dissemination in the organization which help to complement the formal means as some workers receive information before they are released in their mails, notice boards, letter boxes among others. This means that members who are in informal relations with colleagues, subordinates or superiors receive information earlier than other workers, which means that the informal means of communication is faster than the formal means.

4.6 SECTION E: POSSIBLE NEGATIVE EFFECTS OF INFORMAL RELATIONS ON ORGANIZATION

4.6.1 Table 8: The tendency of workers keeping long during coffee breaks or lunch period because they enjoy interacting informally with colleagues

Responses	Frequency	Percentage (%)
Yes	66	33.0
No	134	67.0
Total	200	100.0

Workers were asked to explain if there was the possibility of extending coffee breaks or lunch periods because they enjoy interacting informally with colleagues. Responses revealed that 66 respondents affirmed that they sometimes extend coffee breaks and lunch periods because they enjoy interacting informally with colleagues whilst 134 respondents (67%) answered in the negative. Though majority of respondents answered in the negative, it was still worrying to know that 33% of workers sometimes extend coffee breaks and lunch periods because they enjoy interacting informally with colleagues.

It was inferred that in as much as workers enjoyed relating informally with colleagues, most of them do not do it to the detriment of official working hours. Most workers were not oblivious of the effects of the abuse of breaks. Nonetheless, 33% which abused break hours in the name of informal relations cannot be ignored.

The quest for informal group satisfaction may lead members away from formal organizational objectives. What is good for and desired by informal group members is not always good for the organization. This is detrimental to their organizations and therefore should not be encouraged. But it did not overshadow the finding that most workers did not abuse break hours to interact informally with colleagues.

4.6.2 Figure 4: Possibility of rumours among workers at the workplace
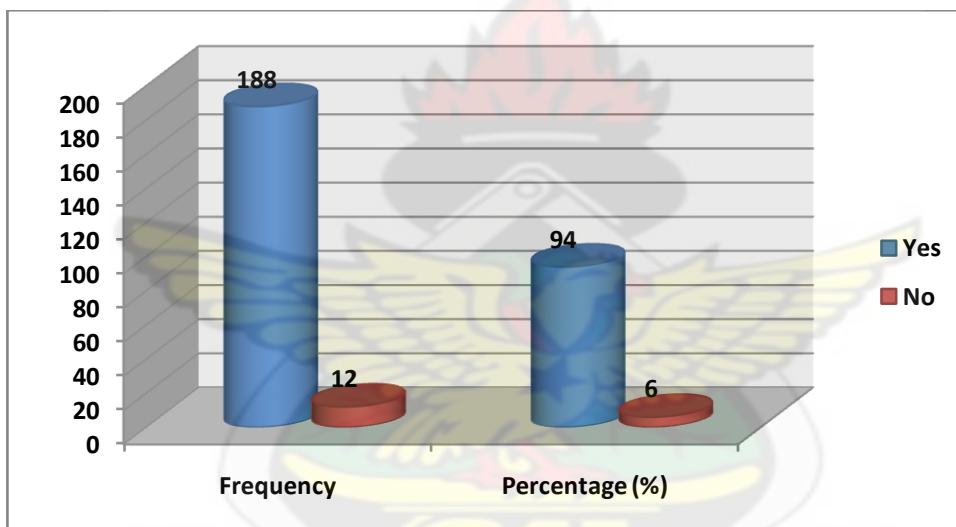
Figure 5 above displays possibility of rumours among workers at the workplace. Findings show that majority of workers, that is, 178 out of 200 (89%) hear rumours at the workplace. Only 11% respondents did not hear rumours at the workplace. It can therefore be concluded that most workers do hear rumours at the workplace.

This finding means that rumour mongering is frequent if not a daily occurrence at the workplace. Rumour mongering has become part of the unofficial means of communication in the organization and has been embedded to some extent by workers in

their activities. As such, it is possible some workers could avoid reading mails, notices or use the other official means of communication and rely on colleagues they informally relate with for information.

4.6.3 Table 9: Frequency of rumours in organizations proving to be true.

Responses	Frequency	Percentage (%)
Occasionally	22	12.0
Always	128	72.0
Not at all	28	16.0
Total	178	100.0

Table 8 above displays results on the question "How often do rumours in organization prove to be true?" Results show that 72% of respondents at the workplace turn out to be the truth. On the other hand 12% of respondents occasionally prove to be true whilst 16% of rumours do not prove to be true at all at the workplace.

The grapevine may be a means of dispensing truth and rumours. Ill-informed employees communicate unverified and untrue information that can create a devastating effect on employees. This can undermine morale, establish bad attitudes, and often result in deviant or, even violent behaviour. Though findings showed that in most cases rumours tend to be true, communication system within the organization should be handled effectively since untrue rumours could have devastating effect on employees and the organization at large.

4.6.4 Table 10: Possibility of workers sometimes sympathizing with colleagues to oppose authorities.

Responses	Frequency	Percentage (%)
Yes	106	53.0
No	94	47.0
Total	200	100.0

Here, respondents were asked to indicate if they had ever supported colleagues within the same informal group to oppose authority. Results showed that 106 respondents that represented more than one-half of the respondents had in one way or the other supported colleagues to oppose authority. On the other hand, 94 respondents representing 47% said they had never supported members within the same informal group to oppose authority.

The meaning of this finding is that workers who interacted informally are more loyal to colleagues than officials of the organization. The desire to perpetuate their values and lifestyle causes informal groups to become overly protective of their culture and therefore resist change.

This is a potential threat to the stability of the organization as workers may team up with colleagues they interact informally with to disrupt the goal of the company. The sympathy may be in the form of a deliberate attempt to reduce production of the organization. This also means that management needs to provide justifiable, accurate and detailed information when any punitive measure is taken against employees.

Understanding the issues at stake by the workers will help prevent the situation where workers would rally behind a colleague out of ignorance. Failure to do this important exercise may be detrimental to the quest to achieve the objectives of the organization.

4.7 SECTION F: RECOMMENDATION ON HOW INFORMAL RELATIONS CAN BE DIRECTED POSITIVELY TO IMPROVE PERFORMANCE

4.7.1 Figure 5: Encouragement of informal relations at the workplace.
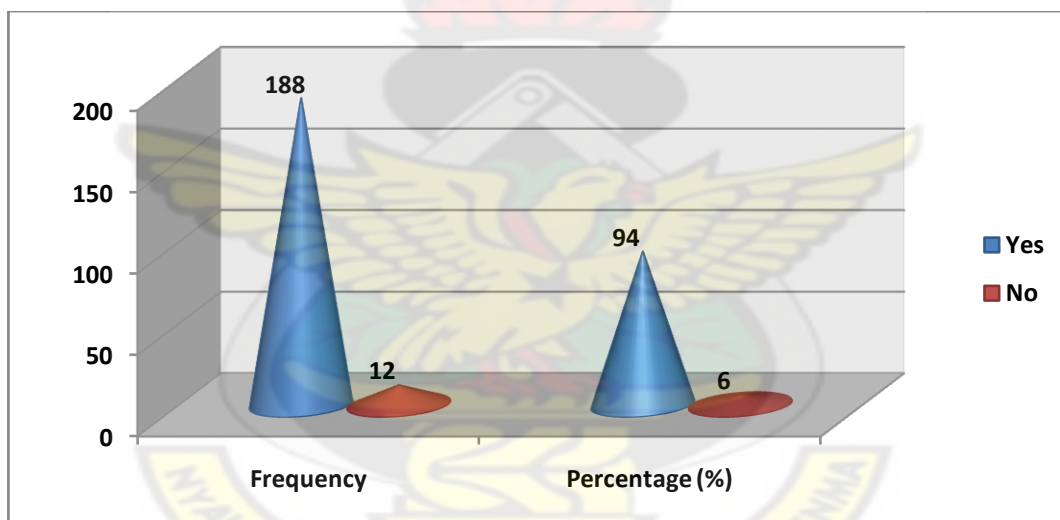
Respondents were asked to indicate if informal relations should be encouraged at the workplace based on their experiences. One hundred and eighty-eight respondents constituting 94% of respondents answered in the affirmative. Twelve respondents representing 6% of respondents said that informal relations should not be encouraged at the workplace. It can therefore be concluded that most of the workers were in favour of the encouragement and toleration of informal relations at the workplace.

This finding is heartwarming as most industrial workers who had worked more than 11 years and above (as earlier finding had shown) in their organization were of the belief that informal relations were integral part of work. To them, it is part of their work and that was the reason most workers indicated they interacted informally when they had to seek clarification and assistance from colleagues to accomplish tasks while others released tension or boredom through informal relations. As the finding reveals, managers of organization need to endorse this position by workers. The fact that there was no official measure to control informal relations was an indirect endorsement of the phenomena and as such if possible it should be given recognition in the organization.
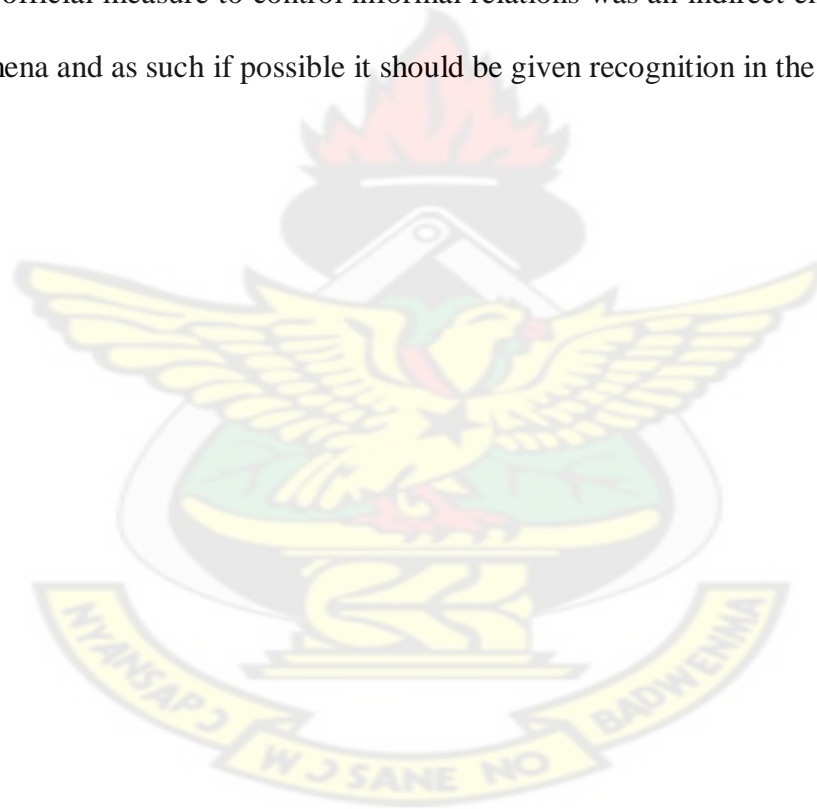
4.7.2 Table 11: Ways of improving informal relations in organization

Responses	Frequency	Percentage (%)
Workers should be allowed to interact informally when necessary	132	66.0
No limit should be placed on workers' desire to interact informally	56	28.0
Informal relations among workers should not be tolerated at all at the workplace	12	6.0
Total	200	100.0

Table 10 shows ways in which informal relations can be improved in organizations. Findings indicate that 66% of respondents were in favour of the fact that workers should be allowed to interact informally when necessary. Besides, 30% of respondents indicated that no limits should be placed on workers' desire to interact informally. In addition, 4% of respondents indicated that informal relations among workers at the workplace should not be tolerated. It could therefore be deduced that most workers were in favour of the idea that informal relations should be tolerated at the workplace.

It was inferred from the above finding that most workers admitted that though informal relations is an integral part of their daily activities at the workplace, it should only be done when necessary. Thus, they admitted that it could have negative consequences if not used properly. Other workers (in the minority) believed that no limit should be placed on informal relations. In as much as informal relations have positive effects; it must be noted that the lack of its control and monitoring could divert workers attention from the very objectives of being in the organization.

Thus, it was not for nothing that workers themselves stated that although informal relations should be encouraged, it should be done when necessary.

4.8 DISCUSSION OF FINDINGS

This section covers the discussion of major findings based on the primary data collected from field survey of 200 workers (respondents) of The Coca-Cola Bottling Company and Ghana Breweries Limited in the Kumasi Metropolis.

With reference to the reasons why workers interact informally in the organization, findings show that 76% workers do interact informally with colleagues, superiors and subordinates when they need clarification or assistance on issues bothering their work.

This finding supports the assumption of this research that 'informal relations help to assist workers in the performance of their duty' and affirms the position of Dublin (1951) cited in (Draper, 2006) who argues *"For instance, if a manager is weak in*

financial planning and analysis, a subordinate may informally assist in preparing reports through either suggestions or direct involvement. It acts as a safety valve. Employees experience frustration, tension, and emotional problems with management and other employees. The informal group provides a means for relieving these emotional and psychological pressures by allowing a person to discuss them among friends openly and candidly. In faculty lounge conversations, frustrations with the dean, department head, or students are "blown off" among empathetic colleagues".

However, 13% and 8% of workers interacted informally when they needed to socialize and to release tension respectively whilst 3% used informal relations to seek favour. It is therefore positive to note that most workers used informal relations to achieve positive ends-seeking clarification at workplace and releasing tension when necessary. The finding that informal relations help to release tension among workers is similar to what Davis (2002) cited in (Gillespie, 1993) explains *"Members of informal groups, however, share jokes and gripes, eat together, play and work together, and are friends which contributes to personal esteem, satisfaction, and a feeling of worth."* In the same vein, workers were asked to indicate if they believe informal relations help to improve their performance. As the findings revealed, 92% respondents answered in the affirmative to support the assumption that informal relations help to improve their performance. Indeed this is not surprising as earlier findings had shown that majority of workers relate informally when necessary and also do so to seek clarification or assistance on their job. Respondents indicated that when they are new in the organization they relate informally with colleagues to know the subtle ways of the organization to adjust in their new environment.

Other workers answered that sometimes they had to interact informally with workers in other departments to seek help to accomplish tasks, (especially those which are new) since those workers had managed such assignments before. Other workers indicated that they worked better if they had others around them with whom they could talk to, smile with and share jokes with, as one worker puts it, "Informal relations improve my performance when I have colleagues with whom I can talk to on social issues'"

Moreover, it was the objective of the research to identify the effects of informal relations on communication at the workplace. Findings showed that 66% of workers receive information through both official and unofficial means and 15% receive information through unofficial means (by asking colleagues). On the other hand 19% of respondents answered that they receive information strictly through official means. It can therefore be concluded that so far as the organization is concerned informal means of receiving information cannot be ignored.

This finding is in support of the assumption of this research that 'informal relations help to complement the channel of communication in organizations and also affirms the position of Davis (2002) cited in (Gillespie, 1993) that *"informal relations promote communication among members. The informal group develops a communication channel or system (i.e., grapevine) to keep its members informed about what management actions will affect them in various ways. Many astute managers use the grape- vine to "informally" convey certain information about company actions and rumours".* For instance, 78% of respondents said that they sometimes received information before it was officially released. These respondents were asked to give

reasons for their answers and some reported that they are informed by those they are closer to especially in relation to events like promotion, salary and allowance increment and possible disciplinary actions. As one worker puts it, "I always get information from the administration before it gets to our department. I have my source"

Effort was also made by the researcher to identify the possible negative effects that informal relations have on organization. On the possibility of workers sometimes keeping long during coffee breaks and lunch periods, it was discovered that 33% respondents were sometimes guilty of extending coffee breaks and lunch periods because they enjoy informal relations. This is not positive for the organizations since even though workers would want to relate informally among themselves, it should not be done at the expense of official working hours. This finding affirms the position of Dublin (1950) cited in (Draper, 2006) when he argued *"The quest for informal group satisfaction may lead members away from formal organizational objectives. What is good for and desired by informal group members is not always good for the organization. Doubling the number of coffee breaks and the length of the lunch period may be desirable for group members but costly and unprofitable for the firm. Employees' desire to fulfill the requirements and services of both the informal group and management results in role conflict. Role conflict can be reduced by carefully attempting to integrate interests, goals, methods, and evaluation systems of both the informal and formal organizations, resulting in greater productivity and satisfaction on everyone's behalf"*.

In addition 89% of workers indicated that they do hear rumours at the workplace. Though rumours are natural, the percentage, which is dominant at the Coca-

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Cola Bottling Company Limited and Ghana Breweries Limited, is not healthy for the smooth running of the organization especially when in most cases such rumours tend to be true. This finding is similar to the argument of Dublin (1951) cited in (Draper, 2006) when he states "*The grapevine dispenses truth and rumor with equal vengeance. Ill-informed employees communicate unverified and untrue information that can create a devastating effect on employees. This can undermine morale, establish bad attitudes, and often result in deviant or, even violent behavior.*"

Another possible negative effect of informal relations at the workplace was that 53% of the workers had in one way or the other sympathized with members of the same informal group to oppose authority. This corroborated another assumption of this study that 'workers sympathize with colleagues in the same informal group to oppose authority' and also supported the position of Davis (2002) cited in (Gillespie, 1993) who states that *"perpetuation of values and lifestyle causes informal groups to become overly protective of their "culture" and therefore resist change. For example, if restriction of output was the norm in an autocratic management group, it must continue to be so, even though management changes have brought about a more participative administration. A minority female student may have a tough time being fully accepted on a project team composed of three white, prejudiced young men-regardless of her academic competency".* Workers were asked to indicate the means through which they sympathized with colleagues. The finding revealed that some workers become disgruntled and demoralized and wish to even demonstrate but they were constrained to do so. Some workers become angry especially when an unfair treatment is meted out to

colleagues with some of them stating "we sometimes feel and plan to go on strike but we are constrained to do so because we cannot afford to lose our jobs."

Lastly, it was the objective of the research to identify ways in which informal relations can be directed positively to complement the formal structure. Findings of this study revealed that 94% respondents said that informal relations should be encouraged at the workplace. In addition, 66% answered in a follow-up question that workers should be allowed to interact informally when necessary. Besides, 28% indicated that no limits should be placed on workers' desire to interact informally. Only 6% of the respondents believed informal relations should not be tolerated at the workplace. It can be deduced from the findings that the workers themselves perceived informal relations as a natural, social and psychological need at the workplace which should be encouraged.

Workers were probed to identify and suggest ways in which informal relations could be directed positively to help in achieving the objectives of their organization. Some workers suggested that the organization should organize social events like games and dinner in order for workers to socialize and know one another and interact on a more face-to-face basis. Other workers suggested that supervisors should not be too strict on them since some of them sometimes interact informally to release tension when they are tired or bored because of routine work. In addition other workers believed that informal relations help them to seek assistance or explanation when the task becomes difficult and therefore workers assert that supervisors should adopt positive attitude towards informal relations.   Indeed, since management did not have any policy to directly regulate the way workers related informally in the organizational setting, it was an indirect

endorsement of informal relations and as such management see it as an integral part of

the organization

CHAPTER FIVE

RECOMMENDATIONS AND CONCLUSION

5.1 INTRODUCTION

This chapter presents appropriate recommendations made on the basis of the findings of this study. In addition, it summarizes the findings of the study with particular emphasis on the contribution of the study to knowledge.

5.2 RECOMMENDATIONS

On the basis of the findings, the following recommendations are being suggested:

Firstly, informal relations are social and psychological needs of workers at the workplace and therefore should be tolerated since workers themselves recommend it. It must also be noted that informal relations cut across all levels of personnel within organizations. No astute manager should try to reject wholly informal relations in organizations. Managers could rather hold meetings with workers on areas of informal relations they may not be comfortable with to solicit reasons on these relations. Any action should be taken with the consensus of workers. Workers should be made to understand areas where informal relations are detrimental to the organizations. Any attempt to ignore this important exercise may demoralize workers since informal relations is a natural need of man and men do not want to be alienated from their fellow men.

Besides, managers should encourage workers to use informal relations to seek clarification or assistance and also to release tension at the workplace. Workers, as findings from this study have shown, have positive attitude towards the use of informal relations. This was because 92% of respondents were of the view that informal relations improve their performance. Managers need to critically look at this area and explore means to encourage workers to relate informally in relation to the objectives of the organization.

Moreover, managers of organizations have to use informal relations to complement official means of communication since they are faster when used. However, efforts should be made to check rumours since untrue information perpetuated by disgruntled employees can affect the morale of other workers. Rumours at workplace should be nipped in the bud as the spread of false information could divert workers' attention on reasons for which they were employed.

In addition, managers should make attempt to give concrete and reasonable explanations to punitive acts for workers to adequately understand the cause for such actions since members may sympathize with colleagues of informal groups who are punished without justifiable reasons. For instance, in cases of extreme punitive actions against a worker, management could call workers who are influential in informal relations to explain the gravity of offence and reasons for such extreme measures so they could understand and communicate to their fellow informal members. This could reduce rumours and unjustified sympathy for colleagues who are punished for offences.

Lastly, managers need to check behaviour of workers such as keeping long at coffee breaks and lunch periods because they enjoy informal relations. In as much as informal relations help workers in their tasks, it needs to be regulated since there could be some excesses. Members of an organization need to be educated on the role conflict of informal relations and its negative effects. Managers should hold meetings with workers to explain how extension of coffee breaks and lunch periods conflicts with the objectives of the organization. If this important exercise is undertaken, and workers are made to appreciate that extension of coffee breaks and lunch periods could conflict with roles as workers. It would be appreciated since workers would not confuse the measure as management's attempt to prevent them from interacting informally with colleagues.

5.3 CONCLUSION

An informal organization is caused by certain drives and forces inherent in man himself. These may be psychological or social. They may also be a hindrance as well as help the functioning of a formal organization. The Hawthorne studies proved that there was a great deal more to be learned about human interactions in the workplace and academic and industrial studies have continued in an effort to understand these complex relationships. It is against this background that this study was conducted to assess the effects of informal relations on industrial organizations.

The importance of individual worker attitudes or behaviour had to be understood. Further, the role of the supervisor in determining productivity and morale was more clearly defined. Group work and behaviour were essential to organizational objectives and tied directly to efficiency and thus, to corporate success.

One major aspect of the contribution of this study to knowledge has been to examine the positive contributions of informal relations on industrial organizations.

The study has corroborated earlier contribution of researchers in relation to the positive aspects of informal relations in industrial organization. It has been established from the findings that informal relations has certain positive contributions to the organization. For instance, informal relations provide satisfaction that may not be obtained from the formal organization. In a large organization (as found in The Coca-Cola Bottling Company and Ghana Breweries Limited) workers may feel like anonymous members rather than unique individuals. Members of informal groups, however, share jokes and gripes, eat together, play and work together and are friends which contribute to personal esteem, satisfaction and a feeling of worth.

Secondly, they promote communication among members. The informal group develops a communication channel or system (grapevine) to keep its members informed of management actions that would affect them in various ways. Many astute managers use the grapevine to informally convey certain information about company actions and rumours as well as acquire information about worker's feelings, behaviour and possible actions in advance.

Again, informal relations help to complement inadequacies of members as shown by the findings of this study. For instance, if a manager is weak in financial planning and analysis, a subordinate may informally assist in preparing reports through either suggestions or direct involvement. It acts as a safety valve. Employees experience frustration, tension and emotional problems with management and other employees. The

informal group provides a means for relieving these emotional and psychological pressures by allowing a person to discuss them among friends openly and candidly.

The other aspect of the contribution of this study to knowledge was to bring to the open some potential negative effects of informal relations on industrial organizations. Informal relations as identified by the study also possess the following potential disadvantages and problems that require astute and careful management attention.

Findings showed that there is sometimes role conflict at the workplace. The quest for informal group satisfaction may lead members away from formal organizational objectives. What is good for and desired by informal group members is not always good for the organization. Doubling the number of coffee breaks and the duration of the lunch period may be desirable for group members but costly and unprofitable for the firm. Employees' desire to accomplish the requirements and services of both the informal group and management results in role conflict. Role conflict can be reduced by carefully attempting to integrate interests, goals, methods, and evaluation systems of both the informal and formal organizations, resulting in greater productivity and satisfaction on everyone's part.

Another negative effect of informal relations as the findings of this study revealed was rumour mongering of untruths. The grapevine dispenses truth and rumour with equal vengeance. Ill-informed employees communicate unverified and untrue information that can create a devastating effect on employees. This can undermine morale, establish bad attitudes and often result in deviant or, even violent behaviour.

In conclusion, it has been discovered that informal relation is a natural, social and psychological need of workers and therefore it is the responsibility of astute managers to study the informal group in order to discover ways in which the interests of informal groups can blend with the interest of the formal organization for higher performance. Perhaps a subtle benefit of informal groups is that they encourage managers to prepare, plan, organize, and control in a more professional fashion. Managers who comprehend the power of the informal organization recognize that it is a "check and balance" on their use of authority. Changes and projects are introduced with more careful thought and consideration, knowing that the informal organization can easily kill a poorly planned project.
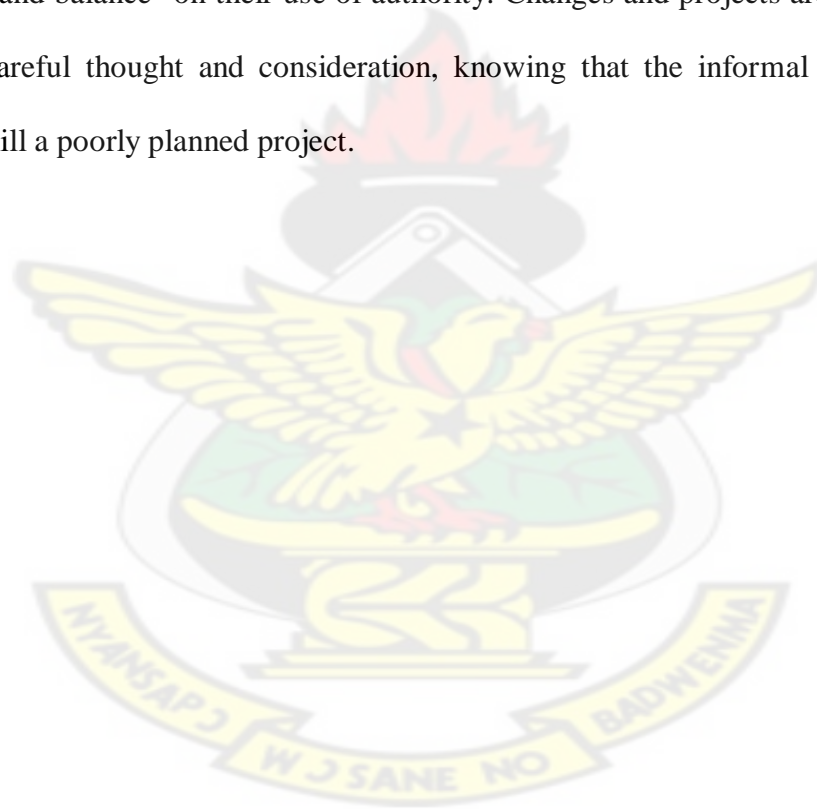
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QUESTIONNAIRE FOR WORKERS ON THE TOPIC "INFORMAL RELATIONS AND ITS EFFECTS ON INDUSTRIAL ORGANIZATIONS"

I am a 2nd year post-graduate student reading MA Sociology at KNUST. I will be very grateful if you would kindly answer the questions provided below. This study is purely an academic exercise and thus information provided would be treated with the necessary confidentiality it deserves.

I would be very grateful if you would be as honest as possible.

Please tick (√) or fill the space (s) provided below

SECTION A

SOCIO-DEMOGRAPHIC BACKGROUND OF RESPONDENTS

1. Sex

A. Male   [   ]   B. Female   [   ]

2. How long have you been in this organization?

A. 1-5years   [   ]

B. 6-10years   [   ]

C. 11years and above   [   ]

3. Academic attainment   [   ]

A. JHS/SSS   [   ]

B. 'O' or 'A' level   [   ]

C. Diploma   [   ]

D. Degree   [   ]

E. Post –Degree (MA, MPHIL, PHD)   [   ]

F. Others (please specify)……………………………………………………………..

4. What is your rank/position? (As Applicable)

A. Senior Officer   [   ]

B. Junior Officer   [   ]

C. Management Staff   [   ]

D. Working Staff   [   ]

Others (please specify) ……………………………………………………………………

SECTION B

OPERATIONS OF INFORMAL RELATIONS IN ORGANIZATION

5. Does your organization allow you to interact on an informal level apart from the officially prescribed relations?

 A. Yes   [   ]   B. No   [   ]

Give reasons for your answer…………………………………….............................

……………………………………………………………………………………………

6. Do you have individuals who you see as informal leaders apart from official leaders?

   A. Yes   [ ]

   B. No   [ ]

If Yes, how do they become informal leaders and to what extent do these leader (s) influence (s) workers?……………………………………………………………………….

Do workers have informal norms and if yes, what are some of these norms……………...

……………………………………………………………………………………………

…………………………………………………………………………………………….

……………………………………………………………………………………………

7. Which period do you interact with your colleagues, superiors or subordinates?

 A. During official working hours   [ ]

B. During break times   [ ]

C. Both official working hours and break times   [ ]

D. Meetings   [ ]

E. Social events (games, parties, dinner etc.)   [ ]

Others (please specify) …………………………………………………………………

8. How often do you interact informally with your colleagues, superiors or subordinates?

A. Daily   [   ]

B. Weekly   [   ]

C. Monthly   [   ]

Others (please specify) …………………………………………………………………

SECTION C:

EFFECTS OF INFORMAL RELATIONS ON ORGANIZATION

9. Why do you interact with your colleagues in an informal way?

A. To seek clarification/assistance   [   ]

B. To release tension   [   ]

C. To receive favours   [   ]

D. To socialize   [   ]

Others (please specify) …………………………………………………………………..

10. Do you think relating in an informal way with your colleagues/superiors or subordinates improve your performance/help assist your work in any way?

A. Yes   [   ]   B. No   [   ]

If Yes, in what way(s)…………………………………………………………………………

……………………………………………………………………………………………………

If No, in what way(s)………………………………………………………………………….

……………………………………………………………………………………………

SECTION D

INFORMAL RELATIONS AND COMMUNICATION IN ORGANIZATIONS

11. How do you receive information at your workplace?

A. Strictly through official means (notices, letters, emails etc)   [   ]

B. Unofficial means (By asking colleagues)   [   ]

C. Both official means and unofficial means   [   ]

d. Others (please specify)…………………………………………………………………

15. Which of these means of receiving information as given above do you prefer?

……………………………………………………………………………………………………

……………………………………………………………………………………………

12. Do you sometimes receive information from colleagues through informal means before they are officially released?

A. Yes   [   ]   B. No   [   ]

13. If yes, does such informal ways of receiving information help to correct some mistakes before they are officially found?

A. Yes   [   ]   B. No   [   ]

Give reasons for your answer ……………………………………………………………….

……………………………………………………………………………………………

SECTION E

POSSIBLE NEGATIVE EFFECTS OF INFORMAL RELATIONS ON ORGANIZATION

14. Do you sometimes keep long on your coffee breaks, or lunch period because you enjoy interacting with your colleagues?

A. Yes   [   ]   B. No   [   ]

15. If Yes, do you agree there would be role conflict (that is, desire to extend your coffee breaks and lunch times and at the same time using official working hours to interact informally with colleagues, superiors and subordinates)?

A. Agree   [   ]

B. Do not agree   [   ]

C. Not Sure   [   ]

16. Do you hear rumours from your colleagues, superiors and subordinates through informal relations?

A. Yes   [   ]   B. No   [   ]

17. If yes, how often do such rumours prove to be true?

A. Occasionally   [   ] B. Always   [   ] C. Not at all   [   ]

18. Have you ever sympathized or supported your colleague to oppose authority because you are within the same informal group?

A. Yes   [   ]   B. No   [   ]

If yes, in what ways do you sympathize with colleagues to oppose authority? …………

………………………………………………………………………………………………

……………………………………………………………………………………………..

SECTION F

RECOMMENDATION ON HOW INFORMAL RELATIONS CAN BE DIRECTED POSITIVELY TO IMPROVE WORKERS PERFORMANCE

19. With your experience as a worker, do you think informal relations among workers should be encouraged at the workplace?

A. Yes   [   ]   B. No   [   ]

Give reasons for your answer ………………………………………………………..

…………………………………………………………………………..……………

20. If yes, how often do you think workers should be allowed to interact informally?

A. Workers should only be allowed to interact informally when necessary   [   ]

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B. No limit should be placed on workers desire to interact informally   [   ]

C. Informal relations among workers should not be tolerated at all at the workplace [   ]

Others (please specify) …………………………………..

21. In what ways do you think informal relations could be directed positively to help I

achieving the objectives of organization?..

………………………………………………………………………………………

………………………………………………………………………………………

………………………………………………………………………………………

INTERVIEW GUIDE FOR MANAGERS AND SUPERVISORS ON THE TOPIC "INFORMAL RELATIONS AND ITS EFFECTS ON INDUSTRIAL ORGANIZATIONS"

I am a 2nd year post-graduate student reading MA Sociology at KNUST. I will be very grateful if you would kindly answer the questions provided below. This study is purely an academic exercise and thus information provided would be treated with the necessary confidentiality it deserves.

I would be very grateful if you would be as honest as possible.

SECTION A

SOCIO-DEMOGRAPHIC BACKGROUND OF RESPONDENTS

1. How long have you been in this organization?...

2. Academic ……………………………………………………………………………

F. Others (please specify)………………………….…………………………………..

3. What is your rank/position

…………………………………………………………………………………………..

SECTION B

OPERATIONS OF INFORMAL RELATIONS IN ORGANIZATION

4. Does your organization allow you to interact on an informal level apart from the officially prescribed relations?

…………………………………………………………………………………………………

Give reasons for your answer…………………………………………….................................

…………………………………………………………………………………………………

5.Do workers have informal norms and if yes, what are some of these norms……………………..

…………………………………………………………………………………………………

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6. Which period do you interact with your colleagues, superiors or subordinates?

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7. How often do you interact informally with your colleagues, superiors or subordinates?

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SECTION C:

EFFECTS OF INFORMAL RELATIONS ON ORGANIZATION

8. Why do you interact with your colleagues in an informal way?

…………………………………………………………………………………………

9. Do you think relating in an informal way with your colleagues/superiors or subordinates improve your performance/help assist your work in any way?

If Yes, in what way(s)……………………………………………………………………

…………………………………………………………………………………………

If No, in what way(s)……………………………………………………………………

………………………………………………………………………………………

SECTION D

INFORMAL RELATIONS AND COMMUNICATION IN ORGANIZATIONS

10. How do you receive information at your workplace?

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11. Which of these means of receiving information as given above do you prefer?

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12. Do you sometimes keep long on your coffee breaks, or lunch period because you enjoy interacting with your colleagues?

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13. If Yes, do you agree there would be role conflict (that is, desire to extend your coffee breaks and lunch times and at the same time using official working hours to interact informally with colleagues, superiors and subordinates)?

……………………………………………………………………………………..

14. Do you hear rumours from your colleagues, superiors and subordinates through informal relations?

……………………………………………………………………………………

If yes, in what ways do you sympathize with colleagues to oppose authority (Board of Directors)?

……………………………………………………………………………………
……………………………………………………………………………………..

SECTION F

RECOMMENDATION ON HOW INFORMAL RELATIONS CAN BE DIRECTED POSITIVELY TO IMPROVE WORKERS PERFORMANCE

15. With your experience as a manager or supervisor, do you think informal relations among workers should be encouraged at the workplace?

Give reasons for your answer ……………………………………………………………..

………………………………………………………………………….……………

16. If yes, how often do you think workers should be allowed to interact informally?

……………………………………...

17. In what ways do you think informal relations could be directed positively to help I achieving the objectives of organization?..

……………………………………………………………………………………………

……………………………………………………………………………………………

…………………………………………………………………………….………………

Thank You