



UNIVERSITY of VAASA

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# Organization and Coordination

*An Intra-and Inter Performance Perspective*

PROCEEDINGS OF THE UNIVERSITY OF VAASA

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WORKING PAPERS 3  
PUBLIC MANAGEMENT 3

VAASA 2012



<b>Publisher</b> Vaasan yliopisto	<b>Date of publication</b> March 2012	
<b>Author(s)</b> Charles Osifo	<b>Type of publication</b> Working Papers	
	<b>Name and number of series</b> Proceedings of the University of Vaasa	
<b>Contact information</b> University of Vaasa Faculty of Philosophy Public Management P.O. Box 700 FI-65101 Vaasa, Finland	<b>ISBN</b> 978-952-476-390-5	
	<b>ISSN</b> 1799-7658	
	<b>Number of pages</b> 24	<b>Language</b> English
<b>Title of publication</b> Organization and Coordination – An Intra-and Inter Performance Perspective		
<b>Abstract</b> <p>This study is a qualitative research that focuses on intra- and inter-organizational challenges and how good outcomes are achieved. An organization goes with different things that make it broad and complex. Therefore, understanding coordination as an essential for achieving a balanced organizational performance is ideal. The existence of organizations represents the desire and willingness to fulfil needs. The essential framework for achieving these needs, most times are missing or not given adequate attention. The questions of competition, performance, and expectations are best answered through a good networking of men, material, and ideas.</p> <p>The result of the research shows that the effective and efficient connections of internal and external organizational components help in reducing internal and external complexities and uncertainties in an organization; increasing productivity; integrating macro and micro level organizational dynamics; connecting roles among inter and intra organizational groups; bridging performance and trust among competing organizational groups; and defining organizational tasks and their accomplishment. In addition, the result also shows that the clear definition of internal and external organizational interests and goals help in enhancing organizational reputation; utilizing external organizational elements in congruence with internal organizational elements; establishing long term foundation for organizational performance and trust; securing sustainable organizational relationships among unequal parties in unclear situation, which is often characterized by uncertainty; institutionalizing actions that help in realizing organizational vision; generating high profit through the creation of organizational focus; creating organizational expertise along with strategic contents; establishing competitive advantage for organization; and establishing result oriented structures in an organization.</p>		
<b>Keywords</b> Organization, Coordination, Challenges, Performance, and Trust		



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# 1 INTRODUCTION

Coordination terms and models have been developed in different fields to coordinate the interaction among components and objects, and are nowadays used to model and analyze organizations too; moreover, organizational concepts are used to enrich the existing coordination languages and models (Boella & van der Torre 2006). Most modern day organizations are characterised by complexities; organizational performance has become one central issue in this regard, this has made experts to think about ways to tackle these myriad of problem through innovative theories and perspectives (Gilliland, Steiner, & Skarlicki 2007). Organizations and their composites are increasingly being placed to manage unfamiliar relationships with unfamiliar parties and competitors; these relationships do not only involve working across various national cultures, but various professional cultures and even different internal constituencies (Saunders, Skinner, Dietz, Gillespie & Lewicki 2010).

The term organization is sometimes referred to as broad coordinative entity with various models existence, from bureaucratic system based on norms to competitive system based on market (Boella & van der Torre 2006). In most theoretical discussions, coordination is classified as an element of organization. Conceptualizing organization can start with the aggregation of formal (classical), informal (Human Relation or Behavioural), and the system (Decision Making) theories; because organizational theory is still broadly used to study organizational characteristics as well as individual behaviour (Edigin 2009). Chester Barnard argues that an organization comes into being when certain conditions obtain: (1) when people are able and willing to communicate with one another (2) when the same people are also willing to do something to contribute action, as he puts it, in order (3) to accomplish a common purpose. The two important things here are that when individuals are able to cooperate, and derive satisfactions in the process of cooperation; organizations become efficient and effective, because performance is gladly achieved. (Mangham 1986.) Edigin (2009) has characterised organization from a structural and process perspective with a link on vertical and horizontal relationships. According to him, structural characteristics are hierarchy, specialization, span of control etc., while the process characteristics include such features as planning, organizing, coordinating etc. (2009: 65.)

If there is no interdependence, there is nothing to coordinate (Beuselinck, Verhoest, & Bourckaert 2007). Coordination is the interrelation of functions, structures, and resources in an organizational context (Viinamäki 2004), which can take place at different levels (Mangham, 1986) or possess different dimensions. Interest in organizational networking that is the structures of interpersonal

or inter-group interactions, is only likely going to increase due to different factors; especially, through contribution to organizational research and the desire for achieving organizational goals (Lehtimäki 1996). However, in order to make the concept of coordination more tangible, it is relevant to investigate the design of actual coordination instruments and their underlying mechanisms (Beuselinck et al. 2007).

However, numerous studies have shown that coordination and cooperation leads to improved interpersonal and inter-group relations; because they create advance approaches in dealing with problems that emanate from intra-link and cross-cultural contexts in relation to an organization (Kramer 2010). A special focus on coordination gives a good answer to the question of performance. The more efficient coordination is in all levels of administration, the common outcome, cohesion, will be reached in a more efficient manner; because coordination is a tool of cohesion (Viinamäki 2004). Every activity in an organization requires coordination of a variety of functions within and between firms (Enright 1992) in order to avoid complexities and unintended loses.

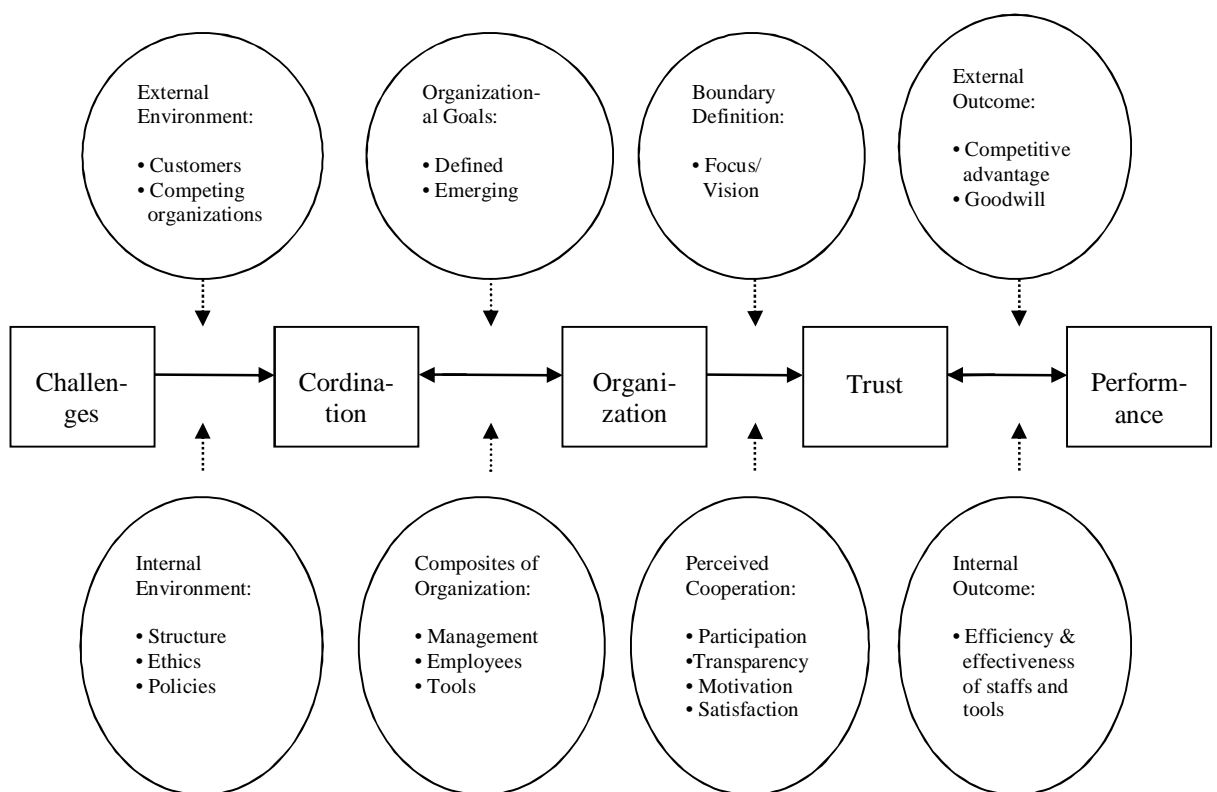


## 2 SETTING A PRELIMINARY FOCUS

The primary purpose of this paper is to state that coordination to an organization has both internal and external importance. To scientifically drive home this position, literature review with a narrative premise is adopted as a methodology to answering the following questions:

1. How can coordination lead to better organizational performance?
2. How can coordination help in increasing organizational trust?

Figure 1 below is a comprehensive model of coordination and organizational performance.



**Figure 1.** A model of coordination and organizational performance

Intra- and inter-organizational challenges inform the need for coordination (Viinamäki 2004: 92–126). Organization is engrossed in circles of interdependence and it is aligned to culture and environment. There is a purpose to question the pace of change and contingency in the culture and environment within which organization has to function in our modern world (Thompson & Jones 2007: 226). The environment is where other competing organizations and customers are lo-

cated; every organization has its unique structure, policies, and ethics that differentiate it from others. The relationship between coordination and organization is most assumed to be reciprocal. Since organization does not exist in a vacuum, there is the need for coordination to tie and functionalize the components of organization. This process starts with the management, which adopt different organizational skills and strategies to see that employees are well positioned and certified to make use of organizational tools in the best ways that would guarantee acceptable outcomes.

Defined organizational goals can be influenced in various dimensions by challenges that can inform or create emerging goals. Internally, because of the role of coordination in an organizational setting, perceived cooperation that is informed by participation, transparency, motivation, and satisfaction sets in. Externally, because of the role of coordination in an organizational setting, defined boundary sets the right vision and focus for an organization. The external and internal roles of coordination set in the desired organizational trust. The relationship between trust and performance is also reciprocal; the internal outcome of organizational trust leads to the efficiency and effectiveness of staffs and tools that positively affects performance. The external outcome of organizational trust leads to comparative cost advantage and goodwill that also affect performance positively.

### 3 THE NETWORK THEORY AS A FRAMEWORK OF ANALYSIS

A theoretical evaluation of performance that is tied to coordination and organization can be understood through networking. This can in addition create the following problems, which is also a representation of the structure of how my argument proceeds.

- how organization is defined
- how is coordination part of organization
- how is coordination part of trust and performance

The social learning process is complementary to the social narrative process that depicts social realities amidst complexities and ineffectiveness (Shaw 2009: 21 & 26). Understanding the concept of performance can be of numerous facets. One way to understand this in relation to coordination is that bilateral exchange is often embedded in networks (Cassar & Rigdon 2011: 282). Social network encourages a culture of performance, because of its positive relationship to trustworthiness (Di Cagno & Sciubba 2010: 157). The most notable challenges to performance are social network or coordination constraints (Serrien 2008: 419).

Network theory provides a framework and tools for studying structures of interpersonal and inter-group interactions. According to Wellman (1998), structural analysts follow different approaches. There are the formalists who concentrate on the form rather than content of a network; the formalists are of the idea that similar patterns of ties may have similar behavioural consequences separate of the substantive context. On the other hand, we have the structuralists, who focus on the substantive questions related to both the pattern and the nature of links between the nodes (Lehtimäki 1996: 12.) Organizational structure evaluations take both inter and intra organizational patterns; that discuss the relevance and challenges of cooperation (Gelfand, Beng-Chong, & Raver 2004). At the inter-organizational level, the focus is primarily on the relationship of two or more organizations; while the internal relationship within a particular organization is what matters at the intra-organization level. Social networks are often described through a detailed analysis of the patterns of social networks as well as an analysis of positional and cohesive structures of the networks (Lehtimäki 1996: 15).

Social network provide a better insight into organizational behaviour (Krackhardt & Hanson 1993). Coordination has been linked to trust, because coordination creates the network through which organizational performance is understood (Lehtimäki 1996: 15). Performance in an organization is most often a mirage

when the instrument to keep the differentiated functions and structures in line with overall purpose is missing (Selznick 1957). The major enhancer of organizational competitiveness and performance is trust, ushered in by coordination (Barney & Hansen 1994). It is true a number of factors influence the growing flexibility of the work place and the work schedule; it is coordination that plays the role of a balancer in this flexibility (Ronen, Friedman, & Ben-Asher 2007: 3).

Organizational networking takes different shapes and sizes. Experts in the field of Supply Chain Management (SCM) for example, have demonstrated that a major source of cost savings and enhanced service performance in the supply; is via increased collaboration and integration among supply chain participants. (Eng 2006: 762.) The realization of the relevance of information flow interaction and integration set an organization towards efficient performance. Understanding network centrality variations gives a clearer overview about the ability to coordinate, because centrality is a structural attribute of nodes in a network. The difference between formal and informal sources of influence is that informal power emanates from an actor's position in communication patterns and interaction, while formal sources are defined by position in the organizational hierarchy. (Hossain & Wu 2009.) Positioning in this regards, tries to explain whether high level placement affect the ability to coordinate and its success more than low level placement.

Studies have shown that top placement in organization has better tendency to affect coordination, because in there are the top management responsibilities engrossed. Top management employees in an organization assign responsibilities or delegate authority to lower lever employee in order to accomplish collective or stated organizational goals. Lower level employees are also relevant to the coordination scheme, because without them the network is not complete. (Hossain & Wu 2009.) However, both the higher and lower level employees are relevant in relative ways to the goals of an organization.

Roles are created and responsibility defined as models of re-establishing obligation in our modern society where the need for everyday advancement has become imperative. Responsibility attributes action to an agent; it does so in push of cosmic or natural structures of obligation. Responsibility tries to make up for the space by evaluating the scope of accountability and obligation within the boundary of law and common culture. (McKeon 1957: 23 & Winter 1966: 254–255.) Networking theory helps in understanding the responsibility and role dynamics and how they relate to achieving organizational performance via intra- and inter-relationships.

### 3.1 What is Organization?

Organization can be defined as a social entity, where people are systematically structured and managed to meet a set target on an endless basis. Organizations can possess public or private outlook; organization can be driven by profit making or humanitarian interest. Organizations, both public and private are changing significantly, and the fundamental problem for most organizations is to modify their design and structure to better accommodate environmental and cultural challenges (Thompson & Jones 2007: 204). Organizational norms as a set of embedded values and beliefs have long been noted in literature to provide norms that bind individuals into collectivities (Eng 2006: 762). The organizational theory is important, because it deals with the formal structures, internal workings and external environment of complex human organization (Edigin 2009: 64–65).

An understanding of the formal theories of organization can be a good start to any organizational discussion. Frederick Taylor the father of scientific management argues that the main task of scientific management principles is to prove that science can produce good result (Taylor 1912: 43–45). Max Weber has stated that one key principle of bureaucracy is the fixing of official jurisdiction areas, which are governed by laws or administrative regulations; and others deal with the issues of hierarchy; documentary formalization; dichotomy of private and official lives; and the training prerequisite (Weber 1922: 50–52). Henri Fayol, a proponent of administrative efficiency was interested about the functions of top management and the principles of management (Pugh & Pugh 2005). Colonel Urwick and Luther Gulick developed on Fayol's Principles, though they rephrased them to POSDCORB acronym, which stands for: planning, organizing, staffing, directing, coordinating, reporting, and budgeting (Gulick & Urwick 1957).

Analysis of the informal theory of organization can begin from human relation school. This school of thought focuses on the placement of human factor as the most primary in a productive process. Elton Mayo who is part of this school pointed out that it takes more than financial incentives to be motivated, because job frustration and dissatisfaction for examples cannot be won over by money. Abraham H. Maslow the scholar, most linked to motivational concept was a man who dared to listen deeply to himself and to his unwavering belief in the positive potential of the human species; Maslow's greatest strength was in his ability to ask significant questions that are central to the life of man (Frager 1987). His need hierarchy classification goes from the physiological needs to safety needs; belongingness and love needs to esteem needs; and then self-actualisation need (Frager, Fadiman & McReynolds 1987: 15–23).

The systems organizational theory emphasizes the relevance of decision making over structural and behavioural dynamics of organizations. Decision-making is the foundation of administration, and that the vocabulary of administrative theory should be deduced from the logic and psychology of human choice. Administration is literally, defined as the art of getting things done and it focuses upon processes and methods for insuring incisive action. Principles are set forth for getting concerted action from groups of men. Although, it is reasonable to agree that every practical activity involves both *deciding and doing*, but the responsibility of deciding also cut across administrative organization quite as much does the responsibility of doing, and is of course strongly tied to the latter. Therefore, a general administrative theory of administration must include principles of organization that will guarantee correct decision-making, just as it must include principles that will guarantee effective action. (Simon 1997: xi-1.)

What comes to mind first when the relationships between formal and informal organizations are discussed is complexity. The characteristic of these contacts or interactions is that they happen repeatedly without any conscious purpose and this make it evident that informal organizations are structureless, and has no definite subdivisions. This is because informal organization creates certain attitudes, understandings, customs, habits, institutions; and the condition under which formal organization may arise. The relevant consideration for our purposes, however, is that informal organization compels a certain amount of formal organization, and may not persist without the emergence of formal organization, because a solid object of action is important to social satisfaction. The easiest form of doing things together then becomes *conversation*. (Barnard 1938: 104-105.) To talk about organization therefore, is to talk about achieving results; structures and formation; management's responsibilities; employee's wellbeing; understanding and relating with other organizations; and marking costumers/citizens expectations and desires.

### 3.2 Coordination as Part of Organization

Emile Durkheim the foremost sociologist has referred the result of lack of concrete purposes in a condition of social complexity as *anomie*. The important need of individual is association and purposive cooperation is the chief outlet for the logical or scientific faculties of men. (Barnard 1938: 106.) Evaluation and empirical analysis about decision making are intertwined; it is within this premise that instrumentalism, finds a foot holding. Decision-making is ordinarily formalised as means-ends relationship; because the agreement on policy is the practicable test of policy correctness. (Lindblom 1959: 197-181.) The mixed scanning approach

to decision making therefore, suggests the incorporation of some aspects of both rational compressive and incremental approaches to decision making (Etzioni 1967).

Vertical organizational structure is characterised by hierarchy, because of the power context or pattern that flows from top to bottom; while there is horizontal organizational structure when there are more preferences for specialization and participation. The organizational structure becomes decentralized, flat, and, flexible because employees are granted more responsibilities for their task (Ronen et al., 2007: 3). Irrespective of the posture of an organization, coordination is relevant. Coordination is a formal process, because it is scientific; coordination is an informal process, because it is human relation oriented; and coordination is a systemic process, because it is arriving at the most appropriate decision that can have good internal and external effects. Fayol, Gullick, and Urwick are some notable administrative scholars who have dealt with coordination as a principle of organization. But little has been done to explicate the centrality of coordination to other principles of administration. In re-examining Urwick and Gulick POSCORB; an acronym that stands for planning, organizing, staffing, directing, coordinating, reporting, and budgeting.

Coordination is a part of planning, because it tells what to include in a good plan and how to execute it. Coordination is part of organizing, because it takes the first lead (Gulick & Urwick 1957). Coordination is part of staffing, because it specifies who will be a staff and the rational placement. Coordination is part of directing, because it gives it a clear focus. Coordination is coordinating. Coordination is a part of reporting, because it makes it realistic. Finally, coordination is part of budgeting, because it gives it a good appraisal.

However, for there to be an effective coordination, a clear determination of role and responsibility must be emphasized (Viinamäki 2004: 120). Roles structure personnel and departments, which in turn structure organization (Boella & van der Torre 2006: 4). Discussing organization generally goes with broad and complex challenges. In this regard, coordination informs the needs for reformation and ethicality at the most appropriate times. The fact that often our organizations are quite large and studies about effect of group size have tended to focus on process dynamics. Generally, no collective good can be attained without some group agreement and coordination; because obligation is best fulfilled with reciprocity. (Provis 2004: 82 & 208.) Coordination therefore, tries to answer the questions of why, how, when, and who of organization.

### 3.3 Coordination as Part of Trust and Performance

Every practice rests on theory (Drucker 1985: 23). Coordination like the nervous system perceives the changes around us through our senses; it controls all the activities of the muscles in response to the changes outside; it maintains the internal environment of the body by interrelating the functions of the various internal organs and the involuntary muscles; it stores the previous experiences as memory that helps us to think and analyse our reactions; and it conducts messages between different parts of the body. (TutorVista 2011.)

Coordination has links to trust and performance. Coordination produces performance, because it produces the necessary trust needed for achieving performance through networking. The demand for performance has been one issue that has characterized organization in the 1990 (Radin 2000); and performance has become the most regularly studied concept in organizational management (Cohen & Vigoda-Gabot 2004: 66). Performance in most instances is substituted for productivity, since the “real world” of the manager is a world filled with deadlines, budgets, and clientele to serve (Geuras & Garofalo 2005: xiv). Trust, or the lack of it, has been identified as a ‘make-or-break’ factor in partnership and strategic cooperation; crisis conditions tend to stress trust indicators, many believe trust is central to coordination and cooperation (Smith & Schwegler 2010: 282–283).

The arrangement of every element in an organization should have a potential to affect performance (Arnaud & Schminke 2007: 12). The interaction of the different components in and outside organization is what coordination represents. Internally, coordination is setting rules and standards based on cooperation; externally, coordination is fostering relationship and interest aggregation. The enhancements of inter-personal and inter-group relationships, guarantee performance that goes with trust. Through cohesion, conflicting interest are understood and balanced in congruence with expectations from the larger society or external environment. In the external environment are culture, competition, and expectations. Through coordination, essentials from the external environment are imported into organization; these include staffs and other relevant factors of production that help in actualizing performance. On the other hand, trust is boosted when the end result and ideological representations of an organization are well exported to the external environment. It is obvious therefore, that trust and performance can be a mirage if coordination is missing.



## 4 PREVIOUS RESEARCH

Previous research helps a researcher in understanding conventional/popular and reliable/tested positions about a present research inquiry or work. Table 1 deals with some main assumptions about coordination and organization; and trust and performance by different authors.

**Table 1.** A Selection of Literature on Coordination, Organization, Trust and Performance

Authors and Literatures	Main Assumptions about Coordination and Organization	Main Assumptions about Trust and Performance
Amr G.E. Sabet (2010). Wickedness, Governance and Collective Sanctions: Can Corruption be Tamed? In: Ethical Governance: A Citizen Perspective, 91–112. Ed. Ari Salminen. Public Management 39. University of Vaasa: Publication Unit.	Collective responsibility is tied to social structures.	Social trust enhances reputation building.
TutorVista (2011). Nervous Control in Human Beings. Available 2011–10–06: <a href="http://www.tutorvista.com/content/science/scienceii/control-coordination/nervous-control.php">http://www.tutorvista.com/content/science/scienceii/control-coordination/nervous-control.php</a>	Coordination to organization is like a nervous system to the human body.	Trust is like shock absorber, because it absorbs and utilizes external elements in congruence with internal elements.
Eva Beuselinck, Koen Verhoest, & Geert Bouckaert, (2007). Reforms of Central Government Coordination in OECD-Countries for Cross-National Unifying Processes? In Kuno Schedler & Isabella Proeller (Eds.), Cultural Aspects of Public Management Reform (pp. 77–109). Amsterdam: JAI Press.	A well coordinated organization is often considered to be at advantage over others	Trust is a foundation for performance, because it is an instrument through out time.
Mark N. K Saunders, Denise Skinner, Graham Dietz, Nicole Gillespie, & Roy J. Lewicki (2010). Organizational Trust: A Cultural Perspective. Cambridge: Cambridge University Press.	Coordination brings together and reconciles incompatible behaviours in organization	Trust institutes trustworthiness for successful interaction and fruitful collaboration
Graham Dietz, Nicole Gillespie, & Chao, Georgia T. (2010). Unravelling the Complexities of Trust and Culture. In Mark N.K. Saunders, Denise Skinner, Graham Dietz, Nicole Gillespie, & Roy J. Lewicki (Eds.), Organizational Trust: A Cultural Perspective (pp. 3-41). Cambridge: Cambridge University Press.	Coordination integrates micro-level psychological processes (intrapersonal, interpersonal) and group dynamics with micro-level, societal and institutional forms	Trust secures sustainable relationships among unequal parties in unclear situation that is characterised by uncertainty
Hanna Lehtimäki (1996). Coordination through Social Networks. University of Tampere, A1(43).	Coordination reduces uncertainty through informal and formal mechanisms	Trust institutionalizes words with actions

Daniela Di Cagno & Emanuela Sciubba (2010). Trust, Trustworthiness and Social Networks: Playing a Trust Game when Networks are Formed in the Lab. <i>Journal of Economic Behaviour &amp; Organization</i> , 75, 156–167. Retrieved from <a href="http://www.ems.bbk.ac.uk/faculty/sciubba/JEBO_2010.pdf">http://www.ems.bbk.ac.uk/faculty/sciubba/JEBO_2010.pdf</a> .	Coordination generates endogenous network among anonymous group	Trust generates higher profit, because of focus creation
John Storey (2003). Signs of Change: 'Damned Rascals' and Beyond. In John Storey (Ed.), <i>Leadership in Organizations: Current Issues and Key Trends</i> (pp. 4–13). Oxon: Routledge.	Coordination connects roles among intra and inter groups	Trust creates expertise along with strategic contents
Michael J. Enright (1995). Organization and Coordination in Geographically Concentrated Industries. In Naomi R. Lamoreaux, & Daniel M.G. Raff (Eds.), <i>Coordination and Information: Historical Perspectives on the Organization of Enterprise</i> (103–146). Chicago: Chicago University Press.	Coordination serves as a bridge for trust and performance among competing groups	Trust establishes focus for competitive advantage
Lambert Uyi Edigin (2009). Organizational Theories: A Conceptual Analysis. <i>The Nigerian Journal of Politics and Public Policy</i> , 5, (1 & 2), 64-75.	Coordination defines 'how' and 'who' to accomplish a task	Trust establishes rational structure for result achievement

Table 1 has been able to display that organization has links to different elements. Explicating the relationship between coordination and organization can not be completed without a look at the relationship between trust and performance. If collective responsibility is tied to social structures, then the social trust that collective responsibility generates also enhances the outcomes of social structures. The nervous system among many things absolves internal and external shocks in order to achieve a focused outcome. Organization successfully exists when gains outnumber deficit based on long term progression. When incompatible behaviours are reconciled, successful interaction and collaboration are achieved through the establishment of trustworthiness. The integration of organizational dynamics leads to sustainable relationship and outcomes. The reduction of uncertainty helps in the realization of vision. Smooth networking leads to understanding that informs competitive cost advantage. The connection of roles among intra and inter groups leads to profitable expertise. The linking of trust and performance among competing groups leads to specialization that generates better outcomes. The delineation and assigning of responsibilities create the most appropriate structures for achieving results.

## 5 CONCLUSION

This study is a qualitative research that focussed on organization and coordination, from an intra-and inter performance outlook. As it has been argued, it is challenges that inform the need for coordination and challenges can take different forms or dimensions. The primary drive or purpose of any organization is to achieve a meaningful outcome or performance. Due to the natures of internal and external complexities that go with organization, coordination becomes a relevant element. Internally, organization comprises of management, employee, tools, structures etc. Externally, organization comprises of environment, culture, competitors etc. Coordination is part of network analysis, because of its emphasis on interdependence, cooperation, trust, performance and competition.

Emphasizing the internal and external relevance of coordination has been the main task of this research along with answering the questions of how coordination can lead to better organizational performance; and how coordination can help in increasing organizational trust. The main findings of this research are presented in table 2 below in relation to special issues like the effective and efficient connections of internal and external organizational components; and the clear definition of internal and external organizational interests and goals. These issues have different implications in regards to organization, trust, and performance.

**Table 2.** Main Findings

Issues	Implications
The effective and efficient connections of internal and external organizational components	<ul style="list-style-type: none"> <li>• Reduction of internal and external complexities and uncertainties in an organization</li> <li>• Productivity increase in an organization</li> <li>• Integration of micro and macro levels dynamics in an organization</li> <li>• Connection of roles among inter and intra organizational groups</li> <li>• Bridging of performance and trust among competing organizational groups</li> <li>• Definition of organizational tasks and ways of their accomplishment</li> </ul>
The clear definition of internal and external organizational interests and goals	<ul style="list-style-type: none"> <li>• Enhancement of organizational reputation</li> <li>• Utilization of external organizational elements in congruence with internal organizational elements</li> <li>• Establishment of long term foundation for organizational performance and trust</li> <li>• Securing of sustainable organizational relationships among unequal parties in unclear situation, which is often characterised by uncertainty</li> <li>• Institutionalization of actions that help in realizing organizational vision</li> <li>• Generation of high profit through the creation of organizational focus</li> <li>• Creation of organizational expertise along with strategic contents</li> <li>• Establishment of competitive advantage for organization</li> <li>• Establishment of result oriented structures in an organization</li> </ul>

Coordination has different ways it can lead to better organizational performance. From the various literature reviewed, it can aggregately be summed that coordination lead to better organizational performance through internal and external strings that give every nature of advantage to an organization. Internally, personnel and tools are structured in the order of producing the best result. Externally, organization is best positioned in the form of realizing internally set objectives even with the presence of other competing organizations.

Coordination can help in increasing organizational trust also through different ways. From the various literature reviewed, it was visible that trust is part of performance, because trust represents a foundation and instrument of performance. Coordination can help in enhancing the internal and external dimensions of trust. Internally, more interaction leads to better cooperation, and better cooperation leads to higher trust. Externally, better interaction leads to focus, and focus leads to comparative cost or competitive advantage and goodwill. Increasing organizational trust is increasing organizational performance, because trust is performance. From a general conclusion, it is arguable that coordination is important, because it is tied to both the internal and external aspects of organizational performance.

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