

Examples of Closed Systems in Organizations

by Crystal Vogt



There are two types of systems in organizations: closed systems and open systems. An open system interacts with its environment through giving and receiving information. Closed systems are closed off from the outside environment, and all interaction and knowledge is transmitted within the closed system only. Closed systems can hamper growth since the flow of information stays within the system and has no chance to interact with or build on knowledge from the outer environment.

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Machine Bureaucracy

Corporate management built on a closed system is known as a "machine bureaucracy." More prevalent among organizations, machine bureaucracies tend to hold efficiency and control as the highest goals. They can reach these goals in various ways, including setting up a hierarchy of offices, creating rules that guide performance, separating personal and professional rights, and selecting new hires based on technical expertise alone.

Production Line

A production line is an example of a closed system within an organization. The daily work that takes place on production or assembly lines can be insulated from outside factors such as day-to-day meetings between upper-level executives, or information from other similar, competing production lines. Instead, workers on an assembly line are generally only responsible for completing their tasks on the line,

depending on what type of line it is.

Specific Departments

Certain departments within an organization can be set up as closed systems. For example, a research-and-development (R&D;) department within a computer organization may be set up as a closed system with no interaction outside of the division; the purpose is to protect trade secrets and inventions that are being produced inside. An R&D; department is much different from, say, a public relations department, which is an example of an open system that must interact with the outside environment on a regular basis.

Corporate Messaging

A corporate messaging system can be an example of a closed system depending on how it is set up within an organization. While email systems are open systems, corporate instant messaging systems are closed systems in which you establish with whom you want to communicate. Unlike email systems, which allow you to include more than one person on a note, many corporate messaging systems allow you to converse only with one person at a time.

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About the Author

Crystal Vogt has been an editor and freelance writer since 2005 and has had her work mentioned on MediaBistro, Yahoo! Finance and MSN Money, among other outlets. She received her M.S. in journalism from Boston University and holds a B.A. in English from UC Santa Barbara.

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