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### **Chapter 3: Work in the Kibbutz**

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Work organization in the kibbutz raises three questions inapplicable in other work organizations.

First, the social organization of work in the kibbutz is based on satisfying the needs of the individual (such as health, family, and personal interests) irrespective of the amount or the quality of his or her work. Thus, the first question to be asked about the social organization of work in the kibbutz is, what motivates kibbutz members to exert themselves when the satisfaction of their needs is already guaranteed?

Second, since money is not used as a medium of exchange (there are no wages), manpower supply and demand cannot be reconciled through a market mechanism; and since membership in the kibbutz is free and voluntary, coercion cannot be exerted. Another question that therefore arises from the uniqueness of kibbutz organization is “What ensures congruity between the available work force and the manpower requirements of the kibbutz?”.

Third, the Organization of work in the kibbutz is based on democratic procedures, with workers in a given branch having the authority to make decisions. They elect the branch coordinator for a limited term, and it is his or her job to see that the decisions made democratically in the branch are carried out. Furthermore, the democratic organization of work in the kibbutz is demonstrated in the limited authority invested in the branches: They are part of the general organizational system of the kibbutz, whose policies are determined by the general

assembly (or general meeting, as it is called in some kibbutzim) — that is — by the members of the kibbutz as a whole. How is it possible to guarantee that decisions are based on professional know-how and on an understanding of the problems that must be dealt with when most of those participating in the decisionmaking lack the necessary knowledge and can devote only a small part of their time to studying the problems that must be solved? In summary, can a system based on a democratic decision-making process, with lengthy discussions and general meetings, address professional and economic issues in such a way as to guarantee the economic efficacy required of branches and enterprises that must compete in the marketplace?

These questions of motivation to work, of congruence between the changing needs of the kibbutz and the wishes of the members, and of the possible conflict between professional or managerial authority and the democratic process have grown more acute with the social and economic development of the kibbutz. These unique kibbutz principles of work were appropriate when the kibbutz was small and its members were all of the same age and shared the same ideals. Are they still applicable to a large, heterogeneous multigenerational kibbutz with many branches and with complex industrial enterprises?

In the large, complex kibbutzim of today, tensions and conflicts have emerged between egalitarian, democratic principles and the increasing need for economic efficacy. In addition to the far-reaching changes in the political, economic, and technological environment, these tensions and conflicts have created a constant need for adaptation of the work environment.

In this chapter, then, I analyze and discuss the changing answers given, in different periods, to the following three basic questions:

1. How can the kibbutz, without a marketing mechanism, congruency between the needs

of the kibbutz economic and social system and members' aspirations and abilities?

2. How can the kibbutz ensure work motivation without monetary incentives?

3. How can the kibbutz overcome the discrepancies between democratic decisionmaking and economic efficiency?

### **CHANGES IN THE CONCEPT OF WORK**

From the outset, the concept of work in the kibbutz was not a monolithic one. It drew on several (sometimes opposing) sources, and its formation, as well as its development, was influenced by economic, security, and political exigencies. At different times, different elements have been given priority. During the pioneering period, kibbutz members had to set aside their intellectual and artistic abilities and give clear priority to those abilities necessary for the establishment and survival of the kibbutz settlements. Members were required to perform a limited variety of tasks — in agriculture and, construction in safeguarding the security of the settlement, and in providing services for kibbutz members and children.

In the 1960s, impressive economic development took place. Changes in agriculture required a higher level of professional knowledge and expertise, and industrial enterprises were set up in many kibbutzim. As a result, signs of inequality among various jobs and positions began to appear in the production branches with respect both to the professional level required to perform a given task and to the managerial responsibility and authority attached to various positions. At the same time, thousands of young people born in the kibbutz began for the first

time to join the work force in the kibbutz movement. These young people attached greater importance to possibilities for personal development, particularly to work that conformed to their professional aspirations and offered them satisfaction, and they began voicing a demand for higher education.

Results from a study conducted in 1969 (Rosner et al., 1990) show, however, that although there were changes in the ideological approach to the concept of work, differences between the generations were negligible. In both generations, there was, on the one hand, support for the conservative position that kibbutz members should continue to work in production jobs, while on the other hand, there was support for the innovative position to broaden opportunities for higher education and self-fulfillment. Broadening higher education for young people, however, did not fit well with the expansion of industry in which much of the work did not require such an education. There existed also an unwillingness both to allow academic professionals to work in their professions outside the kibbutz and to use hired labor from outside the kibbutz to perform simple, non professional tasks.

However, there was continuity between the two generations in the value they associated with work. Most men of both generations claimed that work was the most important aspect of their lives (while most women ranked it second in importance — after family). Nevertheless, older men and women gave higher marks to the importance of work than did younger people. The value-based concepts of work in the kibbutz emphasized the noninstrumental nature of work and saw working as an end in itself. Ronen (1978), for instance, compared members of eleven kibbutzim with urban industrial workers employed by these kibbutzim. He found that the kibbutz members placed significantly more importance on self-realization than on extrinsic and material

rewards. It seems, however, that the severe economic crisis in the 1980s and the efforts to overcome it have weakened this value-based conception of work.

Efforts were made to diversify the occupational structure by expanding, as an additional source of income, the service sector. In most kibbutzim, the number of members working outside the kibbutz increased substantially — contrary to the traditional value-based approach that almost all kibbutz members should work within the kibbutz branches. The rationale for the change was both to develop additional sources of income and to provide opportunities for self-realization in work. Contrary to the kibbutz value of "self-labor" (Leviatan, 1980), the number of hired workers has been steadily growing, most of them working in the production lines of kibbutz factories. The need to overcome the economic crisis, seen as a menace for the future of the kibbutz, has legitimated a more instrumental conception of work, stressing the economic outcomes and weakening the conception of work as a value in itself. At the same time, there is a growing legitimization for individual self-realization, which may eventually diminish the priority of the instrumental-economic considerations.

## **AN ALTERNATIVE TO THE LABOR MARKET**

To ensure congruity between the demands for manpower of the kibbutz occupational system and the abilities and aspirations of members, alternative mechanisms to the labor market have been developed. In the beginning, the occupational system was formed according to ideological and economic considerations. Demographic considerations were introduced later — creating places of work that were suitable for older people and that provided a technological

challenge for young people. At this stage, the reference was to the needs of entire age or other social groups, not to the desires of any particular individual. Similar developments in recent years have reflected both direct and indirect consideration of individual desires for the long-term.

An example of direct consideration is the acceptance of a member's wish to work outside the kibbutz, even when the income from this work is less than the possible alternative income within the kibbutz. An example of indirect consideration is the establishment of a particular industrial enterprise, taking into account not only economic considerations but also the desires and preferences of the members who will work in it.

Naturally, the establishment of a particular industry will affect the kibbutz for years to come. Decisions of this type are usually made in the kibbutz general assembly, where not only collective considerations (such as the potential for profit of various types of enterprise) but also social considerations (such as regard for the wishes of the members) and ideological considerations (such as avoidance of hired labor) are presented. An additional factor is the voluntary nature of work organization in the kibbutz: If members do not want to work in the factory that is set up, there is no way to force them to do so.

Because there was a direct connection between the occupational needs of the community and the aspirations of individual members, this potential conflict between individual and community did not develop in the early stages of kibbutz life. Committed to pioneer values, kibbutz members wanted to work in agriculture, which was what the community needed.

Collective needs could also influence individual members indirectly. For example, socialization for occupational positions available within the kibbutz system was accomplished by having the youth integrated from childhood into the team of one of the branches children; thus

identified with the needs of the branch and hence with the needs of the collective. Here, however, even the founders faced a dilemma: While they wished for their children to remain farmers and manual laborers, at the same time they hoped that their children would also be like most of themselves — well educated and often intellectually and artistically oriented. As a result, the wish to provide a broad education caused secondary schools in the kibbutz to be designed as academic rather than agricultural or technical schools. This character of kibbutz education was important in the nurturing of occupational ambitions that went beyond the employment system of the kibbutz.

More complex, however, than long-term coordination between individual and community is short-term coordination to deal with the immediate changing needs of the system. The problem faced here by the kibbutz is to get members to agree to perform various jobs which they are not always interested in performing, even for a limited time. The success of work institutions in filling these jobs stems from their ability to persuade potential workers of their importance. Such success usually depends not on formal authority but on persuasive skills and the readiness of members to comply. To assist in solving such short-term placement problems, the kibbutz has developed two additional mechanisms:

1. Arrangements for duty by rotation in which members work temporarily, and for a fixed period of time, in branches in which they are unwilling to work on a regular basis — usually in services such as the dining hall or as helpers in the children-houses

2. Employment of hired workers in filling positions where there is a lack of qualified or willing manpower . The alternative to the labor market offered by the kibbutz has, therefore, been based on two principles: building an employment system that takes into account members'

aspirations and shaping members' aspirations during the various stages of education to suit the nature of the kibbutz occupational system and to socialize the young into the branches of the kibbutz.

### **CURRENT TRENDS**

The flexibility of the occupational system is limited by economic, environmental, and even ideological factors, such as the priority given to productive occupations in agriculture and industry. The ability of the kibbutz to influence members' aspirations is also limited. Thus, in the short term, we find numerous cases of a shortage of specialists in sought-after professions and a surplus in others, as well as members performing jobs they would prefer to give up. These limitations were felt especially during and following the severe economic crisis at the end of the 1980s. There was a need to increase immediately the number of members working in income-creating jobs and to reduce the number of those working in internal services. In the short term, it was difficult to accomplish these shifts. At the same time, there was a growing demand by members to work in their acquired professions, even if these professions were not needed in the kibbutz. In response to these difficulties, attempts were made in some kibbutzim to develop a quasi-market system with three major components: free choice of workplace by members; personal responsibility to find a workplace; and autonomy of work units in deciding whom to employ and whom to dismiss.

All three components are clearly at odds with the traditional (kibbutz) approach, where the choice of workplaces resulted from an agreement between the work institutions and the members, taking into consideration both kibbutz needs and individual preferences. Now it is the

individual who decides — but it is his or her responsibility to find a job — no longer that of a kibbutz institution to find one for him or her. Free choice also includes the right to work outside the kibbutz. But the kibbutz continues to be responsible for the satisfaction of members' material needs, and members continue to receive both the monetary budget and the services supplied by the kibbutz — a situation which carries the seeds of conflict.

As members search for a workplace inside or outside the kibbutz they become units in the labor market. The work units can dismiss members that are surplus or do not meet the job requirements. If a member is without a job and doesn't find one during a limited period, his or her monetary budget will be reduced for each day that he or she is not working.

I define this system as a quasimarket, since it lacks the major mechanism regulating the job market — monetary wages that represent the price of labor as determined by supply and demand. The quasimarket is therefore a hybrid mechanism, combining elements of two contrasting social and economic governance principles: market principles versus principles of cooperation. This hybridity and lack of congruence probably explain why only some parts — but not others — of the quasi-market have been implemented in many. Note the following (as of 1995): 68 percent of kibbutzim decide to encourage work outside the kibbutz; in 54 percent of kibbutzim, hired workers are employed to replace members so that members can freely choose their work; in 50 percent of kibbutzim, members are responsible for finding for themselves an appropriate workplace; but in only 11 percent of the kibbutzim has a link between the number of workdays and the monetary budget been created, and in only 2 percent are differential wages paid.

It is already clear that some of the proposals that have been implemented in many

kibbutzim have created problems. The number of hired workers is increasing. The salaries earned by members working outside the kibbutz are sometimes lower than the salaries paid to hired workers replacing them. The main positive outcome is that more kibbutz members can now realize their professional aspirations.

A basic issue still remains unsolved: how to increase the fit between the kibbutz occupational structure and members' abilities and aspirations. In many kibbutzim, a change toward a more diversified occupational structure and more knowledge-based occupations is necessary; and this is true also from an economic perspective because the dependency of a kibbutz on one, or even two, manufacturing plants employing large numbers of hired workers is risky. Although many kibbutzim recognize the present occupational structure as a necessity in a transition period, they are looking toward a more postindustrial occupational structure. Fortunately, the traditional kibbutz work organization based on teamwork and self-management is a suitable environment for high-tech work organizations, while knowledge-based occupations are a better fit with kibbutz members' aspirations for professional self actualization.

## **MOTIVATION**

In the introduction, I asked what motivates kibbutz members to exert effort at work when there is no direct connection between this effort and their standard of living. Different answers have been given to this question at different stages of kibbutz development. During the pioneer period, the assumption prevailed that the sole motivation was commitment to kibbutz values and identification with the kibbutz community. The first sociological studies of kibbutz society

(conducted in the 1950s) revealed the importance of yet another factor: the social cohesion of the work group (Etzioni, 1959). The cohesion of the work group was perceived as "a functional alternative" to a decrease in the identification of members with the larger and more heterogeneous kibbutz communities and to the related weakening of informal social control stemming from the opinion of the whole community. It was found that the more cohesive work groups were those that kibbutz public opinion was less able to control. The inference from these findings was that social cohesion in these work groups created the basis for informal social control and compensated for the lack of such control by the community.

During the 1970s and the 1980s, more studies were conducted on the topic of work motivation and work commitment of kibbutz members, as compared to the motivation and commitment of other populations (e.g., Ronen, 1978; Eden and Leviatan, 1974; Leviatan, 1980; Tannebaum et al., 1974; Palgi, 1985; Shimoni et al., 1995; Rosner, 1971). The results of these studies may be summarized as follows:

First, work motivation, work commitment, and identification with work goals of kibbutz members were found to be higher than those of workers from other populations both in Israel and abroad.

Second, the higher level of work motivation and work commitment did not have corresponding similarities in the variable of satisfaction with work. All comparisons with other populations of workers failed to show any advantage (or disadvantage) for kibbutz members.

Third, material rewards or incentives did not play any role in promoting members' motivation or commitments. (Incidentally, no personal material rewards were used in kibbutz work organizations.)

Fourth, it was the work motivation and the commitment of members that best explained the organizational success of kibbutz enterprises, while satisfaction with work had no relation to organizational effectiveness for the business enterprises.

Finally, research across the years found that different factors assumed priority in determining levels of work motivation or commitment: identification with kibbutz values and with the community - during the pioneering period; social cohesiveness of the work team — during the 1950s and the 1960s; and the content of the job and the opportunity it offered for self-realization and autonomy — during the 1970s and the 1980s.

These findings led to efforts to enrich the content of work in the kibbutz occupational system, particularly in industry. Kibbutz industry (as it evolved in the late 1960s) avoided the use of technologies (such as the assembly line) likely to cause severe alienation among workers. Efforts were made to generate team spirit at work, and self realization through autonomy and control opportunities for workers became criteria for choosing an industry and setting up the organizational structure. Comparing job opportunities, job satisfaction, and commitment (from data collected in studies of kibbutz industrial plants in 1969, 1983, and 1993), researchers found a significant improvement in all the measures (Shimoni et al., 1994).

But in spite of these improvements in industry, growing aspirations for self-realization at work were hard to satisfy because of the limitations of the occupational structure. The 1990s, as mentioned earlier, saw the introduction of two developments meant to overcome such limitations: bringing in hired workers to relieve kibbutz members of unwanted jobs (e.g., shiftwork or “alienating” jobs) and allowing a growing number of members to work outside the kibbutz occupational structure.

In addition, demands were made to introduce material incentives in the workplace. There were several arguments to justify these demands: The desire to compensate for the weakening of the traditional incentive of identification with values; a wish for additional personal income — especially since personal consumption budgets had been reduced following the economic crisis; and the belief that such incentives would attract appropriate candidates to fill those managerial positions which many members were reluctant to accept. At first, only two limited material rewards were suggested: payment for additional hours worked and payment for holding difficult jobs. Because they stand in strong contradiction to the kibbutz principle of dissociation between contribution and monetary rewards, these proposals raised strong ideological opposition. In 1995, the first proposal was implemented in 22 kibbutzim (11 percent) and the second in only five kibbutzim (3 percent). Two kibbutzim decided to introduce a more comprehensive and far-reaching change: differential wages to members based on the wage scale in the general labor market.

Although only a few kibbutzim have introduced monetary incentives, there is a general search for ways to increase work motivation. Paradoxically, while outside the kibbutz there is growing awareness of the importance of nonmonetary (psychological and social) incentives, in the kibbutz, as an outcome of the economic crisis, the efforts in this direction have been reduced. There has been less investment in improving work content and conditions, in creating cohesive work groups, and in worker participation in decision making.

## **THE MANAGEMENT STRUCTURE OF KIBBUTZ WORK ORGANIZATIONS**

Kibbutz work units in agriculture and in the services were formerly small (mostly less

than ten workers) with little internal differentiation. There was usually only one managerial role: the branch coordinator whose main functions were organizational (work organization and allocation, relations with kibbutz economic officeholders, and relations with other branches). Marketing of agricultural products was through nationwide cooperative organizations, without direct involvement of the branch coordinators.

Coordinators fulfilled their role in addition to their regular job in production or services. Branch members participated in decision making mainly through informal discussions, while formal meetings were institutionalized only in the larger branches. The branch coordinator was elected by the branch members, and rotation of this office occurred regularly (Leviatan, 1978, 1992).

With the growth and internal differentiation in some of the branches, the managerial role became more institutionalized and differentiated from other work roles. Studies revealed problems related to this differentiation. Yuchtman-Yaar (1983) studied poultry branches and found a much higher percentage of managers desiring to leave the branch (42 percent) than of regular workers (16 percent). His explanation of this finding was based on equity theory (e.g., Adams, 1965). The assumption was that the input of managers in the branch was greater than that of other workers, and the managers expected, therefore, adequate outcomes. Since these expectations were not realized, they wanted to quit. The author suggested that equity could be achieved by increasing the managers' socio-emotional satisfaction. He took for granted the need for equality between coordinator and workers in material rewards.

The trend toward differentiation of special managerial roles developed much faster in kibbutz factories. In the first stage of industrialization (in the 1940s and 1950s), labor-intensive

factories with large numbers of hired workers were established in some kibbutzim. In these factories, a hierarchical work organization developed, quite different from that prevailing in other kibbutz work units.

The development of hierarchical and bureaucratic organizational patterns based on hired labor was perceived by a majority of kibbutz members and leaders as opposed to kibbutz values. Efforts were made to develop a different type of kibbutz factory — more capital intensive and with an organizational structure that conformed to kibbutz principles, although preserving some hierarchical features (Leviatan and Rosner, 1980).

Research into industrial hierarchy in the kibbutz focused on the connection of hierarchical features with other characteristics of the bureaucratic model and on the mechanisms for overcoming drawbacks: for example, rotation of officeholders, equality in distribution of rewards, and decision making in a democratic framework with maximum participation among members.

Two theoretical aspects that relate to this topic are (1) How universal is the hierarchical model, with its nonegalitarian distribution of authority? (2) What is the principal reason for the existence of the hierarchical structure in organizations? Is it to coordinate the holders of various positions in the organization? Or is it to supervise work performance?

The answer to these broad questions was sought through several international studies (Tannenbaum et al., 1974; Bartolke et al., 1985). The findings demonstrated that most kibbutz enterprises (not employing hired workers) maintained the special character of kibbutz managerial components alongside a hierarchical structure: Rotation in management positions functioned well, and those who held managerial positions were elected democratically — either by the

workers in the factory or by the kibbutz assembly.

From an examination of fifty-four industrial enterprises in the Kibbutz Haartzi movement in 1976, it was found that the average term of office for a manager was three and a half years (Rosner and Palgi, 1980). A different study (Leviatan, 1976) examined the effect of rotation on the efficiency of production branches (both agricultural and industrial) in the kibbutz. It was found that the best economic results were achieved in industrial enterprises whose managers held office for three to four years — as compared to enterprises whose managers held office for a longer or shorter time. It was also found that when the manager was not replaced after the optimal time, the level of communication between manager and workers diminished. And the more workers who (as a result of rotation) had held management positions, the greater the levels of motivation and identification with the enterprise. The same study also examined the effects of rotation on people who completed a term in a management position and returned to a lower position in the hierarchy. In a comparison between former office holders and workers who had not held such positions, it was found that for a period of several years after completing a term of office, former office holders were more influential and more involved.

## **EQUALITY IN DISTRIBUTION OF REWARDS**

According to the common bureaucratic model, holders of higher offices in a hierarchy enjoy not only greater authority and influence but also other rewards such as higher salary, social benefits, greater prestige, and more interesting work. Although in kibbutz enterprises there are no differences in material rewards (except for role-related facilities such as use of a motor vehicle or

opportunities for overseas travel), studies found some inequality in non material rewards: Managers had more opportunities for self-realization in their work as well as the greater authority and influence that came with the job. The inequality was more evident in opportunities for using existing skills, and less evident in opportunities for developing skills. In other words, the opportunities for using organizational and intellectual skills were greater in management jobs, but rank-and-file workers also had the chance to learn new things and to develop themselves, either within the framework of their jobs or by attending training courses (Rosner, 1971).

In comparison with workers from other countries, kibbutz members were offered more possibilities to move up in the hierarchy, but they were less willing to perform management roles (Tannenbaum et al., 1974) — because of fear of exposure to criticism and difficulties in dealing with problematic workers.

## **DECISION MAKING IN A DEMOCRATIC FRAMEWORK**

The desire to maintain a direct participatory democracy in all areas of kibbutz life, together with the endeavor to distribute influence and authority among as many people as possible, would seem to clash sharply with the non egalitarian distribution of authority in the hierarchical managerial structure. Nevertheless, in bureaucratic and industrial organizations outside the kibbutz, many attempts have also been made to integrate various forms of democracy into the hierarchical structure. There are two distinct approaches: the political and the motivational. The political approach is based primarily on participation by representatives of the workers or of the trade union in decision making. A clear example of this approach is the German system of co-determination. The motivational approach is based on direct participation

by the workers, particularly in decisions related to their own work. This approach evolved from the human relations management method, which favors a participatory style of management, particularly by lower management, toward their subordinates. The goal is not to grant formal rights of participation, but rather to develop an informal system of communication between the manager and his or her subordinates. Accordingly, the manager should consult the workers on various questions but has the authority to choose whether to accept their opinions.

In an effort to achieve work democracy, kibbutz industry sought to combine the political and motivational approaches: Ideally, there should exist formal frameworks both of direct democracy (for instance, the general assembly of plant workers) and of indirect democracy (for instance, the elected management personnel and committee members). At the same time, the group coordinators (who in their roles correspond to foremen elsewhere) should allow their subordinates to participate informally in making decisions.

Some studies (Rosner, 1971; Rosner and Palgi, 1980; Palgi, 1985) have found differences between the outcomes of formal political participation in the framework of the workers assembly and those of informal motivational participation within the framework of the work group. It was found that, on the one hand, formal participation of the workers in the assembly of plant workers was related neither to their satisfaction nor to their identification with the objectives of the plant. It had a positive effect, however, in other areas such as information flow in the plant and workers' confidence in, and attitude toward, the management. Participation within the work groups, on the other hand, contributed to the increased satisfaction of workers and, to an even greater extent, to their identification with the enterprise. It would therefore appear that formal participation in the workers' assembly primarily affects organizational and collective factors,

whereas participation in work groups affects personal and motivational factors (Rosner, 1971).

Although, in kibbutz industry, a combination of formal and informal participation alongside a management hierarchy preserves the fundamental principles of kibbutz democracy, the authority of the workers assembly is limited compared to that of the kibbutz general assembly. Its limitations arise from the coexistence of hierarchy on the one hand and democracy in the plant on the other, a combination not existing in the kibbutz assembly. Members participating in the plant assembly find themselves in an ambiguous position: The assembly is the center of authority, and the management, elected by the assembly, must carry out its decisions; but in the daily work process, most of the participants are subordinate to the holders of managerial positions. There is liable to be a clash between the roles of equal participant and subordinate. In the kibbutz assembly there is no such structural division between superiors and subordinates; for although many kibbutz members hold positions of authority (as branch managers, committee members and chairpersons), members that are superiors in one area might be subordinates in other areas, and lines of authority are not clear (Rosner, 1983).

Despite these limitations, the combination of hierarchy, rotation, relative equality in distribution of rewards, and democracy constitutes a unique management structure that has functioned efficiently and effectively for several decades (Barkai, 1977; Don, 1977). But following the economic crisis in the 1980s, deviations from the normative model occurred in many industrial plants (see Palgi's chapter).

## **RECENT DEVELOPMENTS**

The deviation from the normative model of work organization leads in two directions: strengthening of hierarchical structures and the introduction of quasi-market mechanisms.

An important change in the hierarchical structure has been the introduction of boards of directors, replacing both the worker's assembly in plants and the kibbutz general assembly as major decision-making bodies and reducing the role of the general assembly to that of a yearly shareholders meeting. Managers are professionals nominated from above — not office holders elected from below for a limited term. The general trend is toward conformity with patterns prevailing in Israel outside the kibbutz.

The trend toward establishing a hierarchy is evident in the fact that in some kibbutzim, the payment by the plant to the kibbutz for the work of kibbutz members is based on the differential wages prevailing outside the kibbutz. At the same time, in almost all kibbutzim, there is no connection between a member's hierarchical position and his or her standard of living. This incongruity might explain why, among plant top managers, there is a stronger support than in the general public for the introduction of differential salaries.

The extent of these trends is not the same in all kibbutz plants. A recent study on boards of directors in kibbutz plants reveals major differences in the degree of involvement of the board in the internal management of the plant. In the more involved boards (less than a third), there are predictably more deviations from the normative kibbutz model of management.

While the weakening of the role of workers and kibbutz assemblies is common, there are also differences in managerial patterns and in the relationship between industrial enterprises and the kibbutz. The main reason for these differences is the percentage of hired workers. Similar to findings in previous studies, the management in plants with a higher percentage of hired workers

is more like that outside the kibbutz. The employment of hired labor is also strongly correlated with the introduction of changes in other areas of kibbutz life.

Changes in the direct and participatory democratic system and trends toward hierarchy have also occurred outside the industrial plants. In some kibbutzim, boards of directors have been introduced in the agricultural sector, and in other kibbutzim in all the economic branches — including services. The branch manager's authority and responsibility are stressed, and decision making by the work group has become more limited.

In many kibbutzim a partial transfer of authority from the general assembly to other bodies has occurred. In some, the vote on decisions is no longer restricted to participants in the assembly; it is handled by a referendum open to all the members. In others, representative councils are elected, and a partial transition from direct to indirect democracy has occurred. Through the referendum mechanism, direct democracy continues, but members' participation in deliberations before the vote is restricted. In many kibbutzim, a smaller number of committees are now operating and those that exist are not as active, and the authority of central office holders is thus enhanced through centralization.

The implementation in the past of the normative model had an important theoretical significance: It showed that organizations can combine a limited hierarchical distribution of authority, a participatory structure of decision making, and an egalitarian distribution of material rewards. It therefore offered a valuable contribution to the contemporary search for post-bureaucratic and participatory patterns of management.

## **SUMMARY AND CONCLUSIONS**

In this chapter, I have discussed three basic issues of kibbutz work organization together with the changes in values, norms and organizational patterns related to them. I have paid special attention to the following changes occurring in recent years.

First, I have discussed the fit between the demands for specific work roles and jobs by the kibbutz occupational structure and members' ability and aspirations. As an alternative to the market system, the kibbutz developed mechanisms for reciprocal adaptation between collective demands and individual abilities and preferences. The economic crisis and its aftermath aggravated difficulties in the functioning of these mechanisms. These difficulties related to growing differentiation and complexity and resulted in suggestions to introduce a quasi-market system, which would transfer responsibility for work choice and for income to the individual member, while avoiding the regulatory mechanism of differential wages determined by the market. Due to the inconsistent and hybrid character of these suggestions, only a few of them have been implemented.

Second I have addressed the issue of motivation, arising from the kibbutz principle of dissociation between members' contribution and their material standard of living. As an alternative to the monetary incentives prevailing outside the kibbutz, different motivational factors were stressed during different periods. In the pioneer period, work was perceived as a value in itself, and motivation was based on ideological commitment. In later periods, social cohesion of the work group was perceived both as a motivating factor and as a basis for internal social control. Gradually the importance of intrinsic work motivation was recognized, and the content of work and opportunities for self realization were seen as central motivators. Following

the economic crisis, arguments were presented that these non monetary motivators were insufficient and that they should be supplemented by limited monetary compensations for overtime, night shifts, and so on. Although few kibbutzim have implemented these suggestions, the demand for the introduction of differential wages has become part of the public discourse.

(3) Third, I described the possible contradiction between the kibbutz egalitarian and democratic values and the functional requirements of efficient work organization and management. In the past, the prevailing assumption outside the kibbutz was that a hierarchical and bureaucratic structure was the most efficient response to the functional requirement of industrial management. Contrary to this assumption, findings in kibbutz industry showed that the plants which conformed more to the kibbutz normative model of participatory management were economically more efficient.

The normative organizational model of kibbutz industry was based on a limited hierarchical authority structure combined with equality in the standard of living, rotation in managerial roles, formal and informal participation in decision making, and integration in the overall democratic kibbutz system. In the past, significant differences in the implementation of this model were found between plants employing mainly kibbutz members and plants with many hired workers. The recent sharp increase in the percentage of hired labor in industrial plants is creating problems for the future implementation of the normative model. Meanwhile, there is no evidence of positive economic outcomes resulting from employment of hired labor or the introduction of more hierarchical patterns.

Industrial society presently questions the suitability of the bureaucratic model for new technologies, for a more educated work force, and for demands for more-flexible organizations.

These changes outside the kibbutz, leading to models with some similarities to the normative kibbutz model, might also have an impact on the future kibbutz model — similar to the impact that external management patterns have had on current changes in the kibbutz.

Finally, I have discussed the shift from a value-based collectivistic concept of work toward a more instrumental and individualistic concept. In the future, contradictions could arise between individual aspirations toward self-realization and instrumental economic forces.

In the organization of work (as well as in other areas), the kibbutz is in a transition period. While there is a weakening of the kibbutz alternatives to monetary incentives, to the labor market system, and to bureaucratic management, there is also strong reluctance to accept the "conventional" patterns — patterns that are also being questioned outside the kibbutz. The outcome is a search for pragmatic solutions that have mostly a hybrid character, combining components of opposite social and economic governance systems. These hybrid solutions are sometimes inconsistent, and in the long term, it will probably be necessary to make a choice between contradictory directions. This choice will be part of a more general effort to redefine the identity of the kibbutz.

For almost a century the kibbutz has illustrated the feasibility of alternative solutions to the basic problems of work organization. The kibbutz social experiment occurred under rare conditions of new land, homogeneous small communities, and a mostly agricultural economy. Nevertheless, it seems that the lessons of this experiment might also be relevant for the high tech, postindustrial, complex societies and economies of the future.