

## Chapter 3

# Unravelling Purpose

Deliberate action is a good place to start understanding values. Values and ethics can seem so impenetrable and mysterious on their own. By contrast, deliberate action is straightforward and fundamental. Working with values means thinking about what is important when doing something, and being ethical is about recognizing obligations in action. Of course it is not the mechanics of action that are of interest, but the purposes driving the action.

Purposes not only say what is going to be done, they explain why it is being done. Purposes need to be made explicit for both practical and ethical reasons.

Sometimes a purpose is pursued in order to realize an ethical urge directly. But even if the ethics of the matter feels subsidiary, the action, and particularly its purpose, can always be challenged. When this occurs, we attach the utmost significance to where responsibility lies for deciding the purpose. So, although purposes may be left implicit in everyday life, we must make them explicit in organizations and public affairs.

### CONFRONTING CONFUSION

Anthropologists, cyberneticians, psychobiologists, psychologists, philosophers, theologians and others have studied the underlying nature and origin of purposes and goal-oriented activity. However, despite their efforts, no coherent and usable understanding of purpose is generally accepted. In the absence of agreed definitions and theory, numerous synonyms for purpose have emerged, each with its own imprecise uncertain nuance. Such a state of affairs is confusing.

But not so confusing as abstruse philosophical debates about whether purpose has any reality. Such argument evaporates in the face of the practical knowledge that human activity collapses utterly if purpose is absent. Nowhere has this been more evident than in the running of organizations. Here, purposive terms have proliferated — end, goal, object, intention, aim, policy, vision, strategy, direction, plan, mandate, objective, target, task. What each of these terms means is often made clear by the context. But why are there so many terms? If many are needed, what might each mean?

What *should* each mean? The meaning really does matter in those cases where the context is ambiguous or the responsibility onerous. In such situations, terms tend to be used in a defensive way that impedes achievement and distorts or diffuses responsibility.

This is the place to explain that the term purpose will be used to refer to a *statement which specifies a future state of affairs in order to help bring it about*. An explicit purpose should be distinguished from a person's inner experiences. A person's *stated* purpose may or may not be supported by an *inner* experience, like desire or interest. These inner states are best regarded as forms of motivation. So motivation is an inner experiential drive. It is conceptually distinct from purpose which is about an end state in the outer world.

In practice, however, motivation and purpose are invariably linked. Motivations are activated, developed and harnessed through some conception of an end state. Without a clear purpose, personal energies lie dormant or operate chaotically. Without motivation, purposes are empty words.

The relation between a person's own purposes and those of any organization or society with which he is involved has preoccupied sociologists, social planners, economists, policy analysts, political thinkers, and organization theorists.

The inter-dependency of purposes, people, organizations and society is marked. People have purposes and motivations, whereas organizations have purposes and people. Societies have purposes, people and organizations. Societies need organizations to achieve things, and organizations need people to set and pursue their purposes. To exist, people need a society. People in complex societies need organizations as vehicles to channel their energies and to pursue particular purposes of their own.

Within organizations, the key to sensible managing, planning and evaluation is explicit articulation of purposes — so practical people like management consultants, systems analysts and programme evaluators say. In designing institutional and organizational arrangements to channel and constrain activity, purposes are

again held to be primary. Organizational structure should, it is characteristically argued, follow from a clear statement of purposes to be fulfilled.<sup>1</sup>

It is a paradoxical situation: the idea of purpose is self-evident to all and the importance of specifying purposes is preached on every side — and yet turning this to practical benefit has been elusive.

Research and everyday observation show that people act unthinkingly, professionals make decisions which contradict their stated values, managers allocate resources in ways which do not accord with agreed priorities, politicians sanction activities which inhibit their strategies, organizations pursue strategies which do not recognise realities, and boards become embroiled in paralysing controversies and disputes. Periodically this perpetual shambles becomes public: either through major scandals like the savings and loan debacle in the US, or the Concorde overspend in the UK; or following the collapse of companies or whole industries previously thought successful, like the motor cycle industry in the UK or consumer electronics in the US. Achievement in many companies occurs despite chaos.

Confusion is capitalised on by gurus of pragmatic management who advocate thriving on chaos<sup>2</sup> — and causing it too. ‘Don’t plan, do!’ the man-of-action exhorts. But this option does not exist for shareholders, or for non-executive members of governing boards, or for consumers, or for governments, all of whom try to point organizations in certain directions. Determining overall values and purposes within which executives must operate cannot be avoided in any enterprise. Setting purposes well is paramount in an organization which desires to succeed outstandingly or in a society which aspires to social progress — or indeed for any person who wishes to have a measure of control over his or her life.

Just because inner functioning and outer reality are complex and sometimes chaotic, the individual’s response needs to be reflective and ordered. If it is not, cooperation with other individuals is difficult or impossible. Whenever cooperation is desired, purposes play a crucial part and serve as a useful tool.

## **Finding a Way Through**

The first task must be to sharpen up the general definition of purpose to help ensure that specifications of purposes are adequate and that responsibility for them is assigned appropriately. But, at this first hurdle, the academic literature stumbles. Such definitions as exist are too limited, and issues of responsibility are usually ignored.

Tautologies are sometimes proffered: “An objective may be defined as any aim or goal”.<sup>3</sup> Good, but what is an aim or goal? The most sophisticated philosophical approach suggests three types or levels of purpose: goals which are actions, goals which direct action, and goals which enable self-determination.<sup>4</sup> The more popular social science approach calls for a two-level classification into either goals vs objectives, or objectives vs goals, or purposes vs goals, or purposes vs objectives.<sup>5</sup> One of the two is then said to be: general, abstract, non-achievable, vague, enduring, widely applicable, high level, ambiguous, and non-quantified. This description is used to distinguish it from the other opposite type of purpose which is said to be: specific, low level, part of given situations or activities, quantifiable, the results of action, concrete and time-limited. Purposes of the former type are assumed to set the context for purposes of the latter type.

The idea that there are two (or at most three) levels of purpose as described above is a simple and immediately appealing one. Unfortunately, it does not fit reality very well. For example, the upper level goal which set the overall context of the American space effort in the 1960’s was anything but abstract or vague. What could be more specific and time-limited than ‘to put a man on the moon and return him safely by the end of the decade’? Another problem found in practice is that each level mixes together obviously distinct sub-types of purpose. Turning to the American space effort again, one can identify other overall or contextual goals such as ‘to boost national pride’.

Lower level tangible objectives are also not homogeneous. A variety of specific answers of increasing generality can always be given when the purpose of any activity is examined. A builder, say, is simultaneously aiming to lay a number of bricks that afternoon, and aiming to build a wall that week, and aiming to complete a house extension over the coming months. Another distinction within the lower level is between goals as a set of specific targets and an equally specific goal defined by ordering or prioritising these targets.

The aim of my investigations in the early 1980s (as described in Ch. 2) was to find a way out of this confusion by providing useful and precise definitions of the basic notions of purpose required for organized activity of any sort. I wanted to clarify these definitions by relating them to each other and to aspects of organizational structure and management practice. The set of levels of purpose which emerged had, to my surprise, explanatory power far beyond these confines.

The levels of purpose form the framework which organizes the whole argument of the book. There are five levels concerned directly with deliberate action,

and these will be described in this chapter. As my attention turned to handling purposes within society, it became evident that two further levels of value-based purpose were needed to complete the framework. They are described in Chapter 4 in detail.

After introducing and over-viewing the lower five levels of purpose, each level is described in detail with examples. The chapter closes with more examples of how purposes are mishandled in organizations.

## INTRODUCING PURPOSES

The basic proposition is that organized social activity requires the articulation of exactly five discrete and specific notions of purpose, and that these types of purpose are hierarchically related. In other words, each type of purpose implies and depends on the types at higher and lower levels in the system. This contextual arrangement is both conceptual and practical. In organizations, for example, it aligns with distinctive social structures which carry responsibility for setting the different types of purpose — and the relationship between these bodies is also hierarchical (see Table 3.7).

The *function* of the hierarchy is the articulation and promotion of social values and their progressive translation into actions in the world. Presumably the hierarchy of purpose evolved to reflect in some fundamental way the relationship between man's inner world of aspirations and preferences and his outer world of action upon people and things. The hierarchical theory emphasises discontinuity in the varieties of purpose. It shows how in society and in large organizations the balance of concern between what is desirable and what is feasible necessarily changes as one moves from aspiration towards implementation.

Something must be said at this stage about values and about action. For the moment, a value can be taken to refer to a sense of importance which can be articulated. So a value acts as a basic criterion for choice as to what is desirable or worthy. Values are produced by the act of valuing something: a person or object (e.g. a mother, a car), an idea (e.g. risk, clarity), or an event or activity (e.g. celebrating, smoking). Once created, values are the prime motivating forces within individuals and societies. It might be argued that values, strictly speaking, are not themselves purposes. But values can be articulated in purposive terms and values certainly originate purposes. So the study of purposes leads one inexorably to values and, as we shall see, the study of values leads one equally inexorably to ethics.

Action may be defined as any directed alteration of the social or physical world which involves the exercise of power and judgement as to feasibility. Actions,

though not themselves purposes, are the embodiment of purpose, and the final common pathway for the realization of values. The key element of action is the decision point when commitment is made. Whether or not the process is explicit, purpose is expressed in the act of deciding. Values are realized through decisions, and so decision may be defined as the application of value to action. Any framework for purpose is therefore a schema for decision-making. Ethics must ultimately involve decision or action if it is to have any concrete reality, so ethics must be rooted in purpose; and the framework of purpose, if valid, ought to provide an insight into ethical choice somehow.

**Types of Purpose.** The names of the five action-related levels of purpose in logically descending order are: *social value* (L-5), *principal object* (L-4), *internal priority* (L-3), *strategic objective* (L-2), and *tactical objective* (L-1). Social values give the most open and abstract direction for action while tactical objectives refer most specifically to tangible actions. Although there are numerous synonyms for purpose, some of which seem to be level-specific, I will be using my terms throughout unless the meaning is self evident (see Table 3.1). General labels like goal, purpose, end and objective will be used when the issue of level is not relevant or when the type of purpose is clear from the context.

It will become rapidly evident that social values, principal objects and internal priorities are described equally accurately as statements of value or as statements of purpose. So the framework demands consideration of values, and places value choice as the driving and steering force in any activity.

Distinctions between the various levels (types) of purpose have important ramifications in the personal, organizational and social sphere. Developing, using and evaluating purposes at each level is characteristically different. Each type has distinctive psychological correlates and generates characteristic forms of responsibility. Finally, each relates differentially to the tangible world of action, time and resources.

In introducing the ideas, the focus will be mainly on activities and organizations — rather than on personal life, public institutions, social judgements, or societal development — because the need for clarity about purpose is most easily understood in that context. (In Ch.s 4 and 5, a wider perspective is taken; and much more will be said about using purposes and values in Ch.s 10, 12 and 13.)

## Translating Values into Action

The framework will be introduced by running through the five levels to demonstrate the fundamental

**Table 3.1: Common synonyms for purpose.** The synonyms below are some of those used by managers and found in the literature. The general terms are regularly used at all levels. The items in italics are given specific definitions elsewhere in the framework.

<b>General terms</b>	Purpose, objective, goal, aim, end, <i>policy</i> .
<b>L-5: Social value</b>	Value, social goal, basic value, banner goal, core value, <i>ideal, need</i> .
<b>L-4: Principal object</b>	Overall aim, primary task, function, service, brief, terms of reference, mandate, <i>mission</i> .
<b>L-3: Internal priority</b>	Criteria, important objective, political aim, emphasis, focus, reason.
<b>L-2: Strategic objective</b>	Option, outcome, achievement, deliverable, choice, <i>plan, direction, vision</i> .
<b>L-1: Tactical objective</b>	Activity, task objective, operational objective, immediate result, tactic.

proposition that the hierarchy is about the orderly translation of values into action. The main properties of the levels in relation to action and organization are summarized in Master-Table 1. See Table 3.1 for common synonyms. See Tables 3.2 and 3.3 for illustrative examples.

**L-5: Social values** are freely shared purposes which specify needs within a particular community. These values leave open the possibilities for action to meet the needs. Social values express an actual or potential value consensus of the particular community within which any activity or organization is to be found. Responsibility for developing social values belongs to this context, usually called: wider society. Social values can be stated in a form like: “We all need and want ..X..”. X might be ‘to improve communication between people’ or ‘adequate housing’ or ‘treatment for illness’ or ‘reliability’. Such values are not specific to any particular project, cannot be used to distinguish an organization, and do not indicate what action is required. Nevertheless enterprises would not be allowed to exist within a community, and activities would not be socially supported, if they did not in some way meet social needs. Social values imply action, but are too general to guide practical engagement with reality. Purposes must be set which delimit the possibilities for action.

**L-4: Principal objects** are purposes which are activities defining the identity of an endeavour. The purpose indicates what is to be achieved overall and implies a range of related activities valued because of their contribution to the endeavour. So principal objects define a value consensus within any organization or project. Responsibility for setting principal objects belongs to the person, group of people or social body which owns the endeavour or constitutes the enterprise. The typical format here is: “This entity is set up to....X...”. In relation to the social value of improving communication, X might be (say) running a drama

workshop, providing speech therapy, or publishing a newspaper. Once principal objects are determined, it is rapidly discovered that there are not enough resources — money, attention, skill, time, people — to do all that is implied by it. Difficult choices must be made, but this requires purposes to be set at a lower level where the principal objects can be taken for granted.

**Consensus and Conflict.** Before describing the remaining types of purposes, it is worth noting that social values and principal objects form the levels of consensus, beyond and within an organization (or organized activity) respectively. So they need to be relatively stable over time. Changes here disrupt people and interfere severely with achievement. By contrast, the remaining lower levels contain purposes which must be easily modified, even replaced, as circumstances and values alter and as progress occurs.

Wherever there is change there will be choice, and where there is choice there is a potential conflict and tension which must be resolved. The conflict around internal priorities (L-3) centres on which of different valid values should be most emphasized. Around strategic objectives (L-2), conflict centres on what actions best meet those given values. Around tactical objectives (L-1), conflict centres on which actions should be chosen out of many possibilities. Priorities steer and control changes in outcomes and actions, while strategic and tactical objectives provide for implementation of the changes.

**L-3: Internal priorities** are purposes which specify degrees of emphasis amongst valid values or actions for immediate use. They clarify relative preferences within activities expected or permitted by the principal objects, or among relevant social values. In doing so, priorities resolve conflicting views and steer or govern choices and outcomes within a particular endeavour. Bodies responsible for weighing up the application of values in making a choice, judgement or

assessment are known as boards. In formally constituted organizations, boards may be known as governing bodies, committees, councils, or authorities. The typical format here is: “X is more important than Y, Z,... now”. X, Y, Z,... may be social values (e.g. ‘in our publishing business, entertainment is more important than education’) or options for action (e.g. ‘a marketing drive is more important than designing another service’). Priorities are inherently quantitative because they imply a degree of emphasis. For this reason, they can and should be linked to resource allocation, a feature that sharpens their controversial aspect. Internal priorities orient action within the principal objects, but in themselves identify no outcome. For this, purposes are needed at a yet lower level closer to tangible realities.

**L-2: Strategic objectives** are purposes which specify a desired feasible outcome which maximizes impact. They specify a worthwhile direction for progressing the main activities defined by the principal objects. The objective must resolve conflicts between given value assertions and the demands of action in the situation. A strategy is formed by elaborating strategic sub-objectives. Setting strategic objectives and associated strategies is the responsibility of top officers. The typical format here is: “The situation (or need or problem or opportunity) as we see it is ..A.., and over the coming time period (t), we need to ..X; and this means doing ..Y, Z,..” Realisation of any strategy (X via Y, Z,..) involves a fine adaptation to the minutiae of circumstances as they evolve. Such adaptations are pure means and their purposes are to be found at the lowest and most tangible level of the hierarchy.

**L-1: Tactical objectives** are purposes which specify precisely, often quantitatively, a tangible result to be produced to a time deadline as a step to a desired outcome. Tactical objectives must resolve conflicts between alternative courses of action, each of which might well eventually produce the desired outcome. Executants (employed staff in firms) are responsible for

setting these purposes. The standard format is: “X is to be done by T, so as to achieve Y”, where X is the concrete result, Y is a strategic objective or part of the strategy, and T is a time which is days, weeks, months or years ahead. Tactical objectives specify definite, concrete and unambiguous tasks or targets, and are the immediate generators of any action. Specification of a series of linked tactical objectives and sub-objectives ensures progress of a strategy.

There seems to be no logical room for a further and still lower level of purpose. Action itself may be analysed further into its component elements, and eventually described as the result of moving particular limbs and neurophysiological processes. However, the notion of purpose in any meaningful psychosocial sense is lost.

**About the Hierarchy.** The hierarchy as outlined provides a coherent and consistent language for the clarification of objectives. The synonyms in Table 3.1 have been culled from fieldwork and the literature, and are not defended. Some are more appropriate than others. In some cases, the synonymous terms will be used and defined elsewhere in the framework with a related but distinctive meaning. Table 3.2 shows how a similar purpose is subtly but unmistakably altered as it is used within different levels.

The hierarchy applies to personal action and to action by part of an organization, as well as to organizations as a whole, and to governments. Table 3.3 illustrates its use with two hypothetical examples: providing refuse collection services in the UK and choosing a family holiday.

Before moving on, two caveats are called for — and these apply to hierarchical structures throughout the book. First, although exposition of the hierarchy necessarily proceeds systematically, it is not imagined that the real world ever does or always should operate in such an orderly fashion. Second, although the numbers attached to the levels have significance, this does not mean that

**Table 3.2: Effect of context.** It makes no sense to ask: what sort of purpose (or value) is ‘efficiency’ or ‘caring for children’. The frame of reference and the function being served need to be known to determine the level of purpose. The frame and function are usually evident in the wording of the purpose. The Table illustrates how the search for efficiency leads to slightly different statements at each level.

L-5: <i>Social value</i>	Our society needs efficiency in its enterprises.
L-4: <i>Principal object</i>	A working party is being set up to improve efficiency.
L-3: <i>Internal priority</i>	Efficiency is not as important as safety in our current programme.
L-2: <i>Strategic objective</i>	The outcome of this initiative must be an efficiency gain of 10%.
L-1: <i>Tactical objective</i>	A 10% efficiency gain by March will release space for phase 4 of the plan.

**Table 3.3: The progressive specification of purposes.** In most cases, there are many relevant purposes in each level. Often purposes at the various levels are developed around a unitary principal object or a single social value as shown below. In family life, it would be unusual for all these steps to be orderly formulated. However the control of any large scale enterprise generally improves if a systematic and explicit approach is adopted.

Type of Purpose	Public Service Example	Family Life Example
L-5: Social value	We all need and want a clean and hygienic environment.	We all need and want relaxation and variety.
L-4: Principal object	Local Government will ensure that domestic refuse is collected.	We will take a holiday this year.
L-3: Internal priority	Refuse collection will be contracted out to private firms despite the views of Council staff.	We will go to the beach as the children prefer — not go skiing as father prefers, or visit ruins as mother prefers.
L-2: Strategic objective	Over 2-3 years we will contract out services ensuring no redundancies and providing retraining for those wanting it.	We will go to the Mediterranean in May for 2 weeks, staying on an island with ruins, and spending up to £2000.
L-1: Tactical objective	Tender documents will be obtained for Phase 1 by March 31st.	The flight will be booked with a travel agent by the end of January.

any level is intrinsically better or more valuable than any other level. All levels correspond with necessary things in the social world, so each is important. In this type of hierarchy, each level is implied by and implies the other levels. So considering a purpose at just one level in everyday life does not deny the existence of the others. Purposes at the other levels are hidden (or enfolded) within the identified purpose. If the need arose, those purposes could be easily elicited (cf. Tables 3.2 and 3.3).

**Properties.** We can now move on to discuss the qualities of purposes at each level in more detail. A similar schema will be followed for each, starting with social values. First, the essential *nature* of the level will be established by elaborating the definition together with common synonyms for the level and some illustrative examples. Some of the *uses* or functions of the type of purpose will then be noted. An extended example is included to illustrate the severe dysfunction that results from the complete *omission* of a type of purpose. The way *motivation* manifests at each level is also briefly explained.

The *responsibility* for setting each type of purpose within organizations is noted here, but only in passing. (A fuller account of what this responsibility should mean in enterprises is provided in Ch. 12 (G-5); and an account of what this responsibility should mean for each person is provided in Ch. 10 (G-1).) The approach to

*evaluation* of each type of purpose will also be summarised. Evaluation in this context is necessarily prospective. It judges the appropriateness or desirability of the purpose. (Retrospective assessment of effectiveness and efficiency usually takes the appropriateness and quality of purposes for granted.) Finally, criticism of each form of purpose based in its *limitation* in producing tangible achievement leads on to the next lower level. (In Ch. 4, the hierarchy is presented from tactical objectives upwards, and the limitation is then noticed in terms of the incorporation of value.)

## L-5: SOCIAL VALUES

**Nature.** Social values express needs to be met within a specific community. The fulfilment of these needs crosses many discrete areas of activity. So social values can be applied very widely. For example, the same social value may be equally held by people, organisations and state institutions. Examples include such grand abstractions as ‘to allow diversity of choice’ and ‘to develop human potential’ — these are sometimes called fundamental values. Other social values seem more specific e.g. ‘to care for the sick’ and ‘to maintain the safety of the streets’ — these tend to be called basic values or simply values. Because such purposes express a consensus which binds a social group, they have been called core values and focal values. Because they are essential, they are often thought of as social needs.

Organizations sometimes refer to their social values as their fundamental objectives. For example, a university might claim to exist in order 'to create a more informed society'. Organizations must choose such purposes because they humanly justify and socially legitimate their existence. However, organizations cannot own this sort of purpose. A precisely identical social value may be pursued and valued by many varied organizations. In the university's case, an advertising agency and a computer firm might claim exactly the same fundamental objective. In other words, no activity, project, institution or organization can be distinguished adequately simply by a social value.

Social values can never be achieved as such, but are rather to be felt and expressed at all stages of the process of achievement. For this reason, firms have taken to referring to social values as their philosophy — which they distinguish sharply from their principal objects or corporate priorities or strategies.

**Elswick Business Philosophy:** In essence, the philosophy of Elswick involves (1) putting the customer in the forefront of their thinking, (2) providing high quality products at reasonable prices, (3) being ethical, (4) treating staff well, (5) maintaining an open inquiring attitude, (6) developing the organization by helping staff develop, (7) being aware of the social environment, and (8) doing better than others. Note that from this philosophy it is impossible to recognize what business Elswick is in. Elswick recognized the banner quality of these values by describing each purpose in simple memorable phrases. (1) was 'The customer provides our livelihood.' and (5) was 'There is no substitute for the facts'. Although widely held, these social values are not universally appreciated. Many people, for example, do not place great value on factual inquiry. The goals also bear a temporal stamp: several would have been irrelevant fifty years ago, and more modern social values like concern for the physical environment are not mentioned.

Ex. 3.1<sup>6</sup>

Social values are always freely sharable and, usually, but not necessarily, widely shared. The active sharing of social values generates a sense of community. Communities are modified by those people, usually few at first, who recognize new needs. The wider the social value is shared, the more socially pervasive it becomes, and the greater its influence over activities and organizations. The more valued and accepted an organization wishes to be, the more it must tune its social values to those characteristic of society as a whole.

**Uses.** Social values determine the shape of what is personally and socially possible. They exist as a potential and can never be fully grasped, possessed or realized. Social values may seem to be very distant from implementation. However such purposes are the most tangible justification for activities and one of the

great integrating forces in society. Reluctance to specify social values and to pursue action in their terms tends to fragment, de-emotionalise, and depersonalise achievement.

All human perception and action is impregnated with and modified by social values. They infuse lower levels, and make work intrinsically meaningful and socially justifiable. Social values generate much of the goodwill and cooperation required by any social endeavour or institution. The very survival and growth of organizations is underpinned by them. As well as providing a value context for an organization's principal objects, social values ease links between organizations and provide a common basis for negotiation and cooperation.

People use social values to harmonise their work-life with their social life and private life. For example, a person who values art might seek work as an art auctioneer or as a teacher of art history. In her spare time, she might visit art exhibitions, read books on the subject, or paint.

Established social values support decisions at lower levels without argument. For example, efficiency and economy are social values which may be directly applied in businesses to justify decisions in a myriad of situations.

Social values are inherently motivating and vitalising, and so they serve as a rallying cry for joint effort and spark developments and innovations. They are to be found supporting missions and approaches, powering ideals, crusades and campaigns. They are also used to create a vision, define a culture and drive growth.

A deliberate focus on social values is usually needed if a major re-orienting of community effort is desired. For example, doing something about pollution of the environment by industry requires no less than a sea-change in attitudes. Concerted and effective action will only emerge when protection and preservation of the environment becomes established as a need for each and all in a community. Formal and informal social pressure will then force commercial firms and public agencies to take the value seriously.

**Omission.** If social values are not alive and widely subscribed to, morale withers and apathy and futility develop. All practical efforts become undermined, and cynicism develops.

**Neglect of Patients:** After an incident of maltreatment in a mental hospital had been reported in the press, I was invited in to devise a better management structure. However, it soon became clear that the publicized abuse was part of a much wider neglect. The facilities were poorly decorated and overcrowded. Medical staff were few and rarely in evidence. Occupational therapists and other professionals had not been recruited even though

money had been allocated. A variety of corrupt practices such as dishonest signing on and theft were known to occur and were tolerated. Clearly, a better management structure was not the immediate need, because a good nurse manager would avoid the place. The major problem seemed to be a general sense that no-one cared about the staff or the patients, and that this was going to continue. An explicit and public statement by the Authority and its top officers with high media coverage saying that 'we really care about the mentally ill' was required. This would, of course, need to be backed up by further action. In the event negative public attitudes meant that the social value was neither affirmed nor pursued for some years.

Ex. 3.2

**Motivation.** Inner (psychological) need is the motivational correlate of social value.<sup>7</sup> For example, the inner need for safety drives pursuit of social values like 'safe streets', 'safe houses', 'safe cars', and 'safe working environments'. Not surprisingly, need or social need is frequently used as a synonym for social value. Inner need like social need is interpersonal in character, and people experience their inner needs as common to all.

Needs, like those listed above, are all goods. Experience of an inner need, like recognition of a good, is associated with the sense that failure to meet that inner need, or supply that good, will lead to harm. So inner needs — for food, for education, for health, for possession, for housing, for nurture, for kindness, for work, for mutuality — serve as the essential personal basis for participation in any community, activity or organisation. The freedom to pursue what is self-evidently good for each and all is equivalent to the freedom to realize social values. So inner need governs the open-ended development of identity.

Needs like social values do not lead to a practical and direct engagement with reality. They have an experiential quality and are recognized by intuition. One reason why so many business philosophies are so trite is that they have been produced by imitation rather than by reflection. A sustained intuitive exploration is required to recognize the deep relation of social values to the needs of any firm and its successful operation.

It is possible to refuse to recognize and respond to an inner need. But inner needs, again like social values, are essential to engage experientially and emotionally with reality. So people (or firms) that ignore inner needs and fail to recognize necessary social values become cut off from their inner self and cannot fully integrate into an activity or community. At the extreme, their survival is put at risk. The discovery of inner needs and corresponding social values occurs in an evolutionary process which is recognized as self-development and social progress.

**Responsibility.** Unlike lower level purposes, social values are realized through participation in action as much as in any eventual outcome. So each individual is responsible for recognizing and pursuing social values at all times. The pattern of human goals chosen ultimately determines the type and quality of any person or organization or society, rather than what it will actually do. It affects the degree of commitment to action, but does not indicate what the practical consequences will actually be.

Social values are typically specified in the founding documents of enterprises as part of the rationale for their creation. They appear in mission statements, significant speeches, press releases and other morale-boosting exercises within the organization and without. Sometimes they are called banner goals as a reminder that these purposes may be written on banners, placards, or posters and held aloft to epitomize the desires of popular movements and social crusades. People can endorse such goals without having to sign up to anything.

Social values, in all the various examples, are set neither by those who use or benefit from them nor by those who propose them. Nor are they formally set by any social body. Instead, they emerge within society over time and become eventually taken for granted as they are accepted and endorsed by people, groups and institutions. In other words, responsibility for social values is diffused in any society. A new social value only comes to be understood and pursued after it has been urged and affirmed by many sources in a wide variety of settings.

**Evaluation.** Social values, once accepted, are held to be self-evidently valuable to those involved. They are simply good. Disagreement with them seems deeply mistaken, unreasonable or even perverse. Paradoxically, all social values are equally good, and each appears to be most important from its own perspective. To compare the goal of health and the goal of learning is pointless because both need to be pursued. Health will not be realized if we lack knowledge, and knowledge will not be developed and used if we are ill.

For any organization, the first evaluative question is whether an explicit set of relevant social values has been defined, and the second is how well these fit into the context of wider society. The relevant wider society with which accommodation must be reached is somewhat different for each individual. So social values proclaimed by different social groups or organizations do vary. However, as long as an action orientation is maintained, any social value that might be socially useful may be proclaimed without any sense of contradiction. Thus



a firm may, without cynicism, proclaim that its goal is both ‘to increase efficiency’ and ‘to provide employment’, irrespective of whether it cuts jobs to reduce costs, or allows over-manning to avoid strikes.

**Limitation.** Although social values generate and imbue all activity, they do not determine action and they are not distinctively recognisable in action. In fact, it is impossible to get anywhere with social values alone because they leave all options for action open. They can seem vacuous and platitudinous truisms — nothing more than hot air. Such criticisms can be overcome by pursuing a more limited but practical engagement with reality. This requirement is met by determining and organizing a bounded activity. This means moving down the hierarchy to articulate a different sort of purpose.

#### L-4: PRINCIPAL OBJECTS

**Nature.** Principal objects refer to purposes which are the identity-defining of an endeavour. They specify, demarcate and give value to a range of specific activities. As a result, principal objects enable the social identification of enterprises and organizations, and provide them with a degree of autonomy and individuality. If a whole organization is being defined, the principal objects tend to be referred to as general aims or overall goals. Where the activity is within an organization, the principal objects tend to be called the function, service or role. The principal objects of a working group or project or post are often labelled as the brief, mandate, terms of reference or primary task.

Principal objects define the boundary of an enterprise or activity, and hence clarify its distinctiveness from the social or organizational environment. They explicitly define or directly imply the what, how and who of pursuing social values. So principal objects which set up new organizations are of public significance.

In all cases, the principal objects consist of a set of stable objectives which define, categorize or type an ongoing desired activity. They clarify the rationale underpinning everything which goes on within the organization, department, working group, or project. Activity which is outside the limits set by principal objects is described as *ultra vires* and, however well motivated, is prohibited.

Because principal objects define a type of activity, any task can be usefully conceptualized as having a principal object. If the task is complex, it calls for internal prioritization, and requires strategies and tactical objectives for its fulfilment.

**Uses.** The statement of principal objects, i.e. ‘the business we are in’, is the *raison d’être* of a particular organization. It serves as the terms of reference for more specific lower level purposes, and provides the foremost justification for these within the organization. Implications for action that emerge from the principal objects typically define the organization in a fundamental way. For example, the principal objects might specify (or clearly imply) the desired degree of impact on society, general personnel requirements, some technical approach to be used, or a type of programme to be pursued. The principal objects also provide some broad indication of the resources required for achievement. The ‘man on the moon’ endeavour mentioned earlier is an example where such specifications were evident.

A principal object is the first practical and organized step towards realisation of a social value. So it must be sufficiently valued within the wider social context. Only if this is so will people’s support and commitment be captured, and some of the financial resources of the community be obtained. By bringing related social values and principal objects together, a powerfully motivating mission can be defined.

Pursuit of the principal objects needs to be built upon a distinctive competence. So their determination and assertion form one of the bases for leadership. Principal objects need to be specified to identify roles, to organize operations, to steer developments, to focus crusades, to guide campaigns, and to launch initiatives. Without them, people find progress impossible.

Unambiguous principal objects are needed to professionalise an occupation and develop a discipline. For example, public health and occupational therapy are two disciplines which have been often passed over in the NHS, partly due to confusion about their precise contribution.

**Occupational Therapy:** Occupational therapists in the NHS have complained about shortages of skilled staff, diffuse boundaries with other professions, lack of professional leadership, and management from without the profession. In consultancy with some of its leaders, we asked for a statement of what distinguished occupational therapy work i.e. what are its principal objects? Several unsatisfactory answers were proposed including: maximising a patient’s independence — but this is a social value shared widely within and without the health service; sensitivity to the patient as a whole — but such holistic care is a value system, again shared by others in a variety of professions; assessing patients’ needs or rehabilitating patients — but these are ways of working shared by many professions. Eventually we clarified that occupational therapists have distinctive knowledge about what activities will help a patient overcome their particular mental and/or physical disability in their environment. Their distinctive practice is to organise a multiplicity of

social and work-related activities for people with disabilities to ameliorate these or prevent deterioration. If occupational therapists themselves do not know and value their own distinguishing purposes and competencies, others are unlikely to.

Ex. 3.3

**Omission.** If projects lack clear principal objects, or if such statements as do exist are out of date, then they achieve little and slowly wither. Departments or other subdivisions of an organization, whose survival is assured despite lack of clarity about their functions, become a debilitating drain on the whole. When an entire organization lacks principal objects, it has increasing difficulty in developing any distinctive competence. It then meanders vaguely in the social stream, inappropriately following different paths of development until it loses its way and is taken over or crowded out by more determined competitors. In a grant-aided institution, the consequence may be progressive fragmentation, inability to recruit staff and loss of morale.

**The Confused Research Institute:** An Inter-disciplinary Research Institute in a University was set up and led by a powerful Director for many years. He not only brought in most of the finance but impressed on the Institute his own distinctive conception of what it was there for. Members of the Institute largely accepted his interests and methods or left. When the Director retired, the University, which had no defined commitment to the Institute as a separate structure, designated an acting Director. The various small groups of researchers felt leaderless, but they resisted pressures to close down the Institute. Although the desire to work within an interdisciplinary structure remained, the researchers now lacked a unified sense of exactly what the Institute should be doing — what was within its remit and what without — and no higher body felt able or willing to take on this responsibility. As a result, lines of research began to diverge, and a variety of new links with outside agencies were set up. The subgroups worked hard to devise their own principal objects which broadly harmonized, but did not generate synergy. However, no-one could draw on the total strength of the Institute. The sense of a collective purpose weakened and negotiations with the environment became largely reactive. Inevitably the University decided to close down the Institute as a distinct entity despite objections from the members and their continuing receipt of funds. Members, with their funds, were expected to move to other departments or to leave the University.

Ex. 3.4

**Motivation.** Participants in any endeavour must commit time and energy, and a principal object is an important instigator of their motivation. Many activities may be conceived to meet a particular social value, but the ones eventually pursued by a person are those which accord with their own interests. Interest is therefore the type of motivation that corresponds to principal objects. Participation needs to be voluntary if interest is to energize someone effectively. In short,

personal interest in the principal objects ensures voluntary participation above and beyond any contractual obligation.

To pursue principal objects, you need to make a positive commitment to all activities implied by them. From a personal perspective, many necessary activities are not particularly desired or enjoyed. Just think of the bureaucratic or menial demands in your own work. But interest in the principal objects and commitment to them carries us through the boredom or active dislike of such drudgery. In the same way, an organization's objects help different departments cooperate. For example advertising and editorial staff must recognize each other's contribution to the final production of a magazine, however irritated they may get with each other's proposals in the process.

Interest is a personal and private form of motivation. So commonality cannot be as readily assumed as in the case of needs. Interests are rooted in ideas. A genuine commonality of interests allows people to associate, share ideas, and then define and pursue a principal object jointly. Each person feels sustained by the idea of the object.

**Responsibility.** Because principal objects give an identity to organizations, they may be, and often must be, embodied in publicly available documents — legislation, a constitution or charter, memorandum of association or similar. The documents are requisitely agreed and sanctioned where possible by a constituting body defined by the principal objects. For a firm, responsibility officially lies with the company shareholders. For voluntary bodies, it lies with the formally or informally constituted association of members. For public agencies, the legislature is responsible on behalf of the public. Shareholders, members and legislatures feel under different obligations and so it follows that the detailed objects of a school, say, will vary according to its type of constituting body.

When the only way to incorporate was to obtain a Royal Charter, organizations were able to undertake any activity at all. This absence of principal objects prejudiced the interests of members and creditors, and subsequently laws were passed which prohibited incorporated organizations from operating without specifying their activities. To enable specifications to last, constituting objects are deliberately drawn broadly. If they are too broad, however, their remit becomes diffused.

**The NHS:** The 1946 NHS Act stated that the aim of the NHS was to promote 'the establishment of a comprehensive health service designed to secure improvement in the physical and mental health of the people....and the pre-

vention, diagnosis and treatment of illness'. This was enough to set the NHS up but not enough to clarify important aspects of its ongoing operation. From its sense of the essence of the NHS, the Royal Commission investigating the NHS in the late 1970s offered more specific principal objects statements including: to provide a broad range of services to a high standard; to provide equality of access to these; services to be free at the time of use; and so on. Each of these subsidiary principal objects statements stands on its own as a defining characteristic of the NHS, indicating what staff in the NHS should expect to be doing and broadly what level of resource is required. A different set of purposes would have created a different organization. The Secretariat of the Royal Commission also identified a 'fundamental overall objective' for the NHS: 'to contribute to the improvement of the quality of life of the individual and the enhancement of his capacity to use his abilities to the greatest possible extent'. This is recognizable as a social value, because it is equally applicable to education services, good neighbour groups, family life and much else besides the NHS.

Ex. 3.5<sup>8</sup>

Objects exist to be owned. If people do not own their endeavours, then they will not be properly committed. Each person can, in principle, accept the responsibility to set up something for himself and make it successful. In business this is to be a sole trader or entrepreneur. Within large organizations, it is desirable to stimulate in everyone some of the initiative and responsibility that each entrepreneur spontaneously accepts. One way this is fostered is through developing mission statements which everyone finds relevant and worthwhile.

**Evaluation.** Principal objects may be evaluated in terms of how realistic they are. There is a charitable association with an annual budget of £1,500 whose object is 'to relieve world poverty': hardly a likely outcome. The distinctive feature of a principal object is that it bounds activity. So evaluation focuses on the quality of that boundary. In the case of the above charity, most would say that the boundary is drawn too widely.

More commonly, the boundary is viewed as being too constraining. As a result, people moan about being shunted amongst numerous agencies, or between departments within a firm. Why, people complain, can't one agency or department deal with all of a person's needs? The answer is that it is impossible in the nature of things. People's needs form a unique inter-linked whole, whereas enterprises set up to meet needs are discrete, partial and limited. Unbounded principal objects are phoney. One building society recently advertised itself with twelve photos of the same man. Under each photo was a different label: your estate agent, your mortgage arranger, your surveyor, your legal advisor, your financial advisor, your insurance

advisor, your pension advisor and so on. One can barely imagine how low the level of expertise and quality of advice must be in each specialist area.

Given well-defined realistic principal objects, it is possible to ask the next question: 'will people be interested enough in these aims to identify with them and commit their energies?' A principal object in which no one is interested is not viable. People evaluate principal objects in terms of their interests and also their social values. The principal objects provide for a consensus on value amongst committed individuals and, as long as they provide the resources, the enterprise will persist regardless of achievement. For example, there are long-standing non-violent anarchist political parties which regularly contest elections but whose membership has never been more than a few hundred. People may mock, but if the objects and consequent activities do not contravene social values and laws, what outsiders think is irrelevant.

**Limitation.** Establishing principal objects is important to frame action, but clearly not enough on its own to determine results. From the outset, it becomes clear that there are very many, indeed too many, possible and desirable ways to forward the principal objects. And there is never enough money, people or time to do everything. It becomes necessary, therefore, to apportion attention and other resources amongst equally valid possibilities for action.

### L-3: INTERNAL PRIORITIES

**Nature.** Internal priorities are purposes which specify emphases among valid competing values or actions applicable to choice in a situation. These emphases are not theoretical or wishful, but apply to a particular endeavour and are for immediate use in an actual situation. Conflicts of view are always to be found about which of many valid actions or which of many relevant social values are most relevant, pertinent, useful or necessary. Priorities, sometimes called policies, are the primary orienting statements guiding operations and implementation. Some internal priorities may persist long-term, but others shift, sometimes very rapidly, in line with changing fashions or circumstances. Because such goals primarily indicate differences of value, they lend themselves to polarisation and easily generate heated controversy. For this reason, they have been called political aims.<sup>9</sup> Being no more than statements of preference, priorities can be sharply focused and expressed in simple language. Internal priorities resolve issues of conflicting value, but any resolution is liable to generate further political issues.

**Political Issues in Local Government:** Internal priorities in local government commonly deal with (a) matters of public concern, like environmental protection; (b) changes in custom and practice in the service organization, like better budgetary control; (c) matters of political ideology, like greater or lesser use of private sector firms; (d) changes in style of delivery of service, like decentralisation of welfare offices; (e) controversial issues which suddenly blow up and receive high media coverage, like re-zoning part of a park for commercial development.

Ex. 3.6

Internal priorities represent the most concrete form of value and so they link directly to resource allocation. Note that priorities may resemble social values in content, but differ in being internal to a defined endeavour or organization, in needing to be applied to an immediate particular situation, and in requiring quantification in resource terms.

Priorities may be set either systematically or in response to a pressing demand. On a systematic basis, allocation of any total resource should accord with priorities (which must add up to 100% as in Table 3.4). Put another way, priorities reflect the distribution of intensity or amount of preference, and resource use is a precisely specifiable and concrete way in which value can be expressed and demonstrated. Resource is often viewed as synonymous with money, but things like goodwill, attention, space, and time are just as important, if not more so, in forwarding particular values. Even if prioritisation of such things has not occurred explicitly or systematically, it is possible to work backwards and deduce priorities from actual expenditure or actual use of time.<sup>10</sup>

Internal priorities are sited at a crucial nexus: the lowest level of purpose which expresses pure value and the highest level of purpose which produces change in ongoing operations. Agreement on principal objects may be assumed and built on to develop morale, but disagreement and contention are to be expected when considering internal priorities. Internal priorities therefore appear as focal points for debates and, in their nature, generate opposition. Alternative choices are routinely generated by the breadth of scope of the principal objects. They also emerge periodically during implementation. As action proceeds, situations develop where different people want a decision to go one way rather than another. Such choices (sometimes called issues or dilemmas) are primarily a matter of value and cannot be decided on the basis of evidence, information or professional expertise. Inevitably, someone or some group loses out to some degree.

**Uses.** All internal priorities take the form of concrete and immediately applicable preferences. In prac-

tice, they appear in many different guises depending on how they are used. They control directives, adapt roles, steer operations, determine the impact of initiatives and developments, focus campaigns, and bring the values of popular movements into businesses.

Internal priorities may allocate finance, may rather silently reaffirm a legitimate expectation, may introduce a risky innovation, may express a subtle judgement of what is best, or may contentiously signal a wholesale re-focusing of operations.

Priorities may be expressed as a systematically developed set covering all the different options for action e.g. a number of services affected by a budget cut may be prioritized and each service told to handle a proportion of the cut related to its priority. Sometimes the emphasis may be on what the resource is being allocated to, rather than on the amount of resource to be allocated. For example, a staff development programme might be highly controversial even if changes in resources allocated are trivial.

Priorities may also be expressed by determining different values to be promoted (rather than different activities or options). In this case, the focus is on identifying criteria or reasons to be applied when choosing. Criteria for new developments in a firm might include: enhancement of safety, cost, acceptability to staff, marketability, and known effectiveness. Eventually all criteria reduce to two superordinate criteria: feasibility and desirability. The act of selecting criteria is clearly controversial, and prioritization of the criteria even more so. For example, in the above list, directors might feel unwilling to give enhancement of safety a high priority if the company is facing a severe business downturn.

Internal priorities may be hidden in the need to come down firmly on one side or the other of a controversial issue. Should a disciplinary appeal be allowed or not? Should a firm encourage its managers to stay local or to move about? Should the City Council build its new offices on commercial or residential land? Should a University expect its academics to concentrate on under-graduate teaching or to take on a wider educational role in society? In all these cases, the rejected side, still requires some consideration and resource. So issues here are never as black-or-white as they are so often presented.

In publicly funded services, open debate to expose the values inherent in issues is accepted as important. By contrast, in firms, in professional or academic organizations, and in voluntary associations, power and politics are dirty words. The cultures in these bodies too often allow avoidance of matters which really need to be faced and gripped.

**Omission.** If internal priorities are not set when they need to be, there are interminable overt or covert struggles to determine where effort and resources should go. In such circumstances any decision, resolutely pursued, may be better than none. Alternatively, the controversial choices are suppressed and a strategy is released as if it were self-evidently reasonable or determined by data or technology.

**Research and Development:** The Chief Executive of a large chemical firm brought in management consultants to help develop an R & D strategy. Chief scientists in each division were invited to discuss their desired developments with the management consultants. When the consultant's proposals were presented, there was an uproar. The consultants had conveniently ignored sensitive political issues. The general approach to research and the firm's strategic alliances with other international firms, notions which permeated the proposals, had not been discussed, clarified and resolved with the scientific chiefs. Also chiefs resented that the resource constraints were only made clear afterwards. As a result, some extensively discussed developments could not go ahead. Many research staff felt disappointed, even betrayed. **Ex. 3.7**

A common form of fudging is to use ranking rather than rating. For example, the statement that 'safety is our highest priority' may sound far better than it really is, as Table 3.4 illustrates. Each of the hypothetical raters in the Table shows an identical ranking, with safety as the highest priority, but only Rater #1 really means it. Rater #2, sees cost as being almost as important as client safety; and Rater #3 judges that staff acceptability as well as cost must be given a great deal of attention in any decision.

**Motivation.** Because all choices are equally valid in terms of the principal objects, internal priorities become a matter of brute assertion. Priorities do not exclude any relevant value, but they do seek to produce a hierarchy of pre-eminence amongst them. Given the validity of all relevant values (and the irrelevance of evidence or expertise), asserting a priority is a matter

of desire. Desire is the emotional form of motivation associated with political choice.

That political choices are emotionally driven and sometimes profoundly irrational is a commonplace. But, so long as desire is guided by higher level motivations like obligations, needs and interests, and carried through by lower level motivations like intention and awareness, harm is unlikely. Danger occurs when the hierarchy of inner motivation is not appreciated, or when principles of the hierarchy of purpose are flouted. Then people may let desire dominate and distort social life.

**Responsibility.** Political or priority decisions need to be handled authoritatively. Such responsibility is requisitely taken on by a relatively small body with power over executives who do what is required. This body is usually known as a board. Boards are used in a variety of situations where values must be weighed up, and where a single person's view is judged to be too liable to introduce a value bias e.g. in making disciplinary or other adjudications, or at formal reviews or examinations on which much depends. Boards in organizations are known as governing bodies, councils, committees, or authorities. Projects can get a similar input from an advisory or steering group. Setting up arrangements for governance is part of the constituting body's responsibilities. Boards operate with a voting system, implicit or explicit. Though political issues requisitely call for decision or approval by the board, their recognition and articulation is an appropriate task for the top executive.

The controversial aspects of political purposes usually result in the formation of temporary or long-lived factions or cliques who feel responsible for particular sides of the policy debate. Permanent factionalisation is the norm in governing bodies elected by the general public. Factionalism may be sterile or it may be constructive. A common tendency is to suppress dissenting viewpoints whenever possible so as to avoid the potential for acrimonious conflict and schism.

**Table 3.4: Rating versus ranking.** The Table provides a hypothetical illustration of the fact that similarly ranked criteria may have entirely different implications for action according to the quantified priority accorded to them.

Criteria used in Decision-making	Rank Order	Priority Rating #1	Priority Rating #2	Priority Rating #3
Safety	1	97%	45%	35%
Cost	2	2%	44%	33%
Acceptability to Staff	3	1%	1%	32%
<i>Total Priority</i>		<i>100%</i>	<i>100%</i>	<i>100%</i>

However, bringing debate into the open is almost always preferable to papering over deep divisions of opinion.

Should feelings run high enough, a faction may desire to forward its own values more systematically. This means departing and setting up a competing or specialised firm, agency or association with its own distinctive constitution setting out the new principal objects and relevant social values. Left-wing political parties, psychotherapy institutions, and churches seem particularly prone to such splits.

Clear recognition of the rights of boards to determine internal priorities is both sensible and feasible. Prolonged stalemates which benefit nobody might then be prevented.

**Stalemate:** The Executive Director of a Housing Foundation, whose principal object was to provide housing for the unemployed, wanted to proceed by setting up co-operative work arrangements (his strategic objective). The trustees, however, believed that an individual's work plans should not be restricted (their internal priority). This issue of whether on-site cooperative ventures should or should not be made mandatory was essentially a matter of values—either approach could be successfully implemented and no information or evidence could decide the matter. The difference of opinion between Board and executive director was not resolved. A stalemate resulted because the director had a long-term contract, while the trustees refused to release funds to him. The Foundation was not able to accomplish very much at all. **Ex. 3.8**<sup>11</sup>

Boards, whether governing a business or a non-profit organization, are notorious for poor adherence to their required role.<sup>12</sup> In the absence of board leadership, the executive or professionals will take major decisions without concern for controversial and emotive issues likely to affect the longer term future of the enterprise. In a firm, this might manifest as a neglect of one or more important stakeholders, or as a lack of a unifying vision. In government, it leads to inefficient, ineffective, over-manned and apathetic bureaucracies. In health services, it has often resulted in an acceptance of professional ideologies to the detriment of the general population.<sup>13</sup>

**Evaluation.** Internal priorities balance the claims of competing valid values. Each value has its own supporters or constituency on which the activity or organization depends. So the choice of priorities must be broadly acceptable to the relevant constituencies. Stakeholders of a commercial firm, for example, include shareholders, consumers, suppliers, creditors, staff, and others. Each will evaluate priorities in terms of how they are affected and neglect the interests of the organization as a whole. By contrast, groups within the

organization should be expected to evaluate choices in terms of the well-being of the organization as well as in terms of their own interests.

When evaluating the use of priorities, a useful comparison to make is between 'planned priorities' defined in anticipation and aimed to alter activities, and 'implied priorities' calculated after activities have been performed. Discrepancy is the norm as the inertia of habitual preferences and practices and situational characteristics like pressure of demand take their toll. For many years, so-called high priority services in the NHS — like those for the elderly and the mentally ill — got the smallest share of available funds and suffered the biggest cuts whenever savings were required.<sup>14</sup>

**Limitation.** Internal priorities do not require deep appreciation of real world complexities. Richard Nixon, when US President, epitomised the formulation of an internal priority when asked his position on a particular crisis of the Italian lira. His reported statement, 'I don't give an expletive deleted for the Italian lira', expressed unambiguously the degree of value he assigned to the crisis.

However, coming down on one side or another of an issue like Nixon did, or even allocating money, difficult though such things may be, in itself makes no impact and defines no outcome. The question still remains as to 'what *can* be done'.<sup>15</sup> Such a consideration means moving down to the upper of the two levels of implementation and bowing to expertise and experience in dealing with external realities.

## L-2: STRATEGIC OBJECTIVES

**Nature.** Strategic objectives are purposes which set a direction for the enterprise in the current situation, by promising the delivery of a particular outcome. They are about 'doing the right thing' within a broad time frame. This means ensuring maximum impact with the available resources. Specification of the objective must be more tangible than a type of activity or type of outcome. An objective like greater reliability is too vague and indistinguishable from a priority. At this level, a statement of what aspects of reliability need attention and clear indications of the nature and degree of improvement are required.

To achieve this, the current situation must be appraised and the essential nature of needs or problems and possible responses to them must be decided. Such an assessment should be carried out in the light of articulated internal priorities, the given principal objects and accepted social values. The objective is sometimes termed a policy, or an option for action, or 'what is to

be achieved', or (in business jargon) a deliverable. If the strategic objective is long-term and comprehensive it may be referred to (loosely) as a plan, forecast or vision because it pictures a future state of affairs. If it is a way out of a difficult or confused situation, it is often termed a strategy.

Strategic objectives, implicitly or explicitly, interpret the world inside and outside of the organization by asserting what is realistic. They tell those involved about 'the way things are', 'where we are going' and 'what result we are looking for'.

**Quality Improvements:** Following their privatization, public sector organizations are expected to improve their quality of service. But quality is an extremely general term, as general as quantity. A vast number of things can and should be done. In trying to get progress, it is essential to specify which particular qualities are to be improved (i.e. what is meant by quality and what the present deficiencies are), and then to define specific improvements that are to be brought about. Some improvements, say in repair rates, could be expected within 12 to 18 months. Others, say in attitudes to customers, could not be expected in less than 18 to 24 months. **Ex. 3.9**

In other words, before purposes can specify precise tasks to be performed in the light of all the practicalities, there is a need for a definite image of the eventual outcome. Associated with this, there is a need for some guidance as to the nature of the total situation, and the expected rate of progress. Endeavours may be short-term with an outcome measured in weeks or months. However, the time frame of significant strategies within large organizations is usually not less than one year, and many extend over a number of years. In governments or very large organizations, strategies with a time-scale of 20 years or more may be meaningful. Strategic objectives operate within a broadly conceived time-scale, their pursuit being identified and evaluated in terms of a general rate of progress — not by pre-specified deadlines or performance targets.

**Uses.** To this point, all purposes have been purely ends-based. The means have been another type of end one level lower. However, at this level (and the next) it becomes possible and necessary to speak of means without moving down a level.

Strategic objectives are used to realize developments and generate unambiguous achievement. They ensure that initiatives and developments are adapted to the realities; and are to be found guiding plans, focussing directives and driving operational programmes.

In many situations, it is not at all clear how a strategic objective is to be achieved. Such challenging objectives need to be elaborated using a variety of subordinate objectives which together constitute the

strategy (or sometimes the strategic plan). The strategy is a means of intervening powerfully in a complex situation. Strategic (sub-)objectives are a set of outcomes, not a series of actions. Their pursuit is justified by the promise that together they will bring about the realisation of the main strategic objective. Because the real world does not automatically bend itself to an individual's desires, the strategy may well involve deviations from existing ways of doing things. It is essential to recognize that a successful outcome is defined by the main strategic objective, not by achieving one or more sub-objectives within the strategy. Many elements of a strategy might well be achieved without producing the desired outcome. This is evident from a hypothetical example laid out in Table 3.5.

In large organizations, people have a great deal of autonomy. Without strategic objectives, they feel in the dark about how they should direct their initiative. If internal priorities are not transformed into strategic objectives, staff are likely either to ignore the internal priorities, to engage in mindless opportunism, or to use priorities for their own personal or factional advantage.

Strategic objectives share with internal priorities a concern to affect the organization as a whole without necessarily being comprehensive in scope. As indicated earlier, political choices on their own appear weak and unconvincing and typically call for the articulation of associated strategic objectives and strategies. Together the result is a policy.

**Changing Health Services Policies:** Over the past forty years, the emphases in European health services have been (in chronological order): to provide access for patients to physicians, to build hospitals and develop hospital care, to provide services for neglected groups, to improve management, to control medical manpower, to contain costs, and to develop care in the community. These are all internal priorities and highly political. Although they were similar from country to country, the strategic objectives for pursuing these varied greatly. For example, the priority to develop hospitals and hospital care was pursued in the U.K. via national ownership; in France, by developing private for-profit hospitals; and in the Netherlands by developing non-profit voluntary hospitals. **Ex. 3.10**<sup>16</sup>

**Omission.** Lack of strategic objectives and an associated strategy results in the organization making a weak disorganized impact. In the commercial world, rival firms penetrate the firm's markets. In public services, government priorities do not get implemented and finance allocated to particular areas of need are diverted.

Money is frequently allocated by Government agencies or charitable foundations on the assumption that it can be spent to produce desirable results simply and

**Table 3.5: Distinguishing strategic objectives and strategies.** Many local government authorities may conclude that ‘we must improve our social services for the increasing numbers of elderly’ — the internal priority. But each would probably require a different main strategic objective and a range of different strategic sub-objectives as illustrated here.

Main Strategic Objective	Detailed Strategy
<p><b>Council #1:</b> A wider range of domiciliary care services should be provided flexibly to assist those with multiple severe disabilities. To be introduced over 9-12 months.</p>	<p>We will do this by improving our liaison with health services, creating a new unqualified post of home carer, and by computerizing care plans for central monitoring.</p>
<p><b>Council #2:</b> Day care services in the North sector are poor. Numbers of places must be increased by at least 20-30%, and more up-to-date methods of management introduced over 2-3 years.</p>	<p>We will do this by refurbishment, changing our policy for eligibility, introducing a more highly graded manager, and by offering specialized training for existing staff.</p>
<p><b>Council #3:</b> Our housing provision is inadequate due to an influx of elderly newcomers. We will get 20 new units of sheltered housing over the next 5 years.</p>	<p>We will do this by involving local Housing Associations, obtaining a profile of future needs, releasing land for development, and contracting with voluntary bodies.</p>

directly. This is probably the exception rather than the rule.

Inter-organizational initiatives, commercial or governmental, frequently come to grief because of the inability of the separate organizations to agree on a common strategy. Mergers of companies, for example, frequently fail to deliver the desired synergies. Each organization is happy to accept the funds or to carry out tasks — building new facilities, employing new staff, marketing a product — but each wishes to retain its own perceptions (assumptions, definitions) of the situation. Resolving such matters would generate conflict and potentially put the joint venture in jeopardy, but avoidance is liable to mean certain and total failure.

Greer and Rozas<sup>17</sup> have described in painful detail the failure of a U.S. Foundation’s multi-million dollar attempt to assist integrated provision of services for the underprivileged. After the money was spent the clients would not come and the professionals would not agree on how those who did should be handled. Money was poured in (appropriately) to support a political initiative, but money by itself does not make things happen.

The two common problems of too much or too little strategy may not be initially recognized. Absence of explicit strategic objectives may not seem to matter if activity can be driven by action plans filled with time deadlines. The result is chaotic compulsive activity which implicitly embodies assumptions about the situation and progress. The direction that evolves is described, retrospectively, as the strategy.

Abstract or ‘shelf’ planning is the reverse situation in which there is a voluminous explicit strategy which is utterly disconnected from action. A genuine strategy must include examination of assumptions as to compliance by those involved, and must specify ways of dealing with the world’s characteristic refusal to fit in with head office initiatives.

**Motivation.** Purpose at this level is finally about producing an actual significant outcome. The type of motivation that drives achievement is intention. Intention is an inner state which develops once a clear focus for concrete achievement is defined. Intention leads to the formation of inner plans.<sup>18</sup> It might be described as an impersonal or pre-personal motivation, because a person’s intention can be activated in respect of matters which he does not particularly care about. Intention is activated by work to be done now, whether for money, as a favour, or out of obedience. In such situations, personal identity (as expressed by desire, interest and higher motivations) serves as a context. Intention is a property of human existence: a strong sense of intention provides for vitality and is the basis for thriving on life.

Intention depends on the creation of an image of an end state of affairs. This image needs to be kept in mind until the world has been transformed to correspond to it. The importance of imagery is now recognized in management education. Top executives are exhorted to develop a vision of the future and to produce a vision statement for staff.<sup>19</sup>



Without sustained intention, a feasible strategy will not be realized. Sustaining intention means refusing to be deterred by setbacks or obstacles for as long as it takes to complete the task. People vary greatly in their capacity to sustain intention.<sup>20</sup> At the one extreme, some people with severe learning difficulties cannot sustain an intention for more than a few minutes; and at the other extreme, there are individuals who can sustain an intention for many years, even decades until a complex initiative comes to fruition.

Many initiatives in large organisations fail not because of lack of commitment but because of the absence of any real intention to produce change. Top executives too often speak of culture change and of dedication to quality (or whatever the latest fashion is) without any vision of the end state and no genuine intention to produce results. A vision of any consequence requires strategies which may take several years to produce results. Instead there is a quick fix, a few meetings, an exorbitant fee for management consultant input, and soon it is all forgotten; or subsumed by the next management fad.

**Responsibility.** Strategic objectives engage with the complexities of the social world on behalf of the enterprise as a whole. They demand mobilization of resources and call for decisive intervention in the flow of social processes. Everything of potential relevance must be taken into account. This is a tall order, and the assignation of responsibility needs to recognize this. The etymology of strategy is the Greek *strategia* which means ‘office or command of a general’ (OED). Strategies in large organizations (or fully developed subsidiaries) are set by a chief executive who is a general manager. The chief executive should ensure that conflicts about whether choices are feasible and effective are resolved, and that obstacles are somehow circumvented.

**Evaluation.** Strategic objectives must be defined so that it is unambiguously evident in due course whether or not they have been achieved. Evaluation of strategic objectives before the event is therefore a matter of great concern. Well selected objectives mean that the enterprise can succeed brilliantly — poorly selected objectives mean that it must muddle along or possibly fail. Evaluation should take place while developing strategies, because retrospective assessment of the strategic objective itself is far less significant than an anticipatory assessment.

Numerous quantitative tools and theoretical principles analysing and inter-relating markets, products, operations and so on have been devised to aid strategic thinking.<sup>21</sup> It is in the nature of such tools that they can-

not be situation-specific. Strategic objectives, though based on facts and principles, can never be determined by them. Things like needs and problems or appropriate responses to these are not incontestable givens. Strategic objectives that appear to flow logically from data-based analyses must be treated with caution because the underlying data are selected and collected using assumptions or desired definitions as to the nature of things; assumptions underlie necessary analyses; and the integration of data and data analyses into a coherent whole picture is itself a matter of interpretation. The intrinsic requirement that strategic objectives must define reality (rather than the other way around) is often forgotten in a desperate attempt to reduce uncertainty.

**Closing the Pits:** The strategic objective of UK’s National Coal Board, to close uneconomic pits, led to a year-long strike by miners in 1984-5. The facts and figures put forward by the NCB appeared convincing and most debate either asserted or contradicted these facts. However, a large number of assumptions — about the operation of pits, about the coal industry, and about the energy needs of the country — were buried in the facts and figures. Different assumptions associated with differently arranged facts would have led to a different strategic objective. Ex. 3.11<sup>22</sup>

Qualitative approaches like SWOT analysis, which focus attention on the strengths and weaknesses of a business and the opportunities and threats it faces, are also useful but are again limited in their coverage. The real world includes things like the economic environment, political trends, alterations in markets, technological developments, shifts in government policies, attitudes of stakeholders, the mood of the work-force, and reactions by competing organizations. Often it is not clear whether such matters are relevant to the matter in hand, and, even if clearly significant, the extent and nature of any effect is uncertain. Situations can be analysed, risks can be systematically hedged and data will always be important, but a sensitive judgement of the situation cannot be removed as the final arbiter of the quality of a strategic objective.

**Limitation.** The strategic objective, even with its strategy, still floats above immediate specific action. It does not determine precisely how obstacles, foreseen and unforeseen, are to be overcome, how daily changes in the situation are to be handled, how available resources are to be used, or how activities are to be adapted to meet regulations. Nor does it say exactly when anything is to be done. The strategy therefore needs to be implemented using scheduled tasks or operational plans. This brings us to the final and lowest level in the purpose hierarchy.

## L-1: TACTICAL OBJECTIVES

**Nature.** Tactical objectives are the purposes of specific practical tasks or necessary actions on the way to producing the desired outcome. Because they are steps towards a pre-defined achievement, they are tactics: i.e. pure means. Tactical objectives are inherent in any action taken, so they are sometimes referred to simply as activities. The end result, evident from the objective, ought to be capable of being directly linked to the strategic objective or sub-objectives within the strategy.

The concern in setting tactical objectives moves from doing the right thing, to doing the thing exactly right; from what to do to how to do it. Time is no longer just a guide for objective-setting and action, but the primary framework. Tasks are always set, implicitly or explicitly, with sharp deadlines, end-points or time-targets. So a tactical objective may be defined as a purpose which specifies a precise result to be produced in a defined period of time. The deadlines may be as short as one day or less, and are probably not meaningful above ten years. In organisations, tactical objectives with shorter time-scales tend to be called task objectives, while those with longer time-scales may be called operational objectives.

Concrete detailing and quantification of tactical objectives, including sub-objectives and related programmatic specifications, may be taken as far as relevant or desired. Hence these objectives are referred to as the nuts and bolts of the scheme. Focusing here is getting down to brass tacks. Work is now said to be at the sharp end.

Tactical objectives often need to be specified in considerable detail. A linked set of tactical objectives forms an action plan or operational plan. Such programmes of action may include specific sub-objectives, which themselves may be further broken down into sub-sub-objectives and so on as far as necessary for precise control of the action process.

**Uses.** Tactical objectives are, above all, adaptive. For example a strategic objective to provide a more welcoming reception area for clients must be implemented with tactical objectives adapted precisely to the circumstances. The manager involved must set objectives which take account of the personalities of existing receptionists, the rotting floor-boards in the hall, the impending vacation of the works officer, the overspent budget for furnishings, and so on.

Because tactical objectives refer to specific and easily identifiable end-points in given concrete situations, they lend themselves to detailed planning and quantification. So tactical objectives are invariably used for

progressing, monitoring and evaluating work.<sup>23</sup> They are always evident as the means, whether for an urgent directive, a current project, or a long-running operational programme.

The danger here lies in mistakenly identifying tactical objectives with what actually has to be achieved. Because a strategy is so much more than any particular set of tactical objectives, it is possible to meet an action plan in all particulars and yet fail to implement a strategic objective. The classic joke of attempting management by numbers shows a Soviet steel factory producing one giant nail because achievement was assessed by tonnage; and then in the next year producing millions of tiny pins when achievement was assessed by numbers of items.

Many very short-term objectives are never written down or explicitly set. However an enterprise of any complexity requires certain tasks to be specified in detail and assigned appropriately. Tactical objectives are to be found in protocols, task lists, action plans, rotas, schedules and similar documents.

Work should be personal rather than mechanical. If it is, then meeting tactical objectives involves the use of judgement and leads to each individual doing the same task in a slightly different way. Two major requirements of any work programme stand out: first, there should be rapid and effective resolution of conflicts between equally acceptable ways of achieving the same end result; and, second, necessary tactical objectives should not be omitted or duplicated.

**Omission.** If tactical objectives are not properly set, then work simply does not get done or it gets done incorrectly, inefficiently or inappropriately. This is what has earned bureaucracy its bad name.

**Bureaucracy:** A civil service administrator was sent a memo asking for a report on the handling of public complaints 'as soon as convenient'. When asked for the report the following week, he explained that he was waiting for some staffing details. The committee which needed the report was to meet that day, so the review had to be postponed a fortnight. Worried by the apparent slur on his performance, the administrator produced a 50 page document. But this was unusable by the Committee which required a 2 page account of progress and problems in introducing training for the new systems. Again the item was held over for a fortnight to await his revision. This time the report was accepted. **Ex. 3.12**

Conflicting specifications usually stem from incoherent role definitions, absence of assigned responsibility, or duplication of responsibility. Schemes like management-by-objectives attempt to minimize such problems, but structural deficiencies in organizations

may be so severe as to resist such remedies. When purpose is ignored and everything is action-oriented, chaos grows and meetings grow larger and larger, and longer and longer as everyone attempts to check and influence every action that others wish to take.

**Motivation.** The type of motivation required by tactical objectives is illustrated by considering an example. What motivates us to go to the King St. Branch, when our local supplier is shut with a notice on the door saying 'All enquiries to the King St. Branch'? The driving intention to obtain supplies remains, but if we wish to fulfil it, then we have no option but to set a new tactical objective driven by our awareness of external reality. So awareness, sensory in nature, seems to be a motivating force which is in the service of intention.

Excessive focus on producing results in the absence of a strategic vision and higher values is dehumanizing. Work of this sort is mind-numbing labour. It is akin to slavery and is insufficient to sustain human uniqueness. Machines can perform better if a reflex to sensory awareness is all that is required. A workaholic may find a task-centred life sustaining, but healthy people do not. So large organizations can only produce results by an intensive task-centred approach for short periods before hostility and tension increase and staff start leaving.

**Responsibility.** Tactical objectives must be set by people whose focus and responsibility is on doing things or getting things done. When the things to be done are decided by others, the responsibility is that of an agent. In organizations, tactical objectives are set and pursued by top officers, managers and workers within the executive structure. The general term I use to cover all such employed staff is: executants.

Executant roles are typically, but not invariably, built on some form of managerial hierarchy designed to ensure control and performance of the necessary work. The need to assign responsibilities so that time-targeted objectives are progressively met without duplication or omission led Jaques to identify a structure of 'levels of work' based on differing time-spans of tasks.<sup>24</sup>

**Evaluation.** Tactical objectives lend themselves to evaluation both prospectively and retrospectively. Prospectively, the rationale for the tactical objective should be self-evident. It lies in a superficial demand for the results or activities referred to. The feasibility of tactical objectives should also be self-evident, although it must be recognized that more complex tasks will not be feasible for less capable individuals. Many associated aspects of the task may be analysed and quantified in advance — like specific resource allocations, specific

times, specific places, specific methods, specific personnel. Such quantification makes it easier to determine retrospectively whether or not performance has been adequate.

**Termination.** The virtue and limitation of tactical objectives are that they are purely means-oriented. Their meaning comes from the way the results which they generate contribute to a pre-defined strategic objective. If the tactical objective is pursued effectively, then results will follow. These tactical activities and results have an additional intrinsic value in that they express higher values as well, especially those defined as priorities. In addition, activities have many unforeseen consequences. So the pursuit of tactical objectives may reveal or realize values which were not previously noted or desired. In any case, the translation of values into action is now complete and no further still lower levels are logically or practically required.

## REVIEWING PURPOSES AND THEIR MISHANDLING

In exploring purpose and action, I have focused mainly on organizations, partly because of their importance in modern society, and partly because the frequency with which managers make serious and avoidable errors is so disturbing. Some brief comment on organizations and their dysfunction may help firm up an appreciation of the significance of the five levels of purpose.

**Organizations.** Organization is the way that things get done in society, and organizations are creatures of purpose whose role is to do things. Organizations are defined by principal objects and meet social values. If our concern is the pursuit and realisation of values and the practical creation of a better society, then organizations are the vehicle for this endeavour.

The framework can be applied to any type of organisation, not just to giant bureaucracies like the NHS where it was first developed. It can be used, for example, to give a slant on the particular strengths and weaknesses of different sorts of organization, as illustrated in Table 3.6.<sup>25</sup>

Although the framework has been presented primarily in relation to whole organizations, it may be applied within an organization to any coherent decision-making section. So although Acme Universal Ltd may be the primary legal entity with formal principal objects, its divisions and subdivisions have their own principal objects, and so do supporting departments like accounting or computing, and so do specific posts. The multiplicity of these endeavours and the variety of

**Table 3.6: Types of organization.** Three different kinds of organisation are compared crudely in terms of the way that purposes of each type are likely to be pursued. The analysis reveals different structural strengths and weaknesses. The quality of the purposes actually set and the way matters are handled may overcome the weaknesses or may fail to take advantage of the strengths. (Level 1 purposes are embedded in actions and are not relevant here.)

Level of Purpose	Entrepreneur-controlled Enterprises	Professional Practices	Adhocracies
	<i>e.g. rapidly growing small businesses</i>	<i>e.g. group architecture or medical practice</i>	<i>e.g. academic institute or design consultancy</i>
<i>L-5: Social values</i>	<b>Strong</b> Highly personal, but do not need to be widely recognised in society.	<b>Strong</b> Held personally as a professional, and very widely endorsed in society.	<b>Strong</b> Essential cohesive force of the group, and generally supported in society.
<i>L-4: Principal objects</i>	<b>Strong</b> Personally decided, and easily altered.	<b>Strong</b> Based in a formal discipline, so well-understood by members.	<b>Weak</b> Tends to be overridden by projects in hand and self-development needs.
<i>L-3: Internal priorities</i>	<b>Strong</b> Controversy is rapidly dealt with, and those who object are removed.	<b>Weak</b> Controversial issues are generally avoided.	<b>Weak</b> Lengthy debates and irresolution are common.
<i>L-2: Strategic objectives</i>	<b>Strong</b> Strategies can be bold, ambitious and long-term.	<b>Weak</b> Painstaking negotiations are required to gain agreement.	<b>Weak</b> Disjointed strategies subordinated to environmental demands.

lower level purposes within each is what makes decision-making in large organizations so complicated and liable to go wrong.<sup>26</sup>

Purposes may be the source of intra-organizational dysfunction in many other ways. They may be absent, unrealistically devised, poorly formulated, poorly communicated, poorly understood, confused with rules or methods, and so on. Such problems have been long recognized, and little needs to be added here. It is worth mentioning however that although task objectives and principal objects have long been assigned significance in management textbooks, only in recent decades has it become fashionable to emphasize strategic objectives and social values.<sup>27</sup> And the textbooks are ahead of the field. Most managers, even successful ones, confuse the forms of purpose and do not fully appreciate the human energies and collective forces which are released when each is used effectively.

**Multiple Omissions.** Thus far, the examples showed just one level of purpose being omitted. Sometimes several levels of purpose are by-passed. In voluntary associations, we have noticed a tendency for groups to move directly from the reassuring and

comforting work of affirming social values and principal objects to deciding on immediately satisfying activities (tactical objectives). The social values and principal objects enhance morale and feelings of group cohesion, and the tasks reinforce this with a sense of achievement and group effectiveness. However sooner or later, the undiscussed, unresolved and contentious political issues push through. And the lack of any strategy vitiates any substantial progress. Because controversy and conflict are disliked, specific structural and procedural arrangements are not instituted to handle necessary debate and ensure that necessary decisions are taken. Textbooks presenting the dichotomized goal/objective model of purpose are in danger of propagating this pathology.

**Baptist Church Objectives:** A standard textbook, which argues that only two sorts of purpose are needed, uses the programs and objectives of a Baptist Church as one of their examples. The programs, as presented, are typical statements of principal objects: e.g. 'To proclaim the Gospel to all people' and 'To promote worship'. However it feels incongruous to follow the authors' suggestion and move from such broad goals to tactical objectives like: 'To establish a church evangelism commit-

tee by April 15' and 'To involve all institutionalized (elderly and otherwise) members in regular church worship by June 1st'. Unless this is an unusually united or apathetic church, there will be differences of opinion on how 'all people' should be interpreted, disagreements on the different ways to persuade members to worship, and conflicting views on which institutions can realistically be approached.

Ex. 3.13<sup>28</sup>

**Confusing Levels.** Another common problem arises from confusion between levels. Social values may be presented as strategic objectives or misused as a principal objects; tactical objectives may be treated as if they were internal priorities or be made to stand in for strategic objectives; strategic objectives may be described as alterations to the principal objects or substituted for political choices; and so on.

We have been particularly struck by the tendency for public sector policy documents, which ostensibly develop priorities and strategies, to be packed either with social values or tactical objectives. For example, in response to the need for a preventive care policy, one health authority stated that its policy was to prevent the preventable (a social value); and another stated that its policy was to appoint two new health education officers by the end of the year (a tactical objective). The policy for mental illness for one Health Region covering 4 million people would have made a fine chapter in a textbook, with its exposition of social values and principal objects, but it was utterly useless for managers facing hard choices. Businesses are not much better, but they usually keep their confusion private.

**Mentor Graphics Muddles:** The President of this Corporation graphically described 'the power of vision to weaken a company'. What in fact weakened the company was the President's lack of any understanding as to what constituted a vision, what sorts of purposes were needed, and what each sort could and could not do. The vision moved from 'beat Daisy', their main competitor (a temporary priority), to 'our six boxes' i.e. their main businesses (informal principal objects) to 'the 10X imperative' (an impossible strategic objective), to 'change the way the world designs' (a poorly formulated visionary aim based on an ultimate value: see Ch. 4), and finally to 'build something people will buy' (an established social value). Never at any stage in his account did the President refer to a vision in the sense of one or a few encompassing feasible and desirable strategic objectives which addressed the main issues and would maximize the impact of the firm in its situation.

Ex. 3.1<sup>29</sup>

Muddling levels, as Mentor Graphics found (Ex. 3.14), can lead to a failure to develop consensus and stimulate motivation. This hinders personal fulfilment and may even jeopardize the survival of the organization. Muddling levels can also lead to a failure to confront and resolve controversial issues. Muddles obscure

real agreements and disagreements, produce fudges, prevent reasoned discussion, and generate inappropriate and ineffective action. Muddling purposes means, at best, muddling along.

The multiple permutations and combinations of logical and practical errors are the very reason why our understanding of purpose has been so poor. Disentangling them is fascinating.

Readers are encouraged to test out their feelings for the ideas by applying the schema to an initiative or organization they know well. In time, the reader will not only judge that it is unwise but also find that it is impossible to specify a purpose of any sort without being aware of its deeper nature and function.

## TRANSITION

Purpose is one of the fundamental particles of social existence. Like the proton, it has an inner structure of definable particles which do not exist on their own in nature. Repeatedly, we found that muddling up the types of purposes or using less than five types when pursuing an activity was damaging or even disastrous. Practical things like determining resource allocation or assigning responsibilities would then go wildly astray, and people would become confused and conflicted.

The framework is an ends-means hierarchy in that purposes within each level answer the question 'why?' to purposes in the level below, and 'how?' to purposes in the level above.

Ends-means hierarchies can be defined within each level. Centuries ago Aquinas suggested a conceptual hierarchy of social values, and more recently others have done likewise. The usefulness of hierarchies of sub-objectives within principal object, internal priority, strategic objective and tactical objective levels has been referred to, and is well-established in the academic literature. However, all such hierarchies are of less social and practical importance than that defined by the present framework.<sup>30</sup>

It is the transition *across* from one level to the next which emerges as by far the most significant and potentially controversial in social terms. As if to confirm and validate the level boundaries, society has spontaneously generated distinctive entities for controlling large scale activities. At each level, a societal structure is given the authority and responsibility to determine the purposes to be used. These have been identified in organizations as follows: social values (L-5) — wider society; principal objects (L-4) — constituting body; internal priorities (L-3) — governing body; strategic objectives (L-2) — top officer body; and tactical objectives

**Table 3.7: Organizations and society.** The diagram shows the use of purposes to deal with organizational identity and to handle relationships with the social environment. Note that at the upper levels society impacts on the organization, and at the lower levels the organization impacts on society. Note that change generated by the lower levels is within the continuity established at the higher levels.

ORGANIZATIONAL RELATIONS		TYPE OF PURPOSE	RESPONSIBLE BODY		ORGANIZATIONAL IDENTITY
Purposes providing orientation.	[	<i>Social values</i>	— <i>Wider society</i>	]	Purposes establishing identity.
		<i>Principal objects</i>	— <i>Constituting body</i>		
		<i>Internal priorities</i>	— <i>Governing body</i>		
Purposes generating impact.	[	<i>Strategic objectives</i>	— <i>Top officers</i>	]	Purposes supporting identity.
		<i>Tactical objectives</i>	— <i>Executants</i>		

(L-1) — executant body. The powers of each of these sources of authority become more focused and immediate, but also more limited in scope, as the hierarchy is descended. Getting them all to work together depends on recognizing the framework on which they are based. Table 3.7 summarizes what has been analysed so far.

Much much more can be said about the use of the hierarchy, about how each purpose contributes to the formation of other purpose-based tools, about the influence that purposes set at one level exert on purposes set at other levels, about the use of emotion and

logic in devising purposes, about the relation between people and their social environment, and about the way that value conflict is resolved and ethical judgement clarified. But, before such things can be addressed, the hierarchy must be completed.

Five levels suffice when the focus is on *pursuing values through* action, but not when our concern moves to *developing values for* action. Examination of the value context for action revealed two more and final levels in the framework. These are described in the next chapter. \*

Master-Table 1 The hierarchy of purposes used to translate values into action.  
 The Table summarizes properties of levels in the hierarchy which relate most directly to activity.  
 Note that the 'typical format' is illustrative only. See text and Master-Tables 2 and 3 for further details and explanations.

L	Type of Purpose	Definition	Typical Format	Experience and Activity	Value/Action Relation	Link to Resources	Temporal Perspective
5	<b>Social value</b>	A freely shared need-based value serving a specific community.	'We all need and want ..X.' [X = the social value.]	Intuition of many varied possible and worthwhile activities.	Value consensus crossing endeavours social bodies and institutions.	Provides the social potential for obtaining resources.	Present and undefined future.
4	<b>Principal object</b>	An activity defining the identity of an endeavour.	'A.. is set up to ..X.' [A = organized entity: eg project, group, person; X = the principal object.]	Idea (i.e. type or category) of specific worthwhile activities.	Value consensus within a defined endeavour.	Indicates general level and type of resource base required.	Present and defined or undefined future.
3	<b>Internal priority</b>	A degree of emphasis among valid values or actions for immediate use.	'X.. is more important than ..Y,Z... now' [The preference for X over YZ .. is the internal priority.]	Emotion surrounding likely activities (basis of politics).	Value/value conflict within an endeavour in general or in a particular situation.	Provides the rationale for allocating resource.	Present and immediate future.
2	<b>Strategic objective</b>	A desired and feasible outcome which maximizes impact.	'X.. must be achieved over the next ..t.' [X = strategic objective; t = approx. time period.]	Image of the outcome of activities (basis of strategies).	Value/action conflict within an endeavour in a particular situation.	Leads to mobilization and deployment of resource.	Rate of progress in a defined future.
1	<b>Tactical objective</b>	A precise tangible time-targetted result which is a step to a desired outcome.	'X.. is to be done by ..T.. so as to achieve ..Y.' [X is tactical; Y is strategic; T is the time-deadline.]	Awareness of activity details (basis of tasks).	Action/action conflict within an endeavour in a particular situation.	Leads to resource being produced and consumed.	Precisely defined future.

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## NOTES

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21. See, for example: Buzzell, R.D. & Gale, B.T. *The PIMS Principles: Linking Strategy to Performance*. New York: Free Press, 1987. Texts like these speak more to social scientists than practitioners. The weakness of their quantitative-based strategic principles for the manager on the spot is evident from examples: profitability and market share are strongly related; vertical integration is profitable for some businesses but not others; the relative quality of services or products is the most important factor affecting profitability and growth.
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23. This has been developed and systematized in the management-by-objectives school of thought. See, for example: Humble, J. *Management by Objectives in Action*. London: McGraw Hill, 1970.
24. Jaques, E., 1976 op. cit. [20]. A very similar hierarchy has been developed based on type of output or response to need i.e. principal objects: Rowbottom, R. & Billis, D. *Organisational Design: The Work-Levels Approach*. London: Gower, 1987; Kinston, W. & Rowbottom, R. Levels of work: New applications to management in large organizations. *Journal of Applied Systems Analysis*, 16: 19-34, 1989; Kinston, W. & Rowbottom, R. A new model of managing based on levels of work. *Journal of Applied Systems Analysis*, 17: 89-113, 1990.
25. This is one of a variety of categorizations of organizations. See, for example: Handy, C. *Gods of Management*. London: Souvenir Press, 1978; Mintzberg, H. *The Structuring of Organisations*. Englewood Cliffs, N.J.: Prentice Hall, 1979.
26. Apart from the sheer complexity of integrating the objectives of numerous endeavours, there is the problem of implicit values. The subsidiary strategic and tactical objec-



- tives are relatively overt and may be unproblematic, but the nested priorities tend to operate implicitly and reflect vested interests and distinctive social values held by different groups and individuals within the organization. These values are one source of the internal politicking which sociologists emphasize when documenting the irrationality of organizations. See, for example: Crozier, M. *The Bureaucratic Phenomenon*. London: Tavistock, 1964; Perrow, C. *Organizational Analysis: A Sociological View*. Belmont, Ca.: Wadsworth, 1970.
27. The case for policy and strategy was finally accepted by the mid-70's. See: Mintzberg, H. Patterns in strategy formation. *Management Science*, **24**, 934-948, 1978; Ansoff, H.I. *Corporate Strategy*. New York: McGraw-Hill, 1965; Andrews, K.R. *The Concept of Corporate Strategy*. Homewood, IL: Dow Jones-Irwin, 1971; Srivasta, S. and Associates, *The Executive Mind*. London: Jossey-Bass, 1983. The case for values was established by the mid-80's. See: Peters, T.J. & Waterman Jr., R.H. *In Search of Excellence*. New York: Harper Row, 1982; Francis, D. & Woodcock, M. *Clarifying Organisational Values*. London: Gower, 1989.
28. Anthony, R.N. & Herzlinger, R.E. 1980 op. cit. [5] p.230-1.
29. Langelier, G.H. The vision trap. *Harvard Business Review*, March-April 1992, p.46-54.
30. For Aquinas' ideas, see: McNerney, R. *Ethica Thomistica: The Moral Philosophy of Thomas Aquinas*. Washington D.C.: The Catholic University of America Press, 1982; for a modern hierarchy of social values, see: Blum, H.L. op. cit. [5]. For examples of hierarchies within a level, see: Simon, H.A. On the concept of organisational goals. *Administrative Science Quarterly*, **9**: 1-22, 1965; Warfield, J.N. Intent structures. *IEEE Transactions on Systems Man & Cybernetics*, **SMC-3**: 133-140, 1973.