



Strengthening the Management Culture

Warren Kinston



The
SIGMA
Centre

SIGMA is an acronym of **S**ystematizing **I**magination **G**oals **M**anagement & **A**ction

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STRENGTHENING THE MANAGEMENT CULTURE

Phasing the Transformation of Organizations

Warren Kinston

MOVING TOWARDS THE ORGANIZATION OF THE FUTURE

We really must produce thriving enterprises where people also thrive and society benefits.

Efforts to make organizations like this have been heavily dependent on unusual leaders because practical theories—the intellectual technologies to pursue such a vision—have been unavailable.

This book helps to fill that knowledge gap. It presents a new SIGMA framework which provides a fascinating insight into the personal, social and organizational requirements for effective management.

Taking as its starting point the typical chaotic organization run by over-stressed managers, the book simply and graphically explains how improvement can occur in a step-by-step fashion.

STIMULUS FOR THE BOOK

My thoughts on management cultures and their improvement are in continual development. But two pressures prompted me to consolidate what understanding I have and publish now. The first came from my clients who wanted something more substantial than the diagrams, handouts and verbal explanations provided during my ethical design consultations and seminars. Attempting to use ideas as written does more to embarrass the author and hasten their refinement than anything else I know. The second came from my involvement as a Fellow in the current RSA Inquiry «*Tomorrow's Company: The Role of Business in a Changing World*». Public discussions show a trend to 'systems thinking' and affirm the view that companies should connect more with wider society. It is timely to suggest just what this aspiration entails for managers and business leaders.

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A USEFUL RECENT DISCOVERY

Everyone wants a strong management culture. But what is it? People embark on culture-change projects to strengthen management. But do they really work? My contact with many organizations has revealed widespread misunderstanding and confusion. The literature confirms that most attempts fail. Theory is conspicuous by its absence, while recipes for success proliferate. The most complex recent proposal involves developing a 'learning organization', but the conception is mysterious and utopian to many. My research over two decades, in association with numerous long-running organization development projects, has at last clarified certain basic ideas and requirements which point to what strong management is all about and how a learning organization can emerge. The story of growing a management culture is an interesting one but, if a picture is worth a thousand words, turn now to the diagram and explanation on pages 22 and 23.

A management culture is no more nor less than the values and beliefs in an organization about what is important for successful achievement. Such a culture defines the way people go about their work and determines how they interact. Values and beliefs around achieving underpin habits, attitudes, taken-for-granted standards and expectations of everyone in any organization.

Research has now convinced me that there are seven—and only seven—sharply distinct and fundamental bases for human achievement. Many variants emerge from describing these seven either singly with different emphases, or in various multiples and combinations, or attuned to different issues or sectors. (This explains the proliferation of recipes for success.)

My latest discovery is that each of these ways to achieve corresponds to a required phase in the progressive strengthening of management. The phases are periods of culture change during which certain values and beliefs can be installed in the organization. The final result is a dynamized inquiring culture in which all ways to achieve are valued and used appropriately.

Managers in such a learning organization not only achieve in a dynamic, socially responsible and creative way, but continually expand and extend their capabilities to handle situations and themselves.

The whole transformative process takes 5-10 years, possibly less if conditions are favourable, longer if not. Don't be disheartened. *Benefits start from Day 1.* And it is always possible to pause or even stop along the way if need be.

It takes so long because values, however useful and obvious, cannot be installed like pieces of equipment, or new legal requirements or the latest technique. Reflect on the fact that identity change within a person does not normally occur until after about 18 months of full immersion in a new environment. In the arena of culture change, quick fixes are not real.

Values control people, so control of values is impossible. But cultures can and do spontaneously evolve as values change. And this evolution can be assisted and directed if you know what to expect. There is one proviso—you must be prepared to work with values.

This book explains how the evolution of a strong management culture can be deliberately assisted and then maintained.

If I tried to explain everything, the result would be a big fat book, helpful perhaps, but a turn-off for sure. Instead I will tell a story, but only in outline leaving it to you to fill in the details in your own way from your own experience. It will be all so familiar to you that I have omitted examples.

I have to start by introducing you to my language. *Please learn just seven helpful words!*

THE LANGUAGE OF ACHIEVEMENT

Distinctive Ways of Achieving

I have worked with many successful managers over many years, individually and in groups. I have listened carefully to their arguments about how best to manage and what to do to succeed. In practice, it seems that every manager finds one or two ways of achieving most natural and particularly useful. Here is a pastiche illustrating how members of a hypothetical seminar might well respond to the question: **what is the best and surest way to achieve?**

Miss R. It's obvious. The thing to do is set yourself objectives. Be clear about your aims. If you don't know what you want to achieve, how can you ever achieve it? It goes without saying that you must have established what business you are in. But then the secret is to set your priorities. Once this is done you can easily work out a plan which will lead to the outcome that you want. If everyone knows what you are aiming for and adheres to organizational policies, then they can do their part and can help you. Team-work and goal-setting: those are the secrets of success.

Mr. E. Any success from planning is self-delusion or luck. We all know that objective-setting is a fantasy game. Long documents are produced that nobody ever reads. The plans fail to fit reality within weeks if not days. No! The only way to achieve is to focus on a clear problem, get the facts and find realistic solutions. The facts provide a solid basis for discussion and agreement. And once you have the facts, then what to do is usually self-evident because the facts speak for themselves. You must minimize risks of unexpected obstacles, costs or side-effects, so it is best to pilot the solution, collecting information as you go.

Mr. P. Depend on objectives? Wait for the facts? What rubbish! Anyone who has ever worked in an organization knows that managers never have the information they really need. I just file those bulky planning documents, and I hate talk-shops which waste time debating policies that confuse everyone. No! Achievement depends on one thing and one thing alone: action. Act first and think later

NOTE TO THE READER

Please do not forget or be tempted to abandon your own secret of management success. But, as you read, try to keep your mind open to new perspectives.

is my motto. Focus down—use your gut-feel—and do something! Do it now! You have got to be dynamic. Look out for opportunities to act. Change tack if you are blocked. And refuse to be too ambitious. Get something done—and then you have solid achievement. Far better piecemeal gain and some chaos than orderly inaction.

Ms. D. If only action were as easy as all that! All previous speakers seem to forget that organizations consist of powerful groups with their own vested interests. All plans, information and action become grist to the tribal mill. Politics, disputes and conflict are the norm, at least in large firms. Keeping inter-departmental differences, rivalries and ambitions hidden or pretending they do not exist is foolish. The only way to achieve is to grip issues which are causing dissension and controversy. Then you must determine which parties are involved and appreciate their claims. In this way, you can ensure that a compromise course of action is found which produces benefit and which everyone is prepared to support.

Dr. S. There is something in what all the previous speakers have proposed, but all have been too one-sided. Facts, objectives, action and powerful interests are all important but they do not exist in isolation from each other. You must consider the situation as a whole and all the people in it. Links within the organization and into wider society can't be ignored either. You must recognize the driving forces, inter-relations, key factors, feedback loops and vicious circles to get a model or map of the system. Then you can intervene strategically at a few trigger points which offer maximum leverage. This way you produce balanced long-term sustainable development of the organization.

Mr. St. You can't be serious. Systems thinking is so ridiculously complex. Even ivory-tower academics mostly ignore it. Let me bring you down to earth again: good decisions depend on managers having both autonomy and control. So achievement in real life is very simple. You just get the right person for the job, make them accountable, give them the authority and resources, and let them get on with it. They will work out for themselves whether they need plans or information, and whether they should act on gut feel or compromise. All you have to do is

ensure that roles and responsibilities are absolutely clear, and that essential procedures and rules are known to all.

Mrs. I. The suggestions so far are fine in their way, but they have ignored the most significant factor: that spark of inspiration and inner commitment on which real achievement depends. The person has been neglected. Yet everything depends on people. Autonomy is important, but it is not enough; and control is positively counter-productive. People have needs which must be met, potentials which ought to be released, and inner resources which are the source of all productivity. Achievement requires creativity and cooperation which only thrive if there is an atmosphere of trust. Morale and success are built on inner confidence, enthusiasm and self-esteem. To maximize your potential you must harness the power of your imagination.

It's exhausting listening to them, isn't it? Note how each speaker ridiculed or rejected the views of previous speakers. The reason is that each speaker embodied a complete approach to decision and action. Such approaches are built on distinctive beliefs or rather value systems which are self-sufficient, coherent and consistent. The initials of the speakers were chosen to accord with certain labels as follows:

THE \$64,000 QUESTION

Is there a super-approach mixing these 7?

No. Even systemicism which tries so hard to subsume everything ends up being distinct, separate and partial.

It is true that the approaches seem to merge and fuse in the reality of work. (This book will show how this can occur in relation to the management culture.) For teaching or explanatory purposes, however, each approach contains distinctive and experientially incompatible assumptions which oppose their combination.

Miss. R, the **RATIONALIST** asks: what are our aims?
and believes in : **shared values.**

Mr. E, the **EMPIRICIST** asks: what are the relevant facts?
and believes in : **certain knowledge.**

Mr. P, the **PRAGMATIST** asks: what can I easily do now?
and believes in : **immediate necessary action.**

Ms. D, the **DIALECTICAL** asks: what compromise satisfies everyone?
and believes in : **issue resolution.**

Dr. S, the **SYSTEMICIST** asks: what leads to balanced development?
and believes in : **inter-connections and evolution.**

Mr. St, the **STRUCTURALIST** asks: whose responsibility is it?
and believes in : **accountability and control.**

Mrs. I, the **IMAGINIST** asks: what enables personal growth?
and believes in : **aspirations and potential.**

RESEARCH ORIGINS

The approaches were clarified during research on decision-making initiated over 20 years ago by **Jimmy Algie**, and subsequently developed collaboratively with myself. An extensive literature review was carried out and academic and popular theories have been monitored for many years. (See **Postscript** for details.)

Our seminar exercises asked managers to use different approaches on the same problem. This revealed that the approach explained decisions and results far more than the particular individual using the approach.

This research also indicated that most people have the potential to use all of the approaches—even if one or two seem at first to be incomprehensible or even objectionable.

Although the vignettes did not show this clearly, each value system accepts elements of the others but re-interprets them so that it can appear self-sufficient and even superior. As a result, managers come to identify with one or at most two of the approaches which they then take for granted. It is the way (they assert) that organizations do work or should work. It is reality. The preferred approach feels so natural and effective that it is not even labelled as an approach. It is your work-style, your mentality. It is you. You promote it as right and natural. And you defend it against the others, some of which seem actually degenerate or unrealistic or counter-productive—even if you occasionally or regularly find that you use them for deciding.

A strange consequence follows from this (unconscious) identification with an approach and its values. The logic of the particular approach leads you inexorably to a certain result. You feel as if you are in charge, but really the approach is working through you to generate the decision. *So you are no more than a vehicle for a way of achieving.* The only escape is to become aware that there are other valid ways to perceive and achieve.

The variety of decisions taken in any organization and even in any job is so great that all the approaches are necessary. The idea that a large and complex organization could wholly omit any type of approach is inconceivable. To create an organization which had no plans or which never used any information would be unthinkable. To employ staff without defining any responsibilities or attending to certain basic human needs would be absurd. To refuse to act pragmatically, to neglect inter-group conflicts, or to ignore all connections with wider society would lead to collapse.

The question that has been asked but not answered until now is: *how can these seven approaches be practically fitted together to create the strongest possible management culture?*

Same Words : Different Meanings. Despite the diversity of their work-mentalities, managers must cooperate. They constantly seek to overcome the natural antagonism generated by their different mentalities. They do so by conversing with each other.

And conversation is the problem.

In the absence of self-awareness of differing approaches, words are used with markedly different connotations. When managers talk to each other, each uses the assumptions and imperatives of their own mentality. Identical words are used with entirely different implications. So people talk past each other. (See Box on p.8)

Awareness of the different assumptions and mentalities allows you to recognize miscommunications. So familiarizing yourself with the approaches can be immediately useful. Try it out with colleagues or on challenges you currently face.

But a management culture is about more than just communicating. It is about what influences the work activities of hundreds or thousands or tens of thousands of people to produce achievement for the organization as a whole. This demands an integration of personal and group values with task or instrumental values. We must very briefly look at the approaches to decision and achievement from this perspective.

HOW PEOPLE TALK PAST EACH OTHER

- **Stronger management**, which everybody wants, means: more dynamism and drive for a pragmatist; greater clarity of roles and responsibilities for a structuralist; better planning and objective-setting for a rationalist; more information use and computerization for an empiricist; more trust, greater commitment and better relationships for an imaginist; and a more fundamental understanding of the whole situation for a systemicist.
- **Communication** is crucial: but it is about persuading and handling people for a pragmatist; it is a formalized process through team briefings for a structuralist; it is sounding out and consulting for a dialecticist; it means explaining, listening and ensuring mutual understanding for a rationalist; it is about using a common language for the systemicist; it is a matter of sharing and exchanging data for the empiricist; it is about empathy and sensitivity for the imaginist.
- **Priorities** guide managers: but for a pragmatist, a priority is another urgent thing to do on an over-full agenda; whereas for a rationalist, a priority is a value to be applied to whatever you are doing.
- **Consensus** is always important but the rationalist seeks consensus on values and outcomes; the pragmatist on what to do; the empiricist on relevant facts; the dialecticist on the distribution of benefits.
- **Roles** are unavoidable in organizations: pragmatists seek to define them in terms of what must be done right now; structuralists seek to design them around enduring responsibilities; rationalists seek to align them with objectives; dialecticians seek to make them more representative; imaginists seek to ensure they meet personal needs.

Now you try some:

(The answers are upside down at the bottom of this box.)

- how do you get action?
- what is leadership?
- what are meetings for?

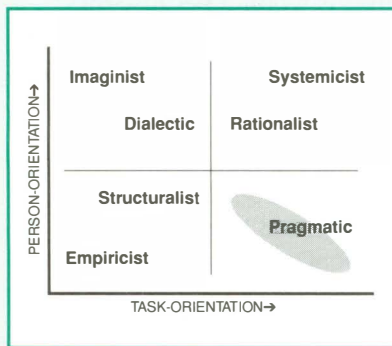
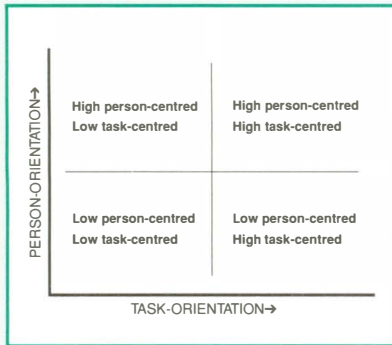
Answers:

■ **Getting Action:** Mr. P. persuades, sells, manipulates, threatens and rewards. Mr. St. exerts authority and evokes responsibility. Ms. D. bargains. Miss R. gains cooperation by appeal to common values and goals. Mr. E. shows evidence whose implications are unarguable. Mrs. I. expresses disquiet about the situation and concern for the person. Dr. S. triggers change that leads indirectly to the desired action being taken voluntarily.

■ **Leadership:** Mr. P. delivers results fast. Mr. St. fills the top managerial post. Ms. D. can hold the ring. Miss R. is the champion who embodies the values. Mr. E. does not make a good leader, but expects any leader to be on top of the facts and to respect them. Mrs. I. is a charismatic figure who inspires identification. Dr. S. most fully comprehends the situation.

■ **Meetings:** Mr. P.'s meetings decide, so everyone wants to be there. Mr. St.'s provide for coordination and control and require members with authority. Ms. D.'s negotiate or sound out views and contain representatives. Miss R.'s make policy or plans and need people who can contribute. Mr. E.'s organize investigations or share and analyse data. Mrs. I.'s build personal relationships. Dr. S.'s learn together.

The point is that each approach has the capacity to re-interpret and handle any and every aspect of management in its own terms.



The Person and The Task. There are two basic dimensions to all achievement: the job to be done and the people doing the job. It must be obvious that the various approaches to achievement differ greatly in how oriented they are to the needs, feelings and views of people or the group on the one hand, and to the demands of the task, production process or work to be done on the other. The approaches can be placed on a grid in which four quadrants can be defined according to the degree of task- and person-centredness. (See diagrams at left.)

It is evident that three of the approaches lie at the extremes. The *empiricist* approach is focused on facts, not on people or tasks. The *imaginist* approach is oriented to people in a highly personal and individualized way, with the focus on specific tasks being subsidiary. The *systemicist* approach is complicated precisely because it emphasizes the importance of inter-connecting a deep understanding of tasks with people as unique individuals.

Two of the less extreme approaches, the *rationalist* and *dialectic*, are both centred on people, but only in so far as they are members of groups. The dialectic is less task-centred than the rationalist because it focuses on sub-groups, tribes or special interests, while the rationalist focuses on organizational achievement and involves everyone.

The *structuralist* approach is less person-centred than these two because it views people instrumentally. But assigning responsibility is more person- and task-centred than collecting facts. In its most procedural form, structuralism approaches empiricism in its impersonality.

The *pragmatic* approach takes different forms, but is primarily task-centred. In its most dynamic and driving form it is highly task-centred and virtually ignores personal needs. In a less driving form it is opportunistic and uses people with their consent. In its gentlest form it is incrementalist, paying as much attention to people as to the task, and drifting towards management by compromise.

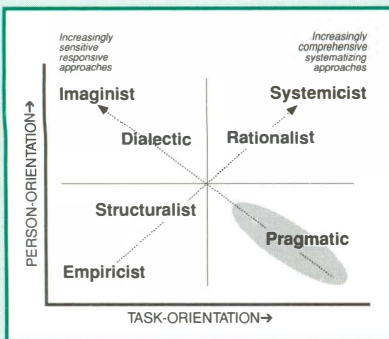
Using the Approaches. The seven approaches to decision and achievement, taken singly, lend themselves to being taught and learned. Each is associated with its own distinctive skills, theories, knowledge, methods, and computer technology. To really use a decision approach well, even one which naturally suits you, demands both learning and practice.

It is possible, but by no means easy, to add a new approach to your repertoire. So these approaches must be sharply distinguished from guru slogans designed to hook the pragmatist in every manager—like the 4 Fs: be fast, friendly, focused, and flexible. These sound wonderful and, best of all, require no learning whatsoever because they have little meaning independently of particular situations.

If what you get out of something has any relation to what you have to put into it, then self-development and organizational development in relation to these approaches ought to produce a great deal. The effort is worth it because the approaches have so many applications (see Box on p.11). In this book, we will only examine one of these: developing the management culture.

The Key Polarity. Before moving on, there is one more feature of the approaches I must highlight. It relates to a fundamental cultural clash experienced by all managers: between systematization and spontaneity. Some managers prefer to be systematic while others prefer to respond immediately. This polarity can be mapped on the chart of the decision approaches (see left). On the line moving from bottom left to top right are the **systematizing** approaches. These modes methodically enable inner control over outer-complexity, and are increasingly comprehensive in their coverage. The other line moving from bottom right to top left defines **responsive** approaches. These enable rapid, spontaneous and increasingly sensitive handling of issues and people.

We have now said more than enough about the theoretical tool we need: the framework of seven standard and ubiquitous approaches to decision and action.



APPLICATIONS OF THE SEVEN APPROACHES FRAMEWORK

● Making a Decision

The approaches were discovered in this form. Each can be used to address any discrete matter requiring action. Adherents advocate applying the same approach for every matter, but the appropriateness of the application often depends on the issue e.g. crises usually demand a pragmatic approach; while organizational evaluations usually need a systemicist approach.

● Improving Yourself

Self-definition and self-development in managerial roles involve building on natural tendencies. These may have already led a person to a particular profession e.g. intense rationalists become planners, committed imaginists become counsellors, dyed-in-the-wool pragmatists become operational managers.

● Building a Team

Any team needs a range of work-styles associated with the approaches. To succeed: someone must feel at home driving action, someone handling procedural details, someone planning, someone being sensitive to group feelings, and so on. One person may need to carry several of these roles.

● Filling a Post

The approaches are relevant to assessing suitability for a particular post e.g. depending on the work to be done, a personnel post might require either dialectical or empiricist or imaginist attitudes and skills; a public relations department typically needs to be headed up by a rationalist or systemicist.

● Management Processes

Getting the right balance and interaction between systematizing and responsive approaches is essential. My research has found that work at different levels of an organization's hierarchy varies in the way it ensures this. The result is a new way of handling management processes (e.g. policy development, program implementation, operational control) which can improve management productivity markedly.

● Organizational Domains

Organizations require all approaches since each dominates a particular domain. The operational domain is empiricist, the strategic domain rationalist, the political domain dialectical, the accountability domain structuralist, the relational domain pragmatic, the theoretical domain systemicist, and the ethical domain imaginist. Domains are natural foci for development.

● Management Culture

The management culture of any organization (or department or team) reflects the prevalence of values from the dominant decision-making approach. This book explains how all the approaches can be harnessed in turn to generate the strongest possible management culture. The complete model is also useful for team-building.

What is the Management Culture?

A management culture is essentially about values which indicate how to produce achievement. In focusing on the management culture, I have found that it is more natural to view the approaches just described as potentially pervasive *modes of organizational achievement*. At different stages in its development, an organization requires to concentrate on internalizing different modes. Shifting the culture is rarely addressed as determinedly as it should be. It is such an awesome task that it tends to require the stimulus of a new committed chief executive, a shift in the social climate, or an industry-wide shake-up.

I believe that everyone can benefit from understanding how the management culture can be actively developed and progressively strengthened. But, of course, this book is primarily written for current and aspiring chief executives and top managers. They are, after all, primarily responsible for shaping the culture, handling misunderstandings and overcoming obstacles. And, above all, they must provide the drive and determination to see this lengthy process through.

Culture refers to the mixture of values—typically expressed as habits, conventions, beliefs, and precepts of various sorts—which typify a community. Members of a community use its values automatically. So a management culture is not merely an official list of values stuck up on a wall or affirmed at an annual time-out, but something which is experienced every moment of every day by everyone in the organizational community whether they like it or not.

Nevertheless, changing a culture always involves identifying and producing lists of values. It is difficult to work with new values, or even know what they are, unless they are written down and talked about. This book describes the needed set of values for each phase of cultural growth. I realize that listing the values is only one very small part of the process, and that working out what they mean in your situation and living them is the largest and hardest part. But if you have no idea what the values are then it is impossible to get started.

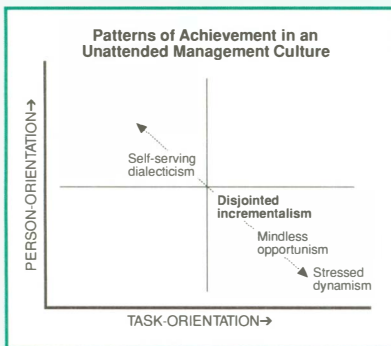
Cultural growth at every stage depends on starting from where you are and experiencing an urgent need to do better.

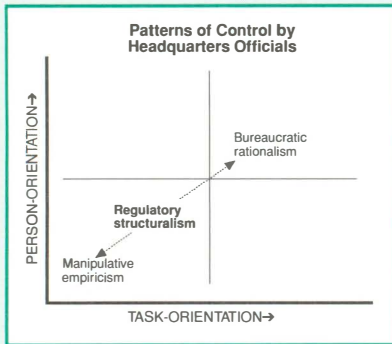
In many cases, the starting point is an unattended culture. In very large organizations, it may instead be a regulation-bound culture or a culture of officialdom. I will be surprised if you cannot recognize these two none-too-healthy species.

The Unattended Culture. The minimum requirement for organizational survival is coping with crises. As a result, pragmatic responsiveness is the culture of any unattended organization. Incoherent reactivity is the norm. When the pressure for results is off, the organization becomes more sensitive to people and develops in a disjointed incremental fashion. As the pressure for results increases, opportunism and dynamism increase, as does the chaos. The feelings and views of staff and outsiders (like suppliers or the community) are ignored in the desperate drive to survive. Tension and fear increase, but much of it is ignored—partly because complaining interferes with work and partly because the excitement is satisfying. The stress is released elsewhere, often in illness or family disharmony. Absenteeism and rapid staff turnover are common side-effects.

In public sector agencies, pragmatic cultures are the norm but here they can usually avoid being too pressured because their income and existence are permanently secured. The result is drift and stagnation. These organizations float further upwards and away from the task towards a self-serving dialectic culture. (See Box at left.) The prime concern is then to reconcile the ambitions of different departments and disciplines. Most effort goes into soothing staff sensitivities and agreeing how internal benefits should be distributed. Efficiency, effectiveness and client-responsiveness are given lip-service only.

The Culture of Officialdom. Government officials acting as headquarters for large agencies like the prison service, social security or health service are unable to take direct action themselves. Headquarters staff of holding companies and multi-nationals are similarly restricted. Chairmen of Boards





and Ministers of State, hounded by failures and incompetence inevitable in pragmatic cultures, demand that their officials somehow force subsidiary agencies to improve performance and avoid cock-ups. The watchwords become accountability and control, so a structuralist mode is needed. This leads to detailed specifications of organizational forms and regulation of activities (committees, posts, job descriptions, pay scales, staffing levels, operating methods, budget decisions &c), together with a proliferation of binding rules and stringent procedures for every possible contingency from pest infestation to Christmas party arrangements. Rules are only added, never removed. The inflexibility and inappropriateness of reactive regulatory arrangements devised far away and long ago must be experienced to be believed.

When the pressure increases, headquarters officials move both up and down the systematizing diagonal. (See Box at left.) They insist on information of all sorts and publish league tables, or set targets for agencies and demand plans from them. However all intervention stays within a political-regulatory framework. The empiricism is coercive and manipulative. Performance indicators are used as sticks to beat agencies while information which reflects badly on central decisions is neglected, lost, suppressed, delayed or manipulated statistically to hide its significance. The rationalism is bureaucratic and pedantic. It demands lengthy planning documents, complex consultations and unrealistic time-schedules, while showing minimal awareness of what is required to generate a viable direction and encourage staff who manage the operation.

Changing a culture. Changing the values that an organization uses to manage and achieve is no mean feat. It cannot possibly be done using the 'one big push' or 'softly softly catchee monkey' theories of change. *Strengthening the culture is a progressive and cumulative process which must be explicit and phased.* Each phase has to be installed on a secure base.

But what is the foundation? The foundation is the ability to be totally practical and survive.

EVOLVING FROM A PRACTICAL FOUNDATION

Organizations are about doing things. So they have a natural affinity with the pragmatic spirit. The pragmatic mode is the only one which can exist self-sufficiently within an organization as a culture in its own right—the others are too abstract. While a pragmatic culture is not all good, it is certainly not all bad. The reality, so unpalatable to many academics, is that *a positive pragmatic culture is the bed-rock on which all management development must build.*

We will start with an organization meandering along without much drive and coming under threat from market changes (in a business) or political pressures (in a public service). It operates in a somewhat chaotic and incremental fashion which seems to suit most of those working there. The first requirement, phase 1 in our evolutionary schema, is to move this weak unattended pragmatic culture into a more positive and vitalized form: put a bomb under it, as the saying goes. It usually takes 6 months or so for the message to sink in that things are going to be different from now on.



Phase 1 The Pragmatic Mode

Act now!

Action-based Management— The Art of the Possible

Pragmatic values are simple and obvious. To help you remember these and the lists to follow, I will divide them into values needed to handle the situation (or task or problem or issue), values needed to handle the group (i.e. relevant staff, sub-groups, or everyone in the organization), and the approach to handling yourself.

In handling the situation:

- ◆ Do something—your survival depends on it. Remember that action is the final common pathway and goal of all management. So make things happen. Get your hands dirty and lead from the front. Refuse to delay decisions. Find ways to produce immediate benefits even if they are small.

Be opportunistic!

Respond to the most urgent crisis. Expect to succeed by trial and error. Work around obstacles. Bend rules if need be.

◆ Do what is obvious and expedient. Don't worry about the chaos: it provides many opportunities for action. Scan for these and strike while the iron is hot. Expect crises and use them positively. Build on strengths and avoid weaknesses. Keep many irons in the fire. Use immediately available or easily acquirable resources. Don't hesitate to cut losses and try something new. Concentrate on generating tangible benefits rather than getting entangled in process.

Keep it simple!

◆ Focus down on something manageable. Use common sense. Improvise and adapt to the situation in a practical way. Don't try to get complete control of the situation. Don't expect theories to suit situations precisely. Remember that people think very differently, so anything complicated or obscure is misunderstood. Keep re-stating your key priorities. Never try to explain anything fully because there isn't enough time.

Manoeuvre politically!

In handling the group:

◆ Heed political realities or you are dead in the water. View the social context as a potential threat—because those around you are inherently uncontrollable. Carefully attend to social pressures. Don't put all your eggs in one basket. Manage the impression you make. Be flexible and play your cards right. Discover where power lies. Keep key people in the picture. Develop allies and neutralize opponents. If necessary, buy off troublemakers.

Handle individuals!

◆ Remember that all organizational achievement depends on working through people. Do not upset individuals unnecessarily. Adopt local conventions. Find a way to get on with everyone. Sell your decisions so people feel satisfied. Keep in touch through active networking. Use persuasion to get people to do things. Communicate with pithy slogans. Use humour wherever possible. Be especially sensitive to status concerns. Often you must turn a blind eye to deficiencies: remember that no one is perfect.

Drive people!

◆ Expect results. Push people to deliver. Insist that each person must make a contribution. Delegate challenging tasks to get the best performance out of subordinates. Direct staff to whatever is most urgent. Don't let anyone get away with what they prefer or find easiest. Show everyone what you can do and lead by example. Affirm values to rally and activate people. Use carrot and stick techniques unashamedly. Develop a range of perks. Help staff by cutting bureaucracy and minimizing paperwork.

Rely on yourself!**In handling yourself:**

◆ Remember that you are the person in the hot seat. You must decide what needs to be done. You must see it through: or get out before situations explode or collapse. Never forget that you are on your own in the end. Always maximize your own advantage. Keep your eye on the ball at all times. Watch your back. Rely on your gut-feel, common-sense and intuition. Get plenty of experience and develop coping skills. Work hard. Use your personality. Above all: be determined, dedicated, enthusiastic, and committed.

How Pragmatic Values Degenerate. No value tells anyone exactly what to do in any situation. Yet pragmatic values so often seem to be the source of undesirable consequences. This usually reflects a degenerate culture or its perversion by undeveloped or burnt-out managers. Sadly, degeneration is all too common (cf. Box on p.18).

Pressures for quick results and immediate action rather easily inhibit people thinking, consulting, communicating or looking to the future. So one manager's success is often another manager's problem. Fire-fighting and management by crisis increase until work can hardly proceed due to constant interruptions. Opportunism becomes reflex expedience without any clear or agreed rationale. Political manoeuvring degenerates into doing things only for show, back-stabbing and playing power games. Intrusive control through directives produces quick responses at the cost of over-centralization and dependence on the boss. The top dog really feels powerful. Although this is largely illusory, staff vary in their

MEMO TO CEO:

Pragmatism is alive and sick in the UK – official!

In a recent survey of 989 public and private sector managers by the British Institute of Management:

88% say internal communications are poor

86% suffer from time-pressures

83% experience constant interruptions

81% are expected to meet unrealistic objectives

80% view senior management as incompetent

78% are stressed by office politics.

Managers are obviously socialized into this degenerate pragmatism, because most found work a source of satisfaction (82%), even pleasure (66%), and few (4%) dread going into work—although it interferes with family life (77%) and causes them sleep problems (68%), headaches (53%), intrusive worries (46%), stomach pains (40%), constant irritability (39%), undue exhaustion (36%) and excessive drinking (21%).

(Data from *Management Today*, October 1993)

Is this a basis for the strong management we need?

ability and inclination to support the illusion. So favouritism develops and in-groups and out-groups emerge. Focusing down and keeping things simple result in ever more missed opportunities and failure to avert burgeoning threats. Handling people and driving them hard, when combined with taking care of yourself, soon cross over into machiavelian manipulation and exploitation. Impossible deadlines and unrealistic objectives or targets, backed by covert and sometimes overt bribes and threats, cannot then be challenged. The end result is spreading cynicism and demoralization, combined with a conviction that senior management is incompetent and out of touch. Finally, when self-reliance leads to achievement and outward success, a cocky form of arrogance may emerge: cocky because achievement is based on a mixture of ignorance and luck.

-
- Act now** degenerates into **Short-termism**
 - Be opportunistic** degenerates into **Mindlessness**
 - Keep it simple** degenerates into **Avoidance**
 - Manoeuvre politically** degenerates into **Power games**
 - Handle individuals** degenerates into **Manipulation**
 - Drive people** degenerates into **Exploitation**
 - Rely on yourself** degenerates into **Cocky arrogance**
-

Installing Pragmatic Values. In the real world of organizations, pragmatism of some sort is unavoidable. *So a culture of positive pragmatism must be deliberately fostered and its degeneration actively resisted.* Pragmatic values are so inherently sensible and necessary that their introduction needs to be in line with them. Just do it. Put some life into things. Sort any urgent crises and get some early successes. For key jobs, slot in one or two people with whom you have worked successfully in the past. Send in paid troubleshooters to sort really tricky problems.

But degenerate pragmatism seems to be more commonly installed than the positive variety. For many managers the degenerate is a description of the normal and inevitable. (If

you think this way, then this book may seriously damage your mind-set.) How can anything so damaging and unethical as degenerate pragmatism be regarded as natural? How can it possibly produce enduring success?

Bolstering Pragmatism and Preventing Degeneration.

Even if a positive pragmatic approach is essential, is it enough? Can it stay strong? Will common sense, for example, really do? Common sense deals with the easy and obvious, and fails or refuses to grasp the hidden or complex. Common sense says to avoid such things. Unfortunately doing the obvious may worsen the situation, and avoidance sometimes leads to disaster. So, without devaluing common sense, something more must be added.

During the purely pragmatic phase of any organizational transformation, the wise newly-appointed chief executive is also meeting people, exploring and thinking. The rest of this book describes what he or she should be thinking about. It is about how pragmatism can be progressively strengthened and how its degeneration can be prevented—not about how to remove or replace it. By the end of the evolutionary process, a form of pro-active dynamic pragmatism emerges which is admirable and unstoppable.

The only way to strengthen a pragmatic management culture is *to introduce additional values as rules or principles to constrain expedient pragmatic responses*. Such principles exist to protect and enable immediate necessary action not to obstruct or cripple it. But they mean culture change.

Culture change must be driven by values which act as principles and are positive convictions. Values must be embedded within an appealing and sensible value system if they are to be explained, communicated and used. The *decision approach framework* which offers an ungrudging place to the pragmatic value system fits the bill very nicely.

It is essential to recognize that when a pragmatic manager in a pragmatic culture puts principles head-to-head with expedience and has to choose between them, expedience always

The Unnatural Process of Cultural Evolution

wins. The reason is simple. The expedient response produces immediate and certain benefit for the person. Respecting principles may produce less satisfactory immediate results and often disturbs colleagues. Principles aim, after all, to produce benefit for the organization as a whole in the long run. Gain depends on people adhering to the principles and feeling personally responsible for them. Every time a pressured pragmatist cuts corners, the rot grows.

So a stronger management culture can only emerge and the rot be prevented *if pragmatic managers learn to view certain values emerging from the decision approaches as essential guiding principles*. Their belief that pragmatic responsiveness is the bed-rock of achievement and the foundation of organizational life can be preserved intact, but they must accept the need to harness and channel pragmatism. It is not a case of expedience *or* principles and coping *or* values, but expedience *within* principles and coping *through* values.

Of course, everyone involved must be convinced that the values are both essential and liberating or they will be experienced as an intolerable constraint. Generating such a conviction is the greatest challenge for anyone embarking on cultural transformation, and it will be repeatedly addressed here as each new phase is introduced.

Without values of the more abstract modes of achievement, the degeneration of pragmatic values is probably unavoidable. Despite a natural sequence for the installation of principles, cultural evolution is itself arduous and unnatural. *Degeneration of values and regression after each phase, by contrast, are natural and ever-present tendencies.*

There is resistance and opposition to the evolution every step of the way—not least from within top executives stuck with old habits. Some of the needed transitions will not be congenial; and all seem to distract from the primary operational task, causing upheaval and controversy. Sadly, at each step, some people who functioned adequately or even extremely well in the old culture will be unable to make the shift and will become severely dysfunctional in the new world. They have to go—for their own good as much as the

firm's. On the positive side, many want the changes, most learn from them and the best positively flourish.

Installing values is a challenge. People can be told to do something: but they cannot be told to think or believe something. So cultures cannot be implemented. Even the idea of evolving a culture is mis-leading. Evolution is what happens, not what you do. *It is driven by each mode running into limitations inherent in its own nature.* If there is a continuous concern to strengthen management, appropriate new values can then be fostered.

Never forget that new values can only be installed if they hang together as a set or system. Disconnected values are confusing and discrepant values are emotionally disturbing. The modes of achievement are constituted by values that reinforce each other, but each system of values potentially contradicts the other. So *success depends on installing them in distinct phases and in the right order.*

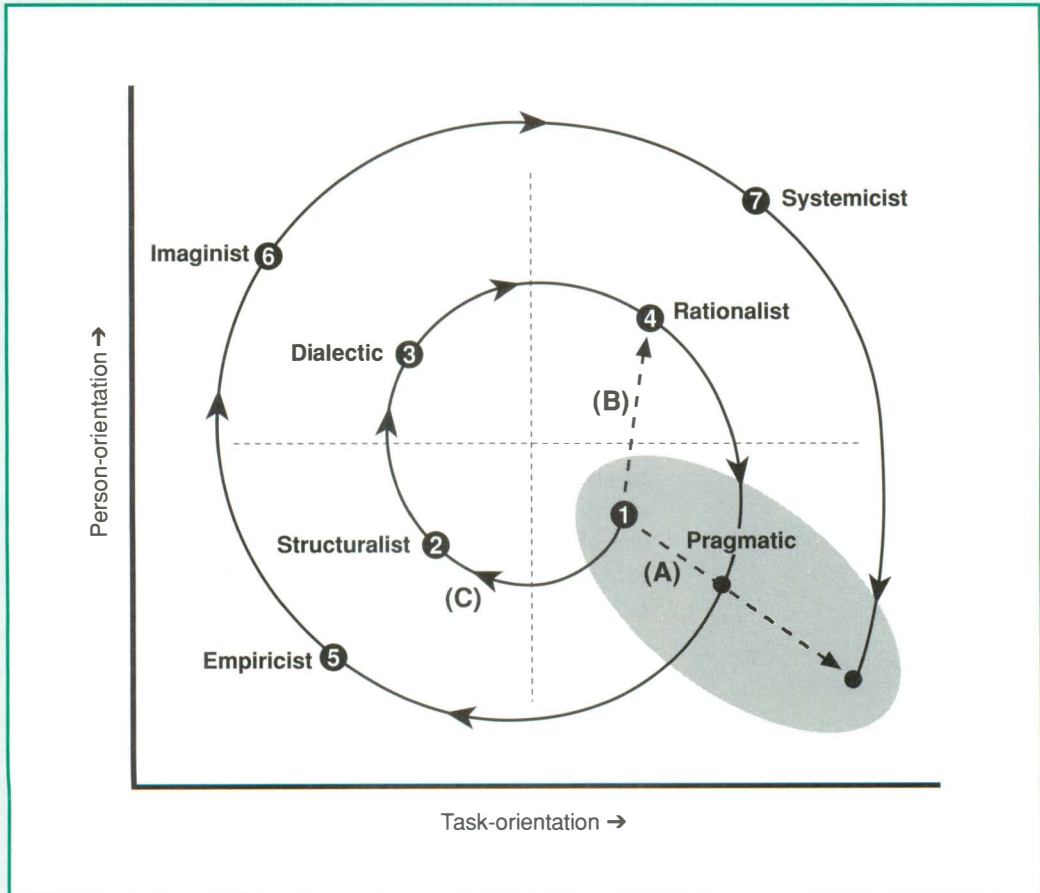
In summary, what do we really mean by developing a strong management culture? We do not mean the occasional use of an approach when times are easy. If the atmosphere is reasonably tolerant, *values from any mode or phase may be applied at any time by anyone.* Using an appropriate decision approach on an ad hoc basis or regularly in a particular department does not define a management culture.

In referring to installation of an achieving mode to improve the management culture, I am talking about something else entirely. I mean altering the taken-for-granted way of working, managing and thinking so that the whole organization is permeated by something new. If the transition is successful, the new values are not only supported explicitly in word and deed, they also come to the fore under stress.

If you have these basics under your belt, I can now proceed (on p.27) to explain the spiral of growth and show why a particular phasing of modes is natural and necessary.

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- For a diagrammatic overview and precis account, see pp.22-23
 - For answers to some common questions, see pp.24-25
-

THE WAY FORWARD : THE SPIRAL OF GROWTH



Which way should you go as the demand for achievement increases?

- (A) the view of most general managers – get more done!
- (B) the view of most management consultants – use people better!
- (C) the natural order of cultural evolution – progressively strengthen the organization's capabilities!

THE NATURAL ORDER OF CULTURAL EVOLUTION

In the pragmatic mode (phase 1), there is immediate necessary action, but it soon becomes evident that some essential work is not getting done properly or at all. So the structuralist mode (phase 2) is required in which accountability for the work to be done and its control is paramount. Alternatively, management remains weak and chaotic. But structures starkly reveal tribalism and generate inter-departmental and disciplinary conflicts. The need to grip issues and resolve them satisfactorily demands installation of the dialectic mode (phase 3). Otherwise the culture deteriorates into disconnection and bureaucratic rigidity.

As pressures for achievement and customer-responsiveness increase, shared values and organizational objectives must be given greater attention by moving to the rationalist mode (phase 4). Without this development, infighting continues, the organization lacks direction and strong management takes the form of knocking heads together.

A consequent demand for certainty stimulates installation of the empiricist mode (phase 5). So knowledge of the objective realities, through investigation if need be, now comes to the fore. The desire to meet aspirations and release creative potential pushes the organization to install the imaginist mode (phase 6). Finally, pressures to develop the whole organization constructively in response to social forces leads to installation of the systemicist mode (phase 7). Without these last three phases, effectiveness is severely limited and the organization remains at risk—even if temporarily glamorous or profitable.

It is evident from the diagram that pragmatic capabilities are progressively ratcheted downwards and to the right in the direction of a greater focus on tasks and results. In its final manifestation, prompt action produces immediate benefit in a way which assists future achievement, while developing staff as individuals, responding to the market, and recognizing other needs in wider society.

Some Common Questions

Q: Some management consultants suggest we must immediately turn ourselves into 'learning organizations'. Do we have to go through all your phases to achieve this?

A: Attempts to go directly to the most complex culture deny the distinctive value of the more basic modes. They also ignore practical and psychological constraints.

Q: Don't modern management tools like Total Quality Management aim to introduce a rationalist mode directly?

A: That is one reason why TQM endeavours fail so often, or result at best in limited gains and disconnected projects.

Q: Why can't we decide a set of our own values, including some from your lists, and install those?

A: The trouble is that such lists are invariably too biased, incoherent or limited. Few managers promote all modes. In any case, because the seven modes have logical-emotional incompatibilities, combinations cannot be installed.

Q: But ten years, even five years, is just too long. If each mode is important, surely the sensible thing is to take the best values from each and put that culture in right away?

A: Most managers want to extract the goodies. But experience suggests that the 'best values', once extracted from the modes, quickly disappear or degenerate. They are part of a system and need to be bolstered by their associated values.

Q: Must we follow your sequence of phases slavishly? What if we have already partly installed several values from the later modes?

A: Fragments of all modes are usually present in any organization, but it is intrinsically unlikely for later modes to become more solidly established than earlier ones. The proposed sequencing seems to be the natural order for dealing with management weakness in most cases.

Q: Can we speed things up by working on several phases simultaneously?

A: A small group of managers might do so. Rapidly developing large numbers of managers is impossible.

Q: But we need all the modes immediately, don't we? How can we manage with an incomplete culture?

A: You do need to be able to use all decision approaches within an organization, but you do not need to enculture all the achievement modes. Many organizations function satisfactorily, but sub-optimally, in a low-level mode.

Q: Your step-by-step account seems too mechanical. Reality is fluid and changing. Even if your modes are valid, can't we feel our way forward intuitively?

A: You must. I have to write this up in an orderly way, but cultural development can never be mechanical. Once you have mastered the ideas, you can overlap installations sensibly. Exactly how to move forward is up to you.

Q: Can we really expect everyone to become expert in each of the decision approaches?

A: Absolutely not. That would be impossible and undesirable. Creating a cultural context is not identical to decision-making. So adapting to new cultural values is not equivalent to using a decision approach expertly.

Q: How will we know when a new mode with its values has been successfully adopted?

A: You have made it when this question seems irrelevant. The most overt sign is a growing pressure and desire to move to the next phase. This occurs as you discover the mode's limitations or find trends to degeneration after a period of solid achievement.

Q: It sounds risky to me. Does a strong management culture guarantee success?

A: No. Culture is just a context for management. Success depends on the quality of the decisions and the work effort. But, let's be honest: nothing guarantees success.

Q: Can I do it?

A: Do you have an option?

GETTING CONTROL OF ACTIVITIES

Control is a dirty word for many managers, professionals, management consultants, academics, professionals and social theorists. But the legitimacy of direct control over personal activity is perhaps the sharpest difference between participation in an organization with its artificially created mission and sharply defined membership boundaries, and participation in a natural community with its inherent diversity and freedoms.

Managers are paid to control activities. But of course control can be handled in a more or less sensitive and appropriate way. Effective 'good' control feels just like proper organization. Ineffective 'bad' control feels like coercion or mismanagement.

Three phases of cultural development are needed to produce the most sophisticated, non-intrusive and unobjectionable form of control. Let us return to our newly vitalized pragmatic organization and ask some questions.....

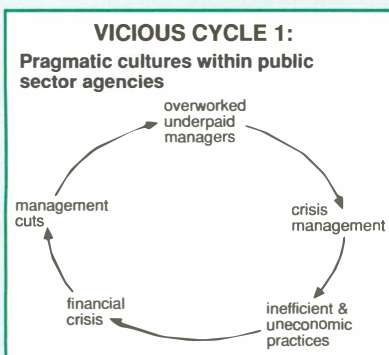
Where To Next?

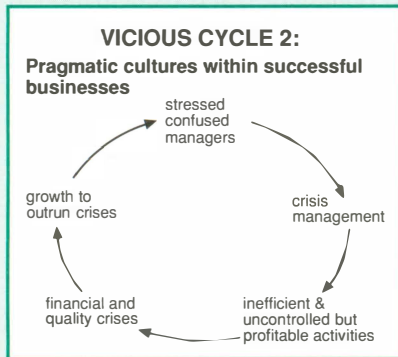
Is development out of a purely pragmatic culture really needed? Are staff complaining? Is achievement faltering?

Initial gains with incremental pragmatic fixes at crises points can be impressive. But very soon pragmatic activities *start defeating themselves despite improvements in performance*.

The culture, already partly degenerate, threatens to degenerate further and rapidly.

In trying to get things done quickly and easily, the organization continues to accommodate many managers who are no longer needed, are not sufficiently capable, are in the wrong post, or are unsuitable for some other reason. You also invariably find that essential posts, procedures and meetings are lacking. The result is poor coordination, a lack of management control and a widely felt sense of managerial impotence. Crises keep recurring and needed work simply does not get done. Everyone knows this and will complain vociferously if given half a chance.





To break out of the stranglehold of pragmatic fixes, it becomes essential • *to clarify exactly what work has to be done*, • *to get people of the right calibre, experience and qualifications into suitable well-defined posts*, and • *to give them an appropriate degree of authority and access to resources*. No other approach to achieving can succeed without this base of structural clarity and management capability.

If the culture has been stressed by an intense drive to achieve, then the main concerns are the general chaos, duplication of efforts, omission of crucial but uncongenial tasks—typically financial or quality controls—and the excessive centralization of authority. Consolidation becomes essential because it gets increasingly difficult to outrun the messes and crises through further growth. Successful dynamic entrepreneurs frequently build such organizations. An atmosphere of fear is not uncommon, and corrupt or unethical practices usually emerge if anyone starts to look. In such settings, attempts to improve management through computerizing information (empiricist) or planning (rationalist) fail or destroy the organization because of the lack of an effective managerial structure.

It is surely self-evident that there is no sense in installing responsive dialectical or imaginist modes, because what is needed is effective coordination and control of the work. Systemicism is, of course, a fantasy-land option, and that leaves again only one possibility: the structuralist approach.

So the appropriate evolution of the pragmatic culture, whether from a stagnant self-serving base or a chaotically successful dynamic base, is to the structuralist mode whose values precisely align with *the urgent need for the control of activity*.



Phase 2 The Structuralist Mode

Accountable Management— Getting Structures Right

Many managers and management consultants give structuralism a poor press. They sort out roles and responsibilities on the back of an envelope, introduce new posts and levels of management on an expedient basis, and let lines of accountability become muddled and ineffective. Extremists prohibit job descriptions to increase flexibility. Not surprisingly, official audits and inquiries into collapses, frauds and disasters regularly trace their origins to poorly defined roles and the absence of reporting relationships.

The reality is that the structuralist mode embodies essential and effective assumptions. Managers need to recognize that pragmatic action can and must be supported through the proper design of structures and procedures. Structuralist principles exist to permit greater flexibility (not rigidity), and to ensure that any crisis or challenge that hits the organization can be handled promptly, properly and effectively (not bureaucratically). If structuralism fails in this regard, then the principles have surely been poorly applied. Properly used, structuralist values create *a foundation of stability, competence and routine efficiency* on which everything else can be solidly built.

Accountable management is about designing a suitable structure and filling it with capable people who work within a framework of essential rules and procedures. This should commence within 3-6 months of beginning any re-vitalization process. In a moderately-sized neglected organization, it might take as long as 18-36 months to design and implement a structure that is both comprehensive and suitable, along with installing a reasonably full range of essential procedures (e.g. for things like budgetary control, appointments or safety).

As in the case of pragmatic values, once the values of structuralism are installed, they never cease to be important. The core values are as follows.

Individual accountability

In handling the situation:

◆ Insist on accountability to eradicate pragmatic habits of buck-passing, hiding behind group decisions, omitting unpleasant or difficult duties and dumping on others. Define clear responsibilities and work boundaries for all posts, ensuring comprehensive coverage of the work to be done. Abolish excessive, impossible or inappropriate mixes of duties which generate overworked underpaid and devalued managers. Fill posts with people who have the necessary expertise and capability. Transfer, demote or remove non-performers. Hold post-holders to account for determining and fulfilling all needed tasks. Install arrangements for monitoring and performance appraisal. Ensure everyone knows precisely what to expect of themselves and of those with whom they deal.

Procedural control

◆ People can be controlled in an acceptable way by laying down general rules and prescribing certain procedures. Without rules and procedures, there is duplication and conflict about what is correct, as well as the possibility of inefficient, uncoordinated, inappropriate, insensitive, unethical or even criminal handling of situations. Put effort into installing and monitoring rules and procedures. Where performance is critical, control work activities by breaking down what has to be done into sub-tasks.

Assigned authority

◆ Give people the necessary authority to get things done. Authority is the correlate of responsibility in a post and it ensures that the exercise of power is legitimate. In pragmatic cultures, machiavellianism flourishes and uncertainty about power relations typically leads to avoidance. Formal authority, which is assigned by someone more senior, should not be stronger than necessary in order to avoid its abuse. Whilst the most powerful form of authority is line-management—the prerogative of the boss who appraises performance—coordinative or monitoring authority often suffices.

In handling the group:

Teams and meetings

◆ Bring people together in a variety of management teams and meetings to sanction tasks, determine policies, agree

Minimal hierarchy

procedures, explore obstacles to progress, pass information in an orderly way, coordinate activities, and monitor achievement. Use cross-functional teams to focus on specific products, services or issues. Ensure routine meetings are properly constituted and operate in a disciplined way. Review the effectiveness of teams and meetings regularly. Oppose cabals and cliques. Proscribe the confused overcrowded meandering sessions with absent or unmanageable agendas which are a left-over of the pragmatic phase.

◆ All responsibility must be distinguished as to its kind and its level. Too many levels of management in the hierarchy lead to rigidity, conflict and red tape. Too few levels lead to work not being done. The necessary number of levels flows from the organization's activities and the impact it wishes to make. Research and experience suggest that the maximum number of levels, even in multi-nationals, is 7. The absolute maximum for business units or operational agencies is 5. Management across these levels defines the strongest possible line-managerial relationship – so there are just 4 of these.

Maximum autonomy

◆ Let the person responsible decide: it's what they are paid for. Respect expertise. Ensure line-managers have staff officers to aid cross-level dialogue and to help coordinate action and monitor progress. Encourage initiative and the use of personal capability within any role. View pre-defined responsibility as a *minimum* expectation. Reduce over-dependence on superiors, but foster followership and acceptance of higher level policies and priorities. Expect authoritative action and contributions to policy. Avoid intrusive pragmatic directives which centralize power and create uncertainty.

In handling yourself:***Professional expertise***

◆ Enthusiasm, determination, personality, common-sense, experience and learning on the job are simply insufficient. Professionalism is important as well. You must either identify with a discipline and maintain its perspective, or develop a considerable degree of focused practical knowledge and skills. In this way, you can be sure of contributing appropri-

ately now, and you are likely to be needed in the future. This means committing yourself to a particular career or type of work, and actively keeping yourself up to date. Ensure the right fit between your role and you. Avoid being over-promoted.

How Structuralist Values Degenerate. The structuralist phase, much like the pragmatic, seems to be highly prone to degeneration, but this time into a bureaucratic nightmare. When the culture degenerates, the acceptance of accountability becomes divorced from the work to be done and unrelated to the ability to carry responsibility. Instead it is all about building empires with ever bigger budgets and ever more staff on an ever higher salary. (Public sector officials often perversely encourage empire-building by pegging salary to budget or staff size.) The demand for procedural control leads to red-tape; and the use of authority becomes no more than pulling rank. The result is to reduce delegation, disrupt autonomy and stifle personal initiative. Hierarchy degenerates into a preoccupation with status, and this replaces a concern for achievement. Elitism and pecking order problems develop. As levels in the hierarchy proliferate, more and more teams and meetings are needed. Soon all operations become bogged down in memos, minutes, reports, form-filling and other manifestations of bureaucratic paperwork and pettiness. As impersonality increases in social dealings, so the autonomy generated by roles and authority produces greater disconnection in values and objectives. Each department and function defends its turf and ignores the good of the whole. Unhealthy competitiveness develops. Eventually a divisive and often alienated atmosphere permeates the organization. Leadership becomes mechanistic, rigid and remote as managers lose contact with goals, facts and people. Experts become increasingly unmanageable due to their arrogant and denigrating know-it-all attitude.

Individual accountability	degenerates into <i>Empire-building</i>
Procedural control	degenerates into <i>Rigidity</i>
Assigned authority	degenerates into <i>Pulling rank</i>
Teams and meetings	degenerates into <i>Bureaucracy</i>
Minimal hierarchy	degenerates into <i>Status preoccupations</i>
Maximum autonomy	degenerates into <i>Disconnections</i>
Professional expertise	degenerates into <i>Know-it-all arrogance</i>

Installing Structuralist Values. Structuralist values need to be introduced as participatively as possible, especially in defining what the work is about and in gaining support on the need for clear structures. But the limit to what is possible may be quickly reached because the process calls into question existing posts, job titles, personal capabilities, personal suitability, managerial salaries, procedures, meetings, and even the rationale for whole departments or business units. There is usually little alternative to driving re-structuring from the top, especially if major changes are evidently necessary.

Aside from managing the high level of anxiety, the biggest difficulties during this phase seem to be:

- keeping the hierarchy to the minimum number of necessary levels;
- appreciating what the work to be done is really about;
- integrating the contributions of professionals;
- resisting the temptations of self-defeating pragmatic solutions; and
- handling marginal performers.

Please note that re-structuring is not equivalent to embedding structuralist values. A determined effort led by the chief executive and supported by the personnel/training department and dedicated organizational development staff is required for enduring improvement. Over time, the work to be done changes, social values alter, and people develop or leave. So structures and procedures need to be opportunistically and regularly reviewed. An annual review, much

Where to Next?

as for plans and budgets, makes sense. If persistently fudged, structural arrangements become monolithic obstacles whose improvement evokes fear rather than relief.

Management is now buttressed by accountability and capability. There is a sensible and distributed commitment for all necessary work to be done. Action can be at least as expedient and dynamic as in a purely pragmatic culture, but also far more coherent, responsible and directed.

However, it is not long before friction and controversy start to increase disturbingly. Chief executives, pleased with their initial pragmatic and structural gains, become somewhat depressed as they discover that their best people are fighting each other.

The problem is the new functional and departmental hierarchies with their capable and autonomous chiefs. They produce sharply different perspectives on issues affecting the whole organization. Because structures deliberately compartmentalize and divide an organization, boundary issues invariably emerge causing tensions.

The clarity of a structuralist organization also fosters awareness of tribal divisions based in occupational disciplines and represented by professional associations and staff unions. Except in the smallest businesses, the days of homogeneous management are over: even relatively small firms contain a few disciplines; most large firms require a score or more because of the proliferation of managerial specialisms (personnel, PR, legal, IT &c); and large teaching hospitals are so complex mainly because they involve around 100 proud disciplines. Professional experts uphold distinctive values which seem to block cooperation and communication. They hold these values not to be awkward, but to guide their work. The organization cannot possibly get along without disciplinary expertise so it must somehow accommodate to tribal values.

The problem comes when general managers, revelling in legitimate power, discover that tribal values do not put the well-being of the organization first. By opposing tribalism or

viewing it as irrational, general managers evoke deep and counter-productive anxieties in those on whom they depend. (General managers of this sort naturally deny their own tribalism.) This is not good for the organization. Although tribal members will suffer personally if the organization fails, their tribal loyalties may be so strong that they push the organization to the brink—and even over if care is not taken.

Accepting that inter-departmental conflicts and occupational tribalism are intrinsic to the human condition, the chief executive has a limited number of choices:

- *Relax the stringency of structural principles* and let pragmatic manoeuvring and cut-and-thrust dominate. But this cannot be recommended.
- *Strive to suppress differences and emphasize commonalities.* But this is thoroughly unworkable given that tribes and departments are properly proud of their distinctiveness and rightly determined to fight for their views.
- *Buttress structural values with a new set of management values* affirming the need to deal directly and positively with differences of perspective. This is the only sensible option.



Phase 3 The Dialectic Mode

Reconciling Perspectives and Resolving Conflicts

Although everyone knows that inter-group conflict and controversy must be handled, most managers see such things as impediments to achievement. They (correctly) do not see themselves primarily as arbitrators, debaters or politicians, and tend to (incorrectly) equate the dialectic approach with wheeling-and-dealing or industrial relations. But the same rule applies here as before and later: even if the underlying assumptions, dialectic in this case, are natural for only a few managers, certain dialectic-based values can and must usefully permeate the management culture if it is to handle the problems bequeathed by pragmatic-structuralism.

Every manager must recognize that if the organization can-

not grip those issues around which its powerful divisions and disciplines come into conflict, achievement will be limited, crises will recur, and disaster may be precipitated.

Conflicts that emerge from the structuralist development must be recognized here as valid differences of view—and no longer as exercises in empire-building or turf defence. For example: production, marketing and development divisions will always have very different views on a particular new product or service, and these must be reconciled to maximize chances of success. Similarly, both line-managers and personnel specialists have responsibility for staffing matters and a workable division must be found if there is not going to be omission or duplication of work with dissension and bad-feeling.

Purely disciplinary (tribal) perspectives have a definite validity too because they are the basis for the self-respect and pride that expert managers have in their work. Tribal values need to be positively activated and aligned with the work of the departments within which members are situated. Otherwise action will be subtly or overtly sabotaged according to how the particular tribal member feels.

The needed dialectical culture must not be confused with the wishy-washy and self-serving dialectical management found in stagnant or chaotic public sector bureaucracies. As a phase of cultural evolution, the dialectic mode strengthens management in doing what it must. It is precipitated by the newly enhanced autonomy and authority of capable managers. It responds primarily to the need to deal with boundary issues and the division of responsibility for joint work. It accommodates constructively to tribal realities.

Dialectical pressures must be handled from the word go, but dialectical conventions can only be effectively emphasized and reinforced after a thorough restructuring. The new cultural features are as follows:

In handling the situation:

- ◆ Divisive issues must be gripped sooner or later, so better sooner. Prompt action reduces contention. If perfectly legiti-

Grip issues

Work together

mate differences of view are ignored, then progress slows or divergent courses of action emerge causing aggravation. Eventually the organization may become paralysed. So be on the look-out for areas of growing dissension and be determined to resolve controversies. See in advance the good that will come out of airing group disagreements on major matters. Involve yourself and all parties to the issue, evoke a determination to find a resolution, and get a basis for discussion.

◆ Treat inter-departmental differences and disputes as opportunities to move forward sensibly—not as impediments to progress. Achievement can only be realized if everyone pulls together while doing their own thing. Allow and expect disciplinary members to work both within their own and ‘foreign’ departments. Discover the potential for joint contributions to meet organization-wide problems or challenges. Insist on a positive attitude to conflict from all concerned. Each side must play their cards right, bargain constructively, and try to find a way around differences. Monitor progress to ensure that working together persists.

Find compromises

◆ Divergent perspectives, whether divisional or disciplinary, reflect genuine realities. So reconcile and recognize the interests of all parties to any dispute in the final outcome. Expect people to adapt existing accountabilities. Get consensus on workable compromises. Be prepared to conciliate or mediate. View appeals and arbitration by higher management as a last resort. Resist the temptation to resolve disputes by pulling rank or clever manipulations. Avoid pandering to the powerful and neglecting the weak. Don’t confuse representative and executive arrangements.

In handling the group:***Respect differences***

◆ Accept the validity of the expertise and judgements of the various departments and disciplines in the organization. Positively welcome varying perspectives. Tolerate different professional values and work to sustain good relationships. Involve all affected staff in key decisions. Take soundings and consult widely. Respect tribal loyalties and ideals, but do not submit to them. View any disconnection, isolation,

Structure debate

blaming, alienation and denigration amongst disciplines as serious problems to be overcome. Never imagine you can eradicate tribalism.

◆ When matters are uncertain the best result comes from the strongest possible debate. Set up and organize these debates sensibly and carefully. Ensure attendance and effective representation. Give all parties access to the facts. Agree the issue(s) to be tackled. Keeping the needs of the organization in mind, allow the various parties to present their cases, to bargain, to make bids and to offer counter-proposals. Maintain decorum. Keep discussion friendly. Don't personalize irritations. Act on any agreed conclusions.

Satisfy groups

◆ Poor handling of the valid claims of any division or tribal member eventually leads to disruption, disaffection, crises or explosions—whose management is costly and exhausting. So both organizationally-created divisions and established disciplines within the organization must feel satisfied. Ensure that departments and tribal members see that their views and feelings are well-articulated. Engage with opinion-formers. Use recognized representatives where appropriate. Orchestrate communications to and from groups, taking particular care on contentious or controversial matters.

Identify with a group

In handling yourself:

◆ You must realize that your own achievement does not depend just on your personal qualities (pragmatic) and position or expertise (structuralist). You are also dependent on the support you get from your group and on its status and influence within the organization. Whether you like it or not you are tribal. This means that you must recognize and affirm your loyalty, use your group representative when appropriate, maintain group solidarity, close ranks behind unfairly treated colleagues, and be prepared to compromise your personal aspirations to support your group. Strive to put your tribalism in the service of the organization. (But if you are a fundamentalist, it is better all round if you go and work for a tribal organization.)

How Dialectic Values Degenerate. It is easy to see how these dialectic values degenerate. The focus on disputes becomes a perpetual unproductive stirring up of dissension. Eventually political in-fighting and strife become endemic: whatever one group proposes another group opposes in a knee-jerk reaction. In so far as people do work together, they view the organization as a pork-barrel and seek to carve-up the available benefits. Compromises become deals which give the impression rather than the reality of moving forward and facing challenges. Often the result is an unworkable fudge which fails to grip the issue or satisfy anyone. Vacillation between the two sides may become common. The respect for difference deteriorates into isolationism and stand-offs, while open debates become bickering sessions whose forced agreements are subsequently ignored. Powerful groups are appeased rather than satisfied. In such an atmosphere, group identification and closing ranks become a form of snobbish arrogance which denies and hides individual inadequacies.

Grip issues	degenerates into	Stirring
Work together	degenerates into	Carve-ups
Find compromises	degenerates into	Fudges
Respect differences	degenerates into	Stand-offs
Structure debates	degenerates into	Bickering
Satisfy groups	degenerates into	Appeasement
Identify with a group	degenerates into	Snobbish arrogance

Installing Dialectical Values. If structuralist values have been installed successfully, then differing and valid perspectives will clash and need presentation and reconciliation as night follows day. An organization may try to persist in the pragmatic-structuralist mode, neutralizing all opposition and dissension with authoritarian directives or skilful political manoeuvring. Such organizations only face departmental or tribal issues when they become intractable obstacles or threaten to explode.

Where to Next?

Dialectic values can and should be introduced in a practical and natural way to handle cross-boundary or tribal issues as they emerge—the most urgent first. Managers generally dislike conflict and are too busy for much reflection at this stage, so a comprehensive project is inappropriate. Nevertheless some pro-active effort is usually desirable, and a fanfare may be helpful if the situation is seriously degenerate. Senior managers or representatives in the various divisions and disciplines can be invited to identify issues for resolution as thrown up by the re-structuring and current pressures. A facilitator is often useful, especially in the early stages, to ensure that debates are set up and run in accord with dialectic values.

Whatever the tactics adopted, everyone must come to experience the significance and positive contribution of this mode. Its distinctive values must become irremovably embedded in the organization. Any violation of dialectic values or the emergence of tribal fundamentalism needs to be investigated and its origins sought and definitively handled—otherwise progress will be forever blocked.

The transition from structuralist to dialectic mode is rapid and relatively easy because it builds on departmental divisions, self-interest, disciplinary identities and the dislike of entrenched conflict. The next step is far more difficult because it explicitly expects people to put the good of the whole above the good of their part.

So where is the pressure for this change of heart?

Often there is none. Then it doesn't happen. The pragmatic-structuralist-dialectic culture can stabilize and consolidate if the demand for achievement is not too great: e.g. in monopolies, in firms with cost-plus government contracts, and in most grant-funded public agencies.

Initial gains in productivity can be high following restructuring or resolution of major issues, but then the fat is gone. Cost improvements level out at 2-3% p.a. maximum. Annual improvements of the order of 10-20% p.a. seem impossible. Yet some firms are capable of this and more – which means

that some departments are making improvements of 100% and more. In the present economic climate, both businesses and public-sector bodies are being asked to make changes of this magnitude.

If the pressure for a high rate of achievement mounts, how can it be met? Just three courses of action are inviting:

◆ *Rewind the spiral and drive people ever harder.* Managers usually do their best to respond, but relentless pressure and the continuing failure to meet seemingly impossible external requirements induce demoralization or cynicism. The end result is usually to increase the use of unethical and exploitative methods, 'unknown to' and 'unauthorized by' senior managers. In government bureaucracies, it is usually easier and more acceptable to all, including politicians, to falsify figures. Alternatively, artificially good results may be generated by cutting development, capital investment, senior management or maintenance expenditures. The dire consequences of such cuts will not show up for some time.

◆ *Buy the latest information technology vision.* The idea that computerization will transform a business and radically cut costs is appealing. Unfortunately, the organization is not capable of successfully implementing large-scale change governed by a common goal. Attempts to do so cause immense pain and lose vast sums of money. Nor can the organization use information well because its managers view information, especially if it is unrelated to their own immediate actions, as more of an interference than an asset.

◆ *Introduce the rationalist mode.* By recognizing and affirming values and objectives which unify people in their work, a leap forward becomes possible. The divisions created by structures and tribes can be further overcome, and the working together permitted by the dialectic process can be effectively powered and directed. *But managers will only take organizational objectives and values seriously if the management culture fully supports them.*

TO BE READ BY PRAGMATISTS ONLY

- People are always asking you: **what are you going to do?** So you probably regard values and organizational outcomes as deeply mysterious and a distraction from the real work.
- **As a result:** you see **values as tasks** (important tasks of course), never as guiding ideas or principles which shape tasks and influence the way that things are done; and you see **objectives as tasks** (or activities or things to be done) never as hypothetical future states of affairs or organizational outcomes to be brought about through a variety of joint activities.
- **This view of the world breaks down in the rationalist phase.** Tasks, activities, and things to do are then labelled as purely *tactical objectives* because they come and go, adapt and change. Since values and strategic objectives are meant to endure, it seems to others that you never mean what you say.
- **So what do you do?** There are two possible responses in keeping with your character.
- **The reactive response:** You agree to values and outcomes in meetings to keep the peace and to show commitment. But your agenda is far too overloaded as it is to pay much attention or take on extra work. Still you must do something. So you drop last month's initiative, make a few high profile statements, convene a meeting on values and produce one or two well-publicized results. Then you wait and see what others do. You reassure yourself that the whole idea is just the latest fad, and anyway pie in the sky. Still, you had better skim through the rest of this book so that you can handle the jargon.
- **The proactive response:** You see the way the wind is blowing and realize that now is not the time to be left behind. You become determined to make a mind-shift. This means starting to work on your own attitudes and beliefs about achievement. You tolerate feeling confused and arrange to have yourself led, persuaded, pushed and helped. You enlist someone you trust to see you through, never mind the expense to the firm. You find easy-to-read books that push the new approach. You use your personality and develop your style to give the new ideas your stamp. You never abandon commonsense or neglect your intuition. You make lists of key agreed values so you can memorize them. Then you start expecting people to act on agreed values at once – and, surprisingly, you find you are starting to do so yourself.
- *You are on the way now read on and enjoy.*



Phase 4 The Rationalist Mode

Working with Values and Objectives— and Meaning It

Values are important from the start. They are essential in the pragmatic mode to rally people. They emerge strongly, if somewhat controversially, in the dialectical phase.

However, to this point, unifying values like the mission are more prominent on wall posters and the annual report than in the minds of managers and front-line staff.

A moment's reflection makes it obvious that all action expresses values and objectives; all structures are energized and directed by values and objectives; and all conflict needs to be resolved on the basis of common values and agreement to objectives. Despite this, unless values and objectives are brought to the fore and worked with in an explicit way, their contribution is minimal. Managers work hard but remain disengaged from what is really important.

As a result, most modern management ideas are value-oriented in one form or another. Total quality management, focusing on customer needs, living with constant change, human resource management, business process re-engineering—all have been largely built on rationalist assumptions.

In previous phases, planning and policy-making are usually handled pragmatically or procedurally with a greater or lesser degree of success and satisfaction. Often, the rationalist spirit will have been confined to planning departments. When this occurs, plans become over-elaborate and get divorced from action and commitment. Official HQ plans with strategies and targets notwithstanding, few pragmatic managers are really aware of what they are trying to achieve for the organization and why. When operational managers do not own organizational values and objectives, planning is viewed as obstructive and bureaucratic.

Again it must be emphasized: embedding the rationalist mode is not about turning everyone into a planner. It is all about everybody taking the organization's values and objectives far **more** seriously and using planners properly.

Never forget that values are a two-edged sword. Unless their

Shared values

Organizational outcomes

power is harnessed, they will operate counter-productively. Proclamations of values easily engender isolation, confusion, fragmentation, demoralization and cynicism.

The rationalist mode cannot possibly be introduced unless and until accountability and capability issues are settled. The main boundary issues generated by restructuring must also have been resolved, and basic respect and understanding between divisions and disciplines must be sufficiently developed. However, as soon as possible, the leadership should commence introducing rationalist values systematically, expecting to drive the process for a minimum of 18-24 months. The necessary rationalist values are as follows:

In handling the situation:

◆ Develop a genuine and persisting consensus on what is important and why. Emphasize and apply these values to ensure control from within the person. Such control is more acceptable than threats, more effective than authority-based instructions, and more self-affirming than expedience. Recognize that any organization is a community in which everyone depends on everyone else. Values are the communal glue, so affirm those which overcome differences generated by role boundaries, hierarchy and tribalism. Use these values to get support for otherwise distasteful decisions. Ensure that priorities shape action rather than being converted into another job to be done and forgotten.

◆ Choose outcomes to be in accord with values and to enable organizational (i.e. cross-functional/cross-departmental) achievement. Stop defining objectives only in terms of activities or responsibilities and start defining them in terms of future states of affairs (outcomes). Ensure that outcomes are feasible in principle by analysing situations and resources. Even feasible outcomes have an inherently challenging feel. Stop people getting unthinkingly lost in processes or tasks, or too preoccupied with meeting targets for their own division (e.g. for cost reduction or sales). Find opportunities to produce what is really needed by the organization and wanted by clients or customers.

Cooperative innovation

◆ Find new better ways to reach current goals or perform existing activities. Cooperate in small teams to innovate. Work together with the clearest possible sense of purpose. Continually challenge the status quo. Consider changing current practices. Don't just work harder and do more of the same. Remember that ideas for innovation may emerge anywhere at any level once people know that values and outcomes are taken seriously. Respond positively to these ideas. Help colleagues rather than merely observing or ignoring them.

Full participation**In handling the group:**

◆ Foster wide participation in developing and pursuing values and outcomes. The culture of 'order and obey' neglects community-style participation and leads to an over-reliance on being told what to do, deferring to experts, depending on negotiated decisions or just leaving matters to the accountable manager. Only full participation permits cooperation. Use participative team-work to prevent organizational directions being misunderstood, ignored or pursued with the wrong spirit. Blur roles at times to aid cooperation and to use the capacity to contribute. Harness personal energy and enthusiasm. Value staff through enabling and recognizing their contributions.

Genuine communication

◆ People feel they are participating if they are kept informed and if their objections and suggestions about work are taken seriously. Improve internal communications generally. Devise ways of giving everyone in the organization simultaneously an identical message so staff can really know what is going on. Aim for a two-way evolving process of informing and listening. Keep communicating until there is mutual understanding. See proper communication as the way to get cooperation in the internal customer-supplier chain. Dispel rumours and misconceptions rapidly. Ban the 'give me solutions not problems' style of management.

Individual liberation

◆ Develop principles and policies so as to liberate managers. Foster equality amongst staff. Release people to act on agreed values and pursue shared outcomes in their own

Self-discipline

way. Cut the amount of regulation and centralization correspondingly. Investigate and deal with situations where values seem to lead to inappropriate constraints or interference. Reduce dependence on procedural control and non-negotiable authoritarian directives. Taken too far, such external control stifles initiative, inhibits local champions, engenders fear, and produces uninformed unimaginative decisions.

In handling yourself:

◆ Self-discipline means refusing to be distracted. You must never lose sight of what is really important for the organization and the outcomes others seek or need. Positively resist pressures for mindless expedience. Actively recognize the significance of your actions. Doggedly persevere until obstacles are overcome. Exert emotional self-control. Without self-discipline, projects go off track, a preoccupation with tasks rather than ends takes over, short-termism develops, emotions run riot and the mind is dulled.

Getting It Together. The values in all cultural phases hang together because each mode defines a system of values (also called: a value system). To breach one is to breach the lot. Few people forget that responsibility, authority and procedures go together. However, inter-dependencies in the rationalist mode are regularly forgotten. In a mis-guided attempt to force achievement or bull-doze value-change, managers may set challenging outcomes without enabling innovation; or the board pushes for customer-responsiveness, but is unresponsive to staff views on this; or professionals demand liberation without accepting the need to internalize a framework of shared values.

It is impossible to liberate people if they do not know what outcomes are wanted, and liberation only works if everyone is actually participating in a self-disciplined way. Participation in turn depends heavily on communication. Communication only feels genuine if it is around shared values or the search for these values. Shared values that do not lead to organizational outcomes are pointless. Outcomes that do not demand innovation and self-discipline are rarely sufficiently

challenging. Innovation depends on new ideas, but these cannot emerge in a usable way without participation, communication, liberation and self-discipline.

How Rationalist Values Degenerate. As you might expect, a rationalist culture can degrade like any other, especially if the values of the previous modes are weak. The demand for full participation, for example, can create paralysis if there is a denial that certain meetings need constituting and handling so as to meet structuralist, pragmatic or dialectic needs. A tough pragmatic chief executive is prone to foster degraded elements as people go through the motions of compliantly 'signing up' to values without belief or understanding. Shared values can be developed in a bland mechanical way; or, if radical, degrade into political correctness and thought control. The end result is to produce grudging or spurious conformity and at best passive compliance. Organizational outcomes are too often unreal, even arbitrary, goals. At the extreme, they are no more than numerical targets for cost-improvements or sales. There is no higher level thinking indicating how such outcomes might be realized or what dangers must be avoided. Cooperative innovation combined with individual liberation may degenerate into small groups operating in an anarchical and incoherent way. Finally, for those natural rationalists who can exert self-discipline, the danger is a bull-doing form of arrogance in which the inescapable logic of their views is forced on others whose contribution is devalued.

Shared values	degenerates into Thought control
Organizational outcomes	degenerates into Unreality
Cooperative innovation	degenerates into Incoherence
Full participation	degenerates into Paralysis
Genuine communication	degenerates into Talk-shops
Individual liberation	degenerates into Anarchy
Self-discipline	degenerates into Bull-doing arrogance

BUSINESS VALUES
vs
MANAGEMENT VALUES

This book focuses on developing the management culture, but of course other cultural changes may be needed in relation to the core business.

When the National Health Service was reformed in 1989 to create an internal market, hospitals required new values like dynamic entrepreneurialism, patient-centredness, customer-responsiveness, manager-doctor cooperation, organizational autonomy, and financial realism. Installing these meant a revolution in the attitudes and beliefs built up over decades: a new mentality in fact.

When banking was deregulated in the 1980's, the culture inside banks needed to change to accommodate to the new fast-moving environment. The banks' failure to change internal values (its business culture) was the root cause of massive losses and collapses, sometimes with government-sponsored bail-outs, in places and societies as far apart as Japan, Scandinavia, Australia, USA and England.

Banks and the NHS are not allowed to fail completely, but businesses easily go under.

Installing Rationalist Values. The rationalist mode threatens managers who lack a rationalist spirit. But, in a competitive market, a focus on values (like customer needs) and outcomes (like return on investment) is essential. In a developed democratic society, enabling liberation and full participation is almost common-sense. Unfortunately, managers in pragmatic-bureaucratic cultures don't see it that way. It all seems too vague and risky. Asserting control and making deals seem so natural and safe. Recognizing the need for a major shift in values and overcoming the inertia within top management is the first and biggest hurdle.

The chief executive must provide leadership through personalizing certain values and objectives. But then there should be full participation in exploring, elaborating, and improving on those values, and proposing objectives and cooperative activities to realize them. Internal communications always need improving so that staff at all levels can take the culture-shift forward in their own way. External consultants are usually needed because insiders are, by definition, servants of the existing culture and bound hand-and-foot by its values. Sensible participation and cooperation may be particularly difficult to introduce.

The rationalist phase of cultural development emerges as a prototypical *culture change project*. The very idea of changing a culture demands a focus on values in the organizational community and such things are not seriously or explicitly considered before the rationalist phase.

Introducing a new culture depends on working with values. The desired and rather challenging outcome in such a project is the existence and operation of new values. Such an outcome is a form of identity change which is utterly unlike the usual tangible outcomes of profit, quality standards or productivity. Working with values is possible if the organization has evolved to this point. A list of the sort of things that need to be done can be found in the Box on the next page.

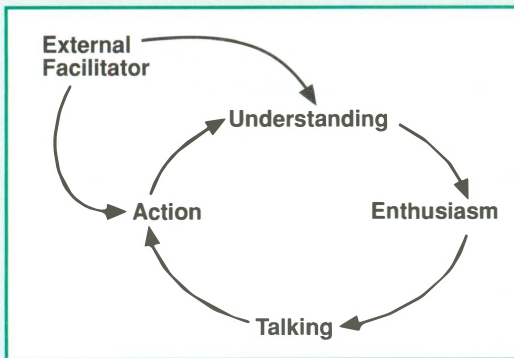
A STRATEGY FOR MOVING TO A NEW CULTURE

- **Gain top level commitment** — the chief executive and governing body must *genuinely believe* organizational transformation is needed and possible; outside consultants who understand the new values may help.
- **Mobilize the organization** — define a *new beginning* so that everyone feels that a transformation is needed; launch a multiplicity of initiatives so that there are early demonstrations for all to see and experience.
- **Create champions** — set up a small top team to *learn and use the language and principles* of the new culture and assist in its introduction; find and support natural champions at all levels.
- **Empower staff** — use *visionary and individuating values* to let everyone contribute; link in to their personal visions, welcome debate, and handle constructive opposition openly.
- **Install the new identity** — persistently *communicate the new mentality*; create a personal development process for the most senior managers; get new blood in and move some people out in a sensitive way.
- **Overcome obstacles** — foster cooperative working; *tackle overt failures* in the new culture positively; review progress regularly and participatively.
- **Improve internal communications** — treat staff as forming *a community of equals* and speak directly to them on all important matters; review and alter hierachy-based communication.
- **Re-standardize training** — *do not try to train people* in a new culture, instead gear conventional induction and training to the new values.
- **Re-vamp specialist staff functions** — ensure experts in management support disciplines *serve operational managers* rather than carrying the weight of new values.
- **Develop policies and programmes** — pursue *policy and programme development explicitly* in the light of the new values.
- **Maintain consistency** — ensure that any new ideas, initiatives or emergency actions (especially) *fit with the new culture*.
- **Be expedient and opportunistic** — but *only within and through* the new values.

*Note that the strategy is systemicist – even if used to move to a rationalist culture.

WHY IS CULTURE CHANGE SO DIFFICULT FOR INDIVIDUALS?

Even if managers are guaranteed to benefit personally from the proposed values, they typically find them difficult (or sometimes impossible) to assimilate. The reason is that people invariably view the new value system and the activities to install it through the prism of their established values. As a result, they subtly misunderstand what is being attempted, perceive the values in their degenerate form, feel disconcerted and awkward in using the new values, cannot envisage success, and unconsciously act to confirm the uselessness of the new approach. A major task of an external facilitator is to help people through this very personal learning process and to get a reinforcing virtuous circle going.



The facilitator should avoid injecting too much enthusiasm, and even verge on dampening it through explaining the difficulties and time-scale. Managers themselves must supply the bulk of the enthusiasm and talk. Action facilitation is a 'holding hands' process with detailed explanations of the difference between doing it the old way and doing it the new way.



The Rationalist Watershed

Reaching the rationalist phase is a watershed in the development of a management culture. An organization of this sort is solid, self-confident and *potentially* highly effective.

Once the rationalist mode has become embedded in the culture, the pragmatic drive can be accelerated much more safely (see spiral on p.22). Opportunism suddenly loses its tendency to be mindless, because it can be geared to generating desired outcomes. Staff realize that values really do mean something if crises are used as an opportunity to advance them rather than as an excuse for ditching them. People are still driven to act—but as much internally as by their boss. Political realities must still be heeded, but they can be dealt with in a less fearful and more cooperative way. There is a *modus vivendi* between tribal factions and a degree of alignment between their values and departmental and organizational objectives. The pressure for organizational achievement can at last be positively addressed by everyone. So pragmatism remains and, if not wholly transformed, its degeneration is definitely inhibited.

Widespread recognition of the importance of shared values and organizational objectives becomes the new foundation. All further management development and achievement must be built on it. In fact, without it you will never meet the expectations of shareholders (in firms) or politicians (in public agencies), the needs of customers or clients, aspirations of staff, challenges from competitors and continuing cost pressures.

This rationalist culture—please remember that it now includes the regular and appropriate use of dialectic, structuralist and pragmatic values—lets capable people achieve for themselves and for the organization. The pure pragmatic mode inhibited people because decisions were so inconsistent, the work environment so incoherent, and the boss or higher authorities so dominating and interfering. Adding the structuralist mode gave autonomy but still left people feeling constrained because of the emphasis on procedural control and role boundaries. The dialectic mode also inhibited people because of the need for each to be loyal to their department and tribe. The rationalist mode allows all these difficul-

A NOTE ON TERMINOLOGY

'Rationalist' does not mean the same as 'rational' here. *Rational* refers to being logical or to analytical inquiry. *Rationalist* refers to a way of deciding based on selecting purposes (values and objectives) which are human reasons for acting. These reasons may be more or less rational or reasonable.

ties to be ameliorated, even if not wholly overcome, by enabling values in each of the earlier phases to be used to serve the good of the whole. (See Box on p.53)

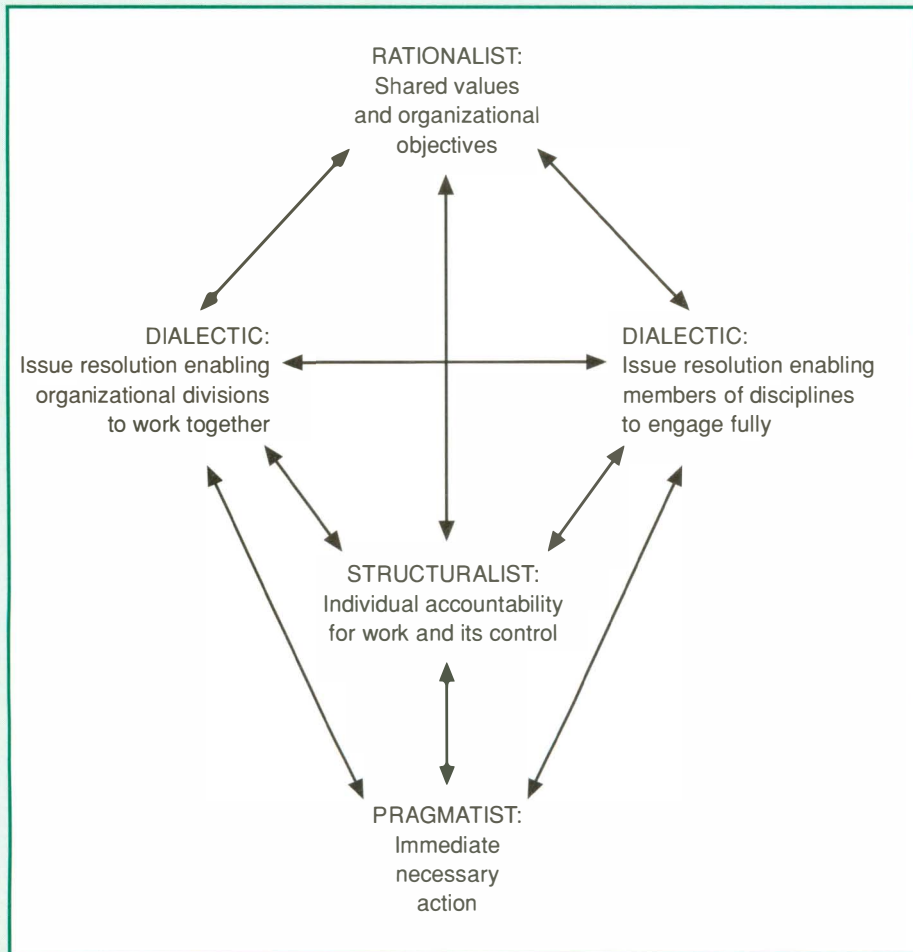
Any organization permeated by a rationalist culture sees itself as a community. Not a natural community to be sure, but still a community of sorts. Like a community, the organization is people-centred, depends on voluntary participation, promotes cooperation, and thrives on mutual support. None of these qualities were highlighted in previous phases. Before this point, for example, essential multi-functional or cross-departmental working is usually minimal, grudging and difficult. Now it is natural, expected and desired.

In a rationalist culture, control has not gone away. It is just that control, even accountability-based control, does not feel like a problem any more. Control, in short, has been largely internalized. The organization benefits from the phenomenon of people finding it perfectly natural and acceptable to let their own values control their activities.

We can say that the organization has now achieved mature self-control, and so have the members. Staff at all levels act decisively, doing what is expected and more, while manifesting responsibility, adaptation to others, loyalty, involvement, cooperation, and self-discipline. But is this enough? It sounds a bit like 'organization man'. There must be more to work than this. There is—and for a good reason. Achievement is evident, but personal and organizational effectiveness is still limited.

MANAGING IN A RATIONALIST CULTURE

The diagram below shows how the rationalist mode influences and shapes the operation of the earlier modes. The bi-directional influences have been explained in the text.



INCREASING THE EFFECTIVENESS OF MANAGERS

The rationalist mode is the heart of any developed management culture. This should not be surprising because organizations are brought into being for a purpose. A rationalist culture has other desirable strengths: it involves everybody, it is the vehicle for major change, and it shapes and softens the more overt forms of activity control.

However, the rationalist mode is not enough on its own for organizational success, and not nearly enough for middle, senior and top managers with fire in their bellies.

Rationalist self-control may sound rather sophisticated, but it still lacks, or actively excludes, essential intellectual and personal tools. For example, you may value efficiency and even set efficiency targets, but how do you know that an operation is efficient? (A: You don't.) How are you to decide the direction when the future is uncertain? (A: Guess.) How are you to determine which values are worthwhile? (A: God knows.) How are you to deal with impossible predicaments—like finding that everything you want to do makes things worse? (A: Help!!)

The organization may have self-control but it has not attained mastery of situations, nor have its managers attained mastery of themselves. Put brutally, no one really knows what's going on, nor do they have the time and inclination to find out.

The culture at this point is still largely one of habit and convention. Successes are trumpeted and failures hidden. But failures can be highly productive if they lead to insight, while successes may be temporary and unproductive, even misleading, if nobody knows quite how or why they occurred. Yet another leap forward is required to produce **a culture of inquiry and learning.**

THE SIGMA AXIOM

Your effectiveness in achieving your objectives is a function of
a) your grasp of reality, and
b) your motivational energy

Science is about *knowing independently of doing*, so it has been able to restrict itself to empirical reality and ignore motivational factors.

Managers have to *know in order to do* and have to feel energized. So reality domains to be inquired into and grasped in organizational life include:

Empiricist:

essential facts and figures – objective reality – which provides conviction-based energy.

Imaginist:

feelings, assumptions, aspirations – inner reality – which provides will-based energy.

Systemicist:

evolving identities, processes and structures of relationships – deep or underlying reality – which provides a flow-based energy.

Managers must inquire and grasp reality for themselves. Assistants and external consultants may aid this process, but they cannot learn or know for them. Nor can they be energized on their behalf.

The three reality domains interact inside each person and the organization in a specific way. (cf. diagram on page 80)

The next three phases of management development—empiricist, imaginist, systemicist—are about managers and the organization *becoming increasingly effective through progressively greater mastery of reality*, inner and outer, present and future, superficial and deep, personal and organizational. The three final modes are in essence inquiry and learning technologies. Their ingrained use gives substance to the otherwise vague concept of a ‘learning organization’.

These three modes are also about managers *becoming increasingly effective through being progressively more energized and involved*. Enthusiasm, determination, positive involvement, and service beyond the call of duty are all markedly enhanced by the impact of brute facts, the drive from inner feelings, and the engagement with social forces. The end result is **a culture of energy and commitment**.

The order of managerial development to enable learning and commitment is rather obvious. If you cannot or will not face facts (*empiricist*), then you are most unlikely to be able to build on your own and others’ aspirations (*imaginist*). Strengthening the organization’s identity through appreciating its evolving inter-connections with other organizations and wider society is yet more demanding (*systemicist*). Eventually all modes must be worked with simultaneously. But introducing them to a diverse group of unprepared managers requires some recognition of their step-wise logic.

Team Learning. Both the grasp of reality and the intensity of commitment must be individual (i.e. personal or profession-based) and corporate (i.e. shared or group-based). For both individual and corporate elements, work in teams or groups is essential. Team-work should have been solidly established already: but teams have been used to this point for deciding, discussing, informing, controlling, appraising, steering, debating &c, not for productive collaborative inquiry and not for the modification of convictions.

The inquiry-cum-commitment modes take for granted the solid establishment of rationalist values. It is obvious that managers cannot jointly inquire and commit themselves to what they learn if they cannot cooperate, do not know

where they are going, and are unaware of what is important. No organization can even begin to assimilate the final three modes in the absence of wide participation and proper communication. But once these rationalist values are established, they must deepen within teams to permit ever greater collegiality, ever more meaningful dialogue, and ever greater openness. It follows that increasingly sophisticated and dedicated managers are required: people with the humility to face the truth and the courage to do something about it.

Which Mode First?

As in the case of the move from the structuralist to the dialectic phase, the next transition is relatively unproblematic and obvious. The reason is that rationalist values lead to attractive but unprovable statements of intent which invite challenge. Is that opportunity actually so beneficial when there is so much else that could be done? And defining organizational outcomes is all very well, but were they really achieved and did they deliver the expected benefits without side-effects? In short: what is the objective reality? what did actually happen?

Prior to this phase, it is common for goals and decisions at higher levels to be set with a minimum of information or investigation and only very limited input from the people involved. However, the more challenging or distant the goal and the greater the risk in the decision, the more unsatisfactory this approach seems.

Reducing uncertainty by being objective appeals to many modern managers. But, unless they are natural investigators, it is not usually clear to them what the valuation of information and knowledge entails.



Phase 5 The Empiricist Mode

A COMPUTER CULTURE vs THE EMPIRICIST MODE

Computerization is not merely the installation of wiring and new equipment, but a whole new way of working. So it is itself a culture-change project of some magnitude. This change is never very successful until the rationalist mentality is solidly installed.

However computers are merely tools. Even if used well, they do not necessarily produce an information culture. An information culture is about investigating and learning from qualitative and/or quantitative information—with or without computers.

Facing Hard Reality in an Information Culture

Information is used in organizations long before this stage is reached, but it would be odd to describe it as part of a widely used learning technology or method of gaining commitment. Instead, it serves direct control (pragmatist), streamlines the operation and feeds the bureaucratic machine (structuralist), is a weapon in debates (dialectical), or justifies plans (rationalist).

As the pressure for achievement grows and the scale of risk increases, the existing degree of ignorance, imprecision and uncertainty becomes less and less acceptable.

An information culture does not demand, of course, that pragmatic managers should metamorphose into full-blooded empiricists, computer buffs or scientists. It does however expect them to seek solid knowledge about problematic situations, to value the knowledge of staff on the spot, and to capitalize on available information.

For example: success depends ultimately on the efficiency and effectiveness of concrete operational activities. But what do staff actually do and why? Now that the rationalist mode is reached, it is possible to get sensible answers to such questions. Once values and goals are clear, improvement depends on quantitative information which presents the reality of the previous day's, week's, or month's operations to managers. (In earlier phases, managers will tend to manage the information or fiddle the figures rather than learn in order to achieve more.)

So goals press for facts to aid their realization, while facts absolutely depend on goals for meaning.

Information is a far wider notion than computerization because much essential knowledge is qualitative. In the above example, the manager who does not observe operations at first-hand and talk with staff but merely locks himself away with computer print-outs would certainly have little knowledge of what was going on. Nevertheless, quantitative data is vital, and at this stage it is both possible and

Information use

worthwhile for the organization to use sophisticated computer networking to strengthen management. Computers can speed up data flows, increase accuracy, flag unexpected variation or oversights, and aid comparisons and analyses. However computers are little more than scrap if users lack the necessary motivations and values.

The relevant empiricist values needed now by managers are as follows.

In handling the situation:

◆ Get first-hand knowledge and valid data wherever possible as a basis for decision-making and objective-setting. Use relevant information to ensure that plans will produce expected benefits for specified costs, including the cost of capital, opportunity costs &c. Keep good records and learn from them. Develop or demand statistically valid quantification and measures. Use both corporate data and local knowledge properly. Stop being satisfied with gut opinions, hazy speculation, and ex cathedra pronouncements. Insist on evidence. Ensure data standardization to maintain consistency and permit inter-departmental and inter-organizational comparisons. Stop misuse of information.

Increased certainty

◆ Success depends on managing risk by reducing uncertainty. Minimize risks by getting accurate information and using pilots and preliminary tests wherever possible. Inquire and check personally. Use external consultants to minimize bias when investigating sensitive issues. Wherever possible, use computerization and statistical theory to reduce human error. Work with probabilities. Respect the knowledge of people on the spot. Ensure everyone supports collection of corporate data. Develop shared convictions about what the data says. Keep in touch with relevant research

Systematic investigation

◆ Bolster existing knowledge and information by special investigations. See unexpected or serious problems and new or major proposals as demanding inquiry. Always inquire when things go badly awry or success unexpectedly occurs. Resist the temptation to pursue easy options or guess desirable targets. Use a quasi-scientific approach: labelling, struc-

Wide dissemination

turing and defining things properly. Try to be logical, objective and systematic. Develop the capacity to apply an identify-investigate-solve-plan-do-check-correct schema to difficult decisions. Expect investigations and their outcomes to evoke contention and raise issues for departments and disciplines.

In handling the group:

◆ Most corporate data should be easily available. Make sure managers know what information is available and where. Inter-link and inter-face computer systems wherever possible to ease access to data. Up to now people have been impeded in their access to information, or a 'need to know' policy has been forcefully imposed from above. This is a recipe for paranoia, even when it is not used to subjugate or manipulate staff. Circulate special reports and project evaluations. Provide time and support for the examination and digestion of information.

Lucid presentation

◆ Organize the facts so that they speak for themselves. Keep theory and interpretation to a minimum. Provide information relevant to decisions in a way that enables its absorption. Don't confuse or swamp people with data. Present information in relation to key issues and concerns. Exclude meaningless, inaccurate or untimely data. Use the most basic statistical tools. Keep tables simple. Present with graphs and images wherever possible. Use colour. Show the same information from different perspectives. Make comparisons over time and with other organizations.

Individualized knowledge

◆ Corporate data and analyses of external trends apply to everyone, but a deep appreciation of their significance flows from each manager's grasp of the facts in their own domain. Up till now, expert assistants have often been regarded as repositories of facts. Now they assist in the design of inquiry and collection of facts for line-managers who must master their import. So respect the variations between everyone's information needs. Customize systems so that information is relevant and comes in the right form and at the right time. Permit managers to conduct their own investigations and have their own information systems.

Dispassionate objectivity**PSEUDO-EMPIRICIST
MANAGEMENT**

Information is routinely misused and manipulated in pre-rationalist cultures. Learning and commitment do not come into the equation because:

- Information is divided into 'good' and 'bad' with a 'shoot the messenger' or 'find a scapegoat' rule when the news is 'bad'.
- Investigations are used either to get pre-determined answers or to let managers or politicians off the hook.
- Dissemination is restricted because information is seen as a source of power. Raw or slanted information may be released as a coercive ploy.
- Presentations are persuasive propaganda or confrontations. They are organized to prevent any serious questioning.

In handling yourself:

◆ There is an inherent subjectivity in habit (pragmatism), roles (structuralism), vested interests (dialecticism), and values (rationalism) which must now be disciplined through objectivity. Being objective demands impartiality and even impersonality. Reality has not been designed to fit you or anyone else. Not only must you have an open mind, you must want to know the facts. You must be prepared, dispassionately, to tolerate uncomfortable realities whatever you may in the end choose to do.

How Empiricist Values Degenerate. It is easy to see how these values degenerate, especially in an organization which has not fully consolidated the rationalist phase. Information is collected mechanically rather than as usable knowledge. Mountains of data and lengthy analytic planning documents accumulate unread. Alternatively, managers manage the information rather than using the information to manage the organization. In service industries, hard information often distorts or replaces quality-related information. The demand for increased certainty becomes a monster that consumes resources and delays solutions while endless surveys, reviews and checks are completed. The energy that should go into producing results and quality goes into measuring results and quality. In a parody of scientific investigation, top managers may start trawling statistically through performance indicators to detect problems which on closer examination are artefacts or have been viewed as intractable for years. Wide dissemination mindlessly leads to a flood of printouts and reports which drown managers. Presentations, even if lucid in theory, are obscure in practice because they are irrelevant. The unmanaged individualization of computer systems can lead to data sharing and corporate analyses becoming impossible. The result is a fragmentation which prevents organizational learning. Finally, dispassionate objectivity with its demand for precision becomes scientific and divorced from social values and personal interests. It degenerates into pedantic arrogance and obstructs sensible action.

Information use	degenerates into	<i>Data accumulation</i>
Increased certainty	degenerates into	<i>Endless delay</i>
Systematic investigation	degenerates into	<i>Statistical trawling</i>
Wide dissemination	degenerates into	<i>Paper deluge</i>
Lucid presentation	degenerates into	<i>Irrelevance</i>
Individualized knowledge	degenerates into	<i>Fragmentation</i>
Dispassionate objectivity	degenerates into	<i>Pedantic arrogance</i>

Installing Empiricist Values. The inquiry-cum-commitment phases are far more demanding of individual managers than the earlier phases. Pragmatism is natural to anyone working in an organization. Structuralist and dialectic values are also expected and certainly unavoidable. The rationalist mode is usually welcomed as a relief from the external control and relative impersonality of earlier phases. Empiricism is another matter entirely because its value in management depends heavily on managers becoming determined to be objective themselves, and respecting the knowledge uniquely held by others.

An information culture requires managers to do two difficult things. The **first** is to adopt a quasi-scientific orientation. Managers must be reasonably certain before acting. They must be prepared to investigate for themselves, and they must keep abreast of current knowledge. They must experience an urge to re-think values and goals when an unpleasant objective reality becomes undeniable. Depending on the business sector and discipline-base, managers will find these requirements more or less difficult to meet.

The **second** requirement is to handle the individual-organization duality well. It is necessary somehow to reconcile the embodiment of distinctive knowledge within individuals on the one hand, with disembodied corporate data and concrete realities faced by the organization as a whole on the other. Every individual, including the chief executive, has only a limited and local view of reality. This knowledge

Which Mode Now?

slants the way each contributes to and interprets corporate data and common objective realities which all must accept. Group convictions can only emerge from corporate data and generally available information, not from the imposition of one person's knowledge on another. Yet personal knowledge and local data must shape group convictions and corporate investigations. Connecting the two empiricist perspectives, individual and group, through mutual inquiry and team learning is essential for the definition of realistic and worthwhile organizational and departmental objectives.

You might be forgiven for imagining that cultural evolution could stop with the introduction of an objective investigative approach to justify and stimulate organizational values and objectives. And yet pressures for moving on soon become evident once facing the facts is habitual.

Objectivity understood crudely (i.e. empirically) is simply not enough. It becomes clear, for example, that there is a need for more creative solutions, for earlier recognition of emerging problems, for better handling of assumptions habitually used by managers, and for addressing what people feel. The result is to create a general dissatisfaction with fact-based management.

Nevertheless, many organizations effectively consolidate and settle at this stage. Empiricism may be tweaked at the margins with creativity techniques, but the inherent limitations of the culture are not faced.

Yet some organizations find themselves impelled to move on. The triggers for seeking a quantum increase in effectiveness are two: the first relates to organizational ambitions to move into uncharted waters, while the second emerges from the recent social phenomenon of self-actualization.

➤ *The Ambition Trigger:* Available information is history. But data trends are an uncertain guide to the future, and the past is a particularly poor guide for would-be creators of the future. Ambitious and adventurous companies, those that

want to be in the forefront of their sector, are always entering new uncharted waters. To be effective, such organizations must routinely apply imagination to develop creative and inspired ideas if they are to manage the risks and thrive.

◆ *The New-Age Trigger:* The value of self-actualization is now prevalent in Western society. Compliance, even willing compliance, with objective findings and common goals is just not enough for people. It will not produce outstanding success for organizations. The organization we all want to be part of is powered by people who give it their full energies and whole-hearted commitment. Such commitment emerges from the identity, the deep aspirations, the very soul, of each person—precisely from where their creative potential springs.

These two factors point in the same direction: the imaginist mode. Hard-boiled top executives often find imaginist conceptions difficult to stomach: they hire other people to be creative; they mock notions like ‘personal growth’ or ‘group energy’. But there is nothing at all intangible or metaphysical about such things. Like it or not, they refer to an unavoidable part of life at work. Anyone who wants to create an organization capable of maximizing its managers’ contributions and of using inquiry to the full must embrace the imaginist dimension.



Phase 6 The Imaginist Mode

THE SIGNIFICANCE OF WORK

- Work is an element of being a whole person. It is a psychological and spiritual necessity apart from its social and financial function.
- Work keeps us in contact with reality. Work is the way we can be creative. Work is necessary to know ourselves, to relate to others, and to belong in society. We need to be aware how much we depend upon work done by others.
- Each person has a responsibility to themselves to ensure that work means something to them. Organizations aid self-actualization and the spiritualization of society when they enable people to realize their true potential in work.
- Probably the single most dangerous aspect of work for personal well-being is status-consciousness. This links with the repeated emergence of arrogance as a degenerate value.
- There is no such thing as a shortage of work. Equating work with jobs devalues it. Much work cannot be socially defined: not only work like parenting, but managerial work too. People need to go beyond fulfilling specified duties if they and their organization are to thrive.

Increasing Commitment while Releasing Creativity

Increasing commitment and releasing creativity come at an organizational price. That price is a much greater sensitivity to people as individuals—their needs, feelings and relationships—but always in the work context. Please understand that managers are now exposed and vulnerable. In the pragmatic mode, a person could easily hide. But once responsibility is assigned, once the group sets expectations, once values and objectives are explicit, once all the facts are to hand, then there is no hiding. This is a good thing because hiding and thriving are opposites.

The imaginist mode cannot be widely introduced until after the other modes have been solidly established. For example: concern for people requires responsible line-management; personal aspirations must be oriented by organizational values and objectives; and creativity only works properly if the hard realities are appreciated.

However the imaginist mode has an important and beneficial influence on earlier modes. In particular, it encourages everyone to face certain realities about themselves and the organization; and it vitalizes decisions about values and objectives and facilitates adherence to them.

Introducing the imaginist mode as a learning technology is worth the effort. Remember once more that it is not about turning managers into therapists. Specialist counselling or sensitivity training may be useful for individuals or even whole departments, but such contributions are ancillary. The challenge to be met is converting the organization as a whole into one which uses trusting relationships to unleash personal potential and commitment.

Imaginist values required to strengthen achievement and the management culture at this stage are as follows:

Harness aspirations

In handling the situation:

◆ Encourage individuals to acknowledge their hopes and aspirations about work. Recognize that these ideals are the only basis for deep commitment and the difficult task of facing hard realities. Jointly explore personal visions and perceptions of reality to clarify possible shared aspirations and visionary values for the organization. Devise a future worthy of personal commitment. Ensure people find their work meaningful. Make the organization a place where people positively enjoy working. Expect managers to make decisions on the basis of their convictions. Regard all actions, roles, issues, and values as an opportunity for each person to discover, apply and forward their own and the group's aspirations. Convert cynics through action. Recruit managers capable of sharing the emerging vision.

Activate potential

◆ Personal potential is the ultimate creative force powering organizations, but much is untapped and hidden. Give up the belief that creativity and commitment are unpredictable and unmanageable processes which some people have and some lack. Regard inner potentials, talents and insights as capable of activation, especially when dealing with the future, the unknowable or seemingly impossible challenges. Increase group energy by enabling people to spark off each other. Enhance attunement to the objective realities by introducing a variety of individual and group creativity techniques—brain-storming, brain-writing, meditation, visualization &c. Don't allow mundane pressures to crowd out the time and space needed to incubate ideas or inspiration will never come.

Deepen relationships

◆ Personal relationships are the context within which all work occurs. Improve their quality to enhance processes of learning and commitment. To this point, simple support and tolerance of colleagues has sufficed, while defensiveness or distrust has often been accepted. Insist now on openness and sensitivity so aspirations can be shared. Foster a non-threatening non-pressurized atmosphere in teams. Wrestle with counter-intuitive or unorthodox ideas. Vigorously but sensitively oppose even subtle forms of domineering, humiliating, harassing or untruthful behaviour. Develop genuine

respect for colleagues and appreciate them. Use common interests and your understanding of people to join and instigate committed creative work groups.

In handling the group:

Adapt to needs

◆ Recognize that work meets a basic human need, and that organizations will only thrive if they adapt to human nature. Prior to this stage, managers and staff are often exploited and treated poorly while being expected to show loyalty and to treat clients and customers well. Strive now to provide a humane organizational environment. Improve the fit and alignment between each person and the organization. Become more aware of the emotional overtones and symbolic implications of rules and objective realities for individuals and groups. Aim consciously for optimal stimulation, physical and emotional security, genuine respect and self-esteem. But remember that each person is responsible for ensuring their own needs are met, and that not all needs can be met by the current job or at work.

Sensitize to feelings

◆ Unless people feel deeply about their work, they cannot be creative and cannot commit themselves. So treat everyone's worries, feelings and perceptions about work as important. Give up the superficial handling of people which avoids their sensitivities and personal views. Don't ignore or over-react to negative emotions or suppress them excessively. Be tactful, but don't beat about the bush when explaining a tough or unpopular decision. Be honest about what is happening, and then address fears and face hostility. Insist on a minimum of sensitivity and empathy from managers in key positions. True leaders become vested with charisma because their contacts with deep feelings, common meanings and intense wishes lead people to identify with them and their vision.

Foster self-actualization

◆ Regard personal growth as the hand-maiden of organizational achievement. Truly creative solutions require heroic efforts. Fortunately, self-actualization, based on inner potential, is a deep human need. Apply ruthless compassion, otherwise personal blind-spots and weaknesses will never be addressed. Never forget the paramount importance of work

Become self-aware

to everyone. Provide challenging responsibilities, opportunities for creative development, a stimulating environment, and recognition of genuine achievements. These are far more motivating than higher pay or symbols of status—and they do more for the organization as well.

In handling yourself:

◆ Practice focusing on your inner experiences and make a conscious effort to be more self-aware. Refine and master your emotions. Resist being swept up by group emotions. Confront destructive urges like envy, greed and cynicism. Eradicate tendencies to deny, dump or evacuate feelings. Take seriously what things mean for you. Lying to yourself is so easy: counteract it by cultivating truthfulness and openness. Remember: you cannot give of your best or tune in to others and help them do likewise if you are out of touch with yourself. Once in touch, do what feels right and natural and avoid artificial or mechanical responses.

How Imaginist Values Degenerate. Imaginist values are commonly mislabelled as feminine, and are misconceived or even mocked by pragmatic managers oriented solely to the bottom-line. Like any other values they can degenerate: the biggest difficulty being to separate and find a balance between personal and organizational aspects of feelings. A focus on deepening relationships, for example, may lead to inappropriate intimacy and intrusions into privacy. In a similar way, the emphasis on adapting to needs may produce over-involvement and over-tolerance. Sometimes clones are recruited so that relating and adapting in teams is easy: but then both inquiry and creativity are weakened. Shared aspirations can neglect or even negate crucial individual qualities; while personal aspirations can deny or run counter to organizational realities. Both forms of aspiration can be no more than a path to cloud-cuckoo land. Given personal variety, the activation of inner potential can all too easily produce idiosyncratic visions which can never coalesce to form a shared vision. The directed inner exploration and sensitivity to feelings, instead of releasing creative potential and commitment, can deteriorate into wallowing in quagmires of

THE INDIVIDUAL AND THE ORGANIZATION The Essential Duality in Management

Throughout we have been examining the unavoidable dilemma of accommodating both the needs of particular individuals and those of the organization as a whole.

In several modes, these two perspectives are tightly interconnected. For example, all pragmatic action is both action of the individual and of the organization. A similar fusion is to be found with structuralist accountability, rationalist shared values, and (by definition) in systemicism.

However, in regard to dialectical issues, it is essential to distinguish between those generated by organizationally-created divisions, and those generated by membership of disciplines which exist independently of the organization (cf. Box on p.53).

We have now observed that empiricist and imaginist phases also demand a sharp distinction between the individual and personal perspective on the one hand and the shared and corporate perspective on the other. The hard work in culture change or team-building is to link these effectively.

emotion. If anxiety is high, intense quasi-delusional paranoid reactions are likely to bolster a group and its members. The encouragement of personal growth is all too easily distorted into narcissistic self-aggrandizement and self-absorption to the neglect of the real work. The person who has become self-aware can, of course, recognize what others are feeling and thinking rather easily, and so is in danger of smug arrogance and inappropriate hypersensitivity.

Harness aspirations	degenerates into	Cloud-cuckoo land
Activate potential	degenerates into	Idiosyncrasy
Deepen relationships	degenerates into	Inappropriate intimacy
Adapt to needs	degenerates into	Over-involvement
Sensitize to feelings	degenerates into	Emotional quagmire
Foster self-actualization	degenerates into	Narcissism
Become self-aware	degenerates into	Smug arrogance

Installing Imaginist Values. As with information use in the empiricist mode, sensitivity and creativity do not need to wait for this stage. Nevertheless, it is ridiculous even to speak of imaginist values while control of activities is chaotic, coercive or convention-bound. Extremes of personal (as distinct from social) insensitivity are the greatest danger in earlier phases. Many managers cultivate hardness, fear emotions and are out of touch with their creative self. The installation of rationalist values should have gone some way toward undoing the worst excesses. At that time, for example, it may have been useful to clarify informal networks of trust, support and advice as a way of improving participation and communication.

But the key lever now is top level validation of the imaginist mode *as a whole* in order to increase organizational effectiveness. What is required is a move beyond the ad hoc use of creative techniques and sporadic efforts to adapt to individuals. As in the empiricist phase, a major effort must be put into linking the individual and the organization. It is necessary to support each manager's aspirations and personal

Which Mode Last?

THE HERO? WHO ... ME?

For too many people heroism is experienced vicariously in films, novels and sporting contests.

But the hero in the mythologies of all great religions is your true self, putting *your* life on the line, as *it* battles with inner experiences and outer pressures.

If each of us is not our true self (i.e. a hero) then we are going through the motions, existing perhaps, but not thriving on life.

commitment in such a way that the organization develops a genuinely shared aspiration and truly corporate commitment. The personal vision must empower the organizational vision and vice versa: each person holding both. The creative potentials of individuals must gel to create group energy and release group synergy. Inquiry and learning are necessary to achieve this: people must voluntarily look into themselves and engage in dialogue with colleagues. The skills of effective relating and the use of creativity techniques must be practised both individually and within teams.

We have at last reached systemicism—the mode that claims to take everything into account. (Interestingly, the chief criticism of systems researchers by their own leaders is that they fail to take imaginalist values into account.)

The transition from the empiricist mode to the imaginalist mode has been the biggest leap so far because it is about moving from the supremely impersonal (and mundane) to the supremely personal (and spiritual). The transition now to systems thinking is the most heroic because it closes all escape routes and simultaneously demands subordination to the social system—in order, perhaps, to triumph over it.

The pressures for this heroic leap are two:

➤ *Validation.* Creative solutions which see through superficial patterns of data or deal with matters of value and evolving identity demand some reality testing. Understanding what the relevant forces and factors are and how they interact is the only possible way to provide such a test. We could say that as information is to rational plans, so modelling scenarios is to the aspiration to create the future.

➤ *Integration.* Any organization that has reached this stage is powerful. So powerful that the surrounding community and other organizations start admiring and imitating it (which seems so deserved), and envying and fearing it (which seems so unfair). There are internal and external calls for the organization to be more socially responsive and to use its power for communal ends. Such demands, resisted comfortably in previous stages, strike a chord now. At all

levels there are managers of calibre and integrity who resist splitting themselves into employee, consumer, tax-payer, citizen, parent and other social fragments. They regard it as no more than common sense to respond to and to shape their social environment fairly. Wider society is, after all, the source of customers, creditors, resources, investors, future employees, new ideas and everything else. Managing the inter-connection constructively requires a systems perspective.

We are talking here about a radical shift in thinking. You must move away from linear cause-effect links ($A \rightarrow B$) to systemic or circular causation in which every cause is an effect and every effect is a cause ($A \leftrightarrow B$). For example: even if the source of difficulties *seems* quite disconnected—foreign dumping, high interest rates, fickle consumers—the most constructive way forward is to examine how the organization plays a part in the situation taken as a whole.

People know in their heart of hearts that reality is systemic. Everybody, excepting those addicted to conspiracy theories, sometimes explains recurrent unholy messes by saying: “it’s the system”. But helplessness in the face of external problems or structural patterns like those vicious circles on pp. 27-28 is not the appropriate response. System intervention is possible. More: it is absolutely essential to deal with seemingly impossible situations where whatever you do seems to perpetuate or worsen the mess. Fortunately, our reflective intuition is naturally systemic if we give it half a chance.



Phase 7 The Systemicist Mode

NUGGETS OF SYSTEM WISDOM

- When placed in the same system, different people produce similar results. *(e.g. this is the experience with decision approaches.)*
- Today's problems are a result of yesterday's solutions. *(e.g. this captures the futility of much pragmatism.)*
- The harder you try, the greater the resistance. *(e.g. the emerging limit to the benefits gained from applying any single one of the modes.)*
- You are actively shaping your reality even if it seems that things are happening to you. *(e.g. the degeneration of each mode usually feels as if it is an external force.)*
- Fundamental (i.e. systems) solutions cause temporary stresses or costs. *(e.g. the work to understand all this to strengthen management.)*
- There is no such thing as a free lunch...but...you can often have your cake and eat it. *(e.g. creating a culture of inquiry to support intense pragmatism.)*
- The fundamental cause is always the system. *(e.g. the decision approach you use can cause the very problems you want it to solve.)*

Co-evolving Synergistically with Wider Society

The final step in the strengthening of a management culture is for managers to realize that their organization is a living social entity whose nature is governed by its internal and external interactions. In the final analysis, the organization either adapts creatively to forces inside and outside it or it founders. It either learns from its interactions with society (which includes competitors, customers, suppliers, academics &c) or it loses its lead to others who can.

Legally, organizations are persons. Socially, they operate like extraordinarily powerful individuals. Now the social identity of the organization must be further strengthened. The organization must embrace change and development in a far more positive way than has been possible hitherto. Although it is usually easier to alter yourself (your department, your organization) than another: most people seem to imagine that it is the other that should change. When 'the other' refers to evolutionary forces in society or intractable problems, this way of thinking is useless.

As a decision method, the systemicist approach resembles a sophisticated rationalism which is too complex to use on an everyday basis, if at all (cf. strategy on p.49). Large organizations may employ systems specialists or call in external systems scientists, but they are viewed as an alien species.

To reiterate an essential principle: installing systemicist values is not about turning every manager into a systems analyst. Nevertheless, there is nothing more natural than thinking systemically. Children do it, and so can managers.

The trouble is it sounds so pompous and incomprehensible when it is stated formally: *the world consists of wholes (i.e. identities or systems) with an internal structure (i.e. inter-related elements); and these wholes are themselves elements of larger systems.*

All this means is that the organization is a structured entity with a developing identity; it interacts dynamically with other related organizations and the social environment gen-

Dynamic inter-connection

erally; and it obeys systems laws (see Box on p.72). *All shared values and organizational objectives must be established in the light of these notions.* This only occurs when the rudiments of systems thinking have been installed. The essential systemicist values for managers are as follows:

In handling the situation:

◆ Recognize that everything connects. Build positively on the ramifications and inter-relations of problems, issues, values and actions within and without the organization. See through overt trends or patterns of behaviour and find causes in underlying structures of relations and the interplay of forces. You and the cause of your problems are part of a single system. So strive to see your contribution to anything unpleasant that seems to be happening to you. Think of the effect on the whole in important decisions. Use multiple varied measures of success. Take community relations seriously. Rotate managers to broaden their perspective. Minimize the export of difficulties or bads.

Evolutionary development

◆ Stop seeing decisions as disconnected events and start seeing them as part of evolving processes with potential alternative trajectories. Adapt to and benefit from evolving trends in the wider systems of which your organization is a part. Create futures for the organization that mesh with these evolving trends. View the organization as an organism with an inherent potential for growth through learning. Unblock self-directing and self-organizing forces to achieve the organization's proper place in its various wider communities. Aim for balanced development. Value continuous improvement and progressive approximation to ideals.

Strategic intervention

◆ Act by intervening in an ongoing process to modify an evolving trajectory so as to produce a desirable future scenario. Get leverage: work smart not hard. Stop always tackling immediate or obvious causes or doing what everybody automatically does. Identify the really critical factors and unmodifiable constraints in any situation. Focus your action on trigger points which release widespread change. Interrupt homeostatic patterns or vicious circles. Do not view interventions as single decisions or simple plans, but as

Reflective learning

flexible inter-related responses which synergistically support each other. Learn from their effects. Back up interventions with contingency tactics.

In handling the group:

◆ Use a reflective and collaborative form of inquiry and learning. Work in teams to elicit, clarify and refine each other's point of view and current understanding. Give up expecting to learn only by looking at the facts or doing something and seeing what happens—the time delays are too long and the inherent complexity of situations too great. Reject unreal simplifications and welcome challenging thinking. Use tools like mind-maps, systems archetypes, holistic frameworks and interactive computer technology (simulations). Give up pseudo-explanations of messes based on blame—whether of individuals, objective realities or external forces. Stop slavishly imitating 'best practice' without understanding it or the context needed for it to thrive.

Common language

◆ Dialogue, inquiry and learning, especially team learning, depend on the use of a common language. Stop tolerating confused contradictory terminology if it is evident that staff are being disoriented and time and energy wasted. Build the language on realities (rather than the reverse) and treat it with respect. Take essential ordinary words (e.g. budget, line-manager, strategy) and define and qualify them unambiguously. Apply terms consistently. View the language as a tool to bolster organizational solidarity and identity. So induct all staff, especially newcomers, in it. Use the language to extract the best out of new management fads and fashions and to prevent them destabilizing and confusing staff. Also use it to speed communications and improve the transfer of learning.

Ethical concern

◆ A focus on inter-connections and ramifications means that everyone becomes acutely aware that the organization is part of society, and that the staff are part of local communities and, indeed, humanity. So be guided by ultimate values, communal ideals, social responsiveness and responsibility. This is the way to harness the maximum of external and internal support. Recognize that all choices have ethical

Self-development

implications. Emphasize rights and duties. Value each person's dignity and autonomy. Insist on civility. Understand the importance to people of continuity and coherence when changes are made. Ethics remains a form of enlightened self-interest, but self-interest here includes the intangible inner spirit and identity of the organization and its staff.

In handling yourself:

◆ Strive always for personal mastery and recognize its spiritual roots. Establish habits of integrity and self-reflection. Accept that unrealized inner potentials are part of distinct personal identities. (The different decision approaches are a typical example of disparate mentalities.) These new mentalities cannot be accessed by deepening your existing values, but only by deliberately entering new worlds of thinking and feeling while preserving inner integrity. (How did you experience the seven mentalities offered here?) Expect to have to modify your own ways of thinking and relating. Self-development at its outer edge is really a matter of identity change. A trusted guide is usually needed to assist such a transformation.

How Systemicist Values Degenerate. Systemicist values are as prone to degeneration as any others. The biggest dangers are to deny the necessity of values established in previous phases and to apply systems values poorly or only partially through not really understanding them. The end result of seeing too many connections can be to over-complicate simple issues: linear analyses with single causes are often perfectly satisfactory. Over-clever strategic interventions may be disruptive rather than integrative, and appeals to evolutionary tendencies too often reflect no more than passive acquiescence and a refusal to question band-wagons. Reflective learning can be time-consuming, expensive, and confusing, and still fail to produce useful knowledge. The common language all too readily degrades into jargon. Rather than being an aid to clarity, special terminology comes to be used inappropriately: as a substitute for thinking or as a weapon. Ethical concerns may become progressively elevated in

importance, until managers forget what the organization is there for. Either people confusedly engage in acrimonious or irrelevant debate, or the apparent ethical stance covers a refined form of hypocrisy. Self-development emerges as mad arrogance if a person imagines he or she can be and do all things.

Dynamic inter-connection	degenerates into	<i>Over-complication</i>
Evolutionary development	degenerates into	<i>Passivity</i>
Strategic intervention	degenerates into	<i>Disruption</i>
Reflective learning	degenerates into	<i>Confusion</i>
Common language	degenerates into	<i>Jargon</i>
Ethical concern	degenerates into	<i>Hypocrisy</i>
Self-development	degenerates into	<i>Mad arrogance</i>

Installing Systemic Values. Aspects of systemicist values resonate with values of previous phases. This is true to some degree of all the approaches—each seems to include or draw on the others in more or less overt ways. But it is particularly strong here because systemicism deliberately seeks to be encompassing.

In the present phase, the core systemicist values need to be asserted, explained, and developed from the perspective of the organization as an identity co-evolving with other organizations and wider society. The requirement is to develop a systems view within the organization which can usefully govern aspirations, and which can justify and solidify shared values and objectives.

Another source of resonance emerges from the inherently systemic nature of the whole process of cultural transformation. Any organization that has lived this process so far has been slowly, surely and simultaneously encultured with systemicist values.

You have probably noticed that I have been describing the strengthening of management using systems terms. Let me remind you:

I started with a sharable and socially desirable vision of 'strong management', and gave this vague but appealing notion substance by reference to recognizable ways of achieving (the decision approaches). The *dynamic interconnection* of these value systems and of the values within them has been the force behind the story. Appreciating the inter-connection of individual/personal and organizational/corporate dimensions has been a regular feature. The significance of *evolutionary development* has been emphasized throughout, with each new phase launched by focusing on triggering pressures, often including exhaustion of benefits and decay in the previous mode. The need for synergistic *strategic intervention* has been evident and was exemplified in the handling of culture change projects (p.49).

Reflective team learning within the organization is essential for each of the cultural phases to take hold. This book has been written to enable this. A *common language* to talk about management cultures has been introduced based on the decision approaches. Their nature must be learned through inquiry in small groups. Each phase requires senior managers to reflect on that particular mode using its own terms and labels. *Ethical concern* has been evident in all phases by explicitly recognizing the tendency to degraded (unethical) management values. I should emphasize here that degenerate values not only harm the organization but also every participant; and this harm spreads more diffusely to wider society. Finally, the *self-development* of managers is fostered because they must master modes of working which are not wholly natural to them. The amount of inner change required is probably too great for most people to handle without assistance.

Where to next? Back to pragmatism again, where we started. But now it is an unrecognizable and almost paradoxical pragmatism: no longer mindless but informed.



Pragmatism by Design

The Paradox of Informed Pragmatism

Once the systemicist mode is firmly established, there is no limit either to the dynamism or the patience of management.

The circle is squared. The spiral is complete. A grasp of the realities and positive motivational energy have been linked to the necessity for immediate action. Values and objectives are established as the central controlling mechanism. So pragmatic action is not only reality-based but also firmly stabilized and directional.

If the principles of the seven modes are firmly inculcated, it is virtually impossible now to repeatedly over-stress or exploit people, to proceed unethically, or to act mindlessly. (Such things may occur occasionally but, because you learn from them now, the situation is repaired and the error is not repeated.)

A recognition of how you are contributing to the problems you are addressing, in the context of an overall direction, clear values and a knowledge about the situation, means that pragmatic action can be extremely, almost unbelievably, effective. To the outsider, luck seems to play a big part. An outsider just does not see the systemic understanding and commitment to principles which lie behind apparently simple decisions and seemingly effortless success. In project after project, I have observed newly-arrived intelligent (but unenlightened) pragmatists want to dismantle precisely those features which are essential to continuing long-term success. They reflexly reject counter-intuitive choices and are distressed by unconventional arrangements.

It is worth re-reading the account of pragmatic values. Most of it still applies, but in a transformed way. For example: 'do it now!' remains valid—but the 'it' is vastly different. Often 'it' refers to affirming or explaining or inquiring or waiting. Even the injunction 'to maximize your advantage' remains: if you are not for yourself who will be for you? But it is complemented by a sense of connectedness: if you are only for yourself what will become of you?

Unmodified pragmatism is quintessentially reactive. It denies that reality can either be grasped or shared. Even in the rationalist phase, apparently pro-active moves are often reactions in disguise because there is no appreciation of the way that managers (and whole organizations) contribute to the problems they complain about. Pro-active pragmatism is only possible if you have a grasp of the realities.

Pro-activeness only lasts as long as you protect the entire cultural heritage. No mode, once introduced, can be neglected without serious consequences. What takes years to develop can be destroyed in a few months. (You see this starkly in many take-overs.) Induction of new managers into the culture and managing their succession is now of the utmost importance. Even new top executives must accept a degree of socialization and learn the common language to assist in the evolution of the organization and its capabilities. Degeneration of values seems to be an ever-present danger. Any social identity is really no more than a set of embedded values. So perhaps this is why organizations die sooner than people: turnover of top staff and sheer effort prevents preservation of inner integrity.

The modes, themselves systems, are the essential elements of the strongest possible management culture (a system of systems). According to a systems law, each mode of working depends to some degree on all the others. The interactions between the various value systems occur spontaneously if individual managers and the whole organization have developed as described

The higher modes are effectiveness-enhancing and interact with the rationalist mode shaping, influencing and bolstering its values and objectives (see Box on p.80). The rationalist mode in turn shapes and influences dialectic and structuralist modes and so profoundly modifies the application of pragmatic values (cf. Box on p.53).

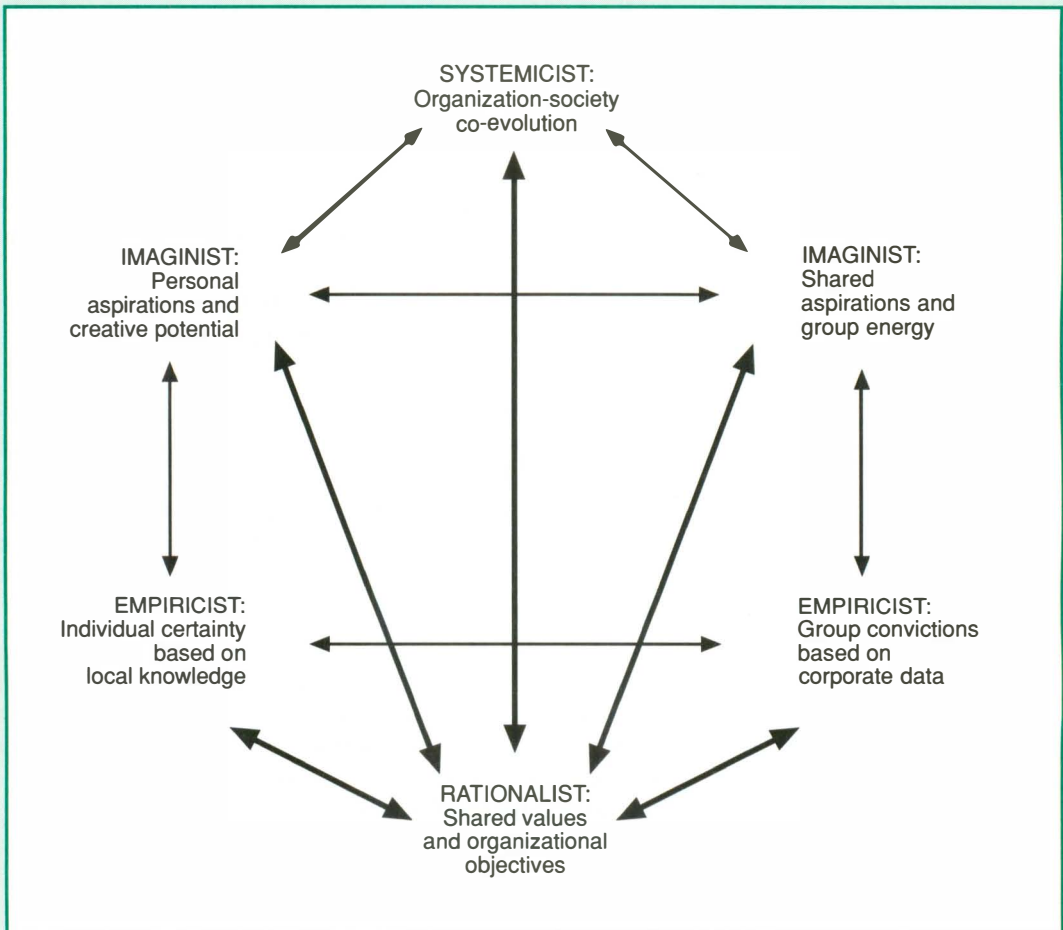
In weak management cultures, key interactions are entirely missing, seriously inadequate or misused.

MODELLING THE CULTURE OF INQUIRY AND COMMITMENT:

Interactions between the effectiveness-enhancing modes and the rationalist mode.

Remember that inquiry and learning in organizations is never for its own sake. It is always to increase effectiveness

- by providing an ever clearer picture of the realities to be handled, and
- by engaging managers ever more deeply and energetically in their work.



NOW TRY SOME QUESTIONS

While you are in an inquiring frame of mind, have some fun with these questions which refer to the diagrams on p.53 and p. 80:

- *Is it quite clear now why a firm cannot become a learning organization in one step?*
- *The arrows represent bi-directional influences or effects. Can you work out what they mean and how they operate? Try labelling them distinctively.*
- *Can you explain why four of the possible influences are missing in the diagram on p.80?*
- *There is no direct channel between the organizational energies/realities/values/objectives and immediate action. Why? What are the consequences?*
- *Can you work out two extra links (noted in the text) which connect the two diagrams? Why are no other direct links appropriate?*
- *There is an important asymmetry between the two diagrams. Can you spot it? Can you explain it?*

The above questions can be used to develop the ideas further for yourself. They can be adapted, for example, to improve team-work and for team-building.

Answers will be found in "Enhancing Participation",
Ch. 14 of *Working with Values: Software of the Mind™*
(to be published shortly),
and put in the wider context of organizational life
in *Penetrating the Mysteries of Management*
(scheduled for completion in 1996).

SOME ENCOURAGEMENT

Is a transformational project of the sort described unrealistic?

I do not believe so. Benefits are gained every step of the way. The era of constant change which is popularly trumpeted is not opposed to the need for a strong management culture. Rather the reverse. The stronger the management culture, the more able the organization is to thrive whatever the challenges. The transformational project is simply an example of the sort of continuous change that top managers must lead. In public services where take-over and receivership are not options, this transformational program driven by an able and determined chief executive with the support of a politically astute chairman and board is the only hope for ordinary people—users and tax-payers.

It is one thing to know what the values ought to be. It is quite another thing to introduce them effectively while keeping the show on the road. It is one thing to value learning for your children. It is quite another to see yourself and those about you as endlessly inquiring and learning. It is one thing to expect others to commit themselves to an endeavour. It is quite another to commit yourself.

Everything in this book is possible. I promise.

Good luck.

THE FINAL REMINDER

Distinguish between:

- ◆ a particular individual or team using any appropriate value or applying any appropriate decision approach to an issue or problem at any time (irrespective of the specific stage of development)
- and*
- ◆ a whole organization strengthening its management culture in a determined comprehensive way with values emerging from a particular decision approach (irrespective of how any specific matter is handled).

POSTSCRIPT

The Logic of the Lists. The seven values in each mode were developed on the basis of project work, the literature and a dollop of imagination. Eventually a logic emerged and this led to some minor modifications and re-ordering.

The logic seems to be as follows: the first value indicates the essence of the mode; the second value indicates the good thing produced by the mode; the third value indicates the essential method to get that good thing; the fourth value indicates the way participation is enabled by the mode; the fifth value indicates the way communication is handled; the sixth value indicates the way individuality is handled in general; the seventh value indicates the way a person should handle themselves.

Each achievement mode (or decision approach) is a value system. Value systems do not survive outside a human host, so the seventh value emerges as the creative source of the mode. As long as people behave in accord with that value, the value system is ineradicable in organizations and social life.

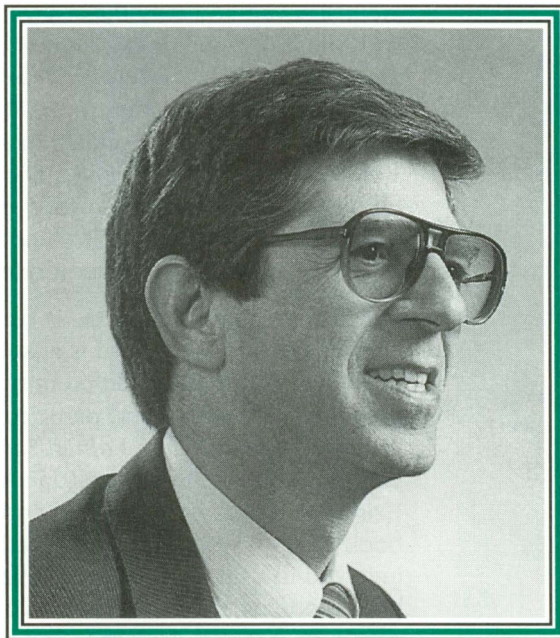
References. Many excellent but atheoretical texts on organizational cultures, management techniques, leadership and culture-change are now available. The ideas in this book should help you put these in context and increase your benefit from them.

Each of the decision approaches and organizational phases has generated vast numbers of articles and books explaining and elaborating them in great detail, and offering suggestions about how to apply them. My aim was to be concise and accessible by penetrating to the essential assumptions adopted in these writings.

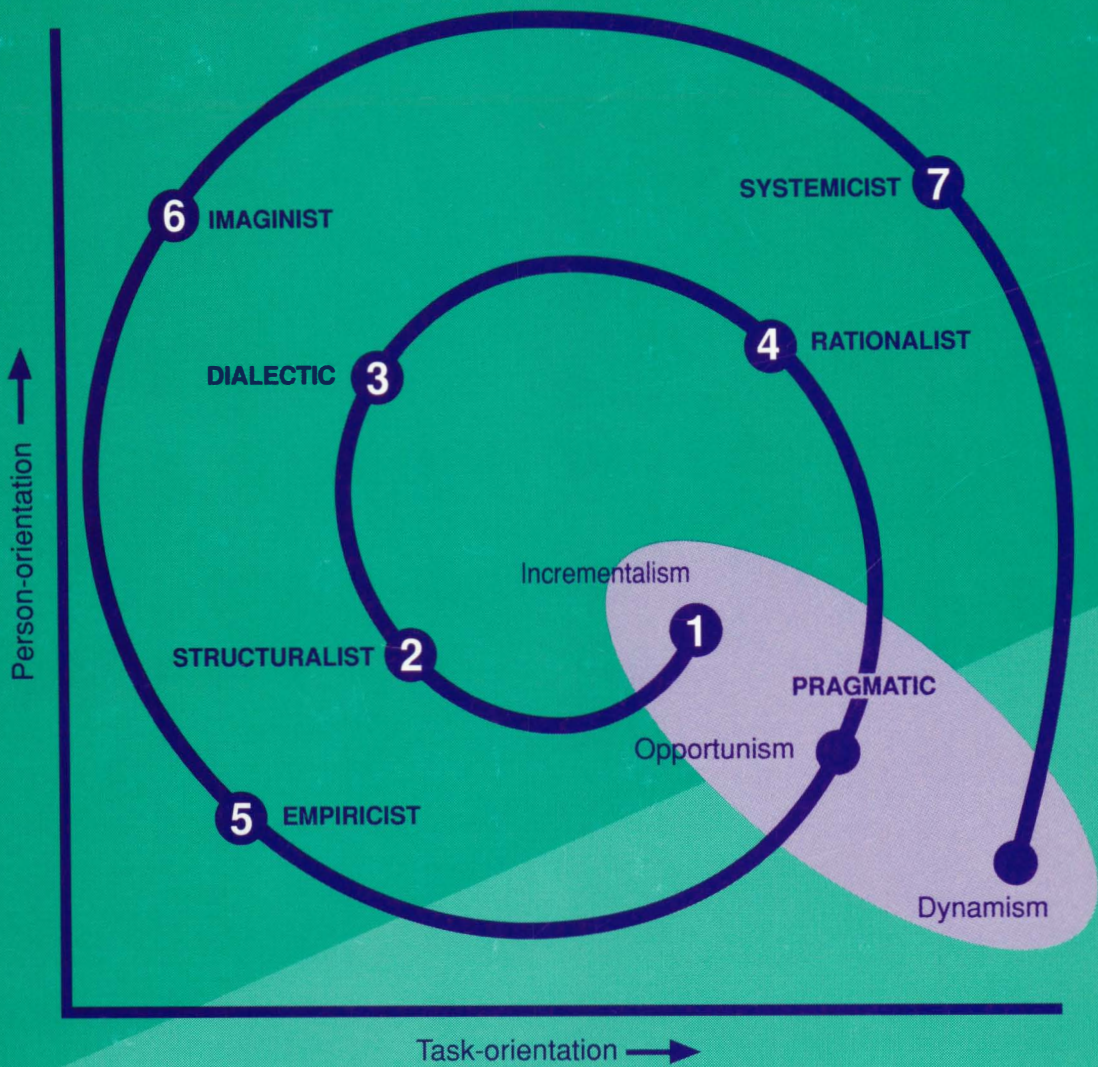
For the latest detailed account of the decision approaches and references to the management literature, see: W. Kinston & J. Algie, Seven distinctive paths of decision and action. *Systems Research*, **Vol. 6**, No. 2, pp.117-132, 1989.

For the theoretical basis (i.e. the explanation of why there are just seven and why these seven in particular) together with the link between decision and inquiry see: W. Kinston, *Decision, Inquiry, and a New Framework for Action*. (London: The SIGMA Centre, 1990) which draws on: W. Kinston, A total framework for inquiry. *Systems Research*, **Vol. 5**, No. 1, pp. 9-25, 1988. (The order of the approaches on pp.3-5 stems from these early papers.) For the relation between decision approaches and ethical choice, see Ch. 6 *Choosing ethically* in the book referred to below.

Because the rationalist mode is central to strong management, a common language is absolutely essential to effectively handle the many different types of values, objectives, purposeful processes and participative activities. This is provided in: *Working with Values: Software of the Mind™*. London: The SIGMA Centre (due for publication late 1994). Using numerous project-based and real-life examples, the book offers a systematic and practical account of what is involved in using values in organizations and in society. The book's origins are to be found in a preliminary theoretical paper: W. Kinston, Purposes and the translation of values into action. *Systems Research*, **Vol. 3**, No. 3, pp.147-160, 1986.



Warren Kinston, Founder-Director of The SIGMA Centre, provides a unique ideas-based consultancy service for leaders of large organizations and social change efforts. His scientific career uncannily reflects the latter part of the spiral. He commenced as a research neuro-physiologist in the mid-1960's, became a qualified psychoanalyst in the mid-1970's, and evolved into a pioneering systems theorist in the mid-1980's. He dreads being trapped inside an organization, but spends much of his time helping successful pragmatists learn the language of structuralism and rationalism. He knows there are many systemically-inclined ethically-oriented heroes out there who do not need his help but would enjoy resonating with his insights. As matters stand, no publisher will touch his big fat book about how to work with values and objectives because 'the ideas are too new'. In a futile effort to change that perception, he writes and self-publishes little easy books like this one. He also gives participative presentations nationally and internationally to audiences who help him refine and develop the ideas. Currently, he is devoting his efforts to integrating his frameworks for management, modelling scientific disciplines, clarifying political work, and distinguishing between religious and spiritual processes. He retains an honorary academic position so that he can feel he is part of the problem as well as part of the solution. His family believes that he is happiest making people laugh.



The Spiral of Growth

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