What Does Management Really Mean?
How psycho-analytic and systemic thinking interact to illuminate the management of institutions.

Seminar Paper by

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Our underlying thesis

The thesis we will explore in this paper is that:

*the effective management of any institution is built upon the principles that are generated from an understanding of the 'core technology' which that institution frames and the ways in which this technology interlinks with the experience of all those working with the institution, both from within and without.*

We define this 'core technology' as the primary process through which inputs are transformed into outputs, that together realise the purposes of the institution in its context.

During the two decades after the Second World War, Eric Trist and his colleagues at the Tavistock Institute of Human Relations demonstrated, in a series of pioneering studies of industrial organisations, that technological considerations alone were inadequate to determine organisational structure. Besides considering the machinery, attention always had to be given simultaneously to the human dimension, not simply as an independent variable, but as an integral part of what they termed a 'socio-technical system'. It was an understanding of this system which provided the only sure basis for 'organisational choice'.

The interpenetration of human and technological dimensions becomes even more salient in service enterprises, where technology itself cannot be specified without reference to the complex interactions between the providers of services and the client or customer. In schools, hospitals, social agencies; but also in service industries generally and probably in most of the newer businesses working with soft technologies, the primary process driving the enterprise will always involve attention to and interpretation of human exchange.

It is this process which underpins and defines the core technology of the enterprise. Our hypothesis is that this process is not itself evident; it requires discernment. We suggest that the act of discernment takes place as managers bring into view and reflect on what we call the organisation-in-the-mind. By this we mean the mental picture of the institution in its context.

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1. Earlier forms of this paper have been delivered to seminars in Australia, one to the Faculty of Business at Swinburne University of Technology, Melbourne and another to an audience of senior executives invited to the occasion by KPMG Peat Marwick, Sydney.


3. The Grubb Institute
which is informing the managers' experience, shaping their behaviour and influencing their working relations, both overtly and covertly.

The task of management evolves from this act of discernment. That task can be stated as being to create the conditions which support, maintain, adapt and if necessary transform the primary process so as to deliver desired outcomes. Management is effective to the extent that it defines the process, recruits the resources (human, physical and financial), develops structures and practice and provides leadership, in ways which define and optimise these conditions for carrying out the purpose of the institution.

It follows that ideas about management derived from other contexts (eg financial management from business applied to running a university or a hospital) must always be scrutinised and assessed in terms of their goodness of fit with the institution's core technology. In recognising this particular quality, we have called it 'X-generated management', where X equals the combination of ideas, ethos, skills and values of a particular profession, be it medicine, education, business, the church, probation and so on.

Without awareness of the embedded principles of the core technology, consultancy aims at bringing about organisation change, strategic development, new role definitions, appraisal methods or installing new performance indicators may tear the heart out of the original raison d'être of an institution, leaving it lifeless rather than capable of making its hoped for new contribution to its context (customer, market, users, owners or even society as a whole).
Two basic perspectives

We present here a line of work and thought which is still in progress but which we have been developing with our colleagues at The Grubb Institute for some ten years or so. The origins of this work stem from applying the approach to understanding organisations and their management which was first opened up by the Tavistock Institute referred to above.

This approach brings together and seeks to integrate two perspectives on human behaviour in organisations:

1. *psychoanalysis and in particular a psychoanalytic approach to understanding experiences in groups.*

2. *open systems theory as developed in the United States, and first applied to organisational thinking in Eric Trist’s studies of coal mining.*

One of the contributions that we have valued from those Tavistock pioneers is Ken Rice’s way of describing an institution diagrammatically, drawing a boundary around its activities which separate them from the context, and then systematically investigating its inputs, conversion processes and outputs. This enables the institution to be visualised in a dynamic relation with its environment.

Diagram 1: System in context, illustrating interactions with its context

By applying this model rigorously a variety of key issues come into view which are responsive to both psychoanalytic and systemic understanding of institutions and the ways in which they interact with their contexts. This will be more fully explored later in this paper, but the significant point to note is Rice’s formulation of management as a function on the boundary, monitoring and influencing the transactions inwards and outwards. The significance of this conception of management will emerge later in this paper.

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Whilst psychoanalysis and open systems thinking have had an uneasy relation to each other, we believe that both continue to be fundamental to an adequate understanding of organisational life, its dilemmas and challenges. Indeed the tension between them creates a dynamic which is fertile for developing new understanding.

The psychoanalytic approach is fundamental to a recognition of the centrality and significance of emotional experience in all human endeavour, both at a conscious and unconscious level. What the systemic approach contributes is a recognition of the essential inter-relatedness of emotional experience. On this view, emotional experience is not bounded by one's own individual skin, is not the property of the individual alone. Rather, it is bounded by the system or systems in which individuals interact - in collaboration or in conflict - with each other and with their context.

The organisation-in-the-mind

The Grubb Institute's characteristic way of working is to engage in a collaborative relationship with client organisations. From this collaboration, thoughts emerge about the issues being addressed. Both client and consultant have these thoughts, which are stimulated by working together within the framework of the client's system(s) and which get applied in practice in the way the client works, develops structures or manages the organisation.

The consultant's method - known as Organisational Role Analysis (ORA) - is an analytic one which seeks to bring into view to both parties in the working relationship, the organisation-in-the-mind of the client. In this phrase we refer to the way the client patterns in their mind the realities of the organisation, patterning them in ways which give expression to the emotional realities present in the experience of the client and in the organisation, indicating where the client is drawing the organisation's boundaries and what the nature of its interactions with its context are about. Some of those realities may be overt but others - often the most influential ones - are not obvious to consultant or to client. Clues to some of these are often embedded in the way the client describes a critical incident, where feelings indicate assumptions about role, system and purpose which may not be immediately apparent to either participant in the consultant/client relationship.

The consultant works to share the experience of the client's emotional reality. From this, access is given to the primary process of the institution in its context through participation in the consultant/client relationship. This cannot be discovered from 'outside' but emerges from the experience within the institution, which is communicated to the consultant through a process comparable to transference in psychoanalysis.

In parenthesis here we need to note a distinction from much other psycho-analytically oriented work with organisations which has been largely concerned to emphasise and uncover defensive structures: mechanisms through which the organisation and its members defend
against anxieties generated by the nature of the work and/or its social setting. By contrast the focus of ORA is rather on emotional experience as disclosing the heart of the matter: what is essentially involved in carrying out the organisation's task, whether acknowledged or not.

To borrow a telling phrase from the British psychoanalyst, Christopher Bollas, what the patterning of emotional experience gives access to is something known but unthought*. In turn the formulation of the ‘unthought known’ discloses what we are terming the ‘primary process’ - the core technology of this organisation now. Once this is formulated, options for managing come into view which were previously inconceivable or at least ‘unconceived’. The formulation itself, once articulated, may seem obvious: its importance is that the change of perspective it opens up contains new possibilities, often transforming threats into opportunities, causing existing resources to be re-evaluated, and leading to the reassessment of relationships. Perhaps most importantly of all it means that authority and power are construed in new ways.

Most of the findings we will outline in this paper have emerged from ORA sessions held with a Chief Executive on a one-to-one basis over a period of time lasting four months or more. However, we have also developed ways of discerning the client's organisation-in-the-mind and in its emotional realities through working with groups of managers.

It is these studies of experience within bounded social and organisational space, and how they interact with their environment that constitutes the raw material we want to explore and illustrate in this paper.

Managing an open system is the activity of regulating transactions across the boundaries between the internal world of the system and its contexts; carrying out the regulation of these transactions in such a way as to create the optimum conditions both for the system's survival and for its development in a changing and often turbulent environment. Effective management is about the survival and development of the system in relation to the purposes and values it embodies and strives to realise in its context.

Given that institutions exist not for their own good but because they serve purposes in society, which will differ depending upon the differing needs of society - creating wealth, governing justly, preparing future generations, curing the sick or despatching the deceased - the activities by which each system relates to its context will correspondingly vary. Hence it follows that, while there may be some very general principles of boundary management which can be observed in all systems, the significant differences between the purposes of systems mean that those principles cannot in themselves lead us to a usable general theory of management which applies across the board.

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Introducing ‘generated management’

In our view, management and the experience of managing need always to be seen and understood in relation to the particular process which an institution frames through its corporate interactions with the context. This arises not simply from the mechanical factors (nor financial or statutory ones) but from the key human interactions within the institution which enable its members to realise the purposes (overt or covert) given to it from the context within which it exists. For example, in a school, the myriad day by day interactions between teachers and pupils in classrooms, assembly halls, laboratories, gymnasium, playgrounds and corridors, together express a process which relates to and depends on that school and its context. This will embody intentions, knowledge, values and skills which are distinct to schooling, or more exactly to this school in this context here and now. But at the same time intentions, knowledge, values and skills do not by themselves define the process, which develops rather from the dynamic human exchanges which are in practice determining the quality of the school’s outputs: the difference it is making to the education and development of children as pupils. It is the identification of this process which establishes the ‘core technology’, and it is establishing that technology (for the time being, since circumstances and contexts do not remain constant) which sets the management agenda.

We have come to describe this approach to managing a core technology as ‘generated management’ - business generated management, school generated management, church generated management and so on.

The principle behind ‘generated management’ is that management in any professional field grows from an understanding of what it is that underlies existing best practice at the point of service delivery, the point at which the contradictory demands of the stakeholders/employers/customers/society/parents/children/taxpayers/doctors/patients and so on - are in practice reconciled and prioritised. The act which delivers the service between provider and recipient is what Jan Carlzon, when President of Scandinavian Airlines System, called the moment of truth².

While one can, as a result of study, begin to develop some general guide-lines, in truth the requirements of management can only be fully understood when applied to a single example: this company, this school, this hospital and so on. One can draw abstractions from examples of similar institutions, but these will indicate what to look for rather than something to be imposed. This has important implications for the practice both of management and consultancy, which we now turn to and illustrate.

Three case studies

The examples we propose to explore here are drawn from work done by one or other of the Institute's staff during the last two years. In the first two examples the method used was mainly individual ORAs with key executives and managers. In the third the principles of ORA have been used within events for groups of managers in a conference method called 'Working with Experience'. In all three we are still in client relations with them and new understandings continue to unfold as work develops. In ORA work the consultant attends carefully to the feelings experienced in the working relations with the client. The reason for this is that the method is designed to enable the client to surface in these sessions the emotional experience of being in his or her place of work. The way those experiences are transferred to the consultant provides data for interpreting what the primary process might be that the client is managing.

In the first case study, one of us had worked with the chief executive and the unit managers of a body responsible for managing psychiatric provision for convicted offenders, whose dangerous behaviour is related to mental conditions which require treatment under high security conditions.

The second is a college responsible for the education of those over 16 and who have left the school system, in an inner city area which has always scored highly in any ratings of deprivation including violence (especially related to racist attacks) and urban decay. For many years the college has been a focus of attention in the world of further education and has recently been grappling with the transfer from local authority control to incorporation under the control of its own Board of Governors and the Further Education Funding Council (FEFC).

Our third example is drawn from work we are doing with the aviation industry, based at Heathrow Airport. Although this is still in the early stages and therefore more speculative, we include it here to show how the theme of generated management has application in a rather different, more commercially oriented organisational context.

Case Study 1: Forensic Psychiatric Institutions

The social and political context The work of these institutions involves the provision of psychiatric care for patients convicted of serious, often violent offences, where there exists an inescapable tension between the claims of security and those of treatment. For a number of years they have been the responsibility of a statutory authority set up to manage them and with a remit to introduce a broad programme of change designed to enhance the primacy of therapeutic goals. In reality, the hospitals concerned are subject to pervasive and deeply ambivalent public attitudes, which make the task of managing them perilously difficult.

On one hand they are seen as places of confinement for mentally disturbed but dangerous offenders, who represent a potential threat to the public at large, both in reality and symbolically. From this perspective the boundary between special hospitals and context is conceived of as if it were physically impermeable, containing the threat felt by the public.
the other hand they are expected to treat and care for such offenders with humanity and dignity, offering hope of bringing about change which will enable offenders eventually to be discharged into the community. Viewed in terms of the boundary conditions, the institution's boundary is here seen as permeable after rehabilitation has taken place.

These public attitudes are not necessarily inconsistent. Nonetheless it is striking how, over time and in a kind of cyclical pattern, such hospitals will be blamed, sometimes simultaneously - not always by the same people but often enough by the same media - both for releasing patients into the community who then commit violence or cause hurt to themselves and to others, and for inhumane treatment in retaining patients who should be released.

In the course of this work, we were, as one would expect, made aware of a number of differences between our clients in the ways in which the issues of management and leadership were being tackled. These differences had to do mainly with differences in style, rather than with the organisational constructs involved, and also with the respective weight given by different people to the management and leadership components of the job.

However, these differences were less significant than the similarities.

About half way through the work with the chief executive he wrote a 'Working Summary on Key Issues Identified' as an aide memoire for himself. It was striking how many of the themes he had listed reappeared in the issues and experiences recounted by the unit managers themselves in their ORAs: the experience of 'isolation and vulnerability' (a theme we will return to later); the communication of mission; the relation of management to clinical goals; devolution and the tension between centre and periphery; corporate accountability at unit level; the relations of operational and functional management; how to measure progress; and how to counter resistances to change.

The implication to be drawn from this was that anyone who had management and leadership responsibility for a whole unit - either in the Authority overall or one of the constituent hospitals - was encountering similar dilemmas, challenges or opportunities. The difference was simply in the boundary within the system for which they were responsible.6

Perhaps this was not surprising. But what it seemed to indicate was something about the commonality of the internal and external forces with which all general managers in the hospitals were having to deal. Could one identify more clearly the nature of this commonality? If so, were there pointers for the ways in which the Authority and its units were addressing policy, strategy, structures, development and change?

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6 The definition of 'boundary' offered by Hirschhorn is valuable here. In The Workplace Within, (MIT Press 1990), he defines boundary as the point at which uncertainty is translated into information and decision.
The dynamics of change At one level one could argue that what was common to
general management in the Authority was a reflection of the dynamics of change on which the
Authority had embarked since its inception. This fundamentally involved a two-fold
transformation of an existing culture.

One intended change was from a culture of confinement and control to a culture of care
and treatment. The other was from a culture of dependence to a culture of autonomy, where
the accent was on devolution of responsibility, integration of tasks and aims and accountability
for results.

Much of the work we did with the managers had been concerned with their
understanding of these dynamics of change and how to effect it in the face of a variety of
resistances: historic, structural and cultural. The analysis of those resistances, both overt and
covered; and how to address the need for change in a way that enabled staff to take ownership of
this for themselves, preoccupied the early sessions, without always appearing to take things
further.

The fundamental challenge There was, however, quite a different thread from the
challenge of change which ran throughout the work, though it related to it. This concerned the
very nature of the job that these hospitals do and are charged by society with doing. In the
Chief Executive's aide memoire, referred to earlier, one theme identified had been, as he put it,
"isolation/vulnerability of the Chief Executive, particularly in an organisation which has no
counterparts and in an organisation which is new with high profile and ambitious aims".

In responding to this aide memoire at the time, the consultant had speculated, "how far
are you focusing on feelings which are more widespread throughout this organisation? Seen in
that way, could your own experiences of isolation and vulnerability be understood as part and
parcel of being in touch with the life of the organisation?"

In fact, all of the managers we worked with, from time to time, communicated similar
feelings from their position. Events which happened over this period, including a widely
reported public enquiry, contributed to this undertow of vulnerability. There were sessions
with managers in which, in different ways, work on this aspect of their experience wholly
preoccupied us.

We were also aware of the number of occasions when sessions had to be cancelled or
postponed because of illness. It could be said that vulnerability is an occupational hazard in
the management of institutions which are both highly sensitive and, when things go wrong,
susceptible to public criticism and anger. The experiences reported by the managers could
simply be seen as a personal response to this reality, and be understood as an example of
occupational stress.
But such an explanation missed something which came more clearly into view as the consultant became aware of the feelings of vulnerability aroused in himself in the presence of his clients. It was as if one were caught up in a pervasive emotional undertow, which was more than a matter of the particular exigencies of one's own role.

At some stage during the consultations the consultant looked up 'vulnerable' in Webster's Dictionary. It is defined as 'capable of being wounded; liable to injury or criticism; subject to being affected injuriously or attacked'. To be in a special hospital at all, it then occurred to him, whether as patient or staff, is to put oneself in a position that exposes oneself to being vulnerable, in just this sense.

Moreover, the reason patients are committed to such hospitals in the first place is precisely because their behaviour has in turn exposed or exploited the vulnerability of others. (We recognise of course that in many instances this may have involved the patients' own feelings of vulnerability, projected into their 'victims'.)

Seen from this perspective, the managers' experiences of feeling isolated and vulnerable could be understood as registering in themselves an emotional experience that was part and parcel of the life of the organisation as a whole; that arose out of and in turn illuminated the very nature of the task upon which all members of the organisation were engaged, staff and patients alike. As such these experiences were not so much an 'occupational hazard' as the raw material for work: work on the process given to the organisation by society.

We could express this more paradoxically by saying that if the chief executive and his managers were not in touch with such experiences in themselves, they would, and by the same token the organisation would, really be both isolated and vulnerable. Indeed, it gradually became clearer to us that it was precisely when our clients were not alert to these feelings in themselves that their judgements were most questionable and most questioned, by themselves as much as by others.

Correspondingly, the monitoring of these experiences and their fluctuations within oneself, could be seen as a central aspect of the practice of management and leadership, of keeping in touch and of being in touch.

On a broader view, this perspective opened up a new interpretation of the emotional reality which underlies what these hospitals do and are charged with doing. This could be aptly described as the process of 'managing vulnerability', (more exactly of managing the experiences of being vulnerable oneself and of making others vulnerable): in the relations of patients to themselves and to others; in the relations of staff to patients, and of staff to staff.
Recognition of this reality in turn enabled the issues of change, ownership and accountability which had set the management agenda of these institutions to be seen in a new light. The challenge for management and leadership could now be restated as ‘how do I in my role act in a way which enables and supports staff in containing and working creatively with experiences of vulnerability in their day to day practice in the wards?’ And ‘how do I work across the boundary of the institution to enable the public at large, through its stakeholders, to acknowledge, give value to, and shoulder the responsibilities and risks of such a task?’ The problem that is raised is that the more changes that were brought about, the greater the risks that staff had to carry.

There are several implications of this recognition. What we identified was not a great flash of new insight: it was the recognition of something that had always been present within the relations between the hospitals and their environment but which became reframed in a different way. This showed that resistances to change may not be due to a failure to adapt, but were more likely to be based on a deep-seated understanding of what was really at stake. As government initiated changes were introduced - for example purchaser-provider models of resourcing or performance indicators - they were most likely to be effective in supporting staff if they were related to managing vulnerability.

If evidence of vulnerability is seen as something to be got rid of or denied, the emotional experience will go underground, become exacerbated and erupt in less manageable forms. If change is introduced from outside, say by government, without a proper appreciation of how the experience of vulnerability is being worked with at all levels of the organisation, the place where the reactions to it will be most likely to surface will be amongst the patients - and their characteristic response is to react dangerously to the experience.

Those in authority in special hospitals have to find ways of handling relations with external authorities which enable them to take back responsibility for working with these elements in society.

Case Study 2: An inner city college of further education

The Context since the 1960s The college with which we worked has evolved from the steady combination of various technical colleges in an East London borough over the last twenty years or so. The population of the borough is largely immigrant, having arrived as if they had floated up the Thames. It is an area which has traditionally hosted such people: economic and political migrants, refugees, sailors who jumped ship and so on. The old style cockneys are now in the minority and feel it. Since successful people have generally climbed out of the area, those remaining convey a feeling of being stuck and depressed in their stuckness.
The docks which gave the area a historic sense of significance, have closed down, leaving behind a pervasive air of dereliction and decay. The towers of the City of London, especially the NatWest Tower, tell of the existence of international business. Though the Big Bang meant that some of the sharpness of cockney traders could be used on the dealing floors, those without that bounce or with the ‘wrong coloured skin’ or gender did not see the City as a place of opportunity.

Not surprisingly the local authority was one of left wing persuasion, with a sense of responsibility for those of its citizens whom it saw as depressed or deprived. In its various institutions and services - schools, colleges, youth service, social services and housing - the local politicians sought to compensate for the difficulties that were manifest wherever they looked. Faced with the policies of central government over recent years, the authority had been squeezed and driven into a corner.

The consequence of these different factors was that an atmosphere existed within the borough of low self esteem both at the personal and the corporate level.

Response In the 1970s the College recognised the pain and depression amongst the local people, including the 16-year olds leaving the borough's schools and the adult population. Seeing the waning employment opportunities, staff set out to create conditions that would compensate for that loss and respond to the apparent needs of the marginalised people who lived in the borough. Within its structure, the College set up groups of unemployed people, support groups for refugees from war-torn countries, crèches, single parents groups, lesbian and gay groups, and so on. There were a range of courses being run, but these did not necessarily lead to qualifications, nor to progress on to higher education, nor to employment. This did not imply that nothing was happening in respect of such progress, but the raison d'être of the college became one of care and nurture rather than one of gaining qualification and advancement through teaching and learning.

The College and its then-Principal won a reputation for imaginative and dedicated work in such a setting. Given the circumstances, the demands and the assumptions of the time, this was probably well deserved.

Change The massive development of Docklands resulted in the Canary Wharf Tower and all the associated buildings pushing their way onto the horizon. The Docklands Light Railway changed the transport situation. The City Airport brought a totally new form of transport into the heart of the area. The debate about the Channel Tunnel rail route suggested that the borough might be chosen for a major transport development. The ‘East Thames Industrial Corridor’ began to be talked about. However the depression of the late 80s meant that the expected boom in employment which could have justified the disruption to this environment (housing, transport and the sense of community) remained unrealised. To some
extent the slow pace fed a feeling amongst members of the community of intrusion and
cynicism about whether there was anything for them in this brave new world.

At the same time, a new Principal was appointed to take over from his retiring
predecessor. He was alert to the growing demands of the changing context and also aware that
the existing culture of care and nurture meant that the College had been massively
overspending during previous years. He set out to discover the facts and found that there was
much looseness in the financial controls of the college, as well as a substantial number of
things happening that could not be justified as ‘educational activities’. The sums of money
that had been spent, with little accountability either for the College's budgeted income or for
identifiable outcomes, were very large indeed. The College had become a kind of spreading
chestnut tree, under which anyone could come to rest for as long as they liked, a tree that went
on growing without regard to its financial cost.

As the Principal began to seek out ways of tackling the financial and professional
problems he was faced with, legislation was passed taking colleges out of the control of local
education authorities and placing them under the centrally funded Further Education Funding
Council, which would allocate resources in direct relation to students served. Its governors
now became more clearly accountable for what happened in the College. In terms of
management the governors had a real responsibility to take up their role in the boundary of the
institution.

The Grubb Institute began a programme of work with an individual Organisational Role
Analysis for the Principal a few months after he had taken over the post. He had heard about
ORA but he was sceptical about how he might be helped. However he was concerned enough
to begin the consultation process, analysing his experience in his role in the College. After
several sessions for himself, he persuaded the Chair of Governors to begin an ORA on her own
account and, in due course, also involved the new Executive Team through a ‘Working with
Experience’ Conference. This work supported the Principal as he went through a period of
attacking the problems of the overspend, identifying its extent, how it had come about and how
to deal with the consequences. He also thought out and established a new organisational
structure which reduced the overall staffing, changed the profile of top management through
careful, professional selection from inside and outside the College, and set about creating a
new culture and image for the College.

Managing Poor Self Image Through this work, consultant and client developed an
analysis, collaboratively worked at, of the primary process that was being carried out day by
day through the College. This emerged as a result of investigating the college as a system in
its context and also reflecting upon the Principal's experience of working within it.

In reflecting upon the history of the College over recent years, the Principal and the
consultant came to the conclusion that a common thread lay at the heart of the management of
this College, both in its former time and in its present state. The borough and its people over time had acquired what could be described as a poor self-image. The area's loss of the economic and commercial base of the past; hosting people who have come into the country short of money, driven out of countries by oppression, poverty, famine or civil war; with the local public authorities under criticism and pressure from a central government radically at odds with local politics; all these meant that the College existed in a context where self image was low individually and corporately.

As the ORA sessions progressed and the Principal began to tackle the issue that confronted him, he described the way he was being perceived by segments of the college staff: in particular he was described as heartless, calculating, a hatchet-man acting for others with little understanding of the immense needs of the students. Whereas he was doing the best he could to address the dire situation that confronted the college and, while he did not accept these descriptions as being real, he could not help wondering whether there might be some truth in what was being said of him. At the same time the consultant himself experienced a sense of not being up to the job in hand, not having the intellectual capacities and the grasp of government policy and its administration that seemed to be required.

Thus the client and the consultant, in ways relevant to their own responsibilities, both experienced a poor self-image. They both found themselves challenged to resist being controlled by that self-image, to manage it rather than be managed by it. As this was identified, the consultant realised that it gave a clue to the nature of the College's primary purpose.

In the earlier phase, the College had failed to manage the boundary with the community and had allowed itself to be captured by that culture and to become saturated with it. It was remarked that staff became like the students in dress and attitude. Progressively they became as dependent as those they were there to serve. As evidence about the overspend of previous years accumulated, there were those who argued that the dire deprivation of the population justified, even sanctioned, such profligacy. As a result poor self-image was as unmanaged as were the finances and educational performance.

In the latter phase, poor self image amongst potential students has been faced up to. It has been seen as a motivator to raise people's performance. "Men and women - if you feel unqualified, unable to progress, want a better job than you have, could raise your income if you could gain skills which you can put to use in the economy - then this College has something to offer you".

As the College responds to the new opportunities of commerce, travel, industries that have seedlings in the borough, the borough's image of itself can begin to be enhanced. "Employers, if you want to hire modern, skilled workers, the College can supply them. If you
want advice about engineering, management, personnel training and business, you don't need to go outside the borough; what you need is already on your own doorstep."

In this way, managing in this College can be seen as managing poor self-image. This means tackling the self-image of those who come as students carrying with them real social burdens. It requires that the staff, under criticism from central government and elsewhere, face that criticism frankly and courageously. It means that the local community itself, with its national reputation, begins to address rather than to exploit poor self-image. Since a college of further education in an inner city area exists to contribute to its local community in exactly this way, this work lies at the heart of its core technology.

Example 3: The aviation industry

Our final example is deliberately more speculative. In the last year we have been working with companies in the aviation industry that use Heathrow Airport. We have been developing approaches to raising the quality of management exercised by first line supervisors across the airport. This is to enable the work done by the teams that serve the customers through their direct activity, to be transformed to world class standards. We have used a model we call a ‘Working with Experience’ Conference to apply ORA principles. The work is still at an early stage and we have much to learn.

As we have engaged with the aviation companies (including carriers and the airport itself), working with men and women who run baggage handling teams, teams of engineers servicing planes, load control staff, members of the fire service, telephone sales staff, cargo handlers and accountants, there appears to be a thread which runs through all their work.

It is evident that the aviation industry works within a culture which of its nature, is characterised by unpredictability. Changes in weather, mechanical faults, human error, overload, anxious passengers, sickness, security alerts, industrial relations issues and volatile economic conditions - combine to make the setting within which people work one which is subject to constant changes of plan, sometimes of a radical nature and with very short notice. These changes cannot individually be planned for and hence cannot be ‘managed’ in a conventional sense, but sudden changes permeate the whole working environment. In our experience we have not previously encountered such high levels of unpredictability as a basic fact of life in an industry and this has been corroborated by other consultants.

In carrying out this project, we have been faced with constant changes often at very short notice, especially last minute changes of availability. Within the events, those of us

\footnote{It has been interesting to draw on the original work of Miller and Rice, which included a study of issues concerned with this industry (op cit 1967).}

\footnote{This project has been carried out in conjunction with Brunel University and sponsored by the West London Training and Enterprise Council.}
staffing the courses have experienced powerful pressures to change our plans (which we have resisted). One of us has said that he was reminded of his experience of being a front row forward at rugby who has three yards to make to the try-line and most of the opposing pack in his way: conviction about what must be achieved has produced the determination and impetus to cover the ground and achieve results against the opposing forces.

**Managing the interaction between stability and turbulence** Our current hypothesis is that the thread running through the aviation industry is about managing the interaction between stability and turbulence so that the result is creative. In all cases that we have studied so far, it is evident that employees in the industry are seeking to create a setting for customers which is tranquil and secure, in which they are shielded from the impact of the unpredictable factors which surround them. On arrival at check-in, those being attended to are handled by a staff member who works calmly and methodically, while other passengers stand back behind a mark on the floor; the transition from 'land-side' to 'air-side' is a tightly controlled boundary crossing; there are departure lounges; passengers are separated from flying staff and so on.

As we have thought about this we have realised that the forces which keep an aircraft in the air are forces which come into play as stability (a wing) comes into a dynamic relation with turbulence (the effect of passing through the air at speed). The aircraft flies because of this dynamic engagement between stability and turbulence, and it flies effectively because the interaction is 'managed' by the pilot's skill.

This has led us to the formulation that management in this industry is that which creates the conditions where managing the dynamic interaction between stability and turbulence is constantly kept in view. It is this 'management' which enables passengers to feel safe and to trust themselves and their possessions to the carrier. It may be far fetched: after all this is a physical conception, but for the present it provides a way of thinking which takes us beyond some of the simplistic notions about 'customer care' which flood the industry at the moment, ignoring this reality. Evidence from our most recent work on this programme indicates that effective customer care in this industry entails being able to know what a company can guarantee to deliver under these prevailing conditions and to be frank with customers about that. To quote the distinguished Chief Executive of Scandinavian Airlines System, this is the type of management which sustains and relies on "the moment of truth" between customer and service deliverer".

What this means for managers is that each of them must take into themselves the experience of the turbulence and its interactions with the stability and manage that relation inside themselves. If they split the two apart - which is the natural psychological defence against the stress of their relatedness - the latent anxiety of the passengers will immediately be triggered into consciousness. This will result in apparently excessive, indeed apparently irrationally high reactions. Cases have been reported to us where there have been almost

*Jan Carlson, op cit*
violent scenes over what are in themselves simple things; the availability of trolleys, the
slowness of information to appear on information boards, the discovery of un-emptied ash
trays in an executive jet, and so on. For the traveller, who is naturally apprehensive at this
mode of travel with its inevitable risks, these may be signals of other underlying problems,
anxiety about which can be triggered to the surface.

Some implications for thinking about management

Thinking about the ‘organisation-in-the-mind’ is work still in progress. The three case
studies we have explored have been of specific institutions or groups of interacting institutions
within one business. As our future work develops in these and other areas, we would hope to
extend our understanding across a broader range of organisations and contexts. It is implicit,
however, in the stance we have taken, that such understanding is always linked to what is
specific.

In this sense there can be no generic basis for organisational consultancy, no reservoir
of organisational ‘say how’ that is universally applicable. One always consults to the
particular case: indeed to the particular human case. Consultancy in this sense is a ‘positional’
discipline.

Thinking about ‘generated management’ is also work in progress. There are other
fields of professional specialism in which The Grubb Institute has worked in the past which
have been subjected to substantial change in recent years: the probation and prison services
are two examples; business, voluntary organisations, schools and churches are others. In all of
these we are seeking ways to conceptualise how the characteristic processes in each field are
managed so as to ensure that the human realities underlying those processes have priority.
This is especially true for human service organisations, where the temptation under the present
political climate in schools, hospitals, and even churches, appears to be to seek out prevailing
principles (especially financial ones) that will supersede the complex, qualitative, work of
attention and interpretation. Professional businesses such as partnerships of accountants and
solicitors are also having to address what ‘management’ means in their institutions10, in
particular examining what is involved in managing the boundaries across which the inputs and
outputs pass.

Though we still have much to learn there are, nonetheless, some implications arising
from these ideas which we can tentatively advance now. We recognise that in a political
climate based on the assumption that ‘privatisation’ provides the ingredient that will raise the
effectiveness of many public services, what we say will have political implications. We also
recognise that the current calls in the UK to go ‘back to basics’ and to return to ‘family
values’, which seem to us to be the political response to a human dynamic perceived to be at

10 See for instance Scholtes K, Strategic Management In Professional Service Organisations, Sheffield
Business School 1994
work in society, have thrown up problems for the British government. To us this is evidence that to take human realities seriously is not to be done without disciplined understanding of what one is getting oneself into.

We have written this paper to open up a new perspective on professional thinking about managing. If we are on the right lines, we may be able to offer a way to achieve some of the best of what is sought by the various advocates of change. What is central to our thinking is that if the propositions we advance are taken seriously, when shifts and changes take place in economic and social conditions, the details of managers' behaviour will need to be construed in a different light. This is especially true when those factors such as finance, the law and conventional 'wisdom' are commonly treated as determinants of what happens and how managers think, without any critical reflection. Yet, just as Trist and his colleagues showed that the physical and technical environment were not wholly determinant of what happens in the work place, we believe that we have demonstrated that neither are finance, law, or 'business' sense.

The propositions we would like to advance for testing are these.

- **Management** which is effective in releasing the resources of men and women (and children in such places as schools) engaged within a system is management which is **homologous** with the system's primary process.

- The challenge posed by our first proposition is how to create the structures which enable that primary process to come into view at all levels of the institution. By 'structures' we mean not simply those things reflected in an organisational diagram but anything through which the organisational processes are channelled and realised: for example, remuneration and benefit systems, communication methods, record keeping practices, induction procedures.

- The main obstacle to keeping the primary process in view is the assumption that finance and administration in themselves provide the best indicators of effectiveness, rather than their providing only some of the evidence about the process itself and the fulfilment of the professional purposes of the institution in its environment.

- Understanding the emotional experience of living and working within an institution is key to understanding what its primary process is and what has been done to manage it.

- The fact that in every kind of institution work on aims, purposes, missions and core values are virtually all-pervading, suggests that there is a general search going on for the primary processes of institutions. We are suggesting that the line of thinking we have outlined here opens up the possibility of taking such work much deeper by analysing all the realities with which the institution works, including especially the emotional realities.

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*Homologous - Related or similar in structure, origin, nature or value (New Webster's Dictionary)*

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To the extent that the primary process can be identified and articulated, managers at all levels can use the fine-grain of their experience - in our examples their feelings of vulnerability, low self-image or managing stability within turbulence - as being central to their work, not peripheral or self-indulgent. By treating their experience in context seriously, they will find themselves connected to others within the organisation in surprising ways, ways which will otherwise be hard to tackle. This will release the currently untapped resources of its staff.

We began by outlining a thesis that emotional experience in the institutions we have been working with was the clue to identifying their primary processes, to identifying the organisation-in-the-mind of the client and what the management is that is generated from the key interactions within it and across its boundaries. In our three case studies we have indicated that the relation across the institution's boundaries to its context was vital to understanding a system's primary purpose. To work with one's experience in such a way as to understand a relation to context and to understand what the institution is being used for, requires skill, a skill that is not yet necessarily present in many human series organisations that have been subject to radical change. To the extent that the managers of a system do not have the skill to work at understanding the institution's relation to the context, they become prisoners of that context: they will not then be able to work with statements of aim that define the organising principle upon which their institution is functioning because, just like the teachers in the college, they cannot understand what they and their clients are embroiled in.

This leads us to continue to recognise more clearly that the principle behind 'generated management' is that managing in any professional field grows from understanding and relating two things to each other:

- **The management of the core technology of the institutions; in a school it is the education of children; in a hospital, the treatment of the sick; in a prison the secure containment and rehabilitation of prisoners; in a residential institution, the care of the handicapped or the aged.**

- **Managing the factors which influence and impact upon the core technology; in particular managers need to understand the emotional and value based factors as they manage the state of the system.**

The former is about the internal world of the system and the activities which transform its inputs into its outputs. The latter is about the interface between the system and its context, the elements of which are embedded in the experience of the men and women (and children) who move in and out of the system day by day. The effective management of the institution handles the interface at the outer boundary, identifying what these are, what they mean for the running of the institution and how they might be handled. Leadership within the institution involves demonstrating to colleagues in practice and behaviour how the interface is handled by individual human beings within themselves and in their own experiences.
We have explored these ideas from different angles. We currently take the view that in a world which has gone 'management mad', where 'management' has been assumed to be the practices used by business and industry to manage its affairs. What has happened has been the covert introduction of practices that are at odds with what is really required to manage most organisations, practices incapable of handling the human realities which are both part of the primary process and of the context within which the process takes place. This is even true of some businesses! Our prediction is that, unless the primary process and core technology are central to the thought processes of managers and enable them to work with their experience, the work for which the institution was originally set up will suffer. We have a sense that unless some of the political initiatives which bear on the cases discussed above are 'managed' in the light of the realities set out in this paper, the longer term effects of present policies will be to reduce the quality of work done corporately.

The ideas of 'generated management' and 'the organisation-in-the-mind' offer a way forward. Consultants have a part to play in enabling quality to be enhanced in institutions, but it is managers and executives in post who make the real difference.

David Armstrong
John Bazalgette
Jean Hutton
24 February 1994
The Aim of The Grubb Institute

The Grubb Institute of Behavioural Studies energises people to transform their behaviour individually and corporately as they gain insight into their experience of human systems, institutions and personal relations when seen in the context of Christian faith.

Founded in 1969, it is an applied social research institute working at critical organisational, professional, social and spiritual issues which are undermining the effective work of client institutions. In working with both conscious and unconscious group processes it draws upon theological concepts and values to provide frameworks of meaning and purpose.

Clients currently include transnational companies, government bodies, educational institutions, professional associations, health agencies and trusts, churches and religious communities, prison service, and a wide range of voluntary social work agencies.

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