



Mastering the organisational demon

SCOS XXIV

The Good, the Bad and the Ugly: Organisations
and Demons

Radboud University Nijmegen, The Netherlands,
12-15 July, 2006

Alexander Kiehne

Dr. Louis Klein

Systemic Excellence Group

Independent Think Tank for Leading Practice

Content

1. Case for action I: Emergence

2. Case for action II: Social Design

3. Reflection: The ambivalent nature of social systems

a) the linkage of organisations to the one-eyedness of societal sub-systems

b) the linkage of organisations to their symbolic systems – out of control

4. Conclusion: Taming the demons. From Personal to Organisational Mastery

Literature

Contact

1. Case for action I: Emergence

Emergence might be the term that describes what happens beyond control. Emergence is the surplus to which the whole is more than the sum of its parts, it might be unexpected and unpredictable. It might be an invisible hand, unintended and uninfluenced by decision or will. It might be daemons (in case of negative effects) or angels (in a positive sense). Nevertheless, emergence leaves us alone with the feeling of the restricted ability of action, decision and will. There is something beyond our control. Out there threatening sometimes, promising at others. However we tend to forget that in the end all these daemons, all these emergence of social systems is men-made. It is us who carry the reinforcement of social emergence. It is us who actualise all the very daemons. And they can be controlled.

To remain able to control, to decide and act the need for an overall perspective is inevitable. Especially in these days, characterised by rising complexity, contingencies and insecurities. We will be able to change his destiny in terms of being a decision-makers instead of being victims of the circumstances. If one is going to answer this challenge by gaining an authentic picture of himself, his situation and possibilities, an overlook so to say, he will be able to turn demons into angels. The solution is self-recognition and self-creation. The acceptance that the world we live in, is not a divine order, but men-made and therefore changeable by will and decision – if we want so or not- shall guide us to the in-sight that we cannot not change the world. If we want to tame the emerging daemons of social systems the answer is social design.

Emergence is what happens beyond control

... may it be in a positive or negative way

An overall perspective is inevitable

The world we live in is not devine

2. Case for action II: Social Design

The observable present enlargement of the understanding of design¹ shades a radical different light on the organisation and construction of the social world. Regard the prominent description in the observations of Berger/Luckmann in 1966 as far as a sociological perspective and the interaction between society and the individual was concerned, until nowadays` perception.

The inevitability of the other being one of the two major concerns of human being, next to the inevitability of the self, leads processes of organising.² First of all to the organisation of the self and second to the organisation of the relations to others, i.e. the individual's recognisable environment, might it be

___ on the level of interaction (a conversation of present attendances of communication),

___ the level of organisation (a set of communication, differentiated by membership) or consequently

___ on the level of society (the whole of all reachable communication – which nowadays therefore has to be the entire world³, differentiated by functional sub-systems' communication).⁴

But this is not so new. What is new nowadays is the individual fact of contingency of post-modernity. This is the experience that everything that is, could be otherwise, what poses the question of sense and orientation. Not only the grand systems explaining the world, religion and science, fail to grant orientation and meaning. It is the very, leading discourses of modern society, politics and economy, which cannot provide stability any longer. After the experiences of the 1980/90s, when the individual had to face a drastic shift concerning risks and responsibilities from the collective towards the individual⁵, what followed in the beginning 21st century, was a phenomenon described as a drift.⁶ The individual now is 'drifting' in its search

Two major concerns: the
inevitability of the self ...
and the other

The new challenge: post-
modern contingency

01_ Mau 2004

02_ Weick, 1969, 1979, 1998

03_ Luhmann, 1971

04_ Luhmann 1984

05_ Beck 1986

06_ Sennet, 1998.

for meaning and orientation. And no safe harbour comes in sight. Traditional models of life and career fail. Leading one's life becomes an art.⁷ And like an image of depression it is not the great challenges of ethics and philosophy, questioning where from and where to, live and death. It is the small, daily questions that set the trap: What do I do today, when do I get up, what shall I eat? What do I need to know, how do I raise my children, how do I treat my neighbour? How do I sort out a conflict? Within a cacophony of multiple and different answers the individual needs to decide anew, from moment to moment. And there is no catechism, neither shared nor reliable, to turn to. Those times, if they ever had been, are over now. The single individual needs to explain the world all by itself. It is challenged and in the end bound to fail. The "exhausted self"⁸ falls into depression and as it seems the western hemisphere falls in a "multi-optional society".⁹

Traditional models of life and career fail

The individual needs to explain the world by itself

But in focus of our argumentation are aspects of the organisations concerning social design. Even the mighty organisations of modernism, schools, enterprises, political parties and their like, render themselves clue- and helpless to the individual's post-modern experience¹⁰. Even worth, facing post-modern contingency they grow as a problem for themselves. They themselves need to enter the quest for orientation and meaning. The organisation of the organisation¹¹, being man-made, becomes disposable and needs explanation. The idea of a "Viable System Model"¹² seems inevitable in a situation where the leading discourses of society, politics and economy become more and more short-sighted. Optimizing the systems leads towards visions of cyclopaedic one-eyedness: the next elections are just around the corner and the stock market considers quarterly results as referring to an exceedingly long time period. Opening a future perspective seems to be important, yet not pressing enough to bundle resources. Sustainability is not a structural element of the post-modern organisation. Sustainability – also understood as an orientation for the individual organisation's members – needs to be artificially re-entered as an issue.

So have organisations

They have to enter the quest for meaning & orientation

But organisations are organised. They are man made, not divine. They are the outcome of will and decision. They are design. They are social design. Exploring this notion opens up a universe of possibilities but also responsibilities that have changed under the influences of post-modernity. Organisations and social systems are man made, be it for the good or for the bad. The implications will fall back on us. And this is where a notion of morality and ethics come in. How do we gain access to the possibility of taking on responsibility for organising organisations and what they do to the world and first of all their members? But organisations do not act and decide in a vacuum. This is where complexity, linkages and maybe the organisational demons appear on the stage.

Organisations are man-made

This is where opportunities for change and development appear

... but also responsibilities

07_ Schmidt, 1998

08_ Ehrenberg, 2004

09_ Gross, 1994

10_ Beyes, 2003

11_ Weick, 1969, 1979, 1998; Baecker, 1999

12_ Beer, 1972, 1979

3. Reflection: The ambivalent nature of social systems - a two step approach to the organisational demon?

a) the linkage of organisations to the one-eyedness of societal sub-systems

Helmut Willke's trilogy gave a wonderful illustration of the inner dynamics and ambivalent nature of social systems. Following Luhmann's systems theory it approaches the distinct emergence of operationally closed systems.¹³ On the one hand it shows the angle's side of the markets invisible hand creating wealth. On the other hand it explores the one-eyedness of the ever accelerating dynamics of the functional systems of society such as politics or economics. The one-eyedness describes the exclusive orientation on the basal distinctions of a societal sub-system, structuring recognisable communication. For instance, the economic sub-system only recognises communication differentiated by the distinction "payment | non-payment" Other communication is only available via structural couplings to other sub-systems. The place for such couplings is the organisation. But first of all, societal sub-systems are strongly focussed on their basal distinctions, all other communication remains as noise in the environment. On this basis they disintegrate of local optima which of course are dysfunctional for the overall whole of society.¹⁴

Societal sub-systems are focussed on their basal distinctions

b) the linkage of organisations to their symbolic systems – out of control

Moreover societal sub-systems are confronted with the fact that they cannot influence the inner-dynamics of their symbolical systems¹⁵ any longer, i.e. for instance their symbolically generated communication media. Under the circumstances of post-modernity they show a self-dynamic out of control that they cannot affect. Neither their own, nor the symbolic systems of the other societal sub-systems. Again for the case of the economic system this is 'money' that develops its own dynamics influencing all economic actors without having the chance of steering its direction. For the political system this is "power", for the juridical system, it is "justice" etc. So what is remaining, is the opportunity of an "ironic observer" of own actions that takes into account, that everything could be different, even basal decisions, developments and beliefs that in the past have been taken for granted:

They are driven by the inner-dynamics of their symbolic systems

... the symbolically generated communication media

13_ Hahn 1987, Kieserling 2004, Nassehi 2003

14_ Beer, 1972 and Beer, 1979

15_ for the following, see: Willke, 2005

*“For the ironic the unavoidable distance between the systems opens up the opportunity of according contingencies, if he is aware that this cannot be realised from the point of view of a superior or higher rationality (of which observer or actor so ever), but only from the reflection of the outer distance in an inner distance of the systems to themselves, which allows them to take the ironic position to play with their own contingencies.”*¹⁶

Willke’s ideas relate directly to the dark side of organisations being tight to and structurally coupled with the functional sub-systems of society. The emergence of organisations seem to be beyond control. Serving the functional one-eyedness and the inner dynamics of symbol systems they show their demons.

Organisational one-eyedness and the symbolic systems are the new demons of organisations

However Paulo de Coelho in his description of the Jacob pilgrim¹⁷ brought forward an interesting notion of the understanding of demons. They are forces beyond our direct access. They might be savage enemies, they might be friendly allies. They are driving forces we do not understand yet we have to cope with. We might suffer from them. We might utilise their immense power. It is at the very heart of the secret behind those organisations which went from good to great.¹⁸ They knew their demons / angels, faced and decided for or against them.

So guiding thesis of a reflection on social innovation and post-modern organisation is the core competence of post-modern times is a process competence in oscillation between the two poles of self-recognition and self-creation. This might be the conclusion to cope with the organisational demons.

The core competence of post-modernity: the oscillation between self-recognition and self-creation

07_ Willke, 2005, p. 334, (own translation)

17_ Coelho, 2001

18_ Collins 2001

4. Conclusion: Taming the demons. From Personal to Organisational Mastery

The leading thesis for the post-modern organisation is fed from the successes of personal mastery and organisational development.¹⁹ This is how the demons might be tamed.

An analysis of the self-help classics describes that it is the two principles, self-recognition and self-creation, which generate solutions.²⁰ This needs to be acknowledged on the basis of the success of personal mastery. This is on the so to speak quantitative side the market success and on the qualitative side the felt and subjectively ascribed benefit. In this respect coaching can be seen as the professionalism of this self-recognising and self-creating practice. It might be worth a closer look what actually happens in successful coaching. A praxeology of coaching seems to be inevitable. Focus on this should be on the actual processes of coaching and the methodologies and practices. An excursion to the considerations of the right way in the different religions of the world opens up the perspective on the practice of self-observation, like in a diary for example. It is a systematic and reflective self-description and it can be shown what implication the self-description has for the writer. It can be shown how the observation changes the observer.²¹ Here at the latest will be realised how close this is to a theory of observation and how close this is to the feedback-loops of the calculus of form and cybernetics. The intention is to derive from thorough consideration of the personal mastery a blueprint for a meaningful orientation from a contingent nothing and it is a goal to draw the awareness and attention towards the aspects of self-observation and self-creation.

The key here is Organisational Mastery. Similar to Personal Mastery it describes the competence, first, to recognise yourself to find ways through post-modern contingency and complexity. “Gnóthi seautón” reads the imprint above the entrance of the ancient Greek Oracle of Delphi as the basic advice to retain the ability to act. This is exploring an organisation’s possibilities, opportunities, its identity and culture. Similar to the individual’s approach this is done by self-descriptions and -observation. This is how organisations generate meaning and attribute sense.²²

Self-recognition and self-creation generate solutions to tame the demons

Coaching is a systematic and reflective self-description, changing the coachee

Organisational Mastery does the same on organisational level

Generating meaning and attributing sense by self-observation and description

19_ Schein, 1969; Ten Have/Ten Have/Stevens/Van der Elst, 2003; Trebesch, 2000

20_ Butler-Bowdon, 2003

21_ Hahn, 1987

22_ Weick 1969, 1979, 1998

Self-recognitions bring an organisation back into contact with itself, not only with its present identity, but also with its contingencies that have to be decided. This names the second step.

Organisational Mastery, second, is the competence to create yourself. Will and decisions are the very foundation of self-creation.²³ Decisions create an organisation.²⁴ This is what an organisation actually does: processing decisions. They give shape to processes and structures. Thus, decisions organise an organisation. And they create the organisation for itself, being an organisation in its own world. But – again – from social science’s systems theory perspective, an organisation does this first of all without a recognition of its environment’s operations. And even more: “Autopoiesis means blindness concerning the operations of the system’s outer world. Operational closeness means deafness concerning the siren’s singing of the system’s environment.”²⁵

Therefore organisations tend to produce a lot a blind spots: doors for demons to enter the organisation, stressing the one-eyedness-phenomenon and giving power to the symbol systems. On the other hand, an organisation that is aware of this fact and follows the oscillating two-step of self-recognition and self-creation will be empowered to cope with its demons and maybe turn them into angels. And this would not only for the organisation’s benefit, but also for its members – this is the second oscillation or interdependence – to deal with post-modernity’s` challenges.

Organisational Mastery
is the competence to
create will

... this is the foundation
of self-creation

Self-recognition and self-
creation: post-modern
core competencies

23_ Luhmann 2000

24_ Luhmann 1984, Handy 1976

25_ Willke 2005

Literature

- ___ Baecker, Dirk (1999): Organisation als System, Suhrkamp, Frankfurt a.M.
- ___ Beck, Ulrich (1986): Risikogesellschaft. Auf dem Weg in eine andere Moderne. Suhrkamp, Frankfurt a.M.
- ___ Beer, Stafford (1972): Brain of the Firm, 2nd ed. 1981, Wiley, Chichester
- ___ Beer, Stafford (1979): Heart of Enterprise, Wiley, Chichester
- ___ Berger/Luckmann (1969): Die gesellschaftliche Konstruktion der Wirklichkeit. Eine Theorie der Wissenssoziologie. Fischer, Frankfurt a.M.
- ___ Beyes, Timon (2003): Kontingenz und Management, Kovac, Hamburg
- ___ Butler-Bowdon, Tom (2003): 50 Selbsthilfe Klassiker, Aufl. 2004, mvgVerlag, Frankfurt
- ___ Coelho, Paulo de (2001): Auf dem Jakobsweg, Diogenes, München
- ___ Collins, Jim C. (2001): Good to Great, HarperCollins, New York
- ___ Ehrenberg, Alain (1998): La Fatigue d' être soi - Dépression et société, Odil Jacob
- ___ Gross, Peter (1994): Die Multioptionsgesellschaft, Suhrkamp, Frankfurt a.M.
- ___ Hahn, Alois (1987): Identität und Selbstthematization, in Hahn, Alois/Kapp, Volker: Selbstthematization und Selbstzeugnis - Bekenntnis und Geständnis, Suhrkamp, Frankfurt a.M.
- ___ Handy, Charles (1976): Understanding Organizations, 4th Ed., 1993, Penguin, London.
- ___ Kieserling, André (2004): Selbstbeschreibung und Fremdbeschreibung: Beiträge zur Soziologie soziologischen Wissens, Suhrkamp, Frankfurt a.M.
- ___ Klein, Louis (2005): Systemic Inquiry - Exploring Organisations, in Kybernetes, Heinz von Förster Vol., MCB University Press, Emerald, Bradford
- ___ Luhmann, Niklas (2000): Organisation und Entscheidung, Westdeutsche Verlagsanstalt, Köln

- ___ Luhmann, Niklas (1984): Soziale Systeme, 4. Aufl. 1991, Suhrkamp, Frankfurt a.M.
- ___ Luhmann, Niklas (1971): Die Weltgesellschaft, Archiv für Rechts- und Sozialphilosophie 57 (1971, S. 1 -35).
- ___ Mau, Bruce (2004): Massiv Change: The Future of Global Design, Phaidon Press
- ___ Nassehi, Armin (2003): Geschlossenheit und Offenheit - Studien zur Theorie der modernen Gesellschaft, Suhrkamp, Frankfurt a.M.
- ___ Schein, Edgar H. (1985, 2004): Organizational Culture and Leadership, 3rd Ed., Jossey-Bass, San Francisco.
- ___ Schmid, Wilhelm (1998): Philosophie der Lebenskunst, 5. korr. Aufl., 1999, Suhrkamp, Frankfurt a.M.
- ___ Sennett, Richard (1998): Der flexible Mensch - Die Kultur des neuen Kapitalismus, 2. Aufl., 2000, Siedler Verlag, Berlin
- ___ Ten Have, Steven/Ten Have, Wouster/Stevens, Frans/Van der Elst, Marcel (2003): „Handbuch Management-Modelle“, Wiley-VCH, Weinheim
- ___ Weick, Karl E. (1969, 1979): Der Prozess des Organisierens, 2. Aufl., 1998, Suhrkamp, Frankfurt a.M.
- ___ Willke, Helmut (2001): Atopia - Studien zur atopischen Gesellschaft, Suhrkamp, Frankfurt a.M.
- ___ Willke, Helmut (2002): Dystopia - Studien zur Krisis des Wissens in der modernen Gesellschaft, Suhrkamp, Frankfurt a.M.
- ___ Willke, Helmut (2003): Heterotopia - Studien zur Krisis der Ordnung moderner Gesellschaften, Suhrkamp, Frankfurt a.M.
- ___ Willke, Helmut (2005): Symbolische Systeme Grundzüge einer soziologischen Theorie. Verlbrück, Weilerswist.

Contact

Systemic Excellence Group

Independent Think Tank for Leading Practice

Marienstraße 20
10117 Berlin

T. +49 30 71 57 49 71

office@SEgroup.de
www.SEgroup.de