

**RECONCEPTUALING SOCIAL DEFENCE THEORY
FOR THE PURPOSE OF ORGANISATIONAL-LEVEL CHANGE:
CAUSES, CONSEQUENCES AND THE CONTRIBUTION OF GRID-GROUP
CULTURAL THEORY**

**A Thesis Submitted for the Degree
Doctor of Philosophy**

**by
Nikolaos (Nick) Papadopoulos**

**College of Business, Arts and Social Sciences
Brunel University**

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"The best way to understand a system (organisation) is to try to change it" ...

"There is nothing so practical as a good (sound) theory"

Attributed to Kurt Lewin
(Schein, 1999; Argyris, 1997; Gold, 1992)

"Psychological forces, unconscious as well as conscious, at the level of the group and of the individual, interact with structural forces to bring in existence a concrete 'field' with a dynamic pattern which is specific for a given social situation ... The aim of action research is to understand such dynamics patterns ... [which] is impossible with either psychological or sociological concepts alone"

"... culture [can] make comprehensive reference to the structure of social systems or ... reach down to emotional phenomena at the deeper levels of personality"

Eric Trist, 1950

"an institution affects the personality structure of its members" leading them to "introject and identify with the institution" and become "like the institution in significant ways" such as "sharing common attitudes ... to change members one may first need to change the institution"

Isabel Menzies Lyth, 1989

... "a social group unintentionally generates thoughts that sustain its own existence ... members ... do not intend to construct a thought style that sustains the form of organisation: it is a collective product"

... "all thinking is to some degree institutionally shaped"

Mary Douglas, 1986

Abstract

Despite repeated demonstrations of the dysfunctional effects of social defences in organisations, social defence theory's (SDT) problem of organisational change (Long, 2006) remains. Why? Can this be avoided?

The research centres on a four-year coaching and consulting project within a multinational manufacturing company. Social defences appeared but a careful Tavistock action-research intervention failed. Despite Menzies' (1960) 'sociological innovation' that social defences are more than psychic phenomena and get built into organisations, she did not explain how this happens or what to do. A review of the literatures and case study revealed problems with the theory and intervention. Clues from Trist, Emery and Jaques suggested that both sociological and psychological theories are needed, implying that social defences be re-examined as both causes and symptoms. The change literature proposes that organisational change is qualitatively different from individual and team change (the focus of SDT).

We develop realist explanations of the causes of social defences along with forecasting of their consequences, while retaining Tavistock interpretive methods. The cultural theory (CT) of anthropologist, Mary Douglas, emerged as the preferred sociological resource. We reconceptualise social defences as 'informal institutions' carrying implicit rules, norms and 'ways of thinking' that generate consequences (feedback). CT posits that contending 'thought-styles' derive from Strong/Weak Social Regulation and Strong/Weak Social Integration (solidarity). Anxiety and social defences may be understood as directed against a prevailing thought-style and the practices it inspires: leading to either task-undermining or anxiety-circumventing behaviour in service of task.

Together, SDT and CT improve our capacity for diagnosing and facilitating change. SDT recognises that social defences are forewarnings of unspecified troubles ahead, but does not explain or forecast what these might be. CT improves our forecasting of the effects of social defences. SDT assists CT in seeing anxiety and defences as significant evidence of cultural shifts and realigning of the organising logic of institutions.

This thesis should appeal to leaders who prioritise 'financial' rationality; and to change agents concerned with reading 'emotional' warning-signs and enhancing an organisation's capacity to do things differently.

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Dedicated to:

Kyriakos (Jack) Papadopoulos (1927-2014)

who did not see its completion

and

Anastasia (Anna) Mahmandonis-Papadopoulos (1929-2002)

who did not even know it was an idea

Greek migrants to Australia, and children of Greek migrants from Asia Minor

Both would be very proud

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Author's Declaration

This is to declare that this thesis is my original work. It was researched and written by myself in its entirety.

A handwritten signature in black ink, appearing to read 'Nick Papadopoulos', with a horizontal line extending to the right from the end of the signature.

.....

Nick Papadopoulos

Date: 14 December 2015

Chapter One: Introduction

Social Defences: What they Do and the Key Problem with the Theory

The dysfunctional effects of social defences against unconscious anxieties are well-known and documented (Menzies Lyth, 1888; 1989; Obholzer and Roberts, 1994; Armstrong and Rustin, 2014; Gould et al., 2001; Huffington et al., 2004; Miller, 1976). They get incorporated into the way work is done, and at their worst: circumvent role and task performance, undermine organisational effectiveness, and the motivation and best-efforts of people (Menzies, 1960). Yet, despite its long history and repeated use in organisational consulting, the problem of bringing about organisational-level change remains a key shortcoming (Long, 2006 and Krantz, 2010). This thesis examines why and what can be done to improve social defence theory's (SDT) prospects of change.

The Research

The research centres on a four-year coaching and consulting project with the three most senior levels of a medium-size, multinational, specialist manufacturing company. It was fortuitous rather than planned. It was initiated when social defences appeared during the second year, but a traditional Tavistock style action-research intervention (Menzies, 1960; 1990; Bain, 1998; Miller, 1995) with the senior executive team, which included the CEO and direct reports, did not lead to change.

The major research question became *why?*

And, given this case study: *what can be done to improve SDT's prospects of organisational-level change?*

The research was a post-fact analysis of a consulting failure.

Reviewing the Literature and the Case Study for Clues

A review of the social defence and Tavistock consulting paradigm literatures, and examination of the case study, revealed problems with both the theory and intervention. These shaped the parameters of the research.

What is proposed builds upon, what will be referred to as, Isabel Menzies' 'sociological innovation' (1960) of Jaques' original social defence hypothesis (1953; 1955). For Menzies (1960; Menzies Lyth, 1989), social defences are more than psychological phenomena. They get incorporated into organisational systems, structures and work practices. However, she did not elaborate on what consultants could do with this knowledge, except to point it out, focus on psychological reasons and effects, and help individuals and teams come to grips with their effects and situation (1990). As a result, her sociological innovation remains under-developed.

A review of the organisational change literature highlighted that organisational-level change is qualitatively different, and additional, to individual and team change. To assume that by changing individuals and teams, organisations will *then* change, ignores the influence of the context + situation on behaviour (following Lewin). In organisations, this includes an organisation's strategy, culture, and leadership practices on members' thought and behaviour (Burke and Litwin, 1992; Burke, 2011); the interaction of the formal and informal organisation and institutions (Goldsmith and Katzenbach, 2007; Soda and Zaheer, 2012; Scott, 2008). It also includes how changes in the external environment (Emery and Trist, 1965) frequently necessitate internal organisational changes.

Menzies (1960; Menzies Lyth, 1988; 1989; 1990; 1997) was most likely aware of this distinction. But, as a consultant, she was frequently not in a position to address the organisational contributors of social defences. It was not part of her consulting brief. But her writing reveals her preference to help the individuals involved come to grips with their effects and situation (Pecotic, 2002). Her seminal paper (1960) is devoted to the *psychological* reasons and effects on individuals, rather than (also) the *social* causes and consequences of social defences in organisations.

Problems with the Theory

The work of Trist, Emery and Jaques, who were all either founding or early members of the Tavistock Institute, and key contributors to its theory and methods, provided the clues that led us to develop Menzies' sociological innovation to SDT.

From the mid-fifties, their work, in different ways, took an increasingly sociological turn. In a very early paper, Trist (1950, in Trist and Murray, 1990) wrote that both sociological and psychological theories were needed to understand the real-life

complexity of action-research consulting projects, and hence SDT. With Emery (Emery and Trist, 1965), they found that in many of their projects, the external organisational environment was having a stronger effect than the organisation's own efforts. They focused on understanding what organisations could do about it. With this, their consulting increasingly placed psychological insight in the background, rather than foreground of interventions. They found that psychoanalytic methods and group dynamic interventions, alone, could not help organisations make the "paradigm shift" that is frequently required for change (Trist et al., 1963: in Trist and Murray, 1990; Emery, 1997).

If we examine Jaques' reasoning for abandoning his social defence hypothesis (Jaques, 1995; 1998b; Papadopoulos, 2010), what he did was to see social defences as symptoms of organisational causes, and not the other way around as Menzies, and much the literature does. From the mid-fifties, his work focused on improving the internal design of organisations (1998a) that built upon one of his foundational texts for the Tavistock (1951).¹

Cultural Theory to Develop the Sociological Dimensions of Social Defences

With these clues in hand, the cultural theory (CT) of anthropologist, Mary Douglas, emerged as the major resource through which to build upon Menzies' sociological innovation. CT was developed after Trist, Emery and Jaques, and was probably unknown to them, even though, it is argued, it shares many of their later premises. To our knowledge, using SDT and CT together has not been done previously.

CT, also referred to as grid-group theory (GGCT) is an institutional theory of culture (Douglas, 1986; 6 and Mars, 2008). It infers that cultural 'ways of thinking' are derived from underlying social principles. These are the degree to which individuals are regulated (grid) and integrated (group). Douglas (1970) cross-tabulated what she

¹ Papadopoulos (2010) has argued that Jaques' latter work is built on psychoanalytic foundations. This is despite Jaques' belligerence in abandoning SDT and psychoanalytic theory, saying its use in organisations was dysfunctional (1995). If we look at what he did, *not* what he said, and follow the evolution of his "middle working-through phase", he emphasised that individuals at work need to use their initiative-discretion and feel they belong. He increasingly placed the creation of trust as the measure to assess organisations, and how a leader's values and beliefs about why people work, and whether they could be trusted, get built into organisational systems, structures and practices: a play on Menzies' sociological innovation. Like Trist and Emery, he used psychoanalytic insight in the background and data-gathering or diagnostic phases, but not during intervention. Trust, values and leaders' assumptions, along with initiative and belonging, is applied psychoanalysis. He never abandoned his psychoanalytic training, and kept up a practice alongside his consulting and research until he moved to the US in the 1980s. Psychoanalysis was ingrained in the man and how he approached and understood the world.

called the grid-group dimensions, derived from Durkheim, to reveal *four* distinct ways of organising social relations based on underlying values, principles and beliefs. These are CT's *elementary forms* of social organisation. Social environments, of any shape or size, and individuals' preferences (Douglas, 1982) are organised according to one or a mix of the elementary forms which generate distinctive ways of thinking and behaving, referred to as "thought-style" (Douglas, 1986).

Like SDT, CT developed through field work, not consulting, but anthropological work. Like SDT, it too has been applied to the study of organisations. It will be argued that their cross-fertilisation can improve the range and capacity of both theories, especially diagnosing organisations for change.

Problems with the Method

Findings from the research revealed a difficulty with SDT and the Tavistock paradigm's methods of investigation and intervention, especially in business environments.² Part of the reason the social defence intervention failed was because the very idea of social defences was not taken seriously by the senior team. It did not appeal to their business rationality or 'way of thinking'. In addition, it could not indicate what the social defences would go on to cause if not attended to.

Tavistock methodology draws on an interpretive meaning-making approach (Long, 2013). During the intervention phase, despite its action-research-as-intervention approach, its interpretations are intentionally non-directly-interventionist, more in keeping with consulting room psychoanalysis (Lawrence, 2006; 2000; Bain, 1999).

In order to appeal to the senior team's rationality, and to provide an explanation, a realist causal approach³ was integrated with interpretive methods. This emerged

² Unlike the early work of the Tavistock Institute, SDT was developed during consultations with public sector human services organisations and professionals, and this is where it has mostly been applied (Obholzer and Roberts, 1994). It will be argued that human services professions are mostly open to, and benefit from, psychological insight and interventions focusing on people and culture. It matches their own work with clients and rationality. With most senior business executives, their rationality and roles lean them towards economics and finances (Beer, 2008). It takes something more tangible to engage their interest when offering psychological insight as diagnosis or intervention.

³ Rustin (1991: 126-128) was an early advocate for realist methods that he suggested account for psychoanalysis, and by implication, SDT and consulting, better than either positivist or hermeneutic approaches. He argued that realist causal or "generative structures, known by inference from their effects, but more than the sum of observations" characterise psychoanalytic theoretical conceptions such as "internal worlds and states of internal relations as formations constraining and shaping everyday experience". What psychoanalysts and consultants do is add value to the meaning of behaviour, and how such meaning can function as a cause.

from, and ultimately required, the post-fact research of the coaching-consulting project, which allowed it to go backwards and forwards over the data, to determine the key features of the case that needed to be explained, and why the social defences appeared and the intervention failed.⁴ Providing a clear explanation of the causes and consequences of the social defences might better appeal to the senior team's rationality.⁵

The post-fact analysis of the consulting revealed three key features of the case that needed explanation, individually and together. The social defences, the second key feature, were preceded (six-to-nine months) by the introduction of several policies that were introduced to curb the fall-out from the GFC (Global Financial Crisis).⁶ These post-GFC policies were the first key feature. The organisational impact of the post-GFC policies emerged as the most likely causes of the social defences. It took another six-to-nine months after the social defences for real organisational problems to emerge. These problems were the third key feature.

The appearance of the social defences clearly forewarned of real organisational troubles that eventuated. But this was only evident after the event. Nevertheless, for purposes of organisational diagnosis, this was significant. CT could explain their effects but only, well and truly, after the event. It demonstrates the value of Tavistock consulting investigation that examines the collective emotional experience in organisations (Armstrong, 2005). But this was not enough. While the intervention could go back over the consulting data and adequately hypothesise what triggered the social defences (which did spark the interest of senior team members), it could not determine what the social defences will go on and cause once they were established and operating.

⁴ The fact that the consulting methodology drew on the Tavistock methods (Long, 2013; Newton et al., 2006; Bain, 1999; Wells, 1995; Menzies Lyth, 1990) allowed its findings to be compared or applied to existing cases in the social defence literature.

⁵ The interpretive action-research intervention provided an interpretation of the meaning of social defences, in the form of a working hypothesis (Miller, 1995) that was presented to facilitate further analysis by the senior team. Tavistock interpretations intentionally put the ball in the client's court, leaving it to them to decide. Instead, an explanation can guide potential intervention, and still be integrated with the facilitation of further analysis for the client to decide what to do. An explanation signals to take it seriously and that something needs to be done.

⁶ With the GFC, sales stopped and would take two years to get near to pre-GFC levels. Fortuitously for the consulting and ultimately for the research, the coaching was expanded. It started six months before the GFC with the coaching of the 15 most senior members of manufacturing. After the GFC, it was expanded to include the ten most senior members of Sales, and later all of the top three levels of Sales. By the time the social defences appeared, the coaching was expanded to all other departments. In all, over the four-year period of consulting-and-research, over 50 of the senior most people had coaching. Tavistock methods mostly informed how the coaching was conducted.

The failure of the intervention necessitated asking: when should social defences be seen as *causes* of organisational outcomes, and when should they be approached as *symptoms*? It will be argued that when social defences first appear, they are better approached as symptoms of social causes that need to be explained. Only when they are consolidated, and start to take on their own social shape and character, can they be seen as generating their own causal effects back onto individuals and the organisation. The implication is that intervention should focus on identifying both the causes, and forecasting the likely consequences, of social defences. SDT which draws heavily on Bion's (1961) psychoanalytic group theory, as its implicit causal theory, could not provide this. Reconceptualising social defences as being (sociologically) driven by one or a mix of CT's elementary forms could.

While it was the impact of the post-GFC policies that emerged as the most likely social causes of the social defences, with regard to forecasting the consequences - the later organisational problems - the social defences clearly contributed to this, but on their own were not enough to account for what caused the problems. More satisfying was the interaction of the post-GFC policies together with the social defences that generated the conditions leading to problems.

This necessitated a more sociological analysis of both the social defences and the case as it unfolded, to be carried out alongside a psychological one.

The Major Research Finding

Providing an explanation of how the post-GFC policies, in tandem with the social defences, caused the organisational problems, led, with the help of CT, to the key finding of the research.

This involved reconceptualising social defences as informal institutions, and not just psychic constellations. They operate not only according to psychological group dynamics, but with regulative, normative, and culturally-cognitive institutional qualities. As institutions, social defences, in turn, generate feedback processes back onto individuals and the organisation. Both the post-GFC policies and the social defences were conceptualised as institutions generating a thought-style, or ways-of-thinking-and-doing, which could explain their conflicting effects when operating in tandem.

From a CT perspective, anxiety and defence can also be seen as appeals to different values, and ways of thinking and organising, reflecting a change or realignment of the underlying elementary forms driving the group or department in which they appear.

Seen this way, we can more readily assess what the social defences are reacting to in the organisation, in terms of the relevant elementary forms-rationalities operating in different organisational parts or policies. And what, in turn, they would likely target, and therefore effect, in either a task-undermining or anxiety-circumventing-in-service-of-task fashion. This depends on whether the elementary forms or mix in the social defences and their target(s) are complementary and reinforcing each other's operation, or competing and undermining.

With this we can:

- Forecast what social defences will likely do
- Explain why some social defences are more dysfunctional versus benign and accommodating to organisational performance and task
- Explain how change occurs, and not just why it is resisted.

The Research Questions

The value of SDT and Tavistock methodology to the case study was to identify social defences as the first sign, or early warning, of impending problems. But what they could not do was adequately explain or forecast the consequences of social defences. The value of CT was to offer a better explanation of: the social nature, operation and consequence-generating effects of the social defences; what in the organisation they were a likely reaction to; and how social defences interacted with the post-GFC policies to bring about the largely unintentional and unanticipated outcomes that were observed. This could have improved forecasting capacity of the social defence intervention.

Together, SDT and CT contribute more to organisational diagnosis and change, than either can alone.

CT offers a viable sociological account of how social defences operate, and an alternative social lens through which to view behaviour and group dynamics. Cultural theory provides the second and supplementary research questions. How can CT

contribute to the sociological dimensions of SDT? And, in what ways can CT work alongside SDT to contribute to organisational diagnosis and change?

To do this, required bringing CT and SDT into conversation, and to cross-fertilise them which can improve the range and capacity of SDT and CT, individually and together. This gave shape to the third and supplementary research questions. What is the value, relative contribution, and relationship between social and psychological forces in the diagnosis and change of organisations? See Table 1.1 below.

To help answer this question, three analytical-models⁷ from sociology and across the social sciences that were relevant to, underlay or were used by CT and SDT, were employed to improve their communication and to examine the strengths, weaknesses and claims of SDT and CT in the light of the research case study. These were:

- The agency-structure interplay, with structure seen as institutions
- Institutional theory and models, including distinguishing between the formal and informal organisation and institutions
- Systems theory, including feedback loops and the concept of 'self-organisation'.

These models are explained in chapter two (literature review), and how they were used in the research is taken up in chapter three (methodology). The results of attempting to improve the communication and cross-fertilisation of SDT and CT is taken up in chapter six (from theories to practice). Table 1.1 below sets out the research questions.

⁷ It helps to differentiate between paradigms, theoretical frameworks and analytic models. A paradigm brings together a number of theoretical frameworks and analytic models which reflects a shared commitment and standards for what counts as relevant data in answering research questions that are deemed important (6 and Bellamy, 2012: 32 [quoting Kuhn, 1970]). Paradigms can provide more than one explanation for particular events, trends or patterns. They tell us “how descriptions, explanations and interpretations should be developed” (2012: 33). Psychoanalysis, which is made up of a number of theories and models, and the Tavistock paradigm, are paradigms, whereas Social Defence theory is one theoretical framework within both paradigms. Theories provide “candidate explanations of particular events, temporary state of affairs, trends, regularities or conditions” from which hypotheses can be deduced (2012: 33). Both, social defence theory and cultural theory, can be seen as theoretical or conceptual frameworks leaning towards being paradigmatic because they tell us how to look at and investigate a problem and “substantive” theories that provide descriptions, explanations or interpretations as “end-products” (Mouzelis, 2008: 221). Analytic models are best seen as “tools” or resources that are assessed, not so much on their “truth-value”, but their “heuristic utility” (2008: 221-2). The three analytic models were used in the research as tools to investigate the strengths, weaknesses and claims of both cultural theory and social defence theory and to help utilise them for the purpose of real-time organisational analysis or diagnosis.

Table 1.1 Major and Supplementary Research Questions

Major and Supplementary Research Questions
<p>1.A Why did the social defence intervention fail?</p> <p>1.B What can be learnt from this case study and done to improve SDT's prospects of organisational-level change?</p>
<p>2.A How can CT contribute to the sociological dimensions of SDT?</p> <p>2.B In what ways can CT work alongside SDT to contribute to organisational diagnosis and change?</p>
<p>3. What is the value, relative contribution, and relationship between social and psychological forces in the diagnosis and change of organisations?</p>

Chapter Two: Literature Review

Overview

The research was initiated when social defences appeared during a coaching-consulting project the author was working on. When a Tavistock-style, action-research intervention with the organisation's senior executive team failed to initiate change, nor a desire to understand or repair their potential organisational effects, we began to ask why?

As an experienced practitioner trained in the Tavistock method, our primary literature has always drawn upon the Tavistock systems-psychodynamic or socio-analytic theory, so practical failures call attention to this literature in particular.⁸ A review of the social defence literature was firstly undertaken to explore why. This revealed two clues:

- Social defence theory (SDT), utilising Tavistock-style intervention, has a *recognised problem of bringing about organisational-level change* (Long, 2006; Krantz, 2010; Menzies Lyth, 1990).
- Despite, what can be called, Menzies' (1960) *sociological* innovation to SDT - that social defences are more than psychological phenomena, but get built into organisational systems, structures and work practices (p. 101) - little further work by her, or her followers, has been done to explore how, why, or to examine this *sociological dimension* to SDT or its potential to improve prospects of organisational change.

A review of the literature on organisation change revealed how organisational-level change is qualitatively different to change directed at teams and individuals. The latter, however, is what much of the intervention-focus in the social defence literature is on. Recent theorising within the SDT and wider Tavistock systems-psychodynamic literature has suggested some possible reasons why this may be so. These point to: why change may be resisted by individuals and organisations; and difficulties associated with only using the concept of primary task as the social referent for identifying social defences. Neither, however, are satisfactorily addressed.

A wider review of the Tavistock paradigm pointed to the work of Trist, Emery and Jaques, all founding or early members of the Tavistock Institute and key contributors

⁸ Arguably, the Tavistock paradigm draws heavily on variations of social defence theory (SDT), with both resting on Bion's (1961) psychoanalytic group theory.

to its theory and intervention-methods. Their work from the mid-1950s took an increasingly sociological turn. They did not so much abandon psychological insight, but used it more in the background of intervention. They provided important clues about SDT's problem of change and how organisation-wide SDT-based interventions may be adapted to improve the prospects of change. They recognised that both social and psychological concepts are relevant to organisational consulting and change.

We began with exploring the sociological focus within Freud's concepts of *anxiety* and *identification*, and the psychological focus within Durkheim's definitions of *social facts* and *anomie*. Both clearly used concepts that apply to inter- and intra-personal phenomena. The sociological and anthropological literatures were consulted to find theories and models that may assist SDT and its problem of change. This revealed the promising contribution of anthropologist, Mary Douglas' cultural theory (CT), also known as grid-group cultural theory (GGCT). Like SDT, CT has evolved through field-work, with both being applied to organisations.

The purpose of this literature review is to examine SDT, its 'problem of change', and the contribution that CT could make to SDT and to more effective consultancies.

2.1 SDT and the Problem of Organisational-Level Change

Menzies' Sociological Innovation and its Under-Development

The social defence hypothesis was initially proposed by Jaques (1953), writing "all institutions are used by their members as mechanisms of defence against primitive anxiety" (1955: 496) which cohesively binds "individuals into institutionalised association" (1953: 420-21). He drew on Freud's (1921) psychological identification that occurs in groups, and Klein's notion of primitive anxiety (Jaques, 1955). He emphasised organisational members' social needs for belonging, how they use organisations to give shape and meaning to their lives and to defend against infantile-*psychological* anxiety.

Menzies (1960: 101) instead, recognised that social defences have a *social* quality; a life independent of the people involved. Defences inhabit organisational systems, structures and work-practices. For her, social defences are more than a duplicate of individuals' psychological dynamics: they are "an aspect of external reality that old

and new members must come to terms” (Menzies, 1960: 101; Menzies Lyth, 1989: 26-44).

However, she went no further in developing her sociological innovation. She omits to explain:

- *How* social defences operate socially
- *Why* they form in some organisations but not others
- *What* effects social defences, when unchecked, will have.

She frequently experienced resistance from the organisation when naming social defences (Menzies Lyth, 1988),⁹ but did not satisfactorily elaborate why or what do about it. What she did, in response, was develop interventions to assist individuals and teams come to grips with their situation, by emphasising the psychological dimensions of the theory (1960; 1989) rather than to help organisations change.

One of our concerns was to extend her sociological suggestion to improve SDT's prospects of facilitating organisational-level change.

The Psychological-Sociological Tension

The tension in Menzies' theorising lies between social and psychological explanations. This has important implications for SDT's translation into practice.

She recognises that social defences have social origins and become institutionalised - they get built into organisational systems, structures and work practices (Menzies, 1960: 101). But for her, individuals' social and psychological needs trump an organisation's task and technologies in determining organisational outcomes. She saw task and the available technologies as "limiting factors ... " *The structure, culture and mode of functioning are determined by the psychological needs of members*" (1960: 101, emphasis added). Her view did not change.

In addition to Bion's influence, where she emphasises how primitive anxieties are never far away and threaten to disrupt work (Pecotic, 2002), she was also fond of quoting psychoanalyst Fenichel (Krantz, 2010). For Fenichel, "social institutions arise through the efforts of human beings to satisfy their needs, but then become external

⁹ This was something her mentor, Trist, had warned her about when she first proposed her theory: that an overly psychological interpretation may evoke resistance (Armstrong, 2012).

realities comparatively independent of individuals that ... affect the structure of the individual" (Fenichel quoted in Menzies Lyth, 1989: 26; 1960: 115).

Fenichel's statement can be read as justifying either psychology or sociology in SDT and within the Tavistock paradigm. Menzies suggests that "an institution affects the personality structure of its members" leading them to "introject and identify with the institution" and become "like the institution in significant ways" such as in "sharing common attitudes". In a sociologically sanguine moment, she even suggests that "to change members one may first need to change the institution" (Menzies Lyth, 1989: 26; 41-42), but went no further.

Both psychology and sociology feature in her thinking, but she relies on psychology much more heavily in explaining organisational outcomes.

SDT and the Problem of Organisation-Level Change

Menzies' long descriptions of nurses' defences are very psychological (1960: 97-98; 101-108). She applies psychoanalytic theory in organisational settings, aiming interventions at individuals and teams. These involve helping them to understand, and come to grips with their situation; discovering the *organisational defences* against anxiety, and how they contribute to, and are caught up in, them (1990).

She recognised the 'problem of change', but her explanation remained psychological, suggesting that "institutions have a natural tendency to become bad models for identification". The "reasons" include the "basic difficulties human beings have in co-operating effectively together, the anxieties these arouse, and the defences against these anxieties". These are "likely to be powerful and primitive" with "illness ... linked with excessive use of defences" (1989: 42).

This naturalistic, and somewhat fatalistic, rationalisation of SDT's practical change failings is often given (Long, 2006; Krantz, 2010; Bain, 1998; Menzies Lyth, 1990).

The claim is that:

- SDT explains why change is resisted (Long, 2006; Krantz, 2010)
- All organisations have social defences ranging from the benign to the destructive (Menzies Lyth, 1989)

- Organisations may be caught up in a wider arena of "systems domain defences" whereby organisations with a similar primary task such as hospitals, schools, human services organisations, or manufacturing, technological or financial services organisations, are subject to similar roles, structures, procedures, professional training, culture. Similar primary tasks make similar organisations vulnerable to similar social defences. Insofar as the primary task cannot be changed then social defences may be out of the control of single organisations (Bain, 1998).

What this naturalistic explanation fails to do is explain how or why change comes about at all. Nor why some organisations do not develop social defences, even if they share similar primary tasks, while others do.

Treating the 'problem of change' as a naturalistic given for all human subjects everywhere does not qualify as an explanation for change or stasis, either in this case study or elsewhere. The fact that the 'problem of change' is sometimes present and sometimes absent is suggestive of specific cultural contributors which show strong place- and time-variations. Indeed, the all-humans-everywhere quasi explanation is defeatist. It does not address nor attempt to facilitate whole-scale "paradigm shifts" that are vital to organisational survival (Trist et al., 1963; 1990). Emery and Trist (1965; 1973) re-confirmed that the occurrence or otherwise of paradigm-shifts cannot be explained nor facilitated through psychoanalytic theory alone (Palmer, 2002).

Nevertheless, Menzies' statement about how institutional membership affects personality structure, leading members to become like the institution, offers an opening to the sociology-anthropology of cultural theory. Douglas' CT focuses on "how institutions think" (1986). Institutions, defined as conventions, mean that individuals operating within them will share common ways of thinking and therefore behave similarly. Institutions constrain members to follow their implicit rules and norms, even if this means acting against their individual wills, preferences and conscience (Douglas, 1986; 1982).

Douglas and her colleagues describe how any of four possible ways of thinking will themselves trigger antagonistic reasoning. These antagonisms can happen organisation-wide, within and between departments, teams or working practices, but also within individuals' consciences. We judge that Douglas (1982) is more

successful than Menzies in allowing for institutional constraints, social animation-causation and individual agency, insofar as, up to four 'thought-styles' contend with each other within individuals as much as they do in institutions. With this, CT in spite of its sociological focus of explanation easily accommodates individuals and their agency.

The 'problem of change' sits on a disciplinary divide between Isabel Menzies and Mary Douglas. We are persuaded that both approaches could contribute towards understanding our case study, together improve the practice of organisational analysis-diagnosis for change, and in doing so, CT and SDT might contribute to each other's development.

Indeed, Trist wrote a paper as early as 1950 (Trist, 1990), "Culture as a Psycho-Social Process", where he specifies how psychological and sociological theories are required for an understanding of the many complex situations that arise in action-research consulting projects.¹⁰ Though unaware of CT which came much later, Trist provides some validation for our intuition that SDT and CT together improve the quality of organisational analysis-diagnosis and hence the prospects of organisational-level change.

Primary Task as Social Referent: the Influence of Bion's Group Theory

Like Bion (1961) and Rice's elaboration (1958), Menzies treats the group's or organisation's primary task¹¹ as the social referent, against which anxiety is an inferred response. A primary task is regarded as organisation-wide, but it can be departmental, team or role-specific. It can be daunting at whatever scale. For Menzies, defences develop in response to anxieties generated in primary task performance. Because a primary task essentially involves more than one individual, these defences are shared and social.

¹⁰ The role of sociology in relation to psychoanalysis partly underlay the later split that occurred at the Tavistock Institute in the early 1960s between the leadership of Trist and Rice. Rice wanted a stronger psychoanalytic focus and links with the Tavistock Clinic, which Menzies supported, even though her mentor, Trist, wanted the role of sociology and the influence of social and environment forces on psychology to be part of the Institute's focus (Fraher, 2004; Armstrong, 2012).

¹¹ What an organisation must do in order to survive (Rice, 1958).

SDT theory, can be seen as a variation on Bion's (1961) "basic assumption" (BA) group defence patterns,¹² and Menzies acknowledges Bion's influence on her work (1989, 1990; Pecotic, 2002). Her preference for Bion's group theory over Freud's (1921) is what differentiates her from Jaques.

Bion's innovation was to shift the focus of psychoanalytic attention from the patient-analyst *pair* - Freud's focus - to that of the *group-as-a-whole* (Miller, 1998). This made social phenomena and, by extension, "society ... an intelligible field of study" from a psychoanalytic perspective (Khaleelee and Miller, 1985). The group, social institutions and wider system are now the focus.

Bion's work admits the *sociology* inherent in social defences as *psychic defence constellations*, or Basic Assumption behaviour (1961), *that get built into the way work is done in organisations* (Menzies, 1960). However, this is a bottom-up way of building sociology out of psychology. A more directly sociological alternative would be to treat social defences as informal *institutions* driven by one of CT's *elementary forms*, (thought-styles). In CT, the fate of these institutions can then be explained by the 'positive' and 'negative' feedback loops they generate. A thought-style can become entrenched by 'positive' feedback confirmation of its worst fears. But it can be dislodged by 'negative' feedback surprises which confound its expectations (see below).

Given Bion's stature, we must preface a CT reconceptualisation of SDT next to Bion's own work, and those who developed it.

For Bion, a group will be operating in one of two modes: either working on the task, for which it was created; or it is defending itself against the psychological demands and pressures that performing the task elicits. Bion's "Work Group" (WG), draws on Freud's sophisticated and rational secondary (thinking) processes during task performance, whereas his "Basic Assumption Group" (BA) is caught up in Freud's 'primary process' (thinking) which is oriented to pleasure-seeking, and pain-avoiding behaviour.

These theories developed originally during Bion's involvement during the WWII 'Northfield Experiments' and the War Office Selection Board's 'Leaderless Groups'

¹² Like many theories to emerge from the Tavistock paradigm, Bion's influence is seminal. Arguably, the paradigm rests on this one theory. It is the means through which psychology and sociology are linked.

project (Bion, 1946; Pines, 1985; Trist, 1985; Armstrong, 2012; Henderson, 2015), and were further elaborated in the experimental groups at the Tavistock that Bion conducted in the late forties and fifties.¹³ Bion identified three types of BA defensive patterns:

- *dependency* (members identify a messiah within their ranks to nurture and give them direction)
- *fight-flight* (members select a resistance-leader to inspire battle, or lead them away from danger)
- *pairing* (members attempt to break up a fight-flight culture through pairing up but these relations are ineffective in furthering or sustaining these relations or the group's work: pairs do not pay-attention to others and are easily broken).¹⁴

In Menzies' study of nurses (1960), the main defensive manoeuvres she observed could be labelled as BA Dependency and BA Flight.¹⁵ Nurses blindly followed orders,

¹³ This work culminated in a collection of papers he produced during the late forties and fifties and published collectively in Bion (1961).

¹⁴ In his development of BAs, Bion drew on Melanie Klein's interplay of the paranoid-schizoid and depressive positions. He conceptualised BAs as part-object relations communicated through projective identification and based on mechanisms in earliest infancy (1961; Trist, 1985).

¹⁵ Although in 1960, Menzies did not describe social defences in basic assumptions terms, she did use Bion's group ideas in her later papers (1988) and acknowledged his profound influence on her work (1989; Pecotic, 2002). Her only reference to Bion in 1960 was alongside Jaques who both echo that "difficulties in achieving social change" relate to the "difficulty in tolerating the anxieties" which Menzies suggests are released when social defences are re-structured (1960:118). At the time, she drew on Freud's and Klein's ideas that placed "a central emphasis on anxiety and defences in personality development and ego-functioning" (p.118). This, we believe, reflects her intervention bias to help individuals tolerate anxiety even though she also stresses that it is the techniques that social institutions use to contain anxiety which contribute to their success and viability (p.118). The latter indicates that a parallel institutional change intervention may also be necessary but which she does not develop this.

Arguably and consist with this thesis, the implicit sociology in both Bion and Menzies – for example, Bion's (1961:29-137) earlier group work that basic assumptions come to operate independently of the individuals who contributed to them, in turn influencing their behaviour; and Menzies' parallel recognition that social defences operate in a similar vein (1960: 101) – neither she nor Bion go on to adequately develop.

This may be because Bion's basic assumption ideas – especially when he moved away from his study of groups under Klein's influence (Sutherland, 1985) to focus on individual psychoanalysis – were later developed in the context of group relations practice rather than organisational studies. This likely led the field away from conceptualising social defences sociologically as institutions. According to Trist (1985), Miller (1998) and Hinshelwood (2003), Bion's (1961) papers 1 to 7 (written between 1948 and 1952 and progressively published in the Human Relations Journal) were distinct from his later "recasting" of his theory along Kleinian lines which they all suggest is "reductionist". For example, in his final chapter 'Review: Group Dynamics' of which three versions were written in 1953, 1955 and 1961 (Sanfuentes, 2003), Bion (1961) states that "in groups the adult resorts [to] massive regression ... typical of the earliest phases of mental life ... that are characteristic of the paranoid-schizoid position (p.147 and 162). For Trist (1985), Bion's approach and interventions during his WWII projects and his multiple projects at the Tavistock in the late 1940s – in particular those associated with facilitating the splitting of the Tavistock Institute from the Clinic – showed a profound understanding of organisational change dynamics that were "at least ten years ahead" of "Organisational Development and Planned Changed literature" (1985: 36-37). They clearly reflected the earlier Bion, more under the influence of his first analyst, Rickman, rather than Klein, where he drew on psychoanalytic ideas to make social contributions to psychiatry (Sutherland, 1985).

Similarly, and not without irony, when the Tavistock Institute split in the early 1960s, it was Menzies who cast the crucial vote which committed the Institute at that time to a more 'psychoanalytic' (represented by Rice and

mindless medical procedures and schedules, that were not in the best interests of patients (and compromising the hospital's implicit primary task - to care for patients). They did so in order to protect themselves against the primitive psychological defences evoked in looking after sick, elderly, or dying patients.

Turquet (1974) proposed a fourth basic assumption, BA *Oneness* (members surrender themselves to passive participation with a powerful omnipotent union of group wholeness that echoes neonatal-unity). Lawrence, Bain and Gould (1996) suggested a fifth, BA *Me* (where members turn to their narcissistic inner-reality, relying on themselves as individuals, by denying the existence of a group. These side-step disturbing external realities which group membership brings).

One of the problems, not so much with Bion's theory, but the way it is interpreted and applied, is an overemphasis on BA defences and psychological disruptions to the exclusion of how a sophisticated work group could be helped to form (Armstrong, 2012; Henderson, 2015).¹⁶

What is missing altogether is the values, beliefs and (socio-political) ideologies that individuals draw on when taking up roles, relationships and work, justifying their claims, and defending their conflicts, coalitions and splits. Instead, such *sociological* phenomena are reduced to psychological competitiveness (sibling rivalry), and individuals' needs for autonomy, control and recognition.

As we will see in Chapters Four and Five, we tried applying both BA 'defensive patterns' and CT's 'elementary forms' (thought-styles) to our evidence. Although this was an exercise in 'backward prediction', in all cases, CT was more persuasive in identifying the causes and forecasting the consequences of social defences.

group relations) rather than an interdisciplinary 'social' approach (represented by Trist – Menzies' earlier mentor) to organisational analysis and change projects (Armstrong, 2012; Fraher, 2004). These two measures shaped SDT – and those who applied it – to focus more on individual and team change, helping the individuals involved deal with anxiety, rather than focus on organisational interventions that look for the cause and consequences of social defences to the organisation.

¹⁶ This is particularly prominent in Group Relations Conferences: the Tavistock Institute's premier training events that have been conducted by similar institutes world-wide since the late fifties. Originally designed for leadership-development (Rice, 1965), they are used for group-dynamics training, and the training of psychoanalytically-informed organisational consultants.

Emotional Experience as Intelligence

With Menzies, social defences are an aspect of what an *organisation* is and does. They "elicit" a "psychic constellation [social defences] ... in response ... [to an] objective situation" (Armstrong, 2005: 104). With this, Menzies paved the way for the Tavistock paradigm: to use the study of collective "emotional experience" in organisations "as a source of intelligence" and not just "a disturbing ... side-effect" as had Jaques (Armstrong, 2005: 104-106).

What does emotional experience reveal and how valuable is primary task as the social referent for social defences?

Both the organisation development (OD) and Tavistock literatures suggest that collective emotional experience tells us something about:

- The organisation's functioning
- The quality of individuals' engagement or frustration with the organisation
- Whether task-undermining social defences are operating.

Emotions provide a barometer that something is either working, not working, or about to falter (Burke, 2011; Burke and Litwin, 1992; Armstrong, 2005).

The use of emotion for diagnostic purposes, intriguing as it is, asks much from emotions to also provide symptoms, explain causes, make prognoses, and offer treatment-as-intervention. The challenge is making meaning from what they are revealing.

Controversy of Primary Task as Social or Organisational-Referent

There has been much recent debate within the Tavistock paradigm about the efficacy of the concept of primary task, or what an organisation must do in order to survive (Miller and Rice, 1967: 25).

For SDT, and the Tavistock paradigm, primary task serves as:

- "The defining characteristic of the organisation" (Armstrong, 2005: 128)
- A "baseline against which work-activity is measured" and organisational, team and role "performance is to be judged" (Obholzer, 2001: 199)

- “As an abstract ‘third party’ that allows members to bridge their polarised connections and grasp a shared reality” (Shapiro, 2001: 178)
- As “the main institutional ‘ballast’ that keeps the organisation, both membership and leadership, steady” (Obholzer, 2001: 198-199).

The controversy relates to: how it is defined; whether it should be exclusive, or whether there can be more than one primary task; and the degree to which it prioritises questions of survival over development (Armstrong, 2005: 128); or for that matter, change. What should be the balance: survival, development and change? Strategy and culture are barely acknowledged and it is here too that sociological theories can contribute.

Within the paradigm, Armstrong suggests primary task is "an instrumental notion tied to ... external goals or objectives" that focuses "on the end result". It does not capture the organisation's "journeying" or "endeavour" which he suggests is the "carrier of organisational identity" (2000: 129). For Hirshhorn (1999), it does not show the processes through which people and organisations make choices about which primary task to focus on, or how strategy is shaped. Nor does it help us understand the strategic junctures, risks and threats involved in making choices and the "*primary risk*" of making catastrophic choice (1999: 9). It is doubt, choice and 'primary risk' that keeps leaders awake at night during times of increased complexity and ambiguity.

Sociological Modelling, Consulting Practice and the Realist Method

Examining these three aspects of SDT theory (Bion's BAs, emotional experience as intelligence, and the controversy of primary task) provide further clues as to why our social defence intervention failed.

Re-examination of the evidence and the literature suggested several reasons for why our social defence intervention might have failed. At the time, we were:

- Over-reliant on the Tavistock approach
- Under-appreciative of Trist, Emery and Jaques' sociological suggestions
- Unaware of non-psychoanalytic variations of what culture is and how it is socially animated

- Un-reliant on sociological-analytic (detective) devices (institutional theory, variations of systems theory¹⁷ and the agency-structure metaphor)
- Under-appreciative of realist research-cum-consulting method.

2.2 The Organisational Change Literature

Competing Rationalities and Values Animating Change

A review revealed three types of theories used to understand and facilitate change (Carnell, 2007; Burke, Lake and Waymire Pire, 2009; Burke, 2011; Jick and Peiperl, 2011; Burnes, 2009; Boonstra, 2004; Darwin, Johnston and McAuley, 2002).

Included are:

- *Strategic management models* which feature 'industry forces', the 'resource-based view of organisations', and 'emergent strategy'
- *Organisational development (OD)* that features clinical approaches, planned and emergent change-strategies, and systems theory
- *Critical* postmodern and post-structural theories which are sceptical towards managing change altogether.

These theories overlap and differ. Strategic management and OD specialists agree on the importance of *external environments* in triggering the need for change but offer different solutions. The two are separated along normative lines over what to prioritise: 'finances' or 'people' (Beer, 2008; Greiner, 2008). Within their specialities, there are also wide differences on what type of change to pursue: revolutionary or evolutionary; transformational or transactional; bottom-up or top-down; emergent versus planned change.

Notwithstanding which theory is used, it is not just the Tavistock approach that is prone to failure. Most change efforts fail whichever the approach. Why? Critical and postmodern explanations include:

- Ethical concerns related to means-ends instrumentality of change (Smircich, 1983)
- The gap between the rhetoric and the reality of planning and strategising (Whittington, 2001)
- Competing 'bounded rationalities' (Simon, 1997)

¹⁷ Not just open systems theory favoured by the Tavistock paradigm - but focusing more on the role of feedback processes and self-organising.

- The role of power on whose voices (perspectives) are audible or excluded (Clegg et al., 2006).

How does the Tavistock approach compare?

Tavistock practitioners:

- Draw on OD, especially clinical, 'emergent' and 'transactional' (individual and team) change approaches.
- Are not adverse to highlighting ethical concerns, the gap between rhetoric and reality, or to critique the effect of power relations (Lawrence, 2000; Hoggett, 2009; Brunning, 2014; Long, 2008; Swartz, 2010; De Gooijer, 2009; Stein, 2013; 2009; Sievers, 2013; 2009).
- Acknowledge the role of the *external environment*, but through open systems theory. Emery and Trist's (1965; 1973) *socio-ecological* approach (Trist and Emery, 1997) that focuses on aligning people and systems with external environmental demands are there, but rarely used.¹⁸
- Pay most attention to the '*socio-psychological*' perspective (Trist et al., 1990; Miller, 1976; Obholzer and Roberts, 1994; Hirschhorn and Barnett, 1993; Klein E. et al., 1998; 2000; Gould et al., 2001; Huffington et al., 2004), and the *internal environment*, and *culture*. Intervention is aimed at *individuals and groups*.
- Tend to approach change as "transactional", focusing on improvements on *individual and team change, rather than "transformational" or whole-scale organisation-level change* (Burke and Litwin, 1992; Burke, 2011).
- Can explain why change is resisted, but not how change occurs or may be directed.

What is missing?:

- Mention of competing values, principles and beliefs (Quinn, 1988; 2001) and attention to normative choice (Beer, 2008; Greiner, 2008). These are subsumed in psychological terms as competition or rivalry, or the need for control, autonomy and the like. Emotional data is prioritised over financial data.

¹⁸ In fact, their work (1965) was a precursor to the development of strategic management models. Emery (1997) also found that open systems theory can inadvertently treat organisations as closed. Once the environmental inputs and outputs are considered, the environment is left unaccounted for.

- The tradition is willing to critique different theories and practices (Sievers, 2013; 2009; Stein, 2013; 2011), but mostly by striking a normative or values stance, rather than through developing missing sociology that can supplement psychoanalytic insight and methods in consulting.

CT can provide these missing pieces by explaining how equally rational (reasonable) but conflicting values, explanations and practices animate behaviour, unconscious processes and conflict within, and between, individuals and organisations.

Whole-Scale and Individual-Team Change

Whole-scale organisational-level change is qualitatively different to individual and team change. Burke and Litwin (1992) distinguish between "*transformational change*" involving change in an organisation's strategy and direction and/or its leadership and culture which re-shape organisations; and "*transactional change*" which focuses more on improvements to organisational systems, structures, management practices, people, and teams. Similar distinctions are made by Burnes including 'revolutionary evolutionary' change (2009).

Transformational change "is catalysed by a change in belief and awareness about what is possible and necessary for the organisation" (Ackerman, 1986: 2). It is akin to the "paradigm shift" of Trist et al. (1963; 1990) regarding what an organisation is and does, and to Drucker's (1994) change in the organisation's "theory of business" which involves changing assumptions and beliefs about what it takes to succeed in a particular environment.

Menzies' focus on individuals and teams contributes to their development but may not affect the organisation (Emery and Trist, 1965; Jaques, 1995). It may not address what is causing individuals and teams to have difficulty which we also struggled with during our failed social defence intervention.

Emotional Rationality and Financial Rationality

Our failed social defence intervention took the socio-psychological focus. This did not captivate the interest of the senior team. They failed to appreciate the relevance and urgency of the intervention. It did not appeal to their rationality which concerned the

economics and finances of the organisation rather than our reasoning concerning people and culture.

Beer (2008) categorises these competing rationalities as 'Theory E' and 'Theory O'. 'Theory E', he suggests, has its goals in "economic value creation and focuses on the hard facets of organisations, financial performance, strategy, structure and systems". Its "results-focused, top-down initiatives" seek to improve the financial health of the organisation. 'Theory O' aims at "enhancing organisation effectiveness" by focusing on "the organisation's culture and its people". Its advocates improve motivation through stakeholder participation, coordination and engagement in constructive conflict (2008: 406-7). Daniel Duck (2001: 9-11) also differentiates between "financial data" and "emotional data", suggesting that leaders' attention is aroused by financial data. However, ignoring emotional data may undermine change efforts. This is why recent attention, from 2000 onwards, has sought to integrate the strategic and OD literatures (Greiner, 2008). Change efforts require both.

Quinn's (1988; 2001) competing values framework also captured this normative or values divide that occurs in both the literature and organisations. It was initially considered, before CT, to contribute to the Tavistock's missing theory of social-political values, beliefs and assumptions. See Chapter Seven: Rival Explanations and Anticipated Objections, for an account. Though developed independently, Quinn's competing values uses near-identical axes to those of CT, but directed more narrowly at leadership.

Resistance to Change and Explaining Change

SDT provides a psychological account of why change is resisted in individuals and organisations. The organisational change literature also highlights how resistance to change can be political and ideological in nature (Hambrick and Cannella, 1989). This includes: the loss of something valued (power, status, job, income) or the violation of previously espoused organisational values and individuals' deeply held values, beliefs and philosophies. These can represent deep psychological attachments and foster defences and conflict.

The value of searching for the sociological (political and ideological) inherent in social defences, and not just the psychological, is to suggest social causes and

consequences. This more complete explanation should appeal to both 'financial' and OD rationalities.

Burke (2011: 119-121) identifies four forms of group resistance which are eminently social as they are psychological:

- “Turf protection and completion”. A “work group fighting for survival will muster every rationale, fact and guilt-inducing behaviour to justify its continuation”. We saw turf protection in the social defences of both Manufacturing and Sales, competing to meet what had been demanded of them, but through diverging values and practices.
- “Closing ranks” invokes the egalitarian principle of “one for all and all for one”. This was observed in the social defences that manifested particularly around the third level of the organisation and in Sales. ‘Closing ranks’ was exactly how their social defences operated.
- “Changing allegiances or ownership” was observed particularly in second level managers squeezed from above and below. Some sided with the senior team, employing 'Individualist' face-saving defences, at least initially, while others displayed either Egalitarian cosiness or Fatalist mistrust alongside their direct reports.
- “The demand for new leadership”. Towards the end of our consultancy, two of the four senior leaders behind the new initiatives left and a third chose early retirement (though most of the rumours suggested they were “pushed”).

Our claim, then, is that these forms of group defences (and ideological/political resistance) were best captured by inferring the equivalent CT elementary forms driving each social defence; rather than by Bion's BA defensive patterns.

But understanding forms of resistance is only half the story. How does change actually occur?

This question was to occupy the author during the research, prompting a rethinking of Tavistock 'interpretive' methodology in which responsibility is shared between the consultant and client, in favour of a 'realist' one in which the researcher/consultant

assumes primary responsibility for detecting 'underlying' causes and mechanisms.¹⁹ This is taken up in Chapter Three: Methodology.

2.3 The Contribution of Trist, Emery and Jaques

Trist, Emery and Jaques, provided clues to develop the sociological dimension of SDT.

Sociological and Psychological Theories

We have touched on how Trist was among the first who saw that both sociological and psychological theories were needed to make sense of the cut and thrust of action-research projects (1950 [1990]: 539-540). He suggested that "psychological forces" in individuals and groups "interacted with structural forces to bring into existence a concrete 'field' with a dynamic pattern which is specific for a given social situation". These are impossible to understand "with either psychological or sociological concepts alone". He also saw culture as a dynamic pattern and "medium" that could "make comprehensive reference to the structure of social systems [and to] reach down to emotional phenomena".

He first applied these ideas in "socio-technical" interventions that sought to align an organisation's social ('sentient') and technical ('task') systems in order to "reduce stress and prevent [psychological] regression" which can "easily appear in the face of higher levels of uncertainty" (Trist and Murray, 1990: 30-32).

However, he with Emery, quickly realised that aligning an organisation socio-technically, was helpful only in the short-term. Internal or external environmental changes affecting organisations quickly disrupt any alignment. This led to further discovery.

Limitations of Open Systems Theory and Environment Influences

Emery, who introduced open systems theory into the Tavistock (Trist and Murray, 1990: 30-32), also saw its limitations. Once a system's "inputs" and "outputs" were identified, there was a temptation to treat the system as "closed", not allowing for

¹⁹ This does not have to undermine the favoured action-research approach. The consultant here goes a step further than offering "working hypotheses" (Miller, 1995) that prompt the client's exploration, but offers a clear "because clause" (Turquet, 1975) as to why such an interpretation or explanation is being offered. This assists clients to join-the-dots between their behaviours/defences and their causes and potential consequences.

"any theoretical links between system and environment variables" (Emery, 1997). With Trist, he realised that the external environment was more determining than the client organisation's own efforts. Their new challenge became helping organisation's adapt to their environments (Emery and Trist, 1965; 1973; Emery, 1997).²⁰

At this time, Emery was adapting systems theory for use in interventions (1969; 1981). Feedback loops (Emery, 1981; Meadows, 2008; Jackson, 2003) - the process through which system/organisation change occurs - are consistent with systems theory.

SDT *does not feature feedback*, though we see no reason why it could not. Nor does it exploit other systems theory features such as "*self-organisation*" (Capra, 1996; Burke, 2011).

Feedback loops and self-organisation seem to account well for the interplay between organisations and their environments, and how organisations are *simultaneously open* (indeed vulnerable) to influence but *closed* (restricted) in what they choose to do about them.

It is a small step to treat any system, including social defence constellations, as "self-organised" and to search for the limiting logic which drives it. CT's elementary forms provide for four 'organising logics' very exactly.

Paradigm Shifts Push Psychological Insight into the Background

Trist and Emery soon realised the limits of an exclusive psychological focus during change projects, but they retained psychoanalytic insights as the background, rather than foreground of interventions.²¹ "Group dynamics interventions" in the "psychoanalytic tradition", while successful, "had not been concerned with an order of change that constituted a paradigm shift" (Trist et al., 1963: 492) or transformational, whole-scale organisational change.²²

²⁰ This ushered in the Tavistock's third paradigmatic perspective - the "social-ecological" approach (Trist and Murray, 1990).

²¹ Kurt Lewin, a key influence in the Tavistock's early work, had earlier suggested the periodic shifting between social (contextual) and psychological perspectives in what is seen as foreground and background by consultants/researchers (Burnes, 2004).

²² At this time, however, many within the Tavistock Institute, such as Rice, were advocating for a stronger psychoanalytic focus. Menzies, despite her close association with mentor Trist, had voted for Rice which led to the split in the Institute in the early 1960s (Fraher, 2004; Armstrong, 2012). Rice argued that the Institute had to pay its own way rather than rely on grants for research which had fuelled much of Trist and Emery's efforts, as it did for the Institute throughout the late 1940s and 1950s, not long after both Trist and Emery had left. Today,

Social Defences as Symptoms and Causes

Jaques' earliest work, on the Glacier project (1951), established the Tavistock's focus on organisational structure, culture, role accountability and authority relations that is still used today. At the time, he also came up with the social defence hypothesis which he quickly abandoned, reasoning that "it is badly organised social systems that arouse psychotic anxieties and lead to their disturbing acting out and expression in working relations" (1995: 343).

He turned to improving the design of organisations (1998a), reporting the difficulty of working with psychological and group dynamics taken "out of the context of the realities of accountability and authority ... in managerial hierarchies" (1998b: 254). He reasoned how the "essence of accountability [in organisations] rests in individual roles and is indivisible" (1995: 345).

This thinking underlies the Tavistock paradigm's approach to coaching known as Organisational Role Analysis (ORA) (Newton, Long and Sievers, 2006) which we used during the coaching and to sort the coaching data for consulting and later research purposes.

Jaques displaced his explanation for defences from individuals' psychology to social forces (from agency to structure), treating anxiety and defences against it as something to explain rather than providing explanation. This demarcates sociological from psychological theories thus inviting capture of the social causes and later consequences of social defences.

Summary

Menzies recognised that social defences become institutionalised in organisational systems, structures and work practices and that to change members, one may need to change the institution first.

The work of Trist, Emery and Jaques can be approached as extending the sociological side of SDT by comprehending: the relationship between a system and

their legacy is acknowledged, but less drawn upon. From this time, both publications and membership of Group Relations Conferences became more populated with human services organisations and professions rather than business and industry which drove much of the Institute's earlier work.

its environment; feedback loops and self-organisation; psychology for diagnosis rather than intervention; and treating social defences as effect first, and cause later.

The relationship between sociology and psychology has been vexatious since Durkheim who was very suspicious of explanations couched at the level of individuals ("methodological individualism"). Nevertheless, Freud and his followers continued to seek explanations for inter- as well as intra-personal phenomena.

2.4 Durkheim Meets Freud

Durkheim and Freud, who provide the theoretical bedrock for CT and SDT respectively, used concepts that apply to both social and psychological phenomena. Between them, four concepts are promising, theoretically and methodologically, in progressing the research.

If we reconceptualise social defences as Durkheimian '*social facts*' (1895) and more particularly as '*anomie*' (1897), this may better capture their social origins and operation. Similarly, Freud's concept of '*moral anxiety*' and its relation to the 'super-ego' – as the means through which morality is internalised and transmitted – admits that anxiety can be reactive (to something real) and social in origin (1923; 1926 and 1933).²³ Whereas '*identification*' is central to his understanding of groups and social behaviour (1921).

²³ In 1926, Freud revised his theory of anxiety to include the ego's fear and hostility of the '*super-ego*' to represent a critical function or "agency ... which "observes", "threatens to punish, ... enjoys a degree of autonomy to follow its intentions ... independent" of the ego, and constituted through the internalisation of parental demands and prohibitions that come to dominate the ego (Freud, 1933: 90-92). For Freud, the super-ego "represents the claims of morality ... our moral sense of guilt" (p.92) and embraces the functions and prohibitions of "the ego ideal by which the ego measures itself" and aspires to conform to, but frequently fails, (p.96) leaving the individual with feelings of guilt, imperfection, indecision and preoccupation with what is right and wrong (Bateman and Holmes, 1995: 35).

In addition to the introduction of the super-ego and his new dissection of the personality to include the 'id' alongside the ego (1923), Freud found that his earlier conceptualisations of anxiety did not hold against clinical observations – especially of phobias and obsessional neuroses. These drew attention to the "significant relation between the generation of anxiety and the formation of symptoms" which "are created ... to avoid the outbreak of the anxiety state" (1933: 115-116).

For Freud, only the individual could appear to account for this. Instead of anxiety resulting from "unconsummated excitation", he now saw the ego as "the sole seat" and cause – alone producing and feeling anxiety". And, instead of realistic anxiety being the result of neurotic anxiety, he now saw it the other way around. He introduced two new concepts: anxiety as "*automatic*" implying an "involuntary" reaction to a traumatic (perceived as real) situation which the ego could not control; and anxiety as an intentionally (re)produced "*signal*" for "the avoidance of a danger situation" (1926: 102 and 108-109). These now overlay his "three main species of anxiety – realistic, neurotic and *moral* ... connected with the ego's three dependent relations – to the external world, to the id and to the super-ego" respectively (1933: 117-118). The super-ego represents an internalised and unconscious threat, signalling a "danger situation from which the ego must get away", that "transforms into undefined social or *moral anxiety*" (1926: 90-91).

While this is Freud's only reference to moral anxiety in 1926, he clearly links it to the super-ego (a critical

For Durkheim, "social facts" are external to individuals: "feature(s) of social life", that carry "expectations ... obligations, beliefs, and practices outside of individual consciousness". They occur "in society irrespective of individual manifestations" and exert a "coercive power which they impose upon each individual independent of the person's will". Nevertheless, their "most salient" feature is the "internal psychological states" they produce (Keat and Urry, 1975: 82-86). Social defences do all these things.

They can also be seen as both 'anomic', and a reflection of anomie in the organisation. Durkheim defines anomie as a social condition that affects individuals in profound psychological ways, with suicide the most severe manifestation. Anomie occurs when a social system is in a state of flux, and where shared meanings and values no longer hold: when individuals are not occupying the roles that suit them best (a forced 'division of labour') and when individuals lose sight of their contribution within the whole ('division of labour'). In our consultation, we especially observed this latter manifestation of anomie.

A Durkheimian approach would identify social defences as 'social facts' independent of individuals, and 'anomic' as suggesting insufficient integration exists between them and the organisation.

function or agency within the ego) as being an extension of the original threat of "castration" but belonging to later stages of development (p. 90-91). By 1933, he unpacks *moral anxiety* through its relation to the super-ego giving it now the weight, like *identification*, to carry important implications for "understanding social behaviour" (p. 97). In the course of an individual's development that continues throughout life, "the super-ego also takes on the influences of those who have stepped into the place of parents – educators, teachers, people chosen as ideal models ... it departs more and more from the original parental figures" and "becomes ... more impersonal" incorporating social and cultural contributions and requirements such as education, religion or morality (p. 96). He also suggests that "as a rule parents and authority figures follow the precepts of their own super-egos in educating children". "Thus a child's super-ego is in fact constructed on the model not of its parents but of the parents' super-ego; the contents which fill ... become the vehicle of tradition and ... judgements of value that have propagated themselves in this manner from generation to generation". "The past, the tradition ... of the people, lives on in the ideologies of the super-ego, and yields only slowly to the influences of the present and to new changes ... playing a powerful part in human (social) life (p. 98-99).

These last three statements – that the influences grow more *impersonal*; the super-ego is *constructed on the parents' / educators' / ideal-figures' super-ego*: and that *its contents carry the vehicle of tradition* – clearly imply that it is values, beliefs, attitudes and opinions of the social-cultural-political tradition of the community, class, society etc. that the child is born, and socially inducted, into. His other statement that *the influences of the super-ego continue throughout life* suggests that, as the individual makes her way into the world, she opens to wider and wider socio-cultural-political influences of that society / civilisation.

Accordingly, we suggest that Freud's super-ego has implicitly two-faces or sides. One is the personal prohibitive guilt-inducing one (as inheritor of the Oedipus Complex) that is familiar in psychoanalysis, and the other is the carrier of the traditions the individual is born into. The latter is arguably a good validation of what group analysts, starting with Foulkes, imply as the social unconscious (Hopper and Weinberg, 2011; Hopper, 2003; Dalal, 1998). We argue that the contents of the 'social unconscious' are the social-cultural-political traditions of the immediate community / class the individual is born into and, with the individual's development, the wider society and civilisation (Western, Asian, Arabic etc.).

For Freud, in his revised theory, anxiety always has a *realistic* (external) source – even if what is real is subjectively perceived, and can be moral. Both acknowledge its social origin and nature. Sociologists have long utilised several of Freud’s concepts such as identification as the process through which individuals become socially-constituted (Golding, 1982; Hausner, 2013: 170). This should equally apply to realistic and moral anxiety and the latter’s relation to the super-ego as the means through which morality is transmitted.

For Durkheim, morality is a social fact and hence both external to individuals and exerting an influence over their behaviour. It exists in society before they are born and continues after they die. This would suggest that identification is not only with people and their behaviour (occurring as Freud would suggest through immediate interpersonal and experiential sources) but also with social-cultural and political symbols, ideas, principles and ideologies as markers of our sociality. Freud implies as much when he uses his concepts to account for social behaviour – even if his starting point is psychology as the springboard to explain the social – especially when he suggests that it is not just identification but the super-ego, which in the course of our development and throughout life, takes on influences that depart more and more from parental figures and become more impersonal in nature (1933: 96). In doing this, do they not incorporate social, cultural and political influences that are present and available in society for individuals to draw up?²⁴ It is a short step from here to recognise how individuals identify (embrace, make their own) social values

²⁴ While Freud focused on the more immediate experiential and interpersonal ways we internalise morality – and through identification, sociality – he did stop there, suggesting that this process continues throughout life. It increasingly becomes more “impersonal”, taking in wider social and cultural influences (1933: 96-99). French sociologist, Aron (1965: 15), suggests that any concept used to elaborate or explain “social” phenomena – be it social behaviour, social organisation, society – marks it as sociological. Using this formula, he suggested that political theorists such as Montesquieu and Tocqueville, in trying to explain social organisation in terms of political regimes and institutions, were sociological (1965). The concepts of Freud we have drawn on would equally fit this bill.

What Freud proposes from the psychological, to explain the social, Durkheim unpacks sociologically starting from the other direction. He suggests that our values, attitudes, opinions and beliefs are not only personal in nature but social and political. They not only develop interpersonally but are present in the menu of social, cultural and political beliefs that provide the tools which we think with, and use, to orientate toward, and differentiate from, others. These are examples of what Durkheim refers to as ‘collective representations’ that get reinforced through ‘ritual’ and encompass what is considered ‘sacred’ to a group or society (Durkheim, 1912). They are available to us to draw upon in different ways – in justifying our behaviour or blaming others, and during conflict and change to express our agency (Douglas, 1986) – and are available to us through our membership to a particular society or civilisation (Huntington, 1996; Gauss, 2000; Smith, 2008). Sociologically, it is not unreasonable to assume that Freud’s concepts could encompass socio-cultural symbols, ideas and principles as markers for political values and beliefs.

and beliefs, such as one or more of CT's four competing rationalities and ways of organising.²⁵

2.5 Three Sociological Models of Analysis

But how to bring SDT and CT into more direct conversation? The literature contains three sociological models which contain relevant mediating concepts that have been incorporated within CT and can equally apply to SDT. They are presented in their order of importance with our disconcerting 'problem of change'.

Institutional Theory

Institutions are examples of Durkheim's social facts. They are external to individuals, a feature of social life, carry obligations and expectations, and exert coercive force on individuals, independently of their will.

Institutional theory and models challenge the dominance of methodological individualism, and highlight the social influences on thought and behaviour (Douglas and Ney, 1998). Douglas (1986: 46) defines institutions as "conventions" designed to achieve a purpose through ensuring "coordination". Leaving her definition vague, allows institutions to be seen as both formal or intentionally-designed, or informal practices which may be held loosely and exchanged for other practices from within a wide social repertoire of reasoning.

Our reading of Douglas and CT leads us to think it possible to treat social defences as institutions, or for that matter, groups and group-dynamics. Institutions have precisely the dynamic qualities which CT specifies (Douglas, 1986; 6 and Mars, 2008). From our knowledge and training in psychoanalysis, we see no reason why institutions and social defences-as-institutions cannot be recognised as having unconscious features.

²⁵ It occurs to this author that Freud's concepts of moral anxiety, the extra-personal sources of the super-ego and identification are a missing dimension in the psychoanalytic study of groups and organisations. Bion's group theory focused on the interplay and analysis of the pleasure and reality principles occurring between the basic assumption group and the work group. He essentially focused on the relationship between Freud's id and ego – but did not include the super-ego – not from the personal but the extra-personal and social sources that would encompass social values, principles and beliefs that individuals draw upon in their work in groups and organisations. This is a topic for future research.

Scott (2008: 48) points out that across the social sciences, institutions tend to be analysed in three ways: as "carriers" of *rules, norms, and ways of thinking* (Table 2.1). Soda and Zaheer (2012) and Gulati and Puranam (2009) recognise formal and informal institutions, while North (1991) and Cason et al. (2009) find that organisations contain several of both. This fits. As we will see with our own research, social defences, and a number of post-GFC policies, can be analysed as institutions bringing clearer understanding of their operation and effects.

Put simply, the *formal organisation* is the officially sanctioned system of coordination, lines of authority, and divisions of labour designed towards pre-defined objectives. They entail processes governing work, information flows, and incentives that connect 'means' and 'ends'.

The *informal organisation* exists within the formal, implicitly. It encompasses the relationships not found on organisational charts and procedural documents. It involves improvised networks and improved work methods, and "grapevines" that fill knowledge gaps and lacunae in the formal organisation (Goldsmith and Katzenback, 2007).

Consultants intuitively know when things go wrong, to look first at what is working or otherwise within the formal organisation. We then rely on the informal organisation to gather data and understand why. Social defences operate in the informal organisation. They get built into organisations systems and practices, but are not recognised officially.

Table 2.1 The Three Pillars of Institutions (Adapted from Scott, 2008 and others)

	Regulative	Normative	Cultural-Cognitive
Definition	- Constrain, regulate empower - Legitimate behaviour through explicit processes of: rule-setting, monitoring, and sanctioning	- Beliefs and values that constitute a basis for social order ... - Impose prescriptive, evaluative and obligatory elements to social life	- Shared conceptions that constitute social reality - Symbolic systems through which meaning is made - Internal interpretative processes shaped by external cultural frameworks
Basis of Compliance	Expedience	Social Obligation	Taken-for-granted Shared Understanding
Basis of Order	Regulative Rules	Binding Expectations	Constitutive Schema
Mechanisms	Coercive	Normative	Mimetic
Logic	Instrumentality	Appropriateness	Orthodoxy
Indicators	Rules, Laws, Sanctions	Certification /	- Common Beliefs

		Accreditation	- Shared Logics of Action - Isomorphism
Affect	Fear, Guilt / Innocence	Shame / Honour	Certainty / Confusion
Basis of Legitimacy	Legally Sanctioned	Morally Governed	- Comprehensible - Recognisable - Culturally Supported
Opportunities for Agency and Change	- Rules can be sufficiently ambiguous or controversial and need interpretation - Rules rely on, and are tempered by, normative and cultural-cognitive influences - Rules can be more easily changed than norms / shared meanings	- Evoke strong feeling but may contradict or compete with each other - In larger systems, there can be several norms operating - This may evoke anomie, anxiety and defence leading to challenge and breakdown - but also unconscious / de-centred agency	- The most stable but can change over time - May not work in new or challenging circumstances - May contradict, or be contradicted by, rules and norms causing anomie, anxiety and defences that trigger change

Table 2.1 outlines the three ways institutions have been analysed with the social sciences (Scott, 2008) - as carriers of *rules*, *norms* and *ways of thinking*. It specifies how institutions operate and achieve their effects - intentionally or otherwise - while obliging and constraining individuals to operate accordingly. If we conceptualise social defences and group (and organisational) dynamics as institutions, this adds a missing sociological-analytic dimension that can be used alongside unconscious processes and Tavistock consulting methods in their analysis.

Systems Theory: Feedback and Self-Organisation

One problem consultants face is trying to understand why organisations get 'stuck' and, more occasionally, change quite wildly ... and then trying to explain this to clients in a way that is plausible to them. The literature suggests that both 'getting stuck' and wild changes may be the outcome of different kinds of feedback-loops (Meadow, 2008; Jackson, 2003; Jervis, 1997).

In our research, social defences and the post-GFC policies (treated as institutions) might be intelligible as feedback processes which capture the effects they can have on: the individuals operating within them, each other (as distinct institutions), and the wider organisation. Institutionally-generated feedback is the means through which stasis and change occur within organisations.

The literature distinguishes two *phases* of feedback:

- *First phase* - institutions train members to think and act in concert. This generates a thought-style, a rationality, or way of making sense of things. Rules and norms gradually develop and this affects strategic preferences, decision-making, agenda-setting, resourcing, the pecking-order between individuals, and what thoughts and feelings are acceptable or out of reach (6, 2011).
- *Second phase* - institutions have effects on neighbouring institutions which will likely react back.

It also distinguishes two *types* of feedback processes.

- *Positive feedback* amplifies or reinforces the operation of the first phase - tending to reinforce the effects of the institution, ultimately leading to chaotic,

tipping-point effects that can undermine the institution if there are no moderating influences acting upon it.

Reinforcement of institutional convictions can have paradoxical effects, taking compliant members to absurd extremes in the belief of their rightness. At these extremes, not order but chaos may be created. Convictions unbounded by moderating voices can undermine neighbouring institutions and create whole-system disturbances. A good example is a run-away train, or cattle running which reinforces other cattle to run, leading to potential out-of-control effects.

In our research, positive institutional feedback generated by the social defences in Sales and Manufacturing, and the competing post-GFC policies that not only triggered the social defences but were a consequence of the social defences blindly followed, together produced a whole system disturbance pushing the organisation into a dysfunctional, survival-threatening form of *isolate ordering*. We explore this at length in Chapter Five.

- *Negative feedback* reduces fluctuations within, and among, institutions. These are moderating influences. An example is a thermostat programmed to heat or cool a room when out-of-range temperatures are detected.

In our client organisation, most of the feedback effects of the social defences involved positive feedback in the first and second phases. But with the post-GFC policies, positive and negative feedback was detectable.

In short, though fairly straightforward concepts, we found that positive and negative second-phase feedback was very helpful in distinguishing and clarifying what seemed very confusing at the time.

We also found it helpful to differentiate between dysfunctional or task-undermining social defences from the more benign anxiety-circumventing ones operating in the informal organisation. The former will undermine organisations, whereas the latter will circumvent anxiety and find alternative pathways in the service of the task. Dysfunctional or task-undermining social defences most likely generate positive feedback in the second phase of their feedback loop, whereas benign anxiety-circumventing in-the-service-of-task defences, generate negative feedback or moderating influences on the individuals involved and neighbouring institutions.

Feedback originates from:

- The *purpose* of systems, structures or work practices as institutions. This provides the rationale
- *Decisions by leaders to adjust, fix or improve* the purpose or design of institutions
- The *agency of other members* taking steps because of the effect that neighbouring institutions have on their work, promoting anxiety.

'Self organisation' describes a quality that all living-systems (institutions) share, that is the result of feedback. According to Capra (1996), echoed by Burke (2011), "self organisation" posits that institutions are *simultaneously open* to the effects of their environment but are *closed* operationally in what they choose to do. Self-organisation describes the process through which institutions either adapt to their environment or 'lock-in' and reinforce a way of doing things. This is a form of positive reinforcement which precedes the chaos mentioned above. Reinforcement would describe entrenched social defences that can lead to whole-system disturbance. Through self-organisation, institutions will display their organising logic which gives a structure or pattern to relations and guiding principles.

A key suggested by 6 (2011) is to identify the specific elementary form(s) driving an institution and animating the positive or negative feedback being generated in both phases.

We simply applied this insight to SDT and the analysis of collective unconscious phenomena such as social defences, and group and organisational dynamics. We suggest that this is what is needed to understand how social defences become "institutionalised" ... and are "more than psychic phenomena" by getting built into organisational systems, structures and work practices (Menzies, 1960; 1989) that are ... now ... *self-organised* ... and generating their own effects through *feedback*.

The Agency-Structure Interplay

Archer's (1996) suggestion, echoed by Mouzelis (2008), is to treat agency and structure (institutions) as two forms of causality and to study their interplay over time. This offers a way to examine the cause and effect claims of psychological forces

(SDT) or social forces (CT). How this was done in the research is described in Chapter Three (Methodology) and the results in Chapter Five.

Agency,²⁶ for example, may defy or undermine existing structures, or create new ones. In the case study, the social defences had undermining effects on the organisation's many institutions. The post-GFC policies created new institutions, notably social defences. The issue for organisation diagnosis is what to treat as agency or structure, and when? When are they better approached as agency or structure, and what are the consequences for organisational diagnosis and change?

Tavistock practitioners would, most likely, approach social defences as forms of psychological, albeit unconscious, agency that will affect structures (organisations and their systems and practices) as we did at the time. This view, we now believe, contributed to the recognised 'problem of change' that we encountered. It over-inflated our sense that the mere presence of social defences needed to be taken seriously, period, rather than something that first needed to be explained, and then their likely consequences forecasted and traced for the senior team to act on them.

Archer's (1996) suggestion was taken up because it builds on Jaques' view that social defences need to be explained because they are the likely effect of what he saw as badly-designed organisations, or what we believe to be organisational-specific and/or external environmental influences. By analytically counter-posing social defences as either agency or structure over different points in time, we can hypothesise if social defences are better approached as a form of agency or structure, and when. This carries consequences for the types of hypotheses and diagnoses that consultants generate.

We found that social defences need to be triggered (socially-caused) by some structural or environmental force(s) to come into being, and initially can be seen as psychic constellations. It was not helpful, however, to approach them as forms of agency, albeit unconscious and collective. As psychic constellations, they quickly consolidate into institutions (fully-fledged structures in their own right) that generate consequences back into the organisation.

²⁶ As it applies to SDT, agency does not have to be conscious, intentional or "centred" but best approached as a form of "de-centred" or unconscious agency (Caldwell, 2006) that can equally generate the types of consequences associated with individual or collective agents acting intentionally or otherwise.

The agency-structure interplay is included because it was an important analytic tool in our journey towards reconceptualising social defences as (feedback-generating self-organised) institutions driven by one or more of CT's elementary form(s). It was not enough to see them as agency, and we needed a way to reconceptualise them as structures (or institutions).

2.6 Cultural Theory

Originating in Durkheimian anthropology and sociology (Douglas, 1966; 1970; 1982), then taken up by political science (Wildavsky, 1987; 1994; Coyle and Ellis, 1994; Ellis and Thompson, 1997; Chai and Swedlow, 1998; Verweij and Thompson, 2006; 6, 2011) and applied to institutional theory (Douglas, 1986; 6 and Mars, 2008; 6, 2011), advocates claim that CT provides an elegant, simple account for conflict and viability, and for both continuity and change.

We think this claim is justified. We also think that it could offer SDT a social perspective from which to analyse social defences as dynamic institutions animated by one or more of the four thought-styles identified by CT's elementary forms, and the conflicts among them.

Unlike many social theories, CT allows for an individual's agency to create, challenge and transform (Douglas, 1982),²⁷ while also acknowledging the cultural origins of the thought which individuals use when acting. Individual thought (and feeling) is enabled collectively. It is not simply that individuals act and institutions constrain. The thoughts and actions of individuals and institutions are likewise social (Douglas, 1986). Individuals and institutions are animated by *the exact same four thought-styles*. Douglas (1986) argues that, over time, institutions create an accumulation of practices that will cultivate a distinctive thought-style which influences members to think and behave along similar lines, whether they agree or not.²⁸ The causal

²⁷ For a broader discussion advocating the importance of finding the role for both people's or 'actor' agency and the role of social structure in explaining both stability and change, see Mouzelis (1995 and 2008).

²⁸ Douglas (1982) suggests an institution or culture is created through a series of on-going contributions and negotiations between members of a group in which everyone contributes, actively, passively or even anonymously, but does not necessarily agree with the specific results or the outcome. This outcome generates a "collective consciousness [that] manifests ... by making penalty-carrying rules and justifying them" (p. 190). In this way, institutions provide for the coordination of behaviour, but also "establish order and regulate" it, providing the patterning of social relationships. Institutions not only make "the rules of the game, they structure the incentives of players" (Douglas, 1986: 19, 9, 15). Perri 6, building on these ideas, further differentiates between the "style" of thought from its "content". While institutions will cultivate distinctive thought-styles or a manner in which ideas, beliefs and feelings are framed and used; its actual content consists of its specific ideas

emphasis is placed on institutions (6, 2011), and priority given to *thought-style* (Douglas, 1986) and *informal institutions* in generating organisational outcomes (6, 2011).

Douglas suggests that all thinking and behaviour is, to some degree, institutionally influenced through the various institutional memberships individuals belong to. In Scott's (2008) terms, this is how institutions exert their own "regulative, normative and cognitive" influences on thought and behaviour. Informal institutions that are loosely-held, or unconscious, can exert a causally critical influence on behaviour and outcomes. On the one hand, they frequently make it possible for formal institutions to achieve the leverage they do (6, 2011: 59) by working around cumbersome formal procedures, channels and structures to get things done. On the other hand, because they are sufficiently ambiguous, they can "provide opportunities" for actors to use their "creativity and agency" to "exploit" or manipulate conditions for change (Mahoney and Thelan, 2010: 2, 12).

Note that institutions may be small, and constituted within very small groups (even dyads). We are inclined to treat social defences as institutions. We think that institutions, especially informal ones, can operate unconsciously and alongside unconscious processes such as anxiety, defence, competition, identification, hatred and the like.

CT's Grid-Group Typology and Elementary Forms of Social Organisation

Douglas (1986) starts from the assumption that all large or small institutions, like the people in them, are never static but are continuously being made, re-made and challenged through an on-going process of bargaining and negotiation. Thompson (2008) calls this "organising and disorganising".

From Durkheim, Douglas starts from two of his key ideas. The first is his *social origin* of thought.²⁹ For Durkheim, it is not beliefs that explain society, which contribute to diverse forms of solidarity and conflict, but society that provides the individual with a menu of social, political, and moral beliefs and assumptions about human nature and the world. These become our tools for thinking. Though Durkheim and Douglas were

and beliefs which may be accepted or not. In this way, "people with diametrically opposed ideologies [or world views] may exhibit similar thought-styles [and] ideological allies may think in contrasting styles" (2011: 1).

²⁹ This refers to the idea that "classifications, logical operations and guiding metaphors are given to the individual by society" (Douglas, 1986: 10).

typically hostile to psychology (dismissing it as 'methodological individualism'), we see no reason to doubt that the same 'menu of assumptions' inhabits each individual's unconscious psychological reactions and defences. And unconscious processes, at times, animate CT's menu of (four) sets of elementary assumptions.

The second idea is where Durkheim treats sociality as having two organising principles - *social regulation* and *social integration* or what Douglas calls Grid and Group. These give two dimensions to individual thought, behaviour and relationships. Any human subject is socially regulated by degrees (accepting of rules) and socially integrated by degrees (into groups).

Douglas' innovation was to cross-tabulate them, noting the four distinctive elementary forms which the two dimensions of sociality give rise to. Each contains a different way of organising social relations and a set of values and cultural biases. Diagrams 2.1 and 2.2 capture the two social dimensions and the four elementary forms. Diagram 2.3 explores the underlying values and behavioural dynamics embedded in each of elementary forms and Diagram 2.4, the types of organisational designs that may be found in the organisations, institutions and cultures reflecting one or a mix of elementary forms. (All are adapted from: Douglas, 1982; 1986; Thompson et al., 1990; 6 and Mars, 2008; Thompson, 2008; 6, 2011).

Diagram 2.1 Durkheim's Two Dimensions of Sociality and Social Organisation (or Grid-Group, Cross-tabulated by Douglas)

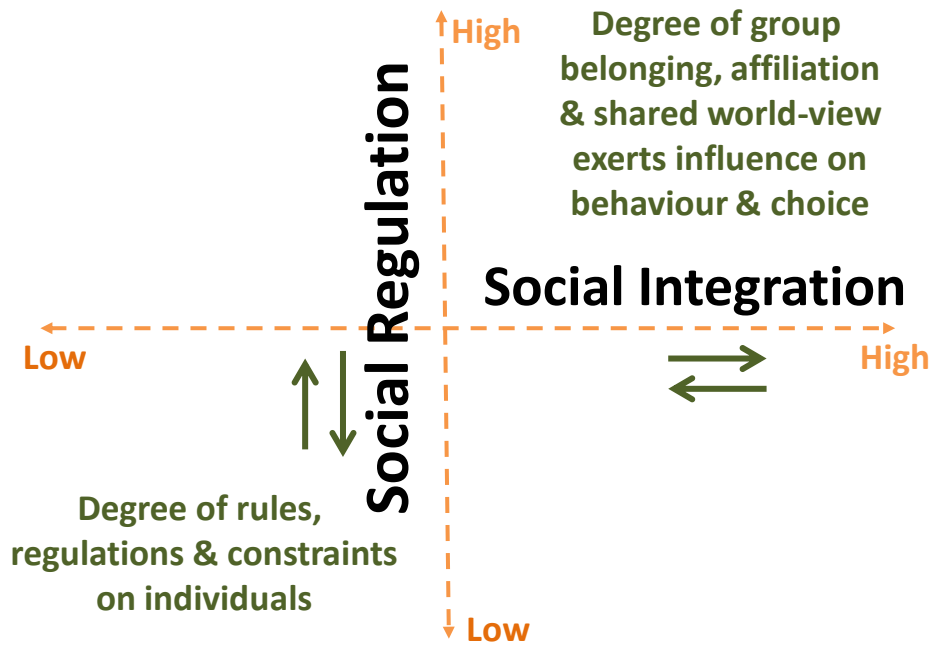


Diagram 2.2 Douglas' Four Elementary Forms of Social Organisation (Adapted from Mars, 2008)

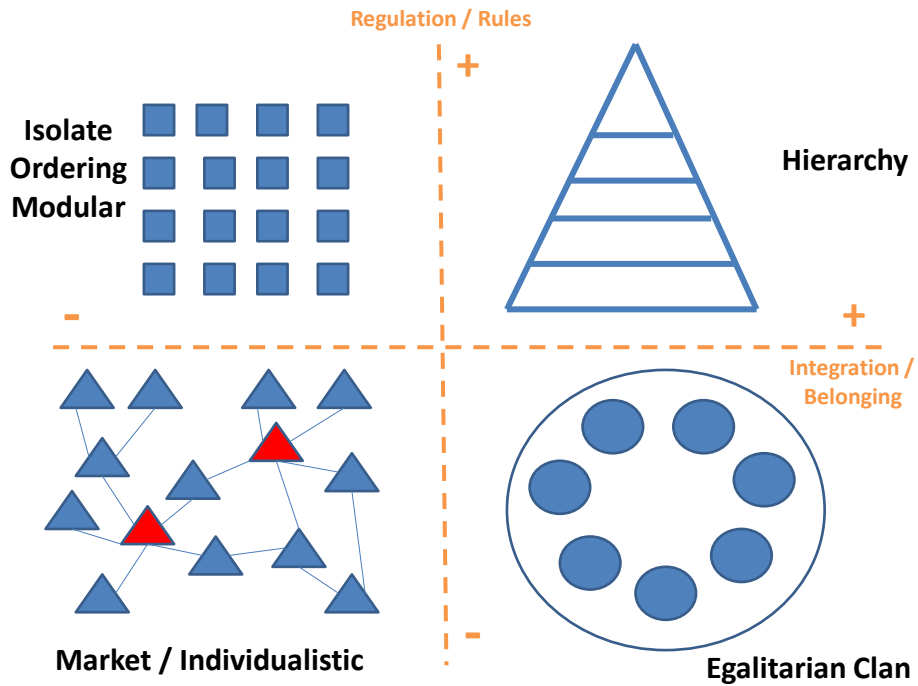


Diagram 2.3 Underlying Values and Behavioural Dynamics of Elementary Forms

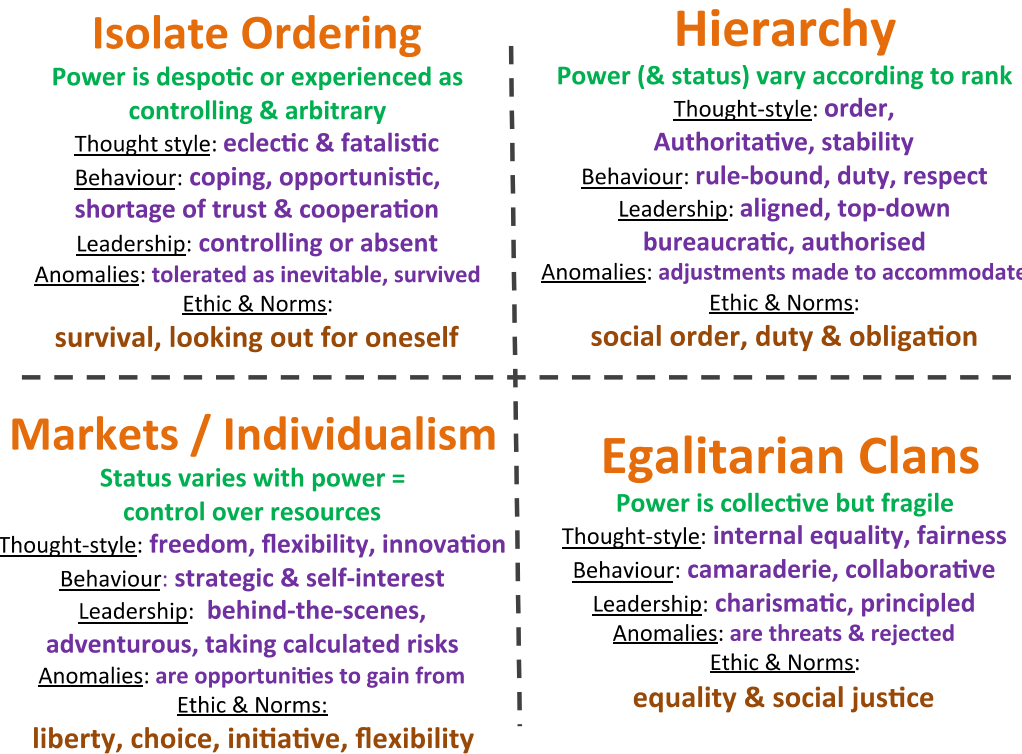
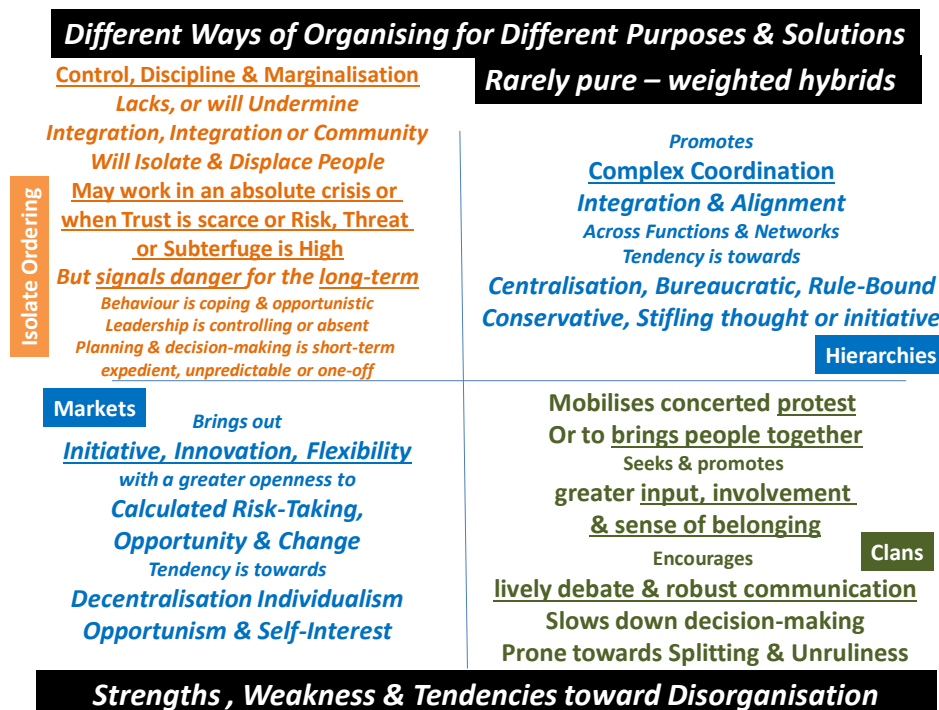


Diagram 2.4 Organising Strengths, Weakness and Tendencies to Disorganisation Within Elementary Forms (Thought-Styles)



The elementary forms are prototypes: theoretical extremes (Coyle, 1994). They rarely exist in pure form but in some weighted mix or hybrid (6, 2011). Due to the overlap of individuals' institutional memberships, such as families, work, friendships, associations and so on, individuals are exposed to a variety of conflicting thought-styles which shape and reflect their preferences (though many seem able to block the thought-styles prevailing in one sphere, e.g. family, from another, e.g. work). Thompson (2008) suggests that the elementary forms are also "fractals", ranging from the individual, group, to the nation and epoch.

Concluding Comment

Because organisations are made up of multiple institutions, there rarely, if ever, exists one culture in organisations but several, up to four (and several sets thereof). This offers a social way of conceptualising conflict or competition with groups and institutions: conflicts that the Tavistock treats as psychological (from which it builds up its social concepts and models).³⁰ We see no reason why unconscious psychological phenomena might not also be animated by the same four contending thought-styles. And we are left with the startling possibility that social defences have distinctly social ('cultural') origins and that they provide defence, not just against anxiety-inducing primary tasks, but also defence against intolerable encroachment by conflicting thought-styles (rationalities).

The literature supports our contention that social defences are cultural and that the four thought-styles animate, and can be animated by, unconscious processes.

³⁰ Wood (1987) found that the basis for sub-groupings, splits and coalitions in small groups was better explained on the basis of preference for socio-political values and beliefs, such as political beliefs or affiliations, than upon other factors such as race or gender and arguably psychological dynamics alone.

Chapter Three: Methodology

3.1. Why a Realist Case Study?

This research was fortuitous. The author was engaged in a four-year coaching and consulting project with the three most senior levels of a medium-size, multinational, specialist manufacturing company.³¹ Social Defences appeared during the second year so a Tavistock-style action-research intervention³² was offered to the senior executive team. But my attempts failed to create change, and the 'Manufacturing/Sales Divide' of which they spoke, got worse. Here was my research question: 'Why?'

Social defence theorists know of this 'problem of change' and advocate the type of Tavistock systems-psychodynamic methods that were used. Most of the data was derived from coaching sessions. This allows for close comparisons with other cases in the social defences literature. Because Tavistock methods admit the role of the unconscious – which cannot be observed directly – it is argued that this is better embraced with a Realist epistemology (Rustin, 1991). Realism proposes that there exist 'underlying causes' to 'surface appearances'. Our starting point, therefore, was realist which suggested the need for more investigation to examine why our social defence intervention failed.

Consequently, the research became a post-fact analysis of a consulting failure.

Tavistock researchers have long since suspected that a sociological/anthropological (cultural) side is needed for action-research consulting projects (Trist, 1950) and therefore social defence theory (SDT). The literature review indicated that Grid Group Cultural Theory (GGCT or CT) was a promising addition to SDT. It, too, is realist in the sense just described, insofar as it infers that 'ways-of-thinking' derive from underlying, essential social principles which we said more about earlier. CT postulates that thoughts, feelings, values, and actions have a 'solidarity' dimension (Group), and a 'regulation' dimension (Grid).

³¹ The company has operations with production facilities and/or sales offices in 19 countries, across five continents with a staff of around 4,200 employees with operating and turnover revenue of €340 million in 2009. The consulting project commenced in the first half of 2008 and continued until early 2012.

³² The intervention included the presentation of evidence of the social defences and a working hypothesis outlining what may have triggered the social defences. It was designed and facilitated as an action-research intervention. The purpose was to facilitate the senior team's discussion of the possible causes and what could be done about them.

SDT and CT developed through field-work, consulting practice and anthropological work. Both have been applied to the study of organisations, both are used to inform organisational interventions, and both are practice-based theories.

Tavistock practitioners prefer participatory versus direct interventions in keeping with consulting room one-on-one psychoanalysis (Lawrence, 2006 and 2000). The aim is unearthing the underlying roots of problems, and allowing clients to decide what, if anything, to do about them. But realism encompasses both highly directive interventions (notably Marxism-Leninism) as well as collective 'participatory action research'. Realism per se, then, does not dictate the form interventions might take, for it is an epistemology (theory of knowledge) and not a theory of practice.

Aims

It was suspected that social defences and the damage they can do might be better explained by CT. But the question became how to attach CT to SDT? Despite their use of sociology to Tavistock theory and methods; neither Trist, Emery nor Jaques knew of CT which only emerged later. And while SDT has a posited but undeveloped sociological side (Menzies, 1960), the author can see that CT demonstrates a limited understanding of system-psychodynamics³³ and has much to gain from SDT.

As a practitioner, our primary task is to assist clients. Can SDT and CT help clients understand and address conflicting ways-of-thinking and the defences which we suspect they generate?³⁴

This after-the-fact SDT-cum-CT research aims to explain:

- the specific timing and character of social defences; and
- why our psychodynamic interventions did not lead to change.

The aim is to enhance consulting practice and to ameliorate SDT's recognised 'problem of change'.

³³ Douglas (1982) was generally wary of psychological explanations, but saw a role for individuals to use their agency in changing their circumstances.

³⁴ Synthesis of SDT and CT would allow many SDT-based studies to be revisited so that more could be extracted from them concerning 'the problem of change' that has been encountered so often before.

This case-based research examines a "complex social phenomena, ... [while] retain[ing] the holistic and meaningful characteristics of real-life events", to investigate the "how", "why" and "what" questions that can develop a viable explanation and offer generalisations (Yin, 2009: 4-8). Both the phenomena under examination (collective defences and thought-styles), and the Tavistock-style, social-psychoanalytic methods of inquiry used (Long, 2013; Newton et al., 2006) do not suit experimental and survey designs. However, future evidence will indicate whether interventions which incorporate both SDT and CT will be more effective.

Inference, Interpretation and Abduction

Social defences are theory-laden phenomena (Maxwell, 2012: 130-131; Yin, 2009: 72; Danermark et al., 2002: 79 and 88-95). They cannot be observed directly. They are inferred (recognised) theoretically from actions-in-context. We can quantify defences only as 'powerful' or 'moderate' but not measure them numerically. They are more 'interpretive' than given (Alvesson and Skoldberg, 2009: 18).

Social defences, like any beneath-the-surface phenomena call for 'abduction' whereby a single-case setting is "interpreted from a hypothetic overarching pattern" which may explain their specific manifestation (Alvesson and Skoldberg, 2009: 4). Abduction involves the "reasoning from effects back to causes" to identify the inference(s) that lead to the most viable explanation (6 and Bellamy, 2012: 209). According to Long (2013: xxii and 10-17), "abductive logic" suits psychoanalytic and "socio-analytic discovery". It utilises "narrative, qualitative, descriptive methods", and "action research ... interventions," in order to generate hypotheses about the "surprising" effects of the unconscious on action. Abduction captures the "surprising fact" in the form of a "metaphor" during the "early stages of hypothesis creation" which can be then used to develop "working hypotheses" and be examined against new cases. Abduction can be used in both interpretive and realist research.³⁵

³⁵ These differ by degree. Realism frequently articulates a realist ontology – belief that phenomena exist independently of our knowledge of them. Interpretivism treats all knowledge as social constructions created from a particular vantage point (Maxwell, 2012: vii). Thus realists and interpretivists adopt different ontologies. Realists accord "truth status [to] knowledge that can be achieved either by observation or inference" or conclusion validity (6 and Bellamy, 2012: 61). Realists and Interpretivists both depart from positivism in that both reject the proposition that 'reality' is directly observable. They doubt that it is possible to establish general and constant laws that will predict constant conjunctions between variables. Positivists object to realists and interpretivists on the grounds that their theories are difficult to test. What differentiates realism from both positivist and constructivist approaches is that "it re-legitimizes ontological questions about the phenomena" under study; with both positivism and constructivism in different ways relegating ontology to questions of epistemology or what constitutes knowledge (Maxwell, 2012: 8-13). In placing the emphasis on ontology, Tilly (2008) argues that realism combines "theoretical with empirical work" in qualitative and empirical research

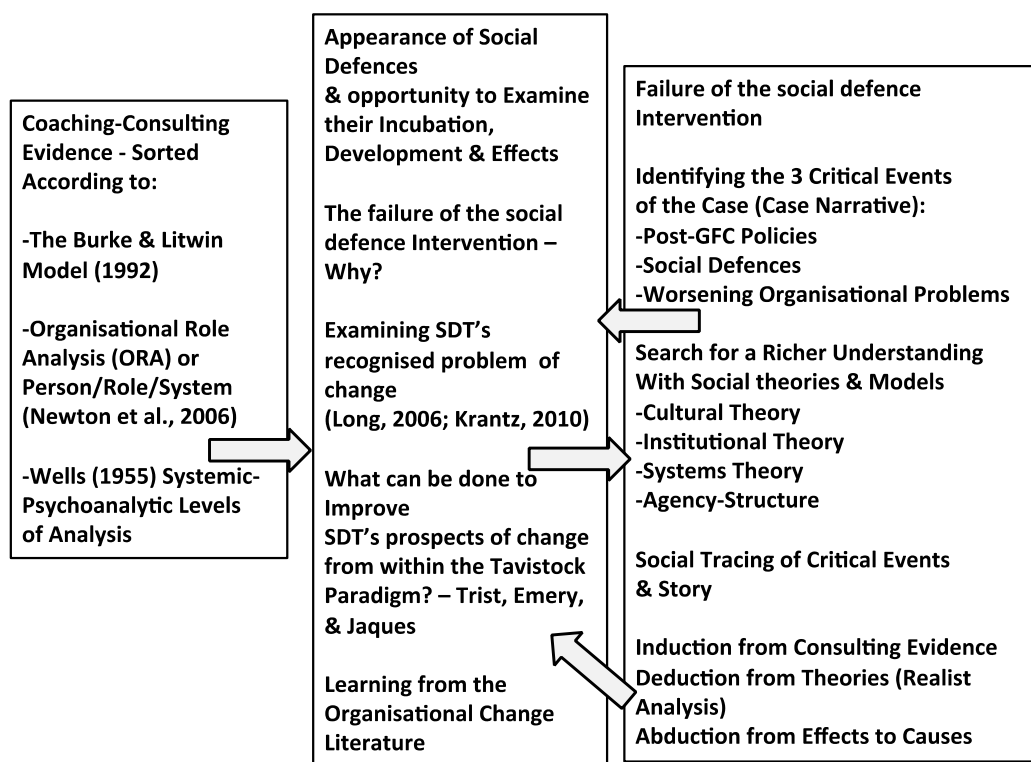
Given their hidden qualities and theory-dependence, social defences, are by definition realist.

The Iterations of Data Analysis

Cases do not come fully-formed. We noted that the post-GFC policy responses to the GFC preceded the inferred social defences and worsening problems then followed as the organisation got 'stuck'. CT was applied next, as a way of giving SDT a sociological dimension.

The case developed in approximately three phases with forwards and backwards iterations (Diagram 3.1). This began with sorting the coaching-consulting data, identifying the key events of the case, and re-evaluating the case in the light of failure of the social defence intervention and the application of CT.

Diagram 3.1 The Research and its Iterations
Research Forwards & Backwards



through "pursuing ... two interacting bodies of theory simultaneously: a theory embodying explanations of the phenomenon under investigation, and another theory embodying explanations of the evidence" (Tilly, 2008: 138 and 47). Tilly's advice was followed when examining social defences that appeared during the consultation. They became autonomous 'structural' entities. This was done by inferring their contextual causes, and cultural origins in thought-styles, operation and consequences.

3.2 Data Collection

Sources of Data

All the data came from the coaching and consulting activities with the top three levels of the organisation. The rationale was to maintain consistency with the practice-based nature of the project. This informed the on-going consulting, and reflected, as closely as possible, what coaches and consultants utilising Tavistock methods and interventions actually do. Only later was this data re-analysed for the purpose of the research.

Qualitative data was collected from four sources:

- The **one-on-one coaching** of over 50 managers from the top three levels of the organisation, of which 80% come from the two largest departments of Manufacturing and Sales, but all functions were represented.³⁶ The coaching made up most of the data.
- This was supplemented through other **consulting activities** such as:
 - Feedback and action planning sessions that reported the higher level themes to emerge from the coaching, and designed as action research interventions to facilitate further discussion, analysis, and action-planning. Most were with the senior executive team.
 - Additional large-group interventions between the top three levels and functions to deepen the communication, improve collaboration and to solve problems.
- Informal **observations** when coaching was conducted in head office. This included invitations to observe in several meetings and interactions³⁷ between functional managers.
- Both **formal and informal conversations** with organisational sponsors - two members of the senior team; and others in corridors, between coaching

³⁶ The initial contract for the coaching was for six sessions per participant, including an upfront 360° feedback report, which was debriefed in the first session. The first phase involved the coaching of the 15 most senior managers from Manufacturing. Nevertheless, and despite the onset of the GFC which dramatically cut sales and revenue, the coaching increased to include the top three levels of Sales, and later, participants from other functions. Post-GFC participants who requested more sessions received them.

³⁷ I undertook all of the coaching and the longer I was in the organisation, I was treated as “part of the furniture”, as one participant put it, and was allowed to sit in on meetings, observe interactions and was asked for my input and feedback on whatever topics participants were discussing.

sessions; and when invited to contribute and discuss plans and arrangements.³⁸

Interpreting Data through Tavistock Method

The purpose of Tavistock methodology is to reveal the nature and quality of the *collective emotional experience* within an organisation (Armstrong, 2005). This requires consultants to attend to the thoughts, feelings, preoccupations and their underlying meanings in relation to organisational members. These emerge through coaching conversations, discussions and observation. A central feature is that theoretically-drenched psychoanalytic concepts, techniques and group dynamics are used to direct the consultant's attention and to insert theoretically-shaped meaning into what they hear, see, and experience. The pooling of participants' communication and its interpretation reveals something about:

- The organisation's functioning
- The quality and nature of individuals' engagement or frustration with the organisation or work
- Whether any significant defences against anxiety are operating, or are potentially threatening to undermine performance.

This then acts as a kind of diagnostic barometer, as do shifts in its nature over time. But its meaning is not self-evident. It requires interpretation.

The main tool used is that all participant communication is interpreted in relation to the consultant's own emotional experience in response. This is a central method of psychoanalytically-informed consultants - the use of their own self-experience, as a tool or instrument for meaning-making through generating hunches, developing these into hypotheses, and testing them against what has happened before and next. How a consultant is treated, and what they feel and experience in relation to what organisational members do and say, is part and parcel of how the meaning underlying organisational behaviour and collective experience is revealed.

³⁸ Two-thirds of the coaching and most of the consulting was conducted in head-office which is situated across one floor of an office block. In between sessions, I could observe movements, with people frequently stopping to interact with me. Being present, I was naturally invited to many informal and, over time, several formal gatherings.

As such, what counts as data comes in the form of examples of statements or metaphors used by participants, and the consultant-researcher's interpretations which are grouped into themes. All data was collected and mediated in this fashion.

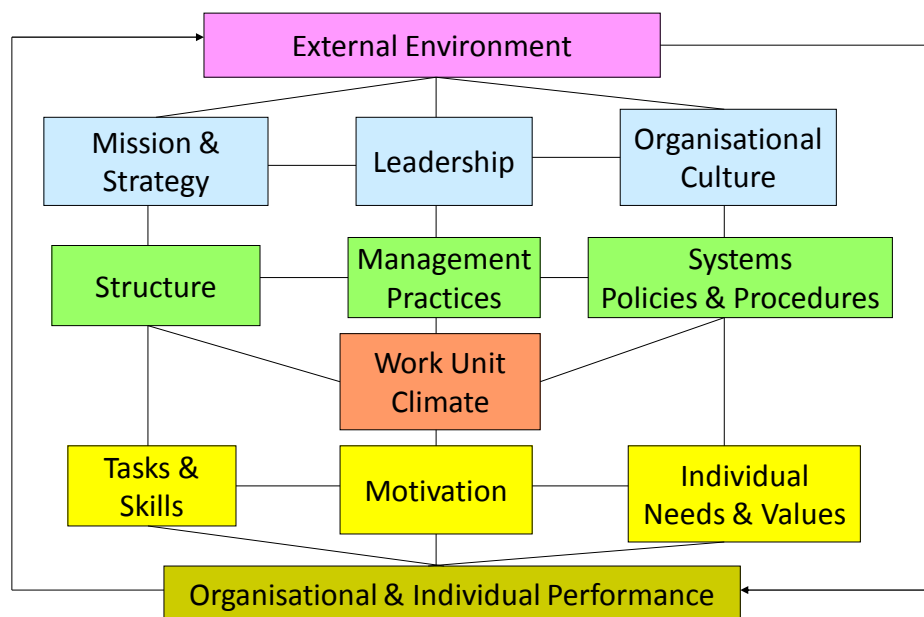
Sorting the Data

In addition to the Tavistock method, all coaching and consulting data was sorted according to three practice-based consulting models:

- The Burke and Litwin Model of Organisational Performance and Change** (1992). The value of this model is that it differentiates between whole-scale, organisational change referred to as "transformational change" which is affected by change in either the strategy, leadership, culture or external environment. Diagram 3.2 shows these top blue shaded categories and above which affect all other categories below. Changes made below lead to piecemeal change or organisational improvement. This includes the categories of structure, management practices and systems, which in turn affects the working unit climate and individuals' motivation and skills.

Diagram 3.2 The Burke and Litwin Diagnostic Model of Organisational Performance and Change

A Diagnostic Model of Organisational Performance & Change



Burke & Litwin (1992)

- The coaching drew on Tavistock theory and methods. This centred on the **organisational role analysis** (ORA) approach to coaching (Newton et al., 2006). Whereas Burke and Litwin sorted what people spoke about according to organisational categories, ORA sorted according to whether it referred more to the person (their history, psychology and needs), the role (they occupied), or the organisation. ORA helped the coaching to get underneath the surface-level of what participants spoke about. Table 3.1 provides a schematic overview of the reciprocal influence between the person, the role and organisation and what these indicate. Table 3.1 highlights some of the theoretical concepts and methods that ORA draws on.

Table 3.1 Schematic Overview of ORA and Reciprocal Influences

Analysing using B.A.R.T. <i>Green and Molenkamp, 2005</i> <i>Miller and Rice, 1967</i>	Differentiating The Normative, Existential and Phenomenal Tasks <i>Lawrence, 2000</i>	Differentiating Leadership, Authority and Power <i>Trist, 1950b</i> <i>Obholzer, 1994</i>	Systemic Levels or Lenses through which to view behaviour <i>Wells, 1995</i>
Boundaries Constraints, Rules and Resources of task, time and territory How are these managed, noted, negotiated?	Normative Task Official Role Title, Definition and Description. This establishes an independent measure of what a role-holder 'ought' to be doing	Leadership Denotes <i>formal</i> role Or can be taken up <i>informally</i> If so, does it further the task of the team or organisation? If not, it is a political or power play	Intrapersonal Psychological Processes, Personality Characteristics, Skills and Knowledge
Authority How is it derived - Formally or Informally? Does it match accountability?	Existential Task What the person thinks, believes or reports what they are doing. Assumptions and 'Take' on Role	Authority Property of the system <i>Different organisational forms authorise roles in different ways</i>	Interpersonal Quality and type of relationships, communication patterns, levels of conflict and trust. Relating styles
Role Nature, Requirements, Stakeholders History of Role in Org. Person Role Biography	Phenomenal Task Actual behaviour in role	Power Property of the Person Does it contribute to the task and system, or benefit the individual? <i>Power without authority = dictator</i>	Group-as-a-whole Group as a non-reducible unit of analysis, individuals as 'mouthpiece' for and behaviour on behalf of group or parts of
Task Primary and Related tasks of Role, Team and Org.? Anxiety associated with doing task?	<u>Method:</u> Differentiating between what a role-holder: 'ought'; 'says' and actually 'does' in role, reveals how: an individual's psychodynamics affect their performance; or how their behaviour is infused by the role or system	<u>Method:</u> These distinctions differentiate between how a role 'authorises' an individual to act vs. how they take on their own authority in role; when they act with or without authorisation in service of the task; or on their own behalf or purposes	Inter-group Relations between groups and sub-groups. Actors carry different membership behaviours from other groups and identities and ideological differences
<u>Method:</u> The B.A.R.T. concepts are used to establish the parameters of a system and to analyse performance within it. Deviations and analysis reveal dynamics that enhance or undermine performance and are used to help individuals and groups reflect upon, and improve, how they go about doing their work			Inter-Organisational Relations existing between organisations and their environment that makes demands on focal organisation

- The third consulting model is **Wells' system-psychodynamic levels of organisational analysis** (1995) that differentiates between five distinct organisational levels of analysis described in Diagram 3.2. Whereas Burke and Litwin helped sort according to organisational category that told us something about the cause-and-effect-linkages in what participants spoke about; and ORA between whether it was more about person, role or organisation; Wells' model sorted according to the organisational level of what participants spoke about and what their psychodynamic communication was referring to, or where it may have originated or is better understood as referring to.

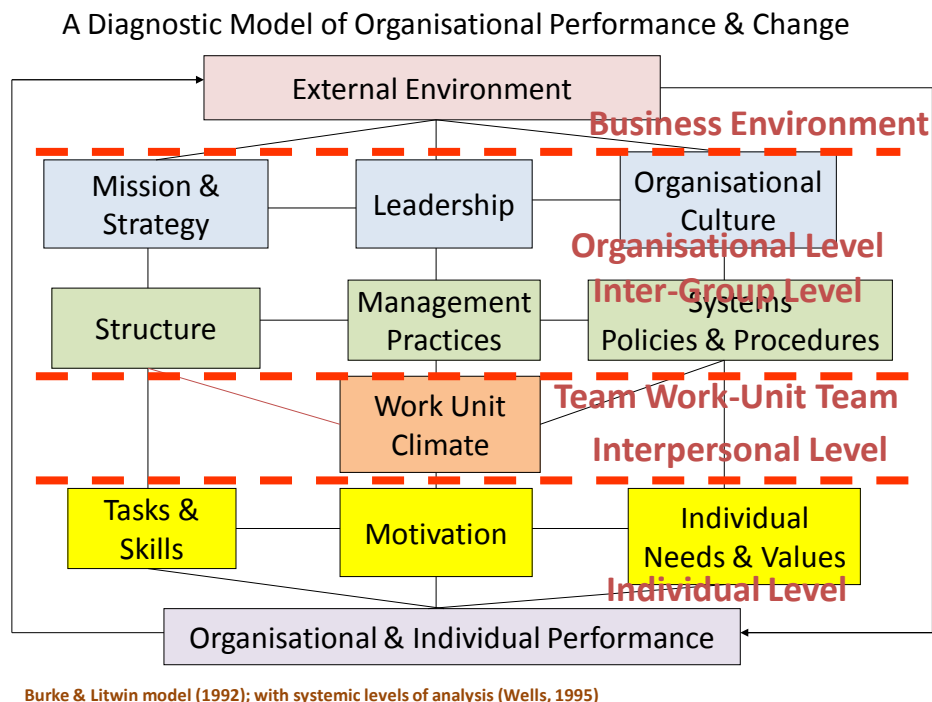
Table 3.2 Wells' System-Psychodynamics Levels of Organisational Analysis

Organisational Level	Description
Inter-organisational Processes	Refer to the "relationships that exist between organisations and their environment". These concern a set of organisations, referred to as referent organisations (Trist, 1983) that constitute a discrete domain that "make demands on or have impact upon the focal organisation". It can also reflect the nature of the environment and the adaptation demands it makes on the organisation (Emery and Trist, 1965).
Inter-Group Processes	Refer to "relations among groups or sub-groups" that derive from the group-memberships that individuals carry with them. These can develop from: an individual's structural or task position; different ideological identifications; as well as from "sex, race, age or ethnic identities". Inter-group processes determine "how we treat and are treated by others"; colour perceptions; and help determine individuals' "sense of reality".
Group-Level Processes (group-as-a-whole)	Refer to the "group as a social system" along with individual members' "relatedness to that system". It draws on Bion's group theory where the unit of analysis is the "group-as-a-whole" or "as a system" which is greater than the sum of its parts. It assumes that when individuals act, they act not only on their own behalf, "but on behalf of the group or parts of the group". Behaviour is viewed "as a synthesis of and interaction with the group's life and mentality" where the individual is seen "as a vehicle through which the group expresses its life." ³⁹
Inter-Personal Processes	Focus on "the quality and type of relationships" between individuals including: communication patterns; information flow; relating styles; and the levels of trust and conflict in relationships. It examines "how well or poorly individuals relate to their peers, subordinates and supervisors".
Intra-Personal Processes	Focus on personality characteristics and the internal drivers of behaviour such as defensive styles, ego ideal, desires and needs fulfilled by others. It "assumes that the behaviour emerges from the internal life from within" the individual.

³⁹ This is the hallmark of a system-psychodynamic approach. Viewing individuals' behaviour as also an expression of aspects or themes occurring within their relatedness to one another and with the various sub-systems and whole in which they are part was how the more psychoanalytic aspects of behaviour were coded for both consulting and research purposes.

Diagram 3.3 transposes Wells' organisational levels onto the Burke and Litwin model. This adds a missing cause-and-effect linkage between organisational categories and levels.

Diagram 3.3 The Burke and Litwin model (1992) with Wells' Systemic Levels of Analysis (1995)



This tells us whether what participants spoke about refers to the organisation-as-a-whole, or the level of inter-group functions, teams or individuals. It also suggests that if intervention was addressed at a particular level or category, this would point to the type of change it may lead to.

Burke and Litwin's differentiation between types of change suggested that the failed social defence intervention - like those found in the social defence literature (Menzies, 1960; Obholzer and Roberts, 1994) - was directed at team and individual-level change. This is not the same as whole-scale, or "paradigm" shifting change that Trist et al. (1963 [1990]) and Emery (1997; Weisbord, 1992; Emery and Weisbord, 1992; Emery and Trist, 1965) argued was required for organisations to change, and may not be adequately addressed with, or facilitated from, the Tavistock paradigm and its methods and interventions.

ORA and Wells' models do not distinguish between types or levels of change, and like SDT and the more psychological focus often found within the Tavistock paradigm, this may only account for why change is resisted by individuals and teams (Long, 2006; Krantz, 2010), rather than how organisational change occurs and where in the organisation it needs to be directed. The implicit assumption in SDT is that organisations change, if individuals and teams (psychologically) change first. While relevant, it is somewhat naive and lacking a sociological dimension. This is where both Burke and Litwin in helping to sort Tavistock-style data, and CT with its sociological explanatory focus, may improve SDT's prospect of change.

This differentiation between types of change and where they may be effected, was the value of the Burke and Litwin model to the research, even when compared to other organisational models of performance and change found in the literature such as: Mintzberg's (1991 and 1981) forces and forms of organisations; Quinn's (1988 and 2001) competing commitments framework; and Schein's (2004 and 1996) work on organisational cultural and leadership. These models are discussed in Chapter Seven as rival theories and their explanations, and why they were not as effective as Burke and Litwin in sorting data, or the combination of SDT and CT in data-analysis.⁴⁰

Data-Sorting Method and Implications

All of the higher level themes from coaching conversation were assigned to one or more of the relevant categories of the three models which best reflected its content or meaning. These were summarised, and then cross-referenced when overlaps occurred between the categories of all three models. For example, if something was assigned to the organisation or system category of the ORA model which was also further broken down into one of its sub-categories; these were then cross-referenced to Wells' inter-group or organisation-as-a-whole levels, or to one of Burke and Litwin's strategy, leadership practices, culture or structure or systems; and vice versa etc. This allowed for causal inferences to be made. Similarly, if something was assigned to one of Burke and Litwin's motivation, individual needs or values, or task and skills categories, this was then cross-referenced against one of the sub-

⁴⁰ In realist research, Maxwell (2012: 127-128), and 6 and Bellamy (2012: 22) argue that conclusion validity and generalisability are enhanced by addressing the possible claims of rival theories or explanations against those chosen.

categories of ORA's individual or role categories, or to Wells' intra-psychic, interpersonal or group-as-a-whole levels.

This allowed conversation to take place between the predominantly psychodynamic-systemic and interpretive models and the social or organisational-systemic and causal model. For example, if something was placed in Burke and Litwin's individual needs and values category and cross-referenced with Well's interpersonal rather than intra-psychic categories, or ORA's sub-categories; this raised important questions for the analysis.

Together, the three sorting models represented a connecting strategy that went across inter-disciplinary and methodological lines. It allowed the data to be viewed from both psychoanalytic and organisational change cause-and-effect linkages. This proved helpful in the later data analysis to forecast where intervention drawing on SDT/CT analyses of institutions could be directed.

3.3 Applying Theory to the Evidence

Identifying Social Defences

Methodologically, SDT is an extension of Bion's (1961) psychoanalytic group theory.⁴¹ It postulates social defences against anxiety - or what Bion categorises in terms of Freud's 'primary process' (or child-like, unconscious, pleasure-seeking and pain-avoidance) functioning which he calls the 'basic assumption group' - are present when more functional (adult or rational) 'secondary process' thinking is in abeyance. Bion's 'sophisticated work group' focuses on achieving the group's purpose or task.

⁴¹ Bion saw basic assumptions as patterned behaviour (albeit defensive in nature and operation). Individuals, anonymously and unconsciously, contribute but once established, BAs operate independently influencing subsequent behaviour. Menzies described the nature and operation of social defences in similar fashion, and like Bion, elaborated with rich descriptions. The value for this research is if we can infer the basic assumption pattern operating in social defences, this allows for a direct comparison to be made between conceptualising social defences in psychoanalytic terms and in social terms – if, for example, we infer which of CT's elementary forms (EFs) may be operating in the same social defence system. Like BAs, EFs are patterned behaviour. But they operate sociologically according to implicit social values, beliefs and design principles that organise social relations. For Douglas (1986 and 1982), EFs can be summoned for defence and attack – in both justifying one's own actions and blaming others. Such comparison allows the research to infer which pattern (psychoanalytic or sociological) better matches the evidence that may identify the causes (what externally the social defences are a reaction to) and forecast consequences (what they may go on to cause within the organisation) of the social defences.

Bion postulates, that at any point in time, a group is either predominantly operating as a 'basic assumption' group or a 'work' group.

The social referent for both basic assumption behaviour, and social defences, is the primary task or purpose of the organisation, role, team, department and so on of the individuals exhibiting defences. These are (theoretically) inferred in the reasonable presence of what can be deemed task-avoiding or anxiety-circumventing behaviour. This can only be quantified as more or less.

A social defence pattern will reflect one or other of Bion's 'basic assumption' (BA) behaviours: dependency, fight/flight, and pairing. Two more have been added: BA 'Oneness' (Turquet, 1974) and BA 'Me' (Gould et al., 1996). These have been described in Chapter Two.

Social defences were inferred in the presence of task-avoiding, task-undermining or anxiety-circumventing behaviour in relation to the primary task, and then labelled according to the dominant basic assumption they displayed.

Comparing Social Defences as Basic Assumptions or Elementary Forms

Identifying the BA pattern exhibited in the social defences could not provide as adequate a forecast of the consequences that the social defences contributed (to actual case outcomes), compared with identifying one or other of CT's elementary forms driving social/institutional operation of the social defences. The elementary forms were mostly reliant on observing and inferring the thought-style each social defence constellation exhibited. It is from this basis, derived from actual case outcomes, that generalisations can be made.

The inadequacy of forecasting what social defences will go on and cause if they were defined as basic assumption patterns - derived from the Tavistock methods - led to the development of a second and third set of research questions. Using CT, and the three analytical models (institutional theory, systems theory, and agency-structure):

- helped develop the sociological side of SDT,
- contributed to SDT's prospects of change, and
- enabled an exploration of the role and relative contribution of social and psychological forces in diagnosing and helping change organisations.

The implications are taken up in Chapter Five.

Steps that Developed the Sociological-Side of SDT

Developing the sociological dimension also drew upon contributions from **Durkheim and Freud** who used concepts that freely applied to inter- and intra-psychic phenomena.

- From Durkheim, social defences were conceptualised as "*social facts*" and as a form of "*anomie*" or a reflection of the anomie within the organisation (definitions are provided in Chapters Two and Six).
- From Freud, *anxiety* as social in origin and nature ("moral anxiety"), and "*identification*" as encompassing symbols, ideas and principles as markers for values and beliefs.

This focused attention on the likely social dimensions of social defences emphasising how their social nature constrains and informs behaviour. Drawing on **realist causal methods**, this led to:

- Identifying the social *causes and effects* of social defences
- *Tracing their history*
- Determining the *function* they serve both for the social group they exist in, and the effects they may generate within the larger organisation.

These tools gelled with the sociological developments and methods in the work of **Trist, Emery and Jaques** who may not have known about CT, but drew on the three analytical models in varying ways.

Applying the Three Analytic Models

The three analytical models, like CT, can be used alongside SDT to develop the sociological dimensions of social defences that:

- Operate as **institutions** (Scott, 2008; Douglas, 1986)
- Generate systemic **feedback loops**, and display **self-organisation** (Meadows, 2008; Capra, 1996; 6, 2003 and 2011; Douglas and Mars, 2003)
- Can be viewed either in psychological terms as forms of **agency** versus sociological terms as **structure** (Mouzelis, 2008; Archer, 1996).

They provided the tools through which the claims of SDT and CT, against the case-data, can be compared and help answer the second and third set of research questions. For example, SDT may posit that social defences are a form of agency, albeit unconscious or "de-centred" (Caldwell, 2005); whereas CT could reconceptualise social defences as institutions or structural entities generating institutional influences and distinctive cultural rationalities on individuals and the organisation. This allows different inferences to emerge in diagnosing organisations and directing change intervention. Table 3.3 indicates how the three analytic models were applied in the research.

Table 3.3 The Three Analytical Models and their Use in the Research

Analytical Model	Definitions	What Used	Method
Agency-Structure	<ul style="list-style-type: none"> - <u>Structure</u> as social forces inherent in systems and institutions that influence and constrain individuals' action - <u>Agency</u> as ability of individuals to act and pursue goals and alternatives in the context of social influences and constraints (King, 2005) 	<ul style="list-style-type: none"> - <u>Agency can be unconscious</u> (Caldwell, 2006) - Agency and structure as <u>two types of causality</u> (Mouzelis, 2008) - <u>Where the theoretical locus of explanation should be placed</u> on individuals or social influences (Gergen, 2001) 	Viewing agency and structure as analytically distinct phenomena and observing and comparing their influence and interplay over time (Archer, 1996)
Institutional Analysis	<ul style="list-style-type: none"> - Institutions are <u>conventions</u> or ways of thinking about, and doing things, that ensure coordination (Douglas, 1986) made up of <u>beliefs and practices that influence behaviour</u> in regulative, normative and culturally-cognitive ways (Scott, 2008) 	<ul style="list-style-type: none"> - Institutions can be <u>formal or informal</u> (6, 2011) and operating within both the formal and informal organisation (Goldsmith and Katzenbach, 2007) - Viewing '<u>structure</u>' and <u>social defences as institutions</u> containing rules, practices, norms and beliefs, and common ways of thinking and doing 	Leaders' and individuals' actions can create institutions that in turn influence behaviour Reconceptualising social defences as informal institution practices and ways of thinking
Systems Theory	<ul style="list-style-type: none"> - Social defences <u>generate feed-back processes or loops</u> (Meadows, 2008) - Social defences and other institutions (e.g. the post-GFC policies) '<u>self-organise</u>' which suggests that they are simultaneously <u>open to the influence of their environment and closed</u> 	<ul style="list-style-type: none"> - Differentiating types of feedback loops as <u>reinforcing</u> (positive) or <u>undermining</u> (negative) - <u>Positive feedback</u>, if left unchecked, will reinforce the behaviour and practices within the system until it begins to undermine the system - <u>Feedback can be directed</u> 	<ul style="list-style-type: none"> - Through observation and inference from effects to find causes can <u>identify feedback loops</u> within institutions and toward other institutions or the organisation - '<u>Self-</u>

	internally or <u>operationally</u> in what they do with this influence (Capra, 1996)	<u>internally and externally onto other systems</u> - <u>Negative feedback</u> is usually directed outward of the system to other systems to undermine them	<u>organisation'</u> involves examining the effects that being both open to the environment and closed operationally entail
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Applying Cultural Theory

Of the many attempts to operationalise and objectively measure aspects of GGCT, those that have focused on the grid and group dimensions (rather than the four cultural types) have shown more promise but come with their problems (Maleki and Hendriks, 2014). This is because aspects of the theory (grid-group, elementary forms, thought-style) are intermediate concepts and not true operational measures (6, 2013).

Douglas' own preference was for qualitative, in-depth case-studies. She remained wary of attempts to empirically prove the validity of the theory through quantitative measurement. She saw cultural theory as offering "a nice little typology that goes a long way in understanding the world around us" and indeed, the "worlds around us" (1992: 137), applicable to different levels of analysis from individuals' preferences, to groups, organisations and nations.

For qualitative case-based research, there are five ways of classifying the different dimensions of the theory. Douglas (1982) in collaboration with Hampton (1982), and Gross and Rayner (1985), focused on defining the grid and group dimensions. Whereas, Thompson (1992) and 6 (2011) have produced ways of sorting for thought-style, and Mars (1982) targeted different ways rules can be violated that identify anomalies in thought-style. Recently, 6 (unpublished) has produced measures that do not rely on thought-style by identifying the number and types of roles, positions and relations between them for each of the cultural forms. Aspects of all five were used.

In this research, because CT was applied to:

- the **social defences**, including the three groups exhibiting them (the senior team, and functions of Manufacturing and Sales),
- the four most notable **post-GFC policies**, and
- the **organisation as a whole** at different times ...

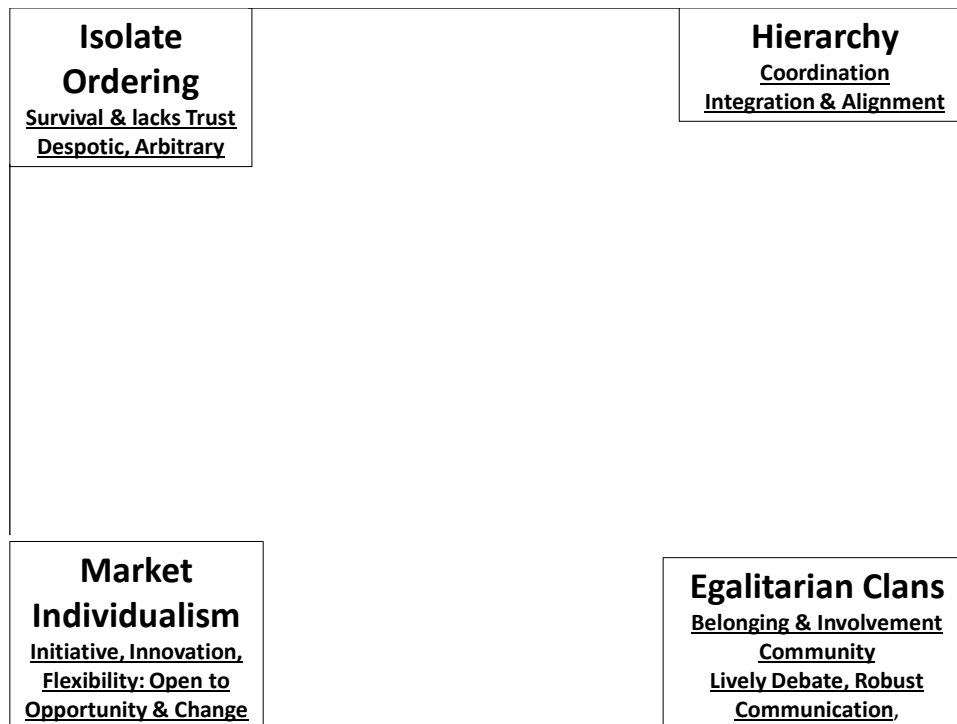
... it made sense to firstly conceptualise each as institutions that generated feedback loops; and secondly as containing an organising logic, thought-style and values according to one or a mix of CT's elementary forms.

To do this, required viewing the cross-tabulated grid-group dimensions as 'continuous dimensions' rather than 'dichotomous variables' (Thompson, 1982; Boyle and Coughlin, 1994; Coyle, 1994 and 1997). As 'dichotomous variables', their cross-tabulation reveals four parsimonious, 'ideal type' categories. The difficulty here is that a slight shift or a crossing of one line into another implies "a sudden, radical transformation to another state" (Boyle and Coughlin, 1994: 194). This is empirically rare. Nor does it capture how a hybrid mix of elementary forms may be operating (6, 2011). It also underplays how thought-style is cultivated, and how individuals' preferences for particular values or beliefs develop over time, and may change depending on the context (Douglas, 1986; Coyle, 1994).

The alternative is to conceptualise the two dimensions as "continuous dimensions". This allows for a weighted hybrid mix of elementary forms. And for the "pure types ... [to] occupy only small regions near the corners of the quadrants ... and transitional gray areas consume most of the area of the map" (1994: 194-5). As continuous, the four corners can then be seen "as ideals or theoretical extremes" rather than the location of real individuals or institutions (Coyle, 1994: 220).

Methodologically, this required starting with a blank CT map highlighting the four extremes only in the corners, Diagram 3.4, and then plotting where on the map the social defences, policies and organisation would be. This allows for slight shifts to be detected over time.

Diagram 3.4 A Cultural Theory Social Map without the Boxes
 (Adapted from Thompson, 1982; Boyle and Coughlin, 1994; and Coyle, 1994
 and 1997)



The methodological steps:

- Each of the social defences, policies and the organisation-as-a-whole were intuitively captured, and described, by one or a combination of elementary forms: either the **values** or principles they displayed, or the **style of organising** they were perpetuating.⁴²
- Each institution also had a **purpose**. Individuals working to pursue a purpose would over time develop distinctive ways of thinking and behaving - or **thought-style**.
- Then came identifying the driving value or principle, and style of organising. This involved working back to see whether the purpose or intent of each institution, and the observed thought-style, matched the intuited inference.

⁴² For example, if we take the centralisation of purchasing and distribution, the underlying driving principle or value was to seize control of expenditure and to cut costs. The style of organising that this perpetuated was centralising control at the top of the organisation, and reducing the options of departments that previously had this control. The principle and style of organising indicated both hierarchy and Isolate Ordering. But given the fear, and the threat to survival, and the loss of authority this entailed for people below, this leaned it more toward the latter. This becomes clearer if we compare this policy to the introduction of the KPIs (Key Performance Indicators). The underlying principle or value, and style of organising, was to create order and organisation, which though increasing control, it also indicates that it is attempting to create a functional or better-organised hierarchy.

- The next step was putting these four elements together and placing them onto a blank CT map. This helped to determine the approximate location or spread of each policy. A consistency would indicate a specific, or the strongest, elementary form driving the institution, whereas an inconsistency would point to a weighted mix of elementary forms.⁴³
- This was done for each of the social defences, the policies and the organisation as a whole.
- Next came identifying the most likely consequences or effects that each institution generated.
- The final step was looking at the empirical events that occurred and asking whether the hypothesised elementary form or weighted mix would have generated such consequences. In all cases, and as described above, there was a match.

3.4 The Four Iterations of Data-Analysis

First Iteration: Writing a Narrative

Writing a linear narrative of the case leads to “developing a case description” as a strategy “to develop a descriptive framework for organising the case study” (Yin, 2009: 131). This identified:

- the **plot**, ... centering on the failed social defence intervention ... why?;
- the **relevant actors** and their contributions,⁴⁴ ... the senior team, the departments of Manufacturing and Sales, and their social defences;
- the **scenes** in which the action occurred, ... head office;
- the **significant issues** of the case, ... the GFC, the post-GFC policies, the social defences and the worsening problems; and
- the **context** behind the story, and how it contributed, ... the history of the organisation, its tendency toward, and movement, into isolate ordering.

⁴³ For example, with the centralisation of purchasing and distribution, the four elements together were indicating a weighted mix of two elementary forms, isolate order being the stronger, and hierarchy. Whereas the KPIs were more clearly hierarchical in their intention, and the pushing of initiative was mostly market or individualist.

⁴⁴ Significant examples from the coaching, and how these deepened the learning and understanding behind the story, were included in the original narrative but were edited out in order to protect the confidentiality of individuals. Attempts were first made to disguise the roles and the individuals involved, but this only confused the story as the roles and the departments that these individuals occupied emerged as significant contributors to the narrative.

This helped to distil the significant elements of the case and how they related to each other. It was both “categorising” and “connecting strategies of data analysis” (Maxwell, 2012: 118-123) that helped “to identify the appropriate causal links” to be analysed (Yin, 2009: 131).

Second Iteration: Cause and effect Relationships

The significant elements of the case were then placed into a time-ordered sequence (Yin, 2009: 144-146; Miles and Huberman, 1994). These identified:

- The metaphors used by participants to refer to the coaching at different intervals of time,⁴⁵ which interpretively framed ...
- The key events such as the GFC, organisational problems and phenomena, social defences and the post-GFC policies.

These were then subjected to a series of analyses which included:

- Displaying each of the events and phenomena singularly, in terms of what happened before and what came after, to see what cause-and-effect inferences could be developed; and then
- Combining each of these significant elements with each of the others to study their relationship over time, and to infer cause and effect linkages between them.

These analyses, along with their displays are presented in Chapter Five, as are the third and fourth iterations of data-analysis.

Third Iteration: Articulating SDT, CT and the Three Analytic Models Against the Evidence

Each of the significant case elements could be analysed by at least one or more of SDT, CT and the analytic models. This required articulating the “theoretical propositions” arising from the research questions (Yin, 2009: 130). It then involved finding ways of sorting SDT, CT and models into ways in which they could then analyse the data, find the relations or patterns in the data, and the ways they were connected (Maxwell, 2012: 115-117). For example:

⁴⁵ These reflected the changes in the nature of the emotional experience, and provided the emotional confirmation of the social defences and worsening organisational problems and situation.

- **SDT** identified collective anxiety and the social defences. This involved identifying the basic assumption defence pattern of each, and inferring the primary task or new expectations to establish a theoretical link between the anxiety and the social defences.
- **CT** was applied to the key case elements by inferring the elementary form or mix operating within each.

While SDT and CT together could identify and describe the significant events of the case, (post-GFC policies, social defences and later problems); the three analytic models were adept at examining and inferring their nature, their operation generated-consequences, and could be applied to SDT, independently of CT which already draws upon them, adding greater flexibility in the analysis:

- This involved inferring the **agency or structure** in what people were doing; and assessing these as *analytically distinct*, rather than empirically distinct phenomena, and observing their *interplay over time* (Archer, 1996; Mouzelis, 2008).
 - This distilled whether dispositional (psychological) or relational (more sociological) accounts (Tilly, 2008) better applied.
 - If people's actions were inferred as unconscious, as a form of "decentred agency" (Caldwell, 2006: 23), this could then be compared as either influencing events and structures (institutions) or being influenced by them.
 - This in turn, could infer when social defences were best seen as institutions (structures) operating independently of people, or as forms of agency; and when institutions were better inferred as triggered by psychological forces and/or driven by them.
 - This strategy helped to infer the role and relative contribution of social and psychological forces, with SDT and CT offering two rival explanations which could be compared against the evidence.
- **Formal and informal institutions** were identified. The policies being initiated by senior team members were seen as formal institutions, whereas the social defences were not planned and emerged as informal.
- **Feedback loops** from each institution were abductively inferred from their effects. '**Self-organisation**' provided an *analytic distinction* between the influence of external forces versus the force of internal choices (albeit at times unconscious). These too were inferred.

The third iteration allowed comparison of the theories and models as offering their own rival accounts of phenomena, and examining how the conclusion validity of each stacked up against the other.

Fourth Iteration: Episodes, Causal Triggers, Mechanisms and Processes

This was the most intentional realist causal analysis. It involved assigning each of the significant case elements (the GFC, post-GFC policies, social defences and problems) singularly and in relationship as being made up of discrete **episodes** that needed to be explained through inferring the **causal mechanisms** and **processes operating** within, and between, them (Danermark et al., 2002; Sayer, 1992; Tilly, 2008).

The third and fourth iterations were analytic “connecting strategies” (Maxwell, 2012) in building the explanation.

Chapter Four: Empirical Findings - First Iteration Case-Narrative

Iteration is part of the trade-craft of the psychodynamic consultant, which here is based on the realist epistemological assumption that there is something to be found 'beneath the surface' of the evidence. Many organisational consultant-analysts share this assumption. Indeed, iteration is a vital part of realist discovery processes.

It was readily apparent that the coaching and consultation which had the explicit, indeed enthusiastic, backing of the company had failed to bring about changes we were all seeking to effect. While it would be tempting to present condensed findings in the form of fiction-after-the-fact, given our methodology whereby iteration is essential to explanation and theory building, what follows is the first round of iterative case analysis - a chronological case narrative.

The consulting project had amassed data over its four-year duration. As a way of organising the overlapping consulting and research data, and to identify the key issues and themes, a linear narrative of the case was written first. This included an initial re-examination in the light of social defence theory, cultural theory and the three analytic models that informed the three sets of research questions. Here we present the key events chronologically. These are interspersed with a contemporaneous 'primary' analysis that informed the on-going consultation, and a 'secondary' analysis for doctoral research purposes - this is what is meant by iteration. By describing both the author's immediate involvement in the consultation and our development of an independent research project, this allows the reader to make a more independent 'over-my-shoulder' assessment of the case and my take on it. The case has been written to prevent identification of individuals, while respecting the rich data that emerged from the coaching.

Data from the coaching and consulting emerged as pieces of a jig-saw puzzle that were apparent at different times and in different parts of the organisation. Putting these pieces together was initially the work of the consultancy; it then became that of the research. This narrative includes our first analysis which they were subjected to.

4.1 Case Background: Setting-up the Coaching and Consulting - Aims, Objectives and Relevant Case Pre-History

4.1.1 Setting-Up the Coaching-Consulting Project

Diagnostic Interviews with the Organisational Sponsors of the Project

The project began in February 2008 with a series of data-gathering and diagnostic interviews with the main sponsors: two members of the senior executive team. We identified the aims of the project jointly, including business and organisational objectives against which the coaching and consulting would be evaluated. The sponsors wanted learning and development opportunities for senior managers. They were pressed to identify business and organisational benefits that coaching could bring throughout the organisation. We agreed that coaching could be evaluated according to its individual and organisational benefits (Sherman and Freas, 2004).⁴⁶ What had been an individually-tailored development opportunity for senior managers, now addressed organisational performance.

The sponsors soon identified three issues. The need to:

- Break down the 'command and control' mind-set of managers, micro-management, and prevention of development opportunities for those they managed ('direct reports'). The sponsors proposed more delegation of initiative to the lowest possible levels.⁴⁷
- Develop problem-solving capabilities at the lowest levels, reducing upward referral.
- Improve cross-functional communication, understanding and collaboration.

⁴⁶ Dual-Track Coaching: To achieve these aims, the coaching was set up as a dual-track coaching and organisational development change initiative suggestive of Sherman and Freas (2004). The 'dual track' refers to linking the coaching to strategic business objectives while simultaneously providing opportunities for managers to work on personal and professional development issues of their own choosing. Linking the coaching to serve larger business objectives overcomes some of the problems identified with coaching in organisations. The literature suggests that benefits are mainly for the individuals receiving the coaching, but not necessarily the organisation. These individuals may use the coaching to seek promotions and better opportunities outside, or work on issues that had little or no measurable impact or return on the organisation's investment. Linking the coaching to serve larger business objectives not only accelerates individual learning, it also helps the learning to stick, while being targeted to add direct value to the organisation (Sherman and Freas, 2004; Anderson and Anderson, 2005; McGovern et al., 2001; Coutu and Kaufman, 2009). This can help build a climate that is conducive, not only for individuals receiving coaching, but can translate the learning and benefits to those around them, extending its reach across the organisation (Clutterbuck and Megginson, 2005).

⁴⁷ The concern was with the lack of development opportunities at all levels of the organisation and the identifying and nurturing of talent from within. They were also keen on managers to be pressed to use their initiative and discretion, and for less problems coming up from below.

The research emerged to examine the ineffective social defence intervention and explore, through this case study, what could be done to improve SDT's prospects of attaining organisational-level change.

The following tables allow the reader to retrace the author's steps and to grasp the data and its relation to key events quickly. Some detail has had to be sacrificed for reasons of confidentiality, including references to role and international regions involved. But we do have a composite of coaching and consulting data, and indication of the organisational levels and functions at which it was recorded. Table 4.1 outlines the aims of the coaching and includes the results of the 360° questionnaires participants undertook prior to coaching.

Table 4.1 Items Raised Early On and How

Sponsors Organisational Aims for Coaching	Roll-Out and How Identified	Participant Aims - What was Identified and Worked On	Collective Results of 360° Questionnaire⁴⁸
<ul style="list-style-type: none"> - Decentralising Authority and Responsibility - Breaking down 'Command and Control' Mind-set and Discouraging 'Micro-Managing' - Delegating and Developing the People Below - Greater Taking Initiative - More Taking Ownership and Finding Solutions to Problems - Fewer Problems Going Up for Solution - Improved Cross-Functional Collaboration 	<ul style="list-style-type: none"> Joint Kick-Off Meeting - Sponsors Introduce Purpose of Coaching - Facilitated Discussion to Identify Key Issues and Individuals' Goals - 360° Questionnaire - Six Sessions - Reporting On High-Level Themes Only - Evaluation Against Organisational Aims and Participant Aims 	<ul style="list-style-type: none"> - Communication - Being strategic - Understanding Self and Others - Developing Others - Planning, Being Organised, Efficient - Delegating - Improving Problem Behaviour (identified by self and others) - Teamwork - Networking - Diplomacy and Political Tact 	<ul style="list-style-type: none"> Widespread Tendency of Managers to be 'Hands-on' not 'Strategic' High Scores: - 'Control' - 'Results Focus' - 'Taking Leadership' Low Scores: - 'Communication' - 'Feedback' - 'Team Player' - 'Developing Others' - 'Cooperation' - 'Empathy' - 'Being Persuasive'

⁴⁸ The 360° questionnaire used in Manufacturing was the Leadership Effectiveness Analysis (the LEA). It is one of the oldest and most researched questionnaires, with high reliability and validity scores (see: <http://www.mrg.com/products-services/leadership/> and http://www.mrg.com/uploads/PDFs/All_Product_ReportSamples.pdf). For all subsequent coaching the 360° instrument was the Leadership Circle (see: www.fcg-global.com/story/the-leadership-circle-profile/ and <http://www.coaching-courses.com/coach-training/assessments-and-tools/CTI-360-tool.pdf>).

Feedback, Analysis and Feedback Meetings as Action-Research

It was agreed with the sponsors that regular feedback and planning meetings would take place with the senior team and selected second and third level groups. The format was to involve three stages:

- Presentation of higher level themes and observations from the coaching, and recommendations⁴⁹
- Free-ranging facilitated discussion and for the senior team to analyse the issues and themes as they saw fit
- Identification of action and follow-up.

This format was itself an intervention based on action-research principles (Coghlan and Brannick, 2001; McArdle and Reason, 2008: 123-6; Bartunek et al., 2008: 156-7). In this way, both the coaching and the feedback meetings offered opportunities to work with the organisation and not just the individuals.

4.1.2 Relevant Pre-Consulting History with Primary and Secondary Analysis

Table 4.2 Relevant Pre-Consulting History with Primary and Secondary Analysis

Why Manufacturing was Chosen for the First Coaching Sessions	A new CEO and a 'Fresh Look' - Innovative Senior Team
<ul style="list-style-type: none"> - Assessed as most 'inward looking', self-serving and resistant to change - especially level 3 plant-managers - many of whom were judged not 'further promotable' - The Company had abandoned its Regional Structure (in which Manufacturing managers were prominent) in favour of a Functional Management and a more equitable distribution of control - The Manufacturing Division had been characterised as 'engineers and experts' - as inflexible, uncompromising and often uncooperative and 	<ul style="list-style-type: none"> - New CEO - appointed July, 2007; the first in the company's ten-year history not to be an engineer or to come from a Manufacturing background, but an MBA with expertise in business development - Old thinking had been that only engineers and plant managers ought to be promoted as they were seen as most capable to 'trouble-shoot' - This was believed to have led organisation to 'over-engineer' its products at high cost, and to determine 'what was best for customers' - despite complaints from Sales that customer needs were not always met - This was attributed to the company having been the Manufacturing arm of a much larger company from which it was spun off in 1999 - It was also attributed to a long period of uninterrupted growth, concealing any need to change. Inability to change

⁴⁹ Only higher-level themes, reported by at least two and preferably more participants were reported back. Individuals' confidentiality was protected and if participants did not want anything to be fed-back for whatever reason, this was upheld.

<p>uncommunicative</p> <ul style="list-style-type: none"> - Sponsors wanted the coaching to 'shift their mind-set' from 'technical problem-solving' to 'managers' who develop people, collaborate with others and think with a 'helicopter-view' of the 'big picture' 	<p>was now seen as a threat to long-term viability</p> <ul style="list-style-type: none"> - The 'new look senior team' was chosen to pursue a 'managerial' and 'strategic' orientation; new appointments including the new Director of Manufacturing came with entrepreneurial and managerial skills at developing independent business units. Their aim was to 'shake things up', disrupting the 'cosy comfort zone'
<p style="text-align: center;">Primary Analysis as a Consultant</p>	<p style="text-align: center;">Secondary Analysis as a Researcher</p>
<ul style="list-style-type: none"> - The aim was to change 'management practices' <p>In the Burke and Litwin model, this represents a <i>transactional</i> factor concerned with improvement, not whole-scale change</p> <ul style="list-style-type: none"> - Included were: improved team performance for greater motivation and lessening of 'command and control' to free up individuals' initiative and development; greater responsiveness; prompt decision-making; greater flexibility; reduction in middle-managers' power where things got 'trapped' 	<ul style="list-style-type: none"> - From a Cultural Theory perspective, the history and functioning of the organisation indicated 'High Grid' (High Regulation) based on rank differences. Coaching evidence upholds this: <ul style="list-style-type: none"> - Several third level plant managers complained that they had to 'control everything' and couldn't 'trust' that what they requested would be done. Others complained that their own managers were 'controlling'⁵⁰ - Second level managers made similar complaints about their own direct reports and the managers above them - The biggest complaint from the senior team was of too many problems 'coming back up' to them for solution - Poor quality of communication, understanding and coordination between the levels <p>These raise questions about the degree of Social Integration (or 'Group') in CT terminology</p>

Note: High Regulation with low Integration would indicate some degree of *Isolate Ordering*⁵¹ - that was probably a stronger feature of the overall design in the past.

4.2 April 2008-May 2009: The Global Financial Crisis and Pre-Social Defences

Coaching Themes (May 2008-January 2009)

While participants spoke about a variety of work-related and personal issues, three themes were prominent. Using the Burke and Litwin, ORA, and Wells' models to code our notes the following emerged.

⁵⁰ Throughout this chapter singular italics '...' denote what was heard by the consultant either during the coaching, interventions or observations.

⁵¹ This is somewhat similar to traditional criticisms of hierarchy or bureaucracy that is overly centralised and controlling, with systems and procedures that do the thinking for people while crushing their use of initiative and opportunities for learning and experimentation. The value of Isolate Ordering is that it allows us to distinguish between dysfunctional and functional varieties of hierarchy or bureaucracy (see, for example: du Gay, 2000; Jaques, 1998; Jaques and Clement, 1991; MacDonald et al., 2006; Gray et al., 2007).

Table 4.3 Coaching Themes from Manufacturing (May 2008-Jan 2009)

Themes	Evidence
Lack of Clarity and Differentiation in the Work of the Three Organisational Levels	<p>Widespread Overlap in:</p> <ul style="list-style-type: none"> - Work Responsibilities - What managers saw themselves as responsible for (between first, second and third levels) <p>Little Consistency in Participants' attribution of:</p> <ul style="list-style-type: none"> - Decision-Making Accountability - 'Added value' they provided to levels below - Their own authority over resources and personnel <p>Low Trust</p> <ul style="list-style-type: none"> - Of others and of others in themselves - Describing their boss's behaviour as 'controlling' or 'absent' <p>Asked to describe their work:</p> <ul style="list-style-type: none"> - The answers were 'problem-solving', 'fire-fighting', 'hands on' activity and acting as a 'technical expert'
Complaints of Micro-Managing by Bosses and Lack of Faith in the Capability and Motivation of Direct Reports	<p>Issues Raised during Coaching</p> <ul style="list-style-type: none"> - Managers having to enforce control or give explicit directives for work to get done - Not feeling 'trusted' to use their 'brains'. Being 'micro-managed' - Criticism that their bosses did not 'add value'
Low Communication and Understanding between the Levels and Functions	<ul style="list-style-type: none"> - Complaints that managers were not communicating their expectations or concerns - Difficulties in 'honest, straight communication' to clarify issues, solve problems. Misunderstanding across levels and functions - Inclination to act on assumption about others, or their work, instead of asking for clarification - Conversational deficit (lack of sharing, understanding, or giving and receiving feedback) concerning performance and expectations

Note: From a Grid-Group CT point-of-view, these themes are further evidence of Isolate Ordering.

When these themes were fed-back to individual participants, all recognised them, and either ignored them or felt they were too difficult to do anything about. I also learnt that 'under-performers' would be moved into different roles without feedback, and how some roles, especially non-line technical support (of which there were many), would be designed or duplicated to accommodate 'personality conflicts', or seniority. The general preference was to avoid conflict, and difficulties ensued. The

sponsors were aware of the 'micro-managing', the high 'control' focus and poor communication, but not of the extent of work duplication. These pointed to deeper issues of structure, performance and review systems, and practices, as well as, with the culture.

Primary Analysis

These issues were indicative of what Burke and Litwin refer to as 'transactional' factors requiring intervention between individuals, or the adjustment to, or development of, performance systems or aspects of the design, rather than whole-scale organisational change. But they were pointing to deeper problems with the 'culture'.

The organisation was mostly aware of these problems, and was using the coaching as a means of addressing them, as the sponsors said to me. A frequently mentioned rationalisation was because of its 'financial success' and 'past continuous growth', the company could continue to tolerate these problems rather than actively address them. At the time, I noted this expectation of the coaching, and sought to raise these issues and help others to address them. It was perhaps why a coach had been hired.

The CT insights were not available to frame at this first feedback session with the senior team. At this point in the consultation, the approach and style of intervention was to offer an interpretation and facilitate discussion, based on action-research and system-psychodynamic Tavistock methodology. It was capable of addressing the division of labour and differentiation of the levels; and the poor communication, lack of feedback and the micro-managing style of leadership.

First Feedback, Analysis and Planning Meeting with Senior Team (September 2008): Eve of GFC

Table 4.4 summarises the content and tone of the meeting.

Table 4.4 Summary of Recommendations and Discussion from First Feedback Meeting with Senior Team (September 2008) Pre-GFC

Recommendation	General Discussion	Impressions
<p>Clarify the Division of Labour between the top three Levels Create clear differentiation that distinguishes.⁵²</p> <p>Strategic Domain:</p> <ul style="list-style-type: none"> - Define <i>strategic intent</i> - Manage the <i>primary risk*</i> and associated uncertainty and anxiety - Champion the <i>values</i> that govern how work is done (the work of the senior team) <p>Organisational Domain:</p> <ul style="list-style-type: none"> - <i>Strategy implementation</i> - of systems and processes - Develop and lead the <i>practices*</i> that give meaning to work - Forecast what may go wrong, make trade-offs and identify alternatives (the work of the Second Level) <p>Operational Domain:</p> <ul style="list-style-type: none"> - Manage front-line work - Applies, oversees and stream-lines the operation of systems and processes that: - Focus on the <i>primary task*</i> (the work of the Third Level) 	<p>Senior team liked the 'domains' Discussion focused on three key issues:</p> <p>Defining the 'finger-print' of the senior team and Head Office:</p> <ul style="list-style-type: none"> - Rethinking how 'heavy' (control capital, revenue and expenditure) or how 'soft' to be (signing off decisions made below) - At this date, mostly 'heavy' but varied according to region and who was in charge - Preference to streamline and to go 'softer' <p>Discussion on ways to operationalise these domains:</p> <ul style="list-style-type: none"> - Great variability across functions depending on financial decisions and the degree to which personnel could be 'relied on' - Talk of trialling the use of RACI chart that has worked in manufacturing (R=who is responsible for the decision; A=who gives the approval; C=who could be consulted; I=all parties that need to be informed) <p>This led to discussion about the Manufacturing-Sales 'fault-line'</p> <ul style="list-style-type: none"> - The cause of most headaches and restructures from functional-to-regional-and-back-to-functional - 'Every time we start to cooperate, something goes wrong!' 	<p>This is the most animated and engaged the senior team were ever to be</p> <ul style="list-style-type: none"> - Gives a good indication of how well they function as a team when not in crisis - Willingness to contribute, ask questions and focus on solutions <p>However... with the final topic, the mood changed with:</p> <ul style="list-style-type: none"> - Signs of frustration - Two Directors remained quiet. When questioned: - One said he 'only wanted to listen'; the other - 'this takes up too much of our time' - Discussion ended without consensus or action

Note: The open discussion and animation was not to be seen again, and the mood soured when talk turned to the repeatedly unsolvable Manufacturing-Sales 'fault-line'.

⁵² Based on an adaptation of Jaques' 'levels of work' (1998: Stamp, 1995; Jaques and Clement, 1991) with associated systems-psychodynamic concepts in each of the domains, marked with an asterisk*. For example: the strategic domain involves managing the "primary risk" (Hirschhorn, 1999) or the anxiety and uncertainty from themselves and the organisation that making hard strategic choices entails. An organisation's "practices" (Armstrong, 2005) give meaning to the work and the way it is done. The work of the third level, or the operational domain, is responsible for ensuring the organisation's "primary task" (Rice, 1958) or what it must do in order to survive.

Immediate Aftermath to Global Financial Crisis (October/November 2008)

We were present within the company during the Global Financial Crisis. This was fortunate from both a consultant's, and then a researcher's, point of view. The aftermath deserves careful examination. From it, we can infer more than just a standard commercial response to harsh economic conditions.

Table 4.5 Organisational Responses to GFC and their Initial Impact

Critical Instance	Observations
Key Customers Cancelled or Postponed Orders Indefinitely	- Initial Denial. The GFC 'after-shock' one month later brought acceptance that with no sales, there would be no revenue beyond orders-in-production. The magnitude of the difficulties was realised
Largest Customer Announced it had dropped the company's 'Preferred Supplier' status	- Shock affected the whole organisation. Survival Anxiety felt acutely in the third level of management and below - Coaching participants became voluble about company's past and present practices, their concerns and recurrent issues ⁵³
Senior Team Announced Changes and Cost-Cutting	- Lacking detail, this induced rumours - Second level managers were now fearful - Senior team, despite the uncertainties, was animated and active - Fewer 'sackings' announced than expected - Sackings met with approval - Hope returned , galvanising second and third level managers to be involved and to solve longstanding problems
The Remaining National Production Facility to Close. Seasonal Workers to Replace Most Permanent Staff in Production Production Moved to Eastern Europe, Russia with a new Acquisition in the Middle East. Plans to Establish Additional Plants in Asia and Africa	- Coaching participants report the strain which these changes bring, especially among plant managers and their teams
A New Supply Chain Department Reporting to Finance All Purchasing and Distribution	- Manufacturing loses much control, initiates the cutting of 'progressive inventory' and introduces 'lean manufacturing' - Manufacturing forced to go through Procurement and Finance under central scrutiny

⁵³ The organisation had been spun off from the largest customer ten years earlier who continued to purchase its products at a premium despite cheaper prices from competitors. The bulk of the company's profit came from this customer. Due to a common ownership structure, this benefitted both companies. It allowed for mutual accounting practices and the transfer of profit and tax burdens between them. Due to guaranteed premium sales and continuous growth, the organisation allowed its internal operations to become complacent and extravagant, focusing on quality rather than efficiency. It allowed an engineering focus to predominate and, with it, to over-engineer its products and costs.

<p>Centralised under new department</p> <p>Raw Materials would come from Commodity Markets not through Local Suppliers</p> <p>Sharp Increases in Commodity Prices</p>	<p>- New directors appointed to Manufacturing (promotion from second level) and Sales (previous Manufacturing head). Both appointees welcome the 'opportunity to improve things' and 'introduce change'</p>
<p>Marketing Split From Sales with Former head of Sales now head of Marketing</p> <p>New After-Sales Service and Warranty Department Split from Sales</p>	<p>- Coaching interviews showed that Marketing did not 'market' or brand products or do market research but did 'product development' only</p> <p>- Later interviews suggest an increase of After-Sales problems since split from Sales</p>
<p>HR (Human Resources) Initiative to Introduce Key Performance Indicators (KPIs) for Top Three Levels and to Streamline Communication and Collaboration between Departments</p>	<p>- This was partly a response to coaching feedback showing lack of clarity and work duplication</p> <p>- Formal meetings between Sales and Manufacturing initiated</p> <p>- Without details, the response to HR initiative was positive - with detail, there was dismay</p> <p>- HR loses credibility and influence</p>
<p>'Growth Through Acquisition' in the US, Middle East and Africa</p> <p>Explorations of a Growing South American Market</p>	<p>- This only became clearer after the other changes, and when different key people were taken out of their roles for extended periods</p>
<p>Second and Third Level Managers Encouraged to Use Personal Initiative</p>	<p>- I am confident that this was an outcome of coaching that was actively promoted by the new heads of Sales and Manufacturing</p> <p>- It took hold in Sales, but was overtaken by the cost-cutting and reduced authorisation in Manufacturing over revenue for resourcing</p>

Note: These changes were reasonable responses to the GFC. Coaching was also extended despite non-existent revenue and cost-cutting.

Coaching would encompass all senior and second level Sales (February 2009) and all third level country Sales and key account managers (September 2009).

Individuals requesting further sessions received them, as did new appointees entering the second and third levels. In mid-2009, it was also offered to senior managers in the new departments (Supply Chain and After-Sales Service) in Marketing and to identified 'High Potential' managers.

By the end of 2009, over fifty individuals were in coaching from the top three levels, with most coming from Sales and Manufacturing. The consultancy appeared to be going well.

Activity, then Stalling

The 'reasonable' responses to the GFC were observed to be uncoordinated. Despite feverish activity, this had little effect. Both second and third level managers complained of getting 'mixed messages' from senior team members. Though accepting these initially as 'teething problems', managers struck me as harried and anxious. All managers in the top three levels seemed to be dealing with uncertainty by engaging in a flurry of activity and obsessing over detail, in part, because of senior team members' more frequent requests for details. Despite express intentions, it was clear that work-differentiation and coordination between the levels were *worsening* and personal survival overrode strategy. All three levels were doing their individual frantic best to survive.

Only in hindsight was this perceived as the incubation period of social defences.

Table 4.6 Impact of Mood Changes Before, During and Post-GFC

Period	Mood	Changes	Impact / Insight
Pre-GFC	A Mixture of Complacency and Interest	<ul style="list-style-type: none"> - Breaking the 'Engineering Stranglehold' and 'Command-Control Mind-Set' - De-centralisation - Coaching and Development 	<ul style="list-style-type: none"> - Business as Usual - 'Oh, another change', 'So What's New?!' and/or 'About Time!' - Initial suspicion of coaching turns into opportunity to 'talk and explore' - Improvement in communication, collaboration and teamwork - Little Differentiation or Clarity of the Work of top three Levels - Senior Team Interested in Coaching Feedback to help direct change
GFC Onset and Initial Flurry	Shock then Realisation of Exciting Opportunities	<ul style="list-style-type: none"> - Organisational and Policy changes with two new departments - Centralisation and Formalisation (using KPIs) 	<ul style="list-style-type: none"> - Initial Fear exacerbated by lack of communication from Senior Team - Gossip and Rumours in levels below, then 'great' the Senior Team's doing Something!, but also they 'could do more', 'let's get in and help' - Senior Team focused and coordinated - Level two and three managers express Opportunities to Fix Past Practices and Inefficiencies
A Dawning 'New Reality'	Feverish Activity with Little Impact Feelings of Being Overwhelmed Disillusionment	<ul style="list-style-type: none"> - 'Four new Daily Number One Priorities' - 'Hands on' involvement from senior team - Complaints of 'mixed messages' below - 'Growth through Acquisition' pursued vigorously 	<ul style="list-style-type: none"> - Manufacturing managers feeling Resignation - Sales Initiatives generate movement - The nature of their KPIs pushing Manufacturing and Sales apart - Senior team members pulling in different directions - less interested in coaching feedback - Frantic activity has little impact - the initial sense of 'opportunity' turns into 'grind' - Pessimism about the market and the organisation's ability to change and adapt

Note: To a consultant, this situation has the familiar outlines of the 'problem of change'. To a social defence Tavistock practitioner, the changes in emotional mood indicate deeper problems have been stirred and brewing. To a cultural theorist, it suggests a breakdown of Social Integration and intermittent, unmonitored and uncoordinated Social Regulation warning of the beginnings of retreat into Isolate Ordering.

Table 4.7 looks at the trends of the first year with a primary and secondary analysis alongside.

Table 4.7 Iteration of First Year

Events and Trends of the First Year	Primary Analysis Using Burke and Litwin, ORA and Wells	Secondary Analysis Using SDT and CT
<p>Pre-GFC</p> <ul style="list-style-type: none"> - Financially successful, with known inefficiencies - Centralised, 'hands-on' management <p>Desire to:</p> <ul style="list-style-type: none"> - 'De-centralise' - Break down manufacturing-engineering dominance over other functions - Improve cross-functional collaboration and coordination <p>GFC onset and Responses</p> <ul style="list-style-type: none"> - Massive drop in sales - Initial silence from senior team and little detail generates 'survival anxiety' - Introduction of policies to cut costs leads to centralisation, and - Challenge organisational aims of coaching, but ... Coaching was increased - Actual Changes generate opportunity to fix past practices and hope about the future <ul style="list-style-type: none"> - Post-GFC - Pre-Social Defences - Policies appear uncoordinated and produce 	<p>Burke and Litwin</p> <p>Pre-GFC issues relating to:</p> <ul style="list-style-type: none"> - '<i>Structure</i>' - lack of clarity; differentiation between the work of the levels - '<i>Management Practices</i>' - centralised, command-control leadership - '<i>Work Unit Climate</i>' - affecting 'motivation' and 'skills' - little focus on developing people or initiative, experimentation <p>These are '<i>Transactional</i>' attempts to improve systems and design. Concern is with managing, <i>not</i> 'whole-scale (<i>transformational</i>) org change'</p> <p>Post-GFC</p> <ul style="list-style-type: none"> - Lack of '<i>strategy</i>' or attention to '<i>culture</i>' (return to old ways) <p>ORA and Wells</p> <ul style="list-style-type: none"> - Problems of '<i>inter-group</i>' relations (understanding, coordination) between levels and functions - '<i>Differences between what people do, say, and ought to do</i>' indicate lack of role clarity 	<p>Social Defence Theory</p> <p>Competing Post-GFC Policies emerge behind social defences</p> <ul style="list-style-type: none"> - Policies address 'economic' or '<i>Theory E</i>' priorities not '<i>Theory O</i>' priorities <p>Cultural Theory</p> <ul style="list-style-type: none"> - Pre-history of High Regulation with relatively High Integration suggests <i>Hierarchy</i> <p>Hierarchy can compromise initiative with failures in coordination indicating elements of <i>Isolate Ordering</i> in a hybrid with Hierarchy</p> <p>However:</p> <ul style="list-style-type: none"> - Senior team wish that coaching will enable de-centralised control, greater freedom and initiative suggests an openness to <i>Market/ Individualist</i> reasoning and design - In combination with a wish for 'improved communication' and coordination, an openness to <i>Egalitarian</i> lowering of Regulation and higher Integration

contradictory outcomes - Much activity with little result - Managers focus on detail with 'hands-on' taking-control - Overwhelm, hope-stalling, signs of disillusion	- ' <i>Emotional experience</i> ' shifts from complacency to interest (in coaching), shock and fear, (GFC) initial silence, then opportunity and hope ... disillusion All point to <i>unclear leadership</i> and deficiencies in the ' <i>organisation-as-a-whole</i> '	Post-GFC and before Social Defences: - Marked centralising with increased Regulation compromised by 'mixed messages' (greater control and initiative) affect Manufacturing and Sales differently ... - This led to undermining Integration reinforcing a pathway into <i>Isolate Ordering</i>
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Note: The author gathered day-to-day evidence of shifts at all management levels and functions (including new functions). The evidence fits Burke and Litwin, ORA, Wells and SDT, by degree. Our sense of the evidence, however, is that CT is more useful in pinpointing the fateful 'pathway into Isolate Ordering' that was to confound the best efforts of this consultant and all who participated in our interventions.

Our initial Burke and Litwin analysis was that coaching was contributing to the '*transactional*' improvement of the performance of individuals and teams but not the whole-scale organisation. With the post GFC changes, together with ORA and Wells' analysis, we were alerted to potential issues related to intergroup relations between levels and functions (structure), management practices (mixed messages and unclear, changing direction), and a shift in the emotional experience toward disillusion. This all pointed to organisational level problems related to *transformational* issues of strategy, leadership and, in particular, culture that were not being addressed.

Secondary analysis using CT indicates that the clear pre-GFC desire for Lower Regulation and Higher Integration was undermined by policies that increased regulation. This, along with anxiety and uncertainty, further promoted Increased Regulation ('hands-on' control) by the senior team and Lower Integration (worse coordination and an even greater rift between Manufacturing and Sales).

CT suggests four prototypical cultural 'positions', each with their distinctive organising logic and values, strengths and weaknesses. Thus, by tightening Regulation and weakening Integration, the only direction open was a pathway into Isolate Ordering. 'High Grid/High Group' (Hierarchy) would have offered a more coordinated and organised way of weathering crisis, but at the expense of Individualist improvisation and Egalitarian mobilisation against a common enemy. While Isolate Ordering can work well short-term during the height of crisis, the company was to stay there for far

too long. This was to undermine whatever new and established elements of coordination, integration and orchestrated initiatives could benefit the whole.

Without knowing or planning, the organisation was entering into the worst cultural position regarding long-term coordination, on-going efficacy and integration ... with the unfortunate consequences which we were not then properly equipped to forecast. I was trained to identify the social defences that developed after the first responses to the GFC, and to warn of their potential threat, but not to forecast, or consult to, what was to come after.

4.3 Social Defences Appear

By early 2009, policy responses to the GFC were having unintended effects. The well-known Manufacturing-Sales 'Fault Line' widened appreciably. By mid-2009, there was strong evidence of social defences operating at all three top levels. Tables 4.8 and 4.9 summarise the position at early-to-mid 2009 and the four policies with the worst effects.

Table 4.8 Post-GFC Policy Effects on Functions (Early-to-Mid-2009)

Post-GFC Policies	The Manufacturing-Sales 'Fault-Line'
<ul style="list-style-type: none"> - Centralisation of Procurement and Supply-Chain control restricted Manufacturing's options - New KPIs were introduced for: <ul style="list-style-type: none"> - Cost-cutting in Manufacturing - Sales Increases - Profit-margins in Sales - Timetabled Minuted Statutory Meetings aimed at improving Sales-Manufacturing collaboration - Senior Team Push Initiative-Taking and Experimentation downward especially in Sales - Growth through acquisition took key managers away for long periods, slowing decision-making and implementation 	<ul style="list-style-type: none"> - With no revenue and rising debt, the GFC led to frantic survival activity in top three levels - The 'mixed-messages' from different senior team members caused confusion. This was supplanted by a singular focus on departmental and role-specific KPIs which pushed Manufacturing and Sales further apart - Coaching conversations showed this had the effect of 'cramping the big-picture thinking' and promoting short-term measures. These worsened coordination: <ul style="list-style-type: none"> - Sales would say yes to all customers, specifications without regard to cost and production-time increases - Manufacturing ran down progressive inventory without consulting Sales about orders - Initially the 'statutory' meetings had enabled Sales and Manufacturing to accommodate each other's needs. But attempts at implementation met resistance (through absenteeism or lack of follow-through) and created further complications

Note: Each policy, on its own, was reasonable, targeted at specific-and-identified problems and championed by a member of the senior team. However, together they lacked coordination. Along with the frantic activity, short-term measures and reports of 'mixed messages' from below, this suggested that the senior team were now operating more as individuals pursuing their specific area of responsibility and not as a coordinated team. Coaching confirmed their anxiety and coping-attempts.

Table 4.9 Appearance and Analysis of Social Defences

Appearance of Social Defences	Analysis
<p>Social defences appeared in levels 2 and 3 as responses to:</p> <ul style="list-style-type: none"> - Increased pressure from departmental Directors and 'meddling' from Directors outside their respective departments. Managers complained of: 'just being pushed for results'; 'not knowing who to follow' or 'what to do first'. There were 'daily new number one priorities'. The anxiety these generated was dealt with by following roles slavishly and prioritising KPIs - The Sales-Manufacturing meetings yielded several agreements which stalled at implementation. Individuals 'went through the motions' without result - Upwards feedback reduced. Individuals were reluctant to speak-truth-to-power and unwilling to 'stick their necks out'. It was 'easier to say yes' rather than have 'trouble'. There was aversion to conflict - Other coaching confessions: 'don't say or do anything that may attract too much attention' or 'land in trouble'. 'Stay under the radar', 'look busy', 'say "yes" to all demands and worry later', 'look out for your own' and 'be on guard' ... 'you never know whose toes you might step on' <p>Social defences in the senior team:</p> <ul style="list-style-type: none"> - Members engaged in more travel and when on home territory, increased 'hands-on' involvement and more meetings with customers - Under coaching they expressed increased uncertainty and pessimism about whether their actions would work. In public, silence. Their individual behaviour resembled harried executives, too busy to be stopped, not suffering fools (curt and unavailable) - The second feedback meeting was postponed several times as was the third (the social defence intervention). Discussions in these meetings lacked bite or were cut short. Members took calls and left at different times. This indicated that senior team members were acting more as individuals pursuing results they were personally 	<p>If we take 'primary task' to mean work furthering the aims and within the spirit of improving organisational functioning, there was:</p> <ul style="list-style-type: none"> - Clear anxiety carrying out primary task work; and admitted work-avoidance. In coaching, they reported - 'not knowing what else to do' except protect themselves - Behaviour was more defence-related than task-related - Managers kept busy, attended meetings, made agreements, but had little effect. They said one thing and did another, 'stayed under the radar' and avoided honest public discussion and confrontation - Defences were built into how work was done. This was evident: <ul style="list-style-type: none"> - In slavishly pursuing role-specific KPIs (while acknowledging this was not in the best interests of primary task work) - In meetings when agreements were made without follow-through - Impasses when it came to honest discussion, feedback, or cross-function collaboration <p>Managers either kept to themselves or within their teams, ran around like 'busy</p>

responsible for, not as a team	harried professionals', and were generally 'suspicious' of other functions
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Note: In the privacy of coaching, many despaired at their ineffectiveness, and the organisation's future; publically they continued experimenting. Nevertheless, behaviour was task-avoidant or anxiety-circumventing. Senior team members could express uncertainty, but coped with anxiety privately through relentless action and attention to detail. Levels two and three were more aware of playing-it-safe, while mindlessly responding to 'mixed messages' and doing their best to meet KPIs, respond to demands ('fire-fighting') and new directives. Publically there was muted, not robust debate with a mixture of banter and gossip in corridors. All levels were doing their best to survive.

The Social Defence Intervention: Third Meeting with Senior Team (November 2009)

Originally scheduled for mid-September, this meeting was postponed twice to late November. The senior team was meeting less frequently, in any case. Coaching sessions and meetings with individual members confirmed this. They were deliberating less with each other, and more involved in operations, travel, and meetings with customers and suppliers than previously. This period brought further evidence confirming the social defences across the top three levels. Table 4.10 summarises the working hypotheses formed at this time and the senior team's reactions during that November meeting.

Table 4.10 The Social Defence Intervention with the Senior Team

Working Hypotheses and Recommendations	The Senior Team's Reactions: A Battle of Metaphors	Coach-Consultant Impressions and Reflections
<ul style="list-style-type: none"> - We suggested that the post-GFC policies were generating unintended consequences alongside desired ones - Evidence of 	<ul style="list-style-type: none"> - Senior team was accepting of 'Unintended consequences' and 'Exacerbation of the fault-line' but wanted 'more evidence' - Then came rejection of 'feelings as evidence' and comments such as: 'business is no place for feelings', 'people are paid well, they shouldn't complain' - I responded that individuals were not 	<ul style="list-style-type: none"> - By doubting the evidence, our presentation was undermined - The metaphors did not help - Rejection of the 'social defences'

<p>declining morale, culture and functionality was presented</p>	<p>complaining about, but rather experiencing, uncertainty, confusion and anxiety, which if translated into how work was done would indicate more serious problems brewing</p>	<p>and 'not operating as a team' damaged our credibility</p>
<p>1. Exacerbation of Manufacturing-Sales 'fault-line': combined impact of KPIs, centralisation of procurement, and pushing of initiative affected Manufacturing and Sales differently, pushing them further apart</p>	<p>I suggested two metaphors: - Feelings are like a chemical reaction to <i>litmus paper</i> indicating potential problems - Feelings are like <i>canaries used in coal mines</i> to indicate if there was enough air to breathe</p>	<p>- But nor did they engage with each other. They were muted and distracted</p>
<p>2. Short-term work horizons without informing strategy meant poorer coordination and morale</p>	<p>- With the exception of the sponsors with whom the hypotheses were discussed prior to the meeting, members would not accept feelings or 'psychology for evidence'</p>	<p>- This was a turning point for the consultation and led me to initiate research</p>
<p>3. The Senior Team were acting more as Individuals than a Team</p>	<p>- My giving examples from the organisation literature on 'feelings as indicators'⁵⁴ made little difference</p>	<p>- I questioned my method of inferring from data. I offered 'feelings' only, not causes and effects, or what they may refer to as 'evidence'</p>
<p>... all might be understood as 'defences against the anxiety of the Primary Task'</p>	<p>- One of the sponsors offered a life-line: 'Nick is offering a different view and one that we would not come up with'. This is 'why we chose his services over other options'</p>	<p>- What had caused the social defences and what effects will they have? I did not have the answer</p>
<p>For the senior team, there was an additional pressure associated with 'primary risk' ... of what choices (strategy) to take</p>	<p>- Another member offered his own metaphor, likening social defences to '<i>troop morale</i>' but added how 'troop morale is not something you look to in the heat of battle'</p>	<p>- What had caused the social defences and what effects will they have? I did not have the answer</p>
	<p>- Another member, returning to the policies and the two new departments suggested that 'what Nick is saying are their associated 'teething problems'. He added his own examples: delayed access to resources; delayed deliveries; an increase in customer complaints caused by Service being split from Sales</p>	<p>- What had caused the social defences and what effects will they have? I did not have the answer</p>
	<p>- These metaphors failed to spur further discussion, which showed lower quality compared to the two previous meetings: far less animated</p>	<p>- What had caused the social defences and what effects will they have? I did not have the answer</p>
	<p>- The senior team choose not to examine 'strategy' nor 'working as a team' - it was as if these were not heard</p>	

Note: This intervention and its lack of response marked a turning point for the consultation. It affected the credibility of the consultant, at least in the eyes of the senior team. Could this be salvaged?

We saw here SDT's 'problem of change' (Menzies Lyth, 1990; Long, 2006; Krantz, 2010; Cooper, 2010; Papadopoulos, 2015). The rejection of our intervention was less

⁵⁴ The literature from Burke and Litwin (1992) about people's feelings being indicators of how well they were managed was quoted, and examples from the OD literature (Cummins and Worley, 2000) and Beer's (2008) concepts of Theories 'E' and 'O' as both important to organisational performance and strategy-considerations.

to do with the conclusions (and working hypotheses) but the psychological nature of the evidence. This juncture prompted examination of the 'social (sociological) side of SDT' though without abandoning the Tavistock systems-psychodynamic approach. As the answers were not obvious, a realist methodology suiting 'underlying' causes of the social defences and their consequences if left unattended, was adopted.⁵⁵

Reflections on the Ineffectiveness of the Social Defence Intervention

Primary Analysis

Table 4.11 examines the failed intervention from a consulting perspective.

Table 4.11 Reflections Arising from the Social Defence Intervention

Issues from the Meeting	Examination
<p>Little engagement with working hypotheses, nor each other, but not outright rejection either</p> <p>- 'Unintended consequences' and Exacerbation of the 'fault-line' aroused interest, but hypothesis on the senior team's 'defensive' functioning and lack of strategy was ignored</p>	<p>The only substantive objection was to the use of feelings as a source of data. Given the audience this was not surprising</p> <p>- Could our advice be presented in a way that focused less on the nature of the evidence but more on causes and consequences? ... A presentation that appealed to what they were responsible for and how they approached work?</p> <p>- Alternatively attacking the 'messenger' might be a means of avoiding the 'message'. Evidence for this was taking phone calls during the meeting, disappearing for long stretches and not seeking to catch-up on return. Nor would members challenge absences or the failure to arrive at decisions. This behaviour was <i>not</i> noted during the previous feedback meetings</p>
<p>Our intervention assumed that if team dynamics were addressed, issues would be dealt with</p>	<p>This assumption is in keeping with the literature (Menzies, 1960; 1989 and 1990; Obholzer and Roberts, 1994; Long, 2013)</p> <p>- In Burke and Litwin's terms, we had addressed '<i>transactional</i>' factors</p> <p>- Presenting psychological evidence strikes recipients as directed more at them as individuals, or as a team, rather than at the issues involved</p>
<p>How else can we understand the behaviour of the senior team during this meeting?</p>	<p>The counter-transference we experienced was consistent with 'free associations' of level two managers. They reported how their ideas and attempts to support senior team members were ignored or rejected. Their feelings ranged from 'not appreciated', 'despondent', to 'why bother'</p> <p>- Is this what senior team members also felt? In coaching, they</p>

⁵⁵ If a realist approach is more suitable than a hermeneutic or positivist apology in analysing unconscious processes as 'generative mechanisms' (Rustin, 1991) then realism should also be suitable analysing the social causes triggering unconscious processes (anxiety and defences) and what effects they may in turn generate.

	admitted 'helplessness' and 'despondency' in the face of unfolding events. This is consistent with 'primary risk'
What might this indicate about their team dynamics and functioning?	<p>Their behaviour in the meeting was consistent with Bion's (1961) defensive pattern of basic assumption '<i>Flight</i>' and in particular BA '<i>Me</i>' (Gould et al., 1996)</p> <ul style="list-style-type: none"> - BA '<i>Flight</i>' relates to their ineffectiveness of holding each other to account and of their solutions as a team? - BA '<i>Me</i>' relates to asserting their individual autonomy, and efforts to address how they might be judged as individuals in their respective roles?
<p>Was the senior team's avoidance of the issues 'resistance' which (in SDT) indicates psychological causation or something else?</p> <p>Can 'resistance' be conceptualised differently so as to bring personal, team-, and organisation-level change?</p>	<p>According to its literature SDT 'explains' why change may be resisted (for psychological reasons), as social defences protect against anxiety associated with primary task work (Long, 2006; Krantz, 2010; Bain, 1998)</p> <p>The SDT approach to change involves first helping individuals understand and change themselves in relation to their predicament</p> <p>Could the evidence gathered be presented without inviting scepticism?</p> <p>The organisational change literature on 'resistance to change' suggests that resistance is not only psychological in nature but can be:</p> <ul style="list-style-type: none"> - Ideological (related to deeply-held beliefs) - Normative (offence to values) - Political - asserting power to undermine others (Hambrick and Canella, 1989) and manifests as 'protecting one's turf' or 'closing ranks' (Burke, 2011) <p>What appears as BA '<i>Me</i>' or '<i>Flight</i>' may be caused by these more sociological-political reasons</p> <p>We contemplated drawing out the ideological, normative and political dimensions to provide an explanation of the social causes and possible consequences of social defences</p> <p>This led into the research and to our secondary analysis</p>

Note: It was becoming evident that the 'problem of change' could not be contained within SDT alone.

Secondary Analysis

While the failure of the social defence intervention was disconcerting, it was not unprecedented in the literature. We had an unfolding live example which could be examined in depth.

A straightforward systems-psychodynamic consultant's analysis was sufficient to recognise that an exception had occurred that challenged my way of working. A more sociological analysis, alongside a psychoanalytic one (Trist, 1950) ought to improve

the prospects of change. We chose cultural theory, and three analytic models: agency-structure dynamics; institutional theory; and systems theory to provide additional sociological resources.

Table 4.12 summarises our assessment at this point.

Table 4.12 A Social Side to SDT

Questions and Observation	Use of Cultural Theory, Structures and Agency and Institutions, and Systems Theory
What were the social defences indicating and not indicating?	<p>Work was not done in the spirit of the primary task nor best interests of the organisation</p> <ul style="list-style-type: none"> - Working as 'individuals', the senior team's interventions became more short-term, tactical and less effective - In levels 2 and 3 there was confusion about whose lead and which policy to follow. Decision-making stalled. Individuals became cautious, conflict-adverse, and risk-adverse <p>... Here were warnings of worsening problems to come ...</p> <p>Were these social defences themselves dysfunctional or benign features that all organisations have to some degree (Bain, 1998; Hinshelwood and Skogstad, 2000; Long, 2006)?</p> <p>The SDT literature is imprecise as to the consequences of social defences</p> <p>How can we tell:</p> <ul style="list-style-type: none"> - When social defences are more dysfunctional (task-undermining) thereby threatening organisational performance? - When are they more benign or circumventing anxiety in the service of task? <p>Simply identifying them, as we did here, did not tell us. The value of differentiating is diagnostic; it can help us identify the possible consequences of social defences.⁵⁶ On its own, SDT did not leave us any wiser</p>
How to develop the social-side of SDT?	<p>Menzies (1960) suggested that social defences are more than unconscious psychological mechanisms and once established endure in organisational systems and processes affecting the way work is approached. They operate independently of the individuals involved</p> <ul style="list-style-type: none"> - But how do social defences operate as social entities? How is this different from the psychology involved? What is their sociology? - The emphasis in her work (1989; 1990) and in much of the literature is on exposing the psychological dynamics of interventions, and helping individuals to understand and address their predicament - The failure of the SDT to assist the senior team had replicated the theory's

⁵⁶ If they are dysfunctional, this would suggest an analogy of social defences to organisational performance as 'smoke is to fire'. If they are benign, this suggests that individuals find ways of dealing with both anxiety and achieving task.

<p>... through the Agency-Structure Interplay</p> <p>... With Institutional Theory</p>	<p>'problem of change'</p> <p>- Trist, Emery and Jaques dealt with this problem with 'structural' insights and interventions, by retaining psychological understandings in the background</p> <p>If social defences are social entities, how do they not operate as 'structures' implied by the agency-structure dynamic?</p> <p>In sociology, <i>structure</i> refers to the relatively fixed or objective features of social life such as institutions, systems or social forces and currents. <i>Agency</i> refers to human action (which by definition includes unconscious psychological processes). For our analytic purposes:</p> <ul style="list-style-type: none"> - We draw on Archer (1995) and Mouzelis' (2008) method of differentiating agency and structure as two <i>analytically</i> (rather than empirically) <i>distinct</i> phenomena in order to study their interplay and effects over time⁵⁷ - This allows us to differentiate the psychological (agency) and social (structure) causes and effects of social defences <p>If we examine social defences as forms of agency and structure, it is individuals and their unconscious processes (anxiety and defence) that provide the agency that develops the social defences. But to leave it here suggests they are essentially psychological entities and psychologically caused. This is the implicit implication of SDT⁵⁸</p> <ul style="list-style-type: none"> - Focusing on their psychology (agency) may not help us see what is occurring in the environments (structures) they develop in and react to.⁵⁹ The social defences we observed were a reaction to something 'structurally given' in the 'environment'. Presumably social defences need a 'structural' stimulus or 'trigger' to occur - a reaction to change or a 'new structure' <p>If we examine the interplay of agency and structure over time (Archer, 1995), we can compare explanations of social defences as agency or structure</p> <ul style="list-style-type: none"> - Collective anxiety could be treated as 'agency' establishing social defences, but this does not identify what the anxiety is a reaction to. Once operating 'agency' is also insufficient to explain how social defences generate effects. The implication of Archer is that anxiety-as-agency is sandwiched between a somehow changing structure that triggers anxiety and the new structure that defences create - Structure better explains the causes or triggers of social defences, and the 'structures' they become to create their effects. This is the sociology of social defence <p>Anxiety and its defence generate new and common ways of thinking and behaving that then operate as 'structures'. But (assuming they can be labelled accurately) how do social defences become structures and work-practices? Something is missing from 'agency and structure'</p> <ul style="list-style-type: none"> - One way of understanding how structures operate is as 'institutions':
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⁵⁷ This is different to Giddens 'structuration theory' or Bourdieu's reflexive 'habitus, field, capital' (King, 2005) that do not give primacy to either agency or structure making their interaction and their effects in real time difficult to analyse. There is a similar tendency in the psycho-social accounts of social defences found in the literature (Hoggett, 2015). By differentiating agency and structure, we can see both their psychology and sociology and not collapse their difference nor reduce their explanation to either psychology or sociology.

⁵⁸ See, for example, Menzies (1960). The largest part of her seminal paper focuses on the psychological reasons for why nurses experienced anxiety. The focus of her interventions remained on individuals and teams (1960; 1989; 1990). She referred to the hospital structures that gave rise to nurses' anxiety, and implies that the social defences are operating independently of individual nurses involved to create the effects they do (1960). But she does not offer these as 'structures' nor as explanations or the focus of intervention.

⁵⁹ What is suggested is akin to Lewin's advice of periodically reversing what is held as 'figure' and 'ground' (Burnes, 2004a; 2012; Schein, 1996).

<p>... Systemic self-organising and feedback loops</p>	<p>conventions which organise common ways of thinking and behaving to achieve a purpose (Douglas, 1986). Institutions also exhibit rules and norms alongside cultural cognitive ways of thinking (Scott, 2008) - cognitive in the sense that <i>'institutions think'</i> (Douglas, 1986)⁶⁰</p> <ul style="list-style-type: none"> - There seems no reason not to recognise that institutions can be formal or informal - Social defences, groups and policies can be recognised as having institutional properties which can supplement psychological properties - We chose to examine social defences and policies as institutions <p>Institutions operate with a systemic 'self-organising' principle - being simultaneously 'open' to ('structural) influences from the wider environment while being 'closed' in how they operate and respond (Capra, 1996)</p> <ul style="list-style-type: none"> - This allows examination of the company's ('structural') <i>self-organising logic</i>⁶¹ (distinct from, yet contributed by, 'agency' actions) and how the consequences of its responses affect the company ... this can be explained by feedback ... <p>Institutions <i>change, remain stable and generate consequences</i> through systemic 'feedback' processes</p>
<p>... and Cultural Theory</p>	<ul style="list-style-type: none"> - In the first phase institutions establish and reinforce a common way of thinking, feeling and acting (thought-style) which at the second phase of feedback generate consequences or outcomes (6, 2011; 2003). These reinforce or undermine the operation of other institutions and practices (Jackson, 2003; Meadows, 2008) which effects the issuing institution ... - However there is more: from a cultural theory perspective confounding events (discrepant 'surprises' which the prevailing thought-style cannot solve) constitute 'negative feedback loops' eliciting counter-veiling responses from any or all of the three other thought-styles (also known as 'voices' or 'elementary forms'). Each of CT's four prototypical elementary forms reflect a distinct 'self-organising' logic and values that drive 'institutional' behaviour - Through CT, we can identify the thought-styles animating institutions <p>Above all, we can postulate which thought-style (elementary form) is animating each social defence system. This can be used to forecast the likely consequences of social defences by taking into account the thought-styles of surrounding institutions to which social defences react and respond to ...</p> <ul style="list-style-type: none"> - Postulating the thought-style driving each of the social defences and policies proved a better indicator of their consequences than postulating the basic assumption (BA) defence pattern <p>Note: <i>CT draws on institutional and systems concepts to furnish explanations of how groups, organisations, institutions and societies operate. In this research we treat agency-structure, institutional and systems models separately in order to highlight how SDT can also incorporate these (independently of CT if need be) to develop its social-side, and to bring SDT</i></p>

⁶⁰ In 'How Institutions Think', Douglas establishes the theoretical and institutional foundations of cultural theory. How CT handles agency-structure is through the institutional constraints that drive common thinking and practices, and the environmental opportunities that individuals can use to change their institutions when they no longer provide the solutions for which they were developed (Douglas, 1986; 1982).

⁶¹ Including its parts, such as departments, levels, teams, policies.

	<i>and CT into conversation in ways they can cross-fertilise to learn and develop from each other. The latter was our preferred strategy</i>
Differences in the two types of social defences manifesting across the top three levels	<p>By mid-2009, two types of social defences were manifest across the top three management levels:</p> <ul style="list-style-type: none"> - The senior team demonstrated BA 'Me' - becoming harried executives, rushing around, issuing multiple directives while actually being more operational than strategic - Manufacturing and Sales level three managers exhibited BA 'Flight' - self-protection, avoiding conflict, 'not rocking the boat' and concentrating on delivering on KPIs - Intriguingly, some second level managers adopted the defensive pattern of the senior team while others aligned more with the third level <p>It was now that second level managers confessed to me of feeling 'ineffective', 'irrelevant except in title' and 'squeezed from above and below'. They presented as the most compromised and as bearing the brunt of the post-GFC changes</p> <p>Third level managers reported either:</p> <ul style="list-style-type: none"> - 'No difference' between what their second-level boss and senior team members said or did - Or that their boss was 'as one of them'. Many found this 'comforting' but recognised that their boss 'was not adding value'. One level three manager confided that he did not know which was better: level two managers 'at one' with level one, or level two managers 'at one' with level three. 'Both were bad', he said <p>My meetings and coaching sessions with senior team members became infrequent. They demanded feedback about what was happening, not insights about their functioning for which I was contracted.</p> <p>My counter-transference experience indicated that:</p> <ul style="list-style-type: none"> - <i>They were thinking of me as one of their direct reports</i>, but with more respect. Their disposition toward me was consistent with complaints I heard from below about senior team members' 'demands' on them - At times I felt pressed to <i>validate</i> what they were doing. They said they wanted me to 'challenge' them, however their actions avoided this, responding more to <i>'stroking'</i> and <i>assuaging their distress</i>. It was as if I was asked to 'contain' their anxiety and uncertainty: psychodynamically, to be a comforting not challenging therapist-mother <p>Analysing the social defences as basic assumptions reflected the manifest defence pattern, but this insight did not indicate the consequences which when consolidated they were to cause. On the other hand, in hindsight and using CT, identifying the elementary form or mix underlying 'thought-style' could forecast their consequences more accurately. Moreover, observing their combined effects, the organisation was transitioning into Fatalism. All or most of the consequences of the social defences here are explicable as 'isolate self-preservation'</p>

Note: CT assists in understanding the sociological nature of social defences. It was necessary to forecasting their consequences. The metaphors 'structure' and 'agency' provided a stepping stone from a psychodynamic-only to a sociological

conceptualisation.⁶² But they were difficult to apply cleanly without understanding how institutions - formal and informal - do their thinking. The availability of four contending thought-styles suggests that any institution is likely to shift. In trying circumstances social defences formed. It was apparent to us at the time that there was something wrong. But without awareness of CT I was unable as a consultant to forecast what would happen next, or to help the organisation change.

4.4 Problems Emerge

From early 2010, substantive problems appeared, six to nine months after the social defences emerged. They worsened throughout 2010.

Cultural theory and the three analytic models were used to draft a better explanation of the causes and consequences of the social defences: better in the sense of appealing to the senior team's rationality in order to improve the prospects of change. The same explanation should also apply to the social defences as they consolidated, to the policies, to the different levels and functions, and to the organisation as a whole. CT is especially helpful in identifying why problems defied most attempts to solve them. Table 4.13 tabulates the problems and Table 4.14 the critical events; while Table 4.15 the primary analysis and some of its short-comings; and Tables 4.16, 4.17 and 4.18 the secondary analyses which are more discriminating.

Table 4.13 Problems, Problems, Problems

Increased Production Times	Worsening Quality	Customer Forces Temporary Plant Closure
By March 2010, production lead-times rise from one-three months pre-GFC to three-nine months By mid-2010, lead times rise to six-	By mid-2010, serious quality problems appeared:	In September 2010, the largest customer finds faulty wiring as the cause of extensive fire damage to property

⁶² With the constraints and possibilities indicated by CT's Grid-Group Typology, agency-structure becomes somewhat redundant, as these exist at any level from the individual, to the group, organisation, national and international political economies. CT begins from the Durkheimian assumption that we are social creatures, able to think and act (differently) because we inhabit and live out degrees of Regulation (Grid) and degrees of Integration (Group). Agency - as used in economics and psychology - suggests that where 'structures' constrain change, 'agents' enable change. This is simplistic and methodological individualism, reducing all analysis to the level of individuals or their psychology which is an implicit assumption in SDT and systems psychodynamics. It is detrimental to understanding social influences and change. Here, social theory is built from the individual up to explain social influences and group or societal dynamics. The approach we adopt is to use a sociological conceptualisation alongside a psychological one akin to Lewin's recommendation of periodically shifting between what is held as 'figure' and 'ground'. This allows different possibilities and hypotheses to emerge and to be examined.

<p>twelve months</p> <p>By late 2010, they are nine-fifteen months</p> <p>This placed most stress on Sales</p> <p>Sales Managers:</p> <ul style="list-style-type: none"> - Found that it was more difficult to make sales; customers demanded more specifications and quicker delivery times; they complained more and turned to competitors - Were also told to use their initiative; warned against changing specifications due to their effect on slowing production and told not to cut profit-margins to make sales 	<ul style="list-style-type: none"> - Products were faulty - Not made to specification - Damaged en-route <p>Beginning in a large new Middle Eastern Plant, the same problems appeared in Eastern European, African and Asian Plants</p>	<ul style="list-style-type: none"> - The wiring fault was traced to the oldest, largest and most profitable plant in Asia, which was shut down temporarily for investigations - It took six months and considerable expense to reopen - Due to the public liability risk, the same customer under-took similar investigations at all other plants finding other potential problems at more expense - The global effects on trust and sales were enormous
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Note: The company's difficulties were not attributable in any ordinary way to the GFC. Typically economic crises force productivity and quality increases. Here productivity and quality collapsed. Optimism that the GFC would mean that long-standing problems would be addressed was confounded by events. Social defences in interaction with the policies were suspected as causes; but by what mechanism?

Table 4.14 Problems Compounded

Another Environmental Change	Another Restructure
<p>In mid-2010, the organisation's largest customer, an independent subsidiary of a much larger MNC (Multinational company) and market leader, announced that its purchasing would be centralised to its US head office. All purchases would follow a criteria-based competitive tendering process from 2011</p> <p>This threatened to overturn the company's local and regional sales methods and compromise the role of 'key account managers'</p>	<p>In November 2010, the senior team responds by announcing more restructuring</p> <ul style="list-style-type: none"> - A Chief Operations Officer (COO) was appointed to oversee Manufacturing, Sales and Marketing. This created new reporting lines for each respective Director and their direct reports - Procurement was still to report to the Finance Director, and Service to the CEO <p>This event underlined informal divisions among the senior team. The shift in power was towards operations, while the power of some of the four senior team members who individually championed a post-GFC policy was reduced</p> <p>The restructure reinforced an earlier hypothesis as to why there was no strategic direction behind the policies: anxiety and uncertainty had led to tactical operational measures where each Director operated individually to respond to what</p>

Coaching in Sales revealed extreme concerns compounded by fear of the effects of the temporary plant closure	they were responsible for. The restructure provided 'more of the same' ⁶³
There was a five-month delay in the senior team's formal response ...	It also prompted another hypothesis: 'competing institutions' (policies and social defences) were causing impasses
Confusion and gossip prevailed	I was invited to design consulting workshops to include the COO and the level two and three managers of Manufacturing, Marketing and Sales. These highlighted how Procurement and Service (and hence Finance and the CEO) had to be included or better coordinated with Operations. This was not accomplished

Note: The restructure was a further reinforcement of the company's 'self-organising' logic prompted by the senior team's one-out and operational measures. This was best captured by CT - as a deepening transition into Isolate Ordering and Fatalistic thought-style, prompting more of the same short-term and expedient leadership that oscillated between being absent, arbitrary and directive, and which only further reinforced the self-protective defences and diminishing trust below.⁶⁴ While the new Operations function represented an attempt to increase Integration, the senior team members' self-protective instincts to keep their individual departmental authority undermined coordination, driving the organisation deeper into Isolate Ordering.

Table 4.15 Contemporaneous Primary Analysis of Consulting Shortcomings

Primary Analysis using Burke and Litwin, ORA and Wells	Evident Shortcomings In Our Approach and Literature
<p>Would problematise:</p> <ul style="list-style-type: none"> - The lack of a coordinating 'strategy' to address the competing effects of the post-GFC policies and align Manufacturing and Sales (Burke and Litwin) at the level of the 'whole-organisation' (Wells) - Social defences in the 'leadership' (Burke and Litwin) and the need to improve the senior team's functioning (ORA) including how it handled 'primary risk' (strategy) - 'Structural' issues (the lack of role differentiation between the levels) (Burke and Litwin) 	<p>Burke and Litwin, ORA and Wells cannot account for how the organisation's problems originated</p> <p>The problems were 'compounding' rather than being solved. In retrospect the problems demonstrated 'feedback'</p> <p>Both the post-GFC policies and our failed</p>

⁶³ One second level manager summed up the feeling of colleagues: the restructure was as effective 'as rearranging the deck-chairs on the Titanic as it sunk'. The senior team was bleeding credibility.

⁶⁴ Perri 6's (2011; 2014; 2015) and Coyle's (1994; 1997) analysis that Isolate Ordering condenses social relations into two positions of 'Despots' (including aspiring 'Despots') and 'Serfs' was perspicacious. While the senior team was not overtly 'despotic' - the metaphor captures the mood and powerlessness of those below and how the leadership was emotionally experienced. See Chapter Six.

<p>- 'Management practices' affecting 'work unit climate' ('command and control'), micro-management, mixed messages pushing initiative but asserting centralised control) (Burke and Litwin)</p> <p>- The prevailing 'anxiety-culture-defence'⁶⁵ (ORA and Wells) across the whole suggested 'culture' for intervention. But being a 'transformational lever' for organisation-wide change (Burke and Litwin), our approach was more oriented towards teams and individuals ...</p> <p>So ... what type of <i>cultural</i> intervention given that the social defence intervention failed?</p> <p>On the other hand, the GFC and other external changes indicated 'strategy' as the natural candidate for intervention (Burke and Litwin). But given 'structural' issues (lack of role differentiation between the levels) and 'culture' (social defences and 'mixed messages') - strategy alone was not enough</p> <p>- The November 2010 re-structure was more of the same - piecemeal 'transactional' intervention</p> <p>On these assumptions, we advised the senior team to generate fresh and frequent discussion across the three management levels to find solutions to improve coordination and integration (to raise productivity and reduce costs)</p> <p>A strategic shift was also suggested from a 'stand alone producer-seller to the whole market' to 'supplier' to their five largest customers (all large MNCs and comprising 80-90% of sales)⁶⁶</p> <p>This amounted to a transformation: not simply providing for customer needs but assisting them to meet their own strategic goals. A fully-developed Marketing function would identify and help customers define their needs. This would involve more than product development conducted in isolation of customers (the work of the current Marketing function)</p> <p>Using Emery and Trist (1965) - the GFC is recognised as having changed 'the environment' from 'placid-clustered' to 'disturbed-reactive' demanding not (piecemeal) 'tactics' but (coordinating) 'strategy'. The latest changes indicated it was now a 'turbulent field' where capacity to <i>influence</i> market forces (rather than respond) is at a premium</p>	<p>social defence intervention(s)⁶⁷ were beginning to confound my framework</p> <p>The emotional data clearly established that something was wrong. But it was not possible to use it to see what would come next</p> <p>Neither our 'interpretive, non-interventionist' action-research approach nor our more directive interventions were making any difference. We were not appealing to the senior team's rationality</p> <p>The literature pointed to the need for 'transformational', whole-organisation change but I was not equipped to effect a 'paradigm shift' (Trist et al., 1963; Palmer, 2002). Missing was the gravitas and urgency that a causal explanation appealing to the senior team's business rationality may kick-start them to action</p> <p>Instead, no matter how many times it was raised, 'strategy' fell on deaf ears.⁶⁸ Either it was seen as not immediately relevant; or my timing was wrong. 'Strategy' was going the same way as my 'subjective' psychological data</p>
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⁶⁵ The social defence literature suggests that how anxiety and defence are dealt with is a central feature of organisations which is referred to as "anxiety-culture-defence" constellation (Hinshelwood and Skogstad, 2000).

⁶⁶ This strategy emerged during the second-half of 2010 through many coaching conversations where participants identified their concerns, frustrations and ideas about the organisation and what it was doing and not doing to address the problems. Here I was playing more the role of sounding-board and thinking-partner, and mid-wife in its development. Before its presentation to the senior team it was offered to many in the second and third levels for feedback, adjustments, and for them to take the lead in presenting. Despite its consensus, not one of them wanted to present it to the senior team. This reinforced the solidity of the social defences in place.

⁶⁷ Including our raising it during coaching sessions and informal meetings I was invited to with level two and three managers.

⁶⁸ Including: post-GFC the lack of communication on strategy; with the social defences, the lack of a strategy to coordinate the operation of the policies; and now a new 'marketing-supplier' focused strategy being offered.

Note: There is no question that the literatures used have empirical application and practical implications. But in this instance they lacked indication as to how practice-based change might be effected. They were confounded by the familiar 'problem of change'. Our failure was now two-fold: the systems-psychodynamic social defence intervention had failed and so had a sociological plea for strategic re-orientation.

Table 4.16 Secondary Analysis: Deficiencies Take Effect

Issue-Location	Build-Up
<p>Pressure on Sales</p>	<p>The pressure to make sales led to unrealistic promises made to customers to:</p> <ul style="list-style-type: none"> - Drop prices and agree to smaller volumes which would reduce profit-margin in a way that had been forbidden (see above) - Change specifications despite repeated warnings from Manufacturing, and increased cost - Ensure fast delivery (while slower delivery was an inevitable consequence) <p>Sales could not present Manufacturing with accurate sales forecasts. This made it difficult to order raw materials and organise workers and production-lines</p>
<p>Frustrations in Manufacturing</p>	<p>Meanwhile, Manufacturing problems included:</p> <ul style="list-style-type: none"> - Lost control of purchasing to the new Procurement and Supply Chain department - Drastic cuts to their capital budget; reducing their flexibility - Began to lay off all but their expert workers and foremen to be replaced by seasonal workers <p>Manufacturing also cut progressive inventory, and experimented with how little inventory was needed to meet the (inaccurate) sales forecasts they had been presented</p> <p>New lean manufacturing practices would be efficient in the long-term but in these chaotic circumstances they increased costs and 'headaches'</p> <p>The new seasonal workforce resulted in plant managers returning to 'command and control' as untrained workers did not otherwise know what to do</p>
<p>Effect of Procurement and Supply Chain on Manufacturing</p> <p>Manufacturing-Sales 'fault-line'</p>	<p>The new department took over purchasing and distribution to make bulk-savings</p> <ul style="list-style-type: none"> - As commodity prices rose (post-GFC) they went to the commodity markets abandoning long-standing local and regional intermediaries whose interest was to service local plants - Purchases came from far and wide compromising order-to-delivery time. Part orders covering several plants went to the wrong plants and quality was variable <p>The effect was to slow production and put pressure on plant managers who now had to fill lengthy centralised request-forms and be 'absolutely exact' (which they could not be) ... then they had to 'wait and wait and wait'</p>

	<p>Disgruntled plant managers were told to be patient until new systems are 'sorted out'. No progress meant worse frustration</p> <p>Plant managers and Sales clashed. Sales complained about 'longer production times'. Plant managers complained of unreliable and inaccurate sales forecasts. A cycle was created and was the subject of much complaint during coaching. Both functions experienced new and worse pressures than before</p>
How Marketing Contributed	<p>Through coaching it became apparent that Marketing pursued a product development function.⁶⁹ Marketing managers decided on which product modification requests to accept from Sales and then developed these with Manufacturing</p> <p>In the coaching, managers complained of either:</p> <ul style="list-style-type: none"> - Lacking authority and the functional leadership to make decisions - Intense pressure not to do anything to prevent cutting Manufacturing cost - Pressure not to frustrate 'use of initiative' in Sales <p>Marketing was caught between conflicting demands - between directives from different senior team members and between Manufacturing and Sales</p> <p>They could see how some modifications were possible but that most were costly. When pressured by Sales, their standard response was 'be patient'</p> <ul style="list-style-type: none"> - knowing full well that more time and unforthcoming resources were needed <p>In cross-functional meetings Marketing received flack from both sides, partly because of their reputation as perfectionists (after all, most were engineers not marketers), and partly because Sales and Manufacturing were increasingly intolerant of anything that got in the way of meeting KPIs</p> <p>In line with the social defences in Manufacturing and Sales, several expressed 'not wanting to rock the boat'. Conflicting directives from the senior team were understood as 'rocking the boat'</p> <p>In response, Marketing managers:</p> <ul style="list-style-type: none"> - Said 'yes' to all demands - knowing full well they could not be fulfilled - Extended the back-log of items on their list of obligations they could 'never meet' <p>When challenged during coaching Marketing managers were fully aware of what they were doing:</p> <ul style="list-style-type: none"> - One manager spoke of the imaginary 'In-Box' of requests that were characterised as: 'probable but difficult', 'possible but unlikely' and 'forget-about' - Another characterised Marketing as being thrown 'the hot potato' to decide on what neither Manufacturing or Sales would solve, and could only

⁶⁹ There was no marketing as such that provided research, branding and promotion, or coordination with Sales. It was more related to Manufacturing than to Sales from which it was split off in the first restructure post-GFC. Before that, under the older regional structure, like Sales, both were an adjunct to Manufacturing. It was never more than product development and it was always staffed by engineers. When this was questioned, I was told that marketing was the responsibility of key account managers in Sales who were assigned to each of the five large customers. They were level three support staff versus line-managers, who were treated more as account managers, a back-up to Sales colleagues when meeting customers, and to occasionally provide information when requested. Some took up a more proactive marketing and research role, but this was not a formalised part of their role. Knowledge of this helped to develop the identity-as-supplier strategy. It required a marketing focus that the organisation lacked and that linked marketing to strategy (see, for example, Kumar, 2004).

	<p>be solved by them</p> <p>Sales Impacts Procurement and Manufacturing</p> <p>At the request of Finance and Procurement, several level two Sales managers:</p> <ul style="list-style-type: none"> - Developed a process of submitting sales-orders to that production facility which would be cheapest and fastest to deliver given the request - They also found that by placing orders through a particular country rather than head-office, considerable tax-savings could be made - Sales created a team to do this. (Previously Country Sales managers had worked through one or two factories, processed their own orders, negotiated with the factories, 'progress checked' each other, while keeping in touch with customers) <p>Difficulties with the new sales-ordering system appeared quickly:</p> <ul style="list-style-type: none"> - Orders were queued and took longer to process. It also took longer to identify the appropriate factory - Sales managers would only discover the status of any order when customers complained. It then took time to detect where and what the problem was and how far the order had progressed - Without direct relationships, Sales could negotiate and resolve difficulties with Plant managers and were 'referred back' to their own system - Customers complained bitterly, cancelled overdue orders, inserted penalty-clauses into future contracts and sued for late delivery <p>When Sales managers argued for restoration of the 'old way', they were told by Procurement that this was not possible due to considering tax savings and to continue negotiating with Manufacturing to fix the problems</p> <ul style="list-style-type: none"> - Cross-functional meetings reached agreements, but little changed - Dealing with angry customers led to greater frustration and more experimentation to find alternative ways around their problems
<p>After-Sales and Service</p>	<p>The new function took over control of After-Sales Services and Warranty (Service) from Sales:</p> <ul style="list-style-type: none"> - It was expected to run as a profitable independent 'business centre', to grow business outside the existing organisational structure and to free up Sales managers to focus on sales - A proportion of Sales income was redirected from Sales to the new department <p>Service experienced an unexpected increase in production and delivery problems and customer complaints. Far from making a profit it was soon operating well-over budget</p> <ul style="list-style-type: none"> - Sales had lost its previous closer contact with customers and Plant managers. There were delays before Sales learned of Manufacturing problems and Sales managers were in no position to recognise any patterns to these problems - Despite the best efforts of the new Director (who reported to the CEO) and an ex-Finance level two manager (second-in-charge), attempts at coordination failed badly - Faced with their own worsening problems, neither Sales nor Manufacturing managers had any enthusiasm for 'trouble-shooting' <p>For Sales and Manufacturing it became apparent that Service should have been aware of mounting problems:</p> <ul style="list-style-type: none"> - However most of the new Service managers had no sales or manufacturing experience - They could not distinguish problems attributable to seasonal variations from those generated by the restructuring - Nor could they identify problems caused by their creation as a department; understand the severity of each problem, nor draw on inter-departmental connections to solve them

	<p>In coaching, Service managers confided they were 'trying to cope as best we can':</p> <ul style="list-style-type: none"> - They supposed that apparent lack of interest from Sales and Manufacturing was nothing new - They viewed each other as newly promoted managers grateful for promotion and 'eager to please' <p>As the volume of problems worsened it became apparent through coaching there was a more serious underlying condition:</p> <ul style="list-style-type: none"> - Manufacturing managers reported awareness of 'growing quality-problems'. But feeling under pressure and 'lack of authority', they were inclined to treat them as 'out of my hands' - Nor did Manufacturing make any connections between the different sources contributing to their problems or to the problems in Sales or Service - Instead they blamed Sales <p>It was apparent to us that:</p> <ul style="list-style-type: none"> - Manufacturing managers had become noticeably more insular and focused on their own immediate problems which were piling up - Working with decreased authority, reduced budget and a new seasonal workforce, product quality was no longer assured - With Sales' centralised order-system and loss of the Service responsibility, they had abandoned 'progress-chasing' and previously closer customer relationships
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Note: The coaching was in a strong position to pool together information from the different functions to make sense of this worsening situation. Conversations with senior team members revealed that most knew aspects, especially concerning their individual area of responsibility, but not the full extent. Our feedback was sought and welcomed, but it made little difference. No collective discussion ensued, though many amendments to previous directives and new ones emerged. Nor did there appear to be much communication, let alone difference-of-opinion or conflict between senior team members. This underlined to us that the senior team was well-and-truly operating as *isolates*, confounded by organising-logic they unwittingly contributed to which led to 'more of the same'.

Table 4.17 Secondary Analysis: Social Defences and Post-GFC Policies as 'Agency' or 'Competing Institutions'

Agency or Competing Institutions?	<p>With the benefit of CT much more is apparent in hindsight than was the case during the consultancy</p> <p>CT offers re-presenting both social defences and policies as institutions: institutions generating 'positive and negative' feedback loops</p> <ul style="list-style-type: none"> - Positive loops are made when events confirm the rightness of people's analysis in their own eyes which reinforces their thinking and action - Negative feedback presents them with exceptions (surprises) that they cannot accommodate and which therefore compromise the thought-style
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	<p>(rationality) they are operating within</p> <p>The coaching evidence demonstrated the unconscious and contradictory practices individuals engaged in. But their activities could not be easily attributed to 'agency'⁷⁰</p> <p>Analysing these practices and behaviour as under the sway of the policies and the social defences as '<i>institutions</i>' (each with their own thought-style and feedback) could show:</p> <ul style="list-style-type: none"> - Behaviours influenced by one or a combination of the policies and the social defences were adhered to without thoughtfulness - Individuals could acknowledge and articulate that what they were doing was contradictory and likely to worsen the situation - but felt powerless to do otherwise - In combination the post-GFC policies produced unintended consequences which elicited counter-measures. These first triggered, and then exacerbated, social defences. Together the policies and social defences generated new problems that confounded attempts to resolve them. These worsened appreciably
<p>Post-GFC Policies as Institutions</p>	<p>The <i>centralisation</i> of procurement and supply-chain focused on cost-savings, whereas <i>KPIs</i> intended to drive 'initiative' in Sales and 'cost-saving' in Manufacturing did. They also exacerbated the Manufacturing-Sales 'fault-line' and induced self-protective behaviour</p> <p>... Here we have institutions generating feedback which had direct bearing on the issues that emerged in the functions (Table 4.15). Feedback consolidated social defences and compounded organisational problems (Table 4.12)</p> <p>... The <i>centralising</i> and <i>KPIs</i> in turn influenced:</p> <ul style="list-style-type: none"> - Marketing to favourably respond: say 'yes' to (but actually side-step) the conflicting demands of Manufacturing and Sales - The reluctance of Manufacturing and Sales to engage with the problems in Service <p>... Poor quality resulted from the <i>new seasonal workforce</i>, which included piece-rate payments, work-quotas and a return to 'command and control' by permanent staff. Corners were cut, mostly likely causing the six-month plant closure (Table 4.13)</p> <p>... Cheaper distribution channels (<i>centralisation</i> of Procurement and Supply Chain) increased damage in transit, for example, due to multiple transfers between transport modes and lengthened delivery times (of both raw materials and products to customers)</p>
<p>Social Defences in Manufacturing and Sales</p>	<p>Social defences consolidated in response to the centralisation and cost-cutting affecting Manufacturing and the pressure on Sales to 'use initiative'</p> <ul style="list-style-type: none"> - Each function became attached to their respective KPIs as a means of appearing to do what was expected of them; despite knowing that this was failing - The Manufacturing-Sales 'fault-line' was now a 'collision path' <p>Individuals spoke candidly within the coaching 'confessional'. During mandated meetings between Sales and Manufacturing we observed the contradictory behaviours arising from the social defences and particularly the KPIs</p> <p>Meetings were filled with laundry lists of issues needing sorting:</p>

⁷⁰ 'Agency' may have induced social defences in the first place but, once consolidated, they operated as institutions or 'structural entities' coming with their own rules (dos, don'ts, and shoulds), norms (including beliefs and practices) and thought-style (cultural-cognitive rationality). See Table 4.12.

<p>Social Defences and KPI-mandated Meetings between Sales and Manufacturing</p>	<ul style="list-style-type: none"> - Sales pushing the need-for-faster-production-due-to-increasing-customer-complaints and greater-flexibility-and-volume-and customisation - Manufacturing pleaded for accurate sales forecasts due to the delays in obtaining raw materials. They also pleaded for patience while they sorted the new seasonal workers and implemented lean manufacturing <p>Yet despite acknowledging each other's frustrations, the difficulties imposed by 'mixed messages' from above and devising 'action plans' – caused problems to worsen</p> <ul style="list-style-type: none"> - There was no 'boat rocking' nor action of any significant kind <p>How each function went about achieving their KPIs resembled exaggerated variants of centralisation, cost-cutting or 'use of initiative'</p> <ul style="list-style-type: none"> - Manufacturing managers were burdened and depressed, lacked any will to tackle their predicament (complaining of increased pressure and powerlessness). They grew insular, passive and their solidarity weakened - Sales managers went in a different direction, growing excited, experimental and camaraderie intensified <p>We detected that:</p> <ul style="list-style-type: none"> - Sales realising Manufacturing's determination to reduce progressive inventory and the slowness of accessing it, started to inflate their forecasts hoping that more inventory may speed up production - Manufacturing wondered why they had more inventory, and linked this to inaccurate forecasts. Initially they accepted Sales' difficulty but as this continued now challenged all forecasts. They resorted to amending forecasts based on actual recent orders and then adjusted their inventory purchases - As Sales recovered in the second half of 2010, 'adjusted' forecasts and inventory meant even slower manufacturing delivery <p>It was evident to me as a third party that although the departments knew what they were each doing, this was never raised in meetings</p> <ul style="list-style-type: none"> - I often observed undercurrents of frustration and blame. This suggested the strength of social defences - When I challenged those present on issues, linking them to the social defences, my observations were neither denied, nor were they discussed. Instead there was more 'conflict-avoidance' - In the same meeting I also presented the 'five dysfunctions of a team' model (see Diagram 4.1) <p>Later I distributed this diagram throughout Manufacturing and Sales and again it was acknowledged but without discussion (October 2010)</p> <ul style="list-style-type: none"> - Only when I facilitated two workshops with the top three levels of Operations (March and May 2011) some discussion followed. But without Procurement and Service its effect would be limited
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Note: Social defences do indeed confound organisations. The Fatalistic resignation that was observable and the near determination with which each function became 'stuck' strikes me now as more than the operation of unconscious defences, but a cultural compounding of difficulty. Simply attributing this to unconscious processes misses how these (once they) became institutionally-constituted, contributed to (and took on) a distinctive cultural manifestation replete with a thought-style and feedback

loops which generated consequences that became impossible to address. In this instance the cultural style was Isolate Ordering and resignation.⁷¹

Diagram 4.1 The Five Dysfunctions of a Team Model (Lencioni, 2005, adapted)



Note: This diagram was presented as an informal intervention at one of the mandated Sales-Manufacturing meetings that managers present invited me to

⁷¹ Papadopoulos (2015) noted a similar cultural dimension of Isolate Ordering present when re-analysing Menzies (1960) seminal case-study of nurses. This could explain why Menzies' nurses had become so helpless and resigned with many leaving before completing their training, and perhaps why Menzies found her best efforts to change the situation met with such stiff resistance. Could this be a feature of SDT's 'problem of change'? Arguably, in purposeful organisations rather than societies or groups in other settings, social defences that consolidate with a strong feature of Isolate Ordering may be more primary-task undermining, anxiety-avoidant and therefore resistant to change than if exhibiting one of the three other CT rationalities. A Fatalistic thought-style renders those caught in its grip, especially if they are not in the most senior leadership roles, oscillating between: 'looking-out for themselves'; feeling helpless, resigned and following orders thoughtlessly; or acting in short-term, expedient ways without concern for longer-term consequences. In our case study the fact that the whole organisation had inadvertently created a pathway into Isolate Ordering rendered the leaders to also act in more despotic, desperate, short-term, arbitrary and expedient ways, not just followers. This would have ensured that the other social defences such as in the leadership team (Individualist) and Sales (Egalitarian/Individualist) would also get caught in a cross-current of Fatalistic thinking and acting. Arguably if the organisation had not entered Isolate Ordering, and the social defences manifested with one of the three other CT rationalities in their organising, they may become more anxiety-circumventing in service of task. They may have also mounted a stronger resistance and a viable alternative leadership that could contribute to organisational performance and the primary task. Another possibility is do organisations that develop social defences also push the whole-organisation into Isolate Ordering? Those organisations that can resist this pull may exhibit social defences that are not so task-undermining but find other ways of achieving work? These are only very tentative hypotheses, requiring further research.

attend. After listening to the usual laundry-list of complaints and their polite 'not wanting to rock the boat' - and only when I was asked to contribute - did I draw this model on a white board. It represented an alternative way to get them to engage with the issues they were avoiding.

It was my attempt to highlight how their social defences were leading to their side-stepping of engaging with each other in more robust ways, that further reinforced their social defences and inability to solve problems. I linked their social defences to having undermined the 'trust' between them. From here the model is self-explanatory in its linking of the stages through which performance is progressively undermined. I hoped that this would get through to them.

To those present it made a lot of sense, but they also complained of their powerlessness to do anything about it. Having experienced a similar reluctance during other interventions either with the senior team or in the coaching with their peers and direct reports; I decided that as the company was continually inviting me back and asking for my input, I felt I had nothing to lose so I circulated this diagram in the form of a one-page "working note" (Miller, 1995). The hope was this may do something where all my other interventions had failed to bring about change, mirroring the ineffectiveness I too felt. Many responded privately saying they liked the diagram and that it captured what was happening. But like all my other interventions, it was not taken up.

Table 4.18 Secondary Analysis: Social Defences now with Cultural Theory

<p>Social Defences and CT's Thought-Styles post-GFC: the Creation of Havoc</p>	<p>When the social defences consolidated, the basic assumption defence patterns did not account for the effects we observed. Nor did they assist us to identify what the defences were a reaction against. Nevertheless, the appearance of social defences did provide the first sign that things were going wrong. We could infer why and how (Table 4.10) ... but not what would happen next</p> <p>Firstly, SDT is not clear on if, or when, social defences are better approached as 'symptoms' or 'causes'.⁷² We observed that:</p> <ul style="list-style-type: none"> - When they first manifest they appear as defensive-reactions ('symptoms') against something in the organisation or its wider environment - When they consolidate they create their own effects ('causes')
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⁷² Jaques (1995; 1998b) abandoned his social defence hypothesis because he came to defences as 'symptoms' of organisational problems. We also observed that once they consolidated they were also generating effects - 'causes'. In this research, Jaques' insight applies when social defences first appear. They are certainly 'symptoms' but not necessarily of 'badly designed organisations' as he had suggested, but of organisational and environment causes. When consolidated they also generated effects or 'causes'.

	<p>The social defences in:</p> <ul style="list-style-type: none"> - Manufacturing and Sales - BA 'Flight' was too imprecise to describe what individuals were reacting against and what consequences we witnessed - The senior team - BA 'Me' certainly captured their operation more as individuals than a team, each championing and driving a post-GFC policy, and how this undermined their ability to identify and coordinate the conflicting effects they were producing. We could assume it was a reaction to the GFC, that warned of future problems, but could not forecast the consequences we observed <p>Secondly, if we treat social defences as informal cultural institutions attended by distinct attitudes to risk, forms of reasoning and practices (with sometimes a settlement involving more than one thought-style) this is more effective in identifying what they are reacting against, and what consequences they may generate</p> <p>BA 'Flight' certainly fostered avoidance of primary task; eschewed conflict, deterred blame to self but also promoted a mindless self-protective following of KPIs in both functions:</p> <ul style="list-style-type: none"> - In Manufacturing, managers were reacting to the <i>centralisation</i> and <i>cost-cutting</i> which had diminished their authority, limited their options, but also led them to become insular and suspicious of outsiders. They also displayed suppressed anger, resignation, helplessness and depression, and at times were despotic and dismissive of those below (especially Plant managers). These qualities were consistent with Isolate Ordering and a Fatalist thought-style⁷³ - In Sales the cultural movement was different. Instead of reacting-against '<i>the push to use their initiative</i>' they rallied around it. Presented with weak market demand, Sales took to experimentation, more risky initiatives, defiance of the directive to maintain the profit-ratio and defiantly embraced product customisation. These are typical of a Individualist thought-style. But in contrast to Manufacturing, Sales managers banded together. We also encountered the Egalitarian quality of banding together, camaraderie, righteous declarations about being the only ones to rescue the organisation (in defiance to the <i>cost-cutting</i> occurring elsewhere). This animated a frustration and suspicion towards outsiders. But in line with their defences, they also acted without regard for their impact on others - this Individualist experimentation mixed with Egalitarian self-righteousness had a manic quality⁷⁴ - Meanwhile, the senior team's social defences in the face of mounting uncertainty (first the GFC and then the unintended consequences of the post-GFC policies Tables 4.5, 4.8 and 4.9) were identifiable as BA 'Me'. This certainly captured their operating more as lone-individuals protecting their different positions and domains but which compromised their ability to coordinate the policies and fostered short-term, piecemeal measures. While BA 'Me' resembles an Individualist thought-style⁷⁵ as a defensive
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⁷³ Such isolate dynamics could be described as a manifestation of 'flight' but lacked the internal organisation of isolation in relation to the rest of the organisation that was observed, along with the increased suspicion and resigned-helplessness.

⁷⁴ While the egalitarianism could be described as BA 'One' (Turquet, 1975) - the egalitarianism-laced with individualism was more purposive and focused rather than merely defensive-avoidant.

⁷⁵ Despite referring to two distinct concepts of defensive-reaction versus style or organising, BA 'Me' and 'individualist' organising, as descriptions of their nature and operation are similar, as is BA 'One' with 'Egalitarian' organising. This highlights the complementarity between the two theories and how logically what starts as defence will, if consolidated, lead to a style of organising. The reverse however is more interesting. Does the

	<p>pattern, it does not do what this Individualist organising led to which Increased Regulation and Undermined Integration pushing the company into Isolate Ordering</p> <p>The cumulative effect of the conflicting thought-styles-cum-defences which now prevailed across the top three management levels created havoc. The intent of the policies and their inability to deal with the problems diminished dramatically</p> <p>Our point? ... By inferring the thought-styles in play, the consequences of social defences are much easier to forecast</p> <p>The same can be said of the elementary forms animating each of the post-GFC polices. Coupled with the defences:</p> <ul style="list-style-type: none"> - The policy of centralisation brought increased Regulation but weaker Integration - not a functional-variety of Hierarchy but a path into Isolate Ordering - The policy of promoting 'use of initiative' was Individualistic Market Style - but how it took hold in Sales only further weakened the Integration between the functions - The KPIs intended to strengthen both Regulation and Integration (Hierarchy) were subverted by the social defences which defeated its intention (see Chapter Five)
<p>Cultural Theory and Accounting for the Changes within the Organisation-as-a-Whole</p>	<p>The cumulative effects of the policies and social defences operating as cultural institutions of their self-organisation (according to one or mix of CT's elementary forms or thought-styles) generated feedback (consequences) for each other and fresh problems and damage to the organisation's ability to solve them</p> <ul style="list-style-type: none"> - As cultural institutions, the policies of centralisation and KPIs fed the social defences and each other in ways that undermined Integration and increased Regulation - this toxic combination created a pathway into Isolate Ordering <p>Isolate ordering is the best available description of the organisation's dysfunctional inability to share and solve problems displaying:</p> <ul style="list-style-type: none"> - The return of 'command and control' ('despotic') directives - Tactical short-term rather than strategic action - Individuals doing their best to cope and 'to stay out of trouble', or - Opportunistically doing things that thoughtlessly sabotaged others - Suspicion increased, trust decreased considerably

Note: The effects of social defences could have been forecast by inferring the elementary form or mix (a settlement of two or more thought-styles) driving their cultural (self-) organisation. Their BA defence pattern was the first sign that something was wrong, but this was not enough to convince the senior team to do anything about them. Together the policies and social defences - re-presented as cultural institutions generating thought-style and feedback - captured the havoc and mess (the path into Isolate Ordering) the organisation got itself into. Isolate Ordering (High Regulation, Low Integration) is a better description of the well-recognised

observed style of organising start as a defensive reaction or not? Or is the institution we are observing intended or not? Asking these questions highlights the value of CT together with SDT in organisational analysis or diagnosis of underlying issues or causes.

dysfunctional effects of un-enterprising despotic bureaucracies (hierarchy). This is not the same as well-designed hierarchies (High Regulation and Integration) that can serve bureaucratic efficiency and predictability and promote individual enterprise and egalitarian trust and integration (Jaques, 1998a; du Gay, 2000; 6, 2011).

4.5 Metaphors Used by Participants to Describe the Coaching

The worsening problems and the organisation's inability to address them marked a significant change of mood confided through the coaching. This was articulated through gallows humour and a new metaphor used by participants to describe the coaching. Three distinct metaphors were used by participants at different times each marking emotions at key events. Table 4.19 presents these metaphors, changes in the mood and the key events they delineate. Metaphors have powerful diagnostic uses for tuning into participants' emotional experience.

Table 4.19 Participant-Metaphors Reflecting Changes in Mood and Key Events

Metaphor	Mood	Description	Key Event
'Coach'	Opportunity to Fix Things for the Better: Excitement, Hope	<ul style="list-style-type: none"> - Positive Evaluations of being coached - Concerns expressed within and about the 'senior team' - Eagerness to discuss and solve individual and collective practices and their impact on others 	Pre- and Post-GFC Initiatives
'Shrink' to a Sick Organisation	Confusion, Pessimism, Stasis Self-Preservation, Disappointment, Discouragement	<ul style="list-style-type: none"> - Opportunities and excitement evaporate - A return to the status quo ante and 'worse' - The 'bosses haven't really changed' - Participants joke about my psychology-training and the 'real reason' for coaching ... 'have you had your therapy yet?' - 'Organisation is sick and so are we' 	Appearance and Consolidation of Social Defence
'Priest' Taking Confessions and Administering Last Rites	Despair Hopelessness	<ul style="list-style-type: none"> - Participants became aware they were making things worse - But feared talking openly. Silence felt as the only way to survive in the circumstances - Participants confide in their institutions about the organisation and their defences, but do not do anything about them 	Appearance and Exacerbation of Problems Departures of Senior Team Members

4.6 Senior Team Departures as Problems Compound

Despite some doubt (Table 4.14) the formulation of initiatives to address problems and sales growth in 2010 boosted morale. Initial willingness to collaborate, work differently and 'improve communication' was found among many level two and three managers. There was support too for bringing Sales and Manufacturing together under Operations. Managers said that they had found coaching useful and our consulting efforts were in-step with needs expressed by the senior sponsors.

After a time lag (February 2011 - the eve of the first 'Operations workshop' I was invited to design and facilitate), many level two and three managers stated that the Five Dysfunctions of a Team model (Diagram 4.1) and my reporting of what contributed to it (Table 4.16) helped them understand what social defences are. Many acknowledged their effect, how they confounded policies, and that their actions were compounding problems.

With the senior team however, despite the positive reception to the diagram and commentary, it was no help in bringing them together as a team. Coaching continued with some senior team members, but they met sporadically. There was no opportunity for (our action-research) formal feedback and planning interventions.

The company's annual management conference (comprising the three senior levels) was cancelled after being postponed twice. For this conference I had been asked by both the CEO and COO to design an intervention for the three levels to discuss, iron-out and embed the restructure. In lieu of this I was invited by the COO to facilitate a series of interventions with the top three levels of Operations due March and May 2011.

Early 2011 saw acquisitions. A new plant in the US was being made operational, as was a third African plant. Similar attempts were being made in South America. In this process, several key managers changed roles or were away for long periods which made it difficult for others to access them in the ordinary pursuit of their work. Experienced staff complained of being spread thinly when dealing with quality problems that were now attributed to the switch to a seasonal workforce.

For all these initiatives - and despite my March-May intervention in Operations - none of the problems ameliorated.

The March-May Intervention in Operations

The first intervention began exploring Operations' effectiveness. I introduced a practical version of 'whole-systems' thinking which, with discussion, established some 'ground rules'. I suggested that:

- Nothing exists in isolation, but in relationship affecting all and one
- 'What's in you is in the group: and what's in the group is in you' - emphasising the importance that if you feel or think something, it is probably relevant, and to 'speak up'
- In systems: 'everyone is responsible: but no one is to blame' - everyone contributes, everyone is implicated.

It became clear very early that it needed the presence of Procurement and Service, but also the presence of all Plant Managers and Country Sales managers not based in HQ. We began by helping individuals to identify:

- How they and their teams were contributing to the problems
- What they needed to stop doing, continue doing, or do differently
- How they thought managers from different functions would answer these questions
- What they expected managers outside Operations would say if they were here.

Participants were encouraged to differ, disagree and challenge others (reminding them of the Five Dysfunctions of a Team model) if they thought they were holding back and not honest, but not to apportion blame. Each function - Manufacturing, Sales and Marketing - presented, and a gallery style discussion ensued.

The next stage addressed developing systems to improve communication, collaboration and problem-solving. We closed by eliciting action plans and how they would approach other departments to involve them in improving organisational working.

Participants were surprisingly frank, diffusing tension by joking about how they had sabotaged each other. They were unafraid of challenging each other. They posed difficult questions and insisted on answers. After this meeting, I was told that the mood in Operations had improved.

Nevertheless by the time of the May intervention neither production times nor quality had improved.

Evidence from Coaching

Participants were clear that relations among level two and three peers were improving perceptibly. They also reported that the senior team had to be involved in any future discussions/workshops if real change was to be made. Many were still afraid of speaking up. Many continued to be perplexed by the multiple and conflicting directives from the senior team. They also described continued meddling and ambiguity over what was expected. Despite improved informal communication between the five departments, official systems and procedures continued confounding their efforts. The organisation remained at an impasse and it was this that underlined the explanation of the competing institutional focus of our research.

This systems impasse was the focus of our May intervention which involved representatives from all five departments. The mood was positive and discussion candid. The COO concurred that a similar intervention which included the senior team and the non-HQ-based level two and three managers be part of the next Annual conference. This did not happen. Events again overturned good intentions and plans.

Unexpected Departures

Within a week of the May intervention, one of my senior team sponsors announced his departure and not long after, so did the CEO, and a third key senior team member his early retirement. This took level two and three managers by surprise. Any hopes for improvements arising from the May intervention were put on hold. Rumours abounded: 'Were they pushed or had they just jumped ship'? My senior sponsor and the CEO were off to new positions - one with the largest customer, the other with a competitor.

A former CEO had come out of retirement to take control while a new CEO was found. It was announced the next CEO would be from outside the organisation - the first in the company's history. This further lent support to the 'pushed' theory. 'Things would be turned up-side-down', as one participant put it.

The coaching continued until the end of 2011. We sought to do more than provide support and allow people to voice their frustration. The lift in morale and the initiatives of the first half of 2011 stalled and the problems described above continued. The newly-appointed HR Director informed me he would 'bring in his own people' and wanted me to continue coaching only until then.

Evaluating the Coaching Contribution

Measured against the original aims of benefiting both individuals and the organisation (Sherman and Freas, 2004; Anderson and Anderson, 2005), coaching had little impact certainly on organisational change. Though highly regarded by individuals, organisational stasis left them stuck too.

Despite our sponsors' support, to achieve the organisational aims the senior team had to be more actively engaged during intervention and taking the necessary leadership to ensure the aims took priority. Neither happened. As a result, coaching benefited the individuals involved but only indirectly the culture and organisation. By treating the case as an object of research I hoped to find a way of bridging the gap between business leaders' typical concern with 'Theory E' economic rationality and the more typical coaching and OD focus on 'Theory O'. Providing realist explanations - alongside interpretive methods regarding the causes and outcomes of both social defences and the post-GFC problems in relation to the later problems - became a key strategy. This is taken up in the next chapters.

What became clear is that coaching will only provide limited benefits to the organisation if the leadership is not actively involved driving the aims and reinforcing whatever insights and changes emerge from coaching.

Final Presentation to the Senior Managers

In March 2012, the last presentation was made to most members of the senior team including the acting-CEO, the new HR Director, and the COO (the only one of the four senior team members involved in the post-GFC policies). This marked the end of my involvement. On this occasion we used Cultural Theory to offer an analysis. I had originally planned to incorporate a CT analysis into an action-research intervention, but as this was our last presentation, chose instead a presentation and more free-wheeling discussion.

We made confident claims about the benefits of coaching especially to individual second and third level managers. But we were equally frank of the consultation's lack of impact on the organisation. Early versions of diagrams presented in the next chapter were offered, including:

- CT analysis of the policies and social defences as competing institutions
- How these institutions compounded the organisation's inability to resolve problems
- The three metaphors which managers used to describe my involvement as a coach: (Coach, Shrink, Priest) each capturing the mood, difficulties and distinctive phases the organisation passed through; not to mention the value of emotional or psychological data
- How the competing institutions provided unintentional pathways into Isolate Ordering and what this means for purposeful organisations.

The new HR Director remained unimpressed. The acting-CEO (a former engineer) showed interest in my explanation by asking several questions and offering concurring examples from his experience. He intuitively grasped the value of an institutional analysis, and his interested confirmed how a causal explanation of causes and consequences can appeal to 'Theory E' business rationality. The COO (the former Director of Manufacturing and then Director of Sales) and one of our main sponsors exclaimed 'Why was this not presented earlier? ... It would have helped!'

I explained that the analysis presented was only just emerging from the research I undertook alongside the consulting. His comments, and the acting-CEO's interest, suggested the research was 'on the right path'. In addition to providing a realist causal explanation, the presentation confirmed using CT and SDT together to improve the prospects of bringing about organisation-wide change.

Chapter Five: Empirical Analysis - Further Iterations

This chapter is organised around the four iterations of data-analysis. Each stage provided for deeper analysis from the two theoretical frameworks and three models, all realist in character.

5.1 Notes to Narrative: First Iteration

Contemporaneous notes recorded over four years captured our immediate experience of consultation in an effort to make sense of events and of the feelings they engendered. This was an attempt to capture the case in its 'wild' entirety. Chapter Four is a condensed version of these notes; presenting the scene, characters, critical events and fresh difficulties. Tables 5.1 and 5.2, respectively, display the key events and dynamics of the case, and then place these alongside the metaphors used by participants and some key-word descriptions of the emotional experience and journey of both the organisation and the consultation at different times.

Contemporaneous notes enabled elements of the case to be analysed singularly, and in relation to one another, to infer causes and effects.

Table 5.1 Key Events and Case Dynamics Display (Colour Coded)

10 Years of Continuous Growth alongside Expensive and Inefficient Management, Production and Work Practices	Extended Production and Delivery Times	
	Decline in Product Quality, Increased Customer Complaints, Customer Forces Temporary Factory Closures to Review Quality and Safety of Products	
Massive Drop in Sales	Consolidation of Social Defences	
Largest Customer Downgrades Relationship to Organisation Share Price Plummetts	Across: Senior Team, Senior and 2 nd levels, 2 nd and 3 rd levels,	In 2 nd and 3 rd level Manufacturing and Sales – Tension

Time Line of Key Events (below) Description (above) – Colour Coded

Pre-GFC	GFC and Aftermath Oct-Nov 2008	Responses to GFC	Appearance of Social Defences (June 2009)	Organisational Problems Appear (Feb-Mar 2010)	Exacerbation and Entrenchment of Problems (late 2010)
		Strategic Initiatives			
		Company Mood			

Strategic Initiatives (below): The Four New Policies in Response to the GFC

Centralisation of Supply Chain and Procurement	3 Restructures over 2 years	Pushing the Use of Initiative and Discretion of Decision-Making to Lowest Levels of Management “Hands-Off” Management	Growth through Acquisition
	Factory Closures and move to Seasonal Production Workforce		
	New Key Performance Indicators (KPIs)		
	Mixture of Opportunity, Anxiety and Commitment		

Table 5.2 The Emotional Journey of the Organisation and the Consultation

Metaphors Describing the Coaching	Key Events	Contemporaneous Emotions within the organisation	Impact of Interventions
“Performance Coach”	GFC Post-GFC Polices Appearance of Social Defences	Shock and Anxiety Mobilisation and Excitement Confusion	Early Success and Expansion Failure of Social Defence Intervention
“Shrink”	Consolidation of Social Defences Problems Appear	Paralysis	Coach Good-to-talk-to but little Impact
“Priest Confessor”	Exacerbation and Entrenchment of Problems	Frustration Anger Futility	Watching and Advising as Situation Worsens Hopeful but Ineffective

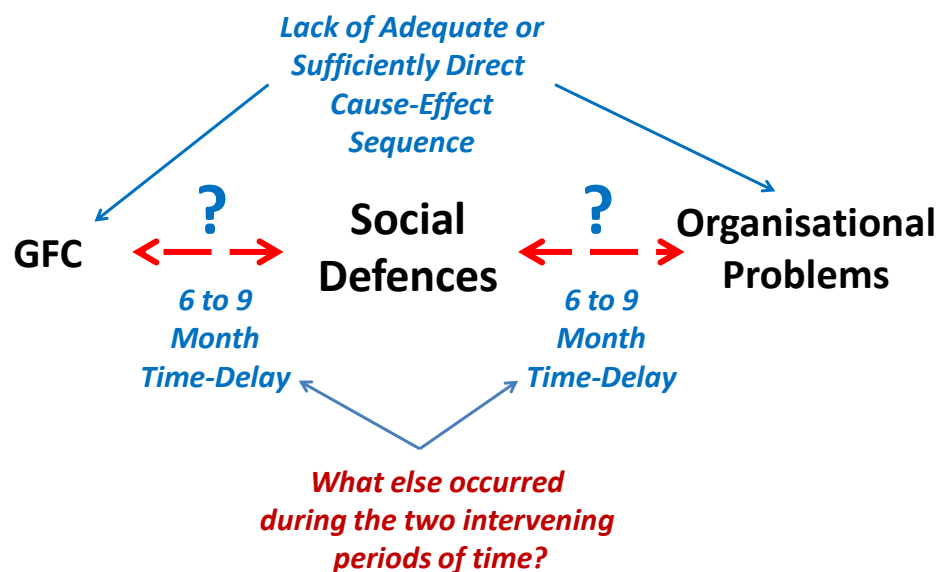
Note: By mapping changes in metaphor, emotions, successes and failures, it is possible to encompass a mass of data at-a-glance. This is not enough to establish causal relationships. However, apparent correlations invite hypotheses.

5.2 Second Iteration: Cause and Effect Relationships

Establishing the time-line helps in avoiding teleological explanations and pinpointing explanatory deficits, by:

- Dating the social defences then examining what happened before and after (Diagram 5.1)
- Identifying elapsed time between the GFC, the appearance of social defences, then the exacerbation of problems.

Diagram 5.1 Social Defences in Relation to the GFC and New Problems



Note: The GFC can be seen as a 'trigger' of events but is insufficient explanation for the social defences.

Re-tracing the emotional life of the organisation finds *shock*, *anxiety* and *fear* caused by GFC-related order cancellations, loss of 'preferred supplier' status, and massive price falls. But, ten years of continuous prior growth masked grossly inefficient practices. Recognition of these elicited different emotions within the three top

management levels: a sense of *opportunity, excitement* and *determination* to transform them.

The latter emotions recognised that:

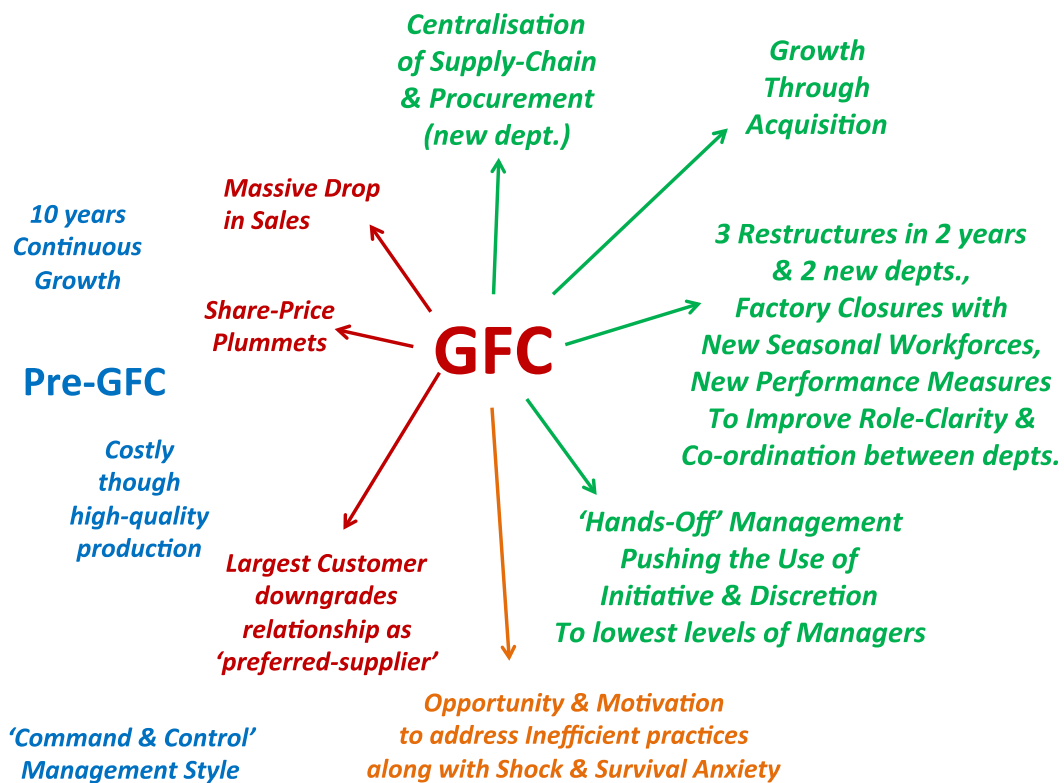
- Ten years of growth had allowed quality improvement over cost-efficiency reflecting the preeminent position of engineers and Manufacturing. Premium prices could be rationalised because the largest customers also sold 'quality' brands.
- Coaching had helped repair some of the top-down 'command and control' - especially within Manufacturing - by devolving initiative and discretion.

The ten months of coaching and consulting pre-GFC had identified 'lack of role clarity' between the top three management levels, 'poor communication' and understanding across the levels and functions. This was apparent in complaints about:

- 'Micro-managing by bosses'
- Lack of faith in the capability and motivation of 'direct reports'
- Poor inter-departmental problem-solving.

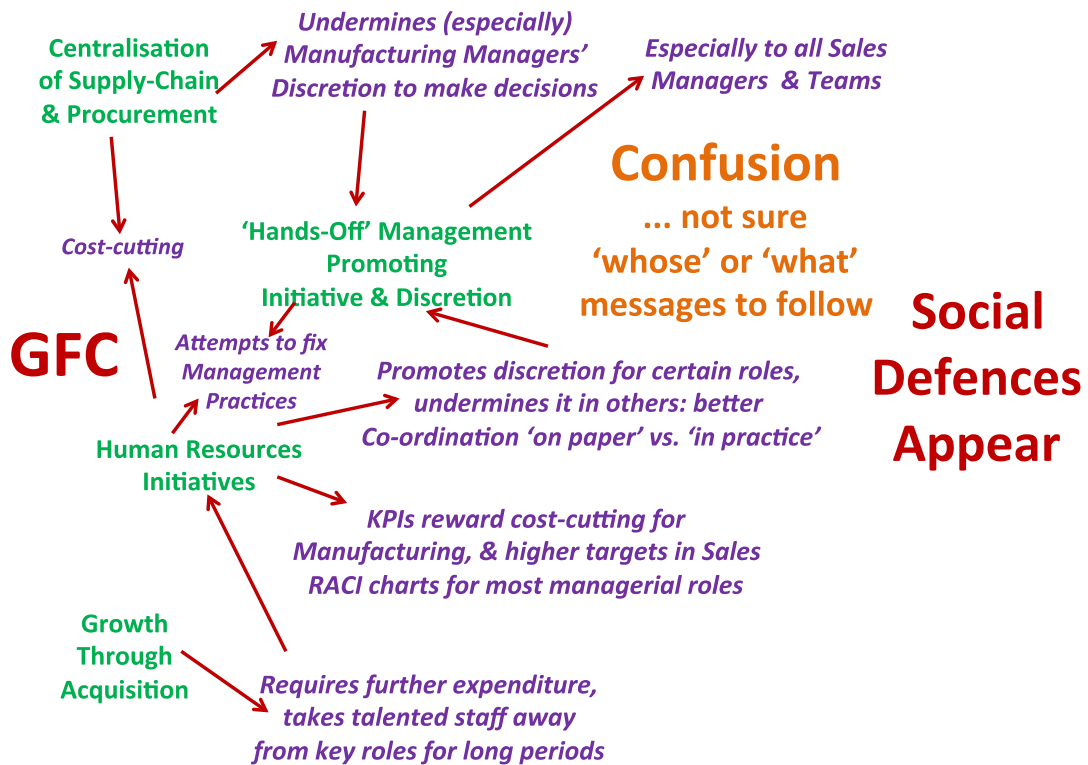
Recognition of these issues produced the emotional resolve to fix them. Diagram 5.2 (colour coded similarly as Table 5.1) summarises what came before and immediately after the GFC. Here we start to see how the organisation's history affected the four 'strategic initiatives' intended to deal with the effects of the GFC.

Diagram 5.2 Pre-GFC History and the Four Strategic Initiatives



Note: The new supply chain department was a reasonable response to sharp sales reductions and longstanding, costly engineering-led practices; likewise were factory closures and the shift to seasonal workforces. Determination to devolve discretion and 'improve role-clarity and communication' emerged through coaching and was already felt by the senior team. The initiative of 'growth through acquisition' was a continuation of past policy, but pursued in greater earnest when organisational problems were placing an upturn in sales at risk.

Diagram 5.3 charts the effects of the four initiatives, summarising their combined contradictory impact.

Diagram 5.3 Impact of the Four Strategic Initiatives⁷⁶

Note: The initiatives prompted confusion and anxiety confided in coaching conversations and vocalised in head office meetings, that elicited social defences. We infer that the GFC was a trigger but not a cause of social defences. The contradictory impact of the strategic initiatives fostered social defences.

⁷⁶ Note that text in purple describes the contradictory impact of the four strategic initiatives in green.

Diagram 5.4 The Four Strategic Initiatives Positioned between the GFC and the Social Defences

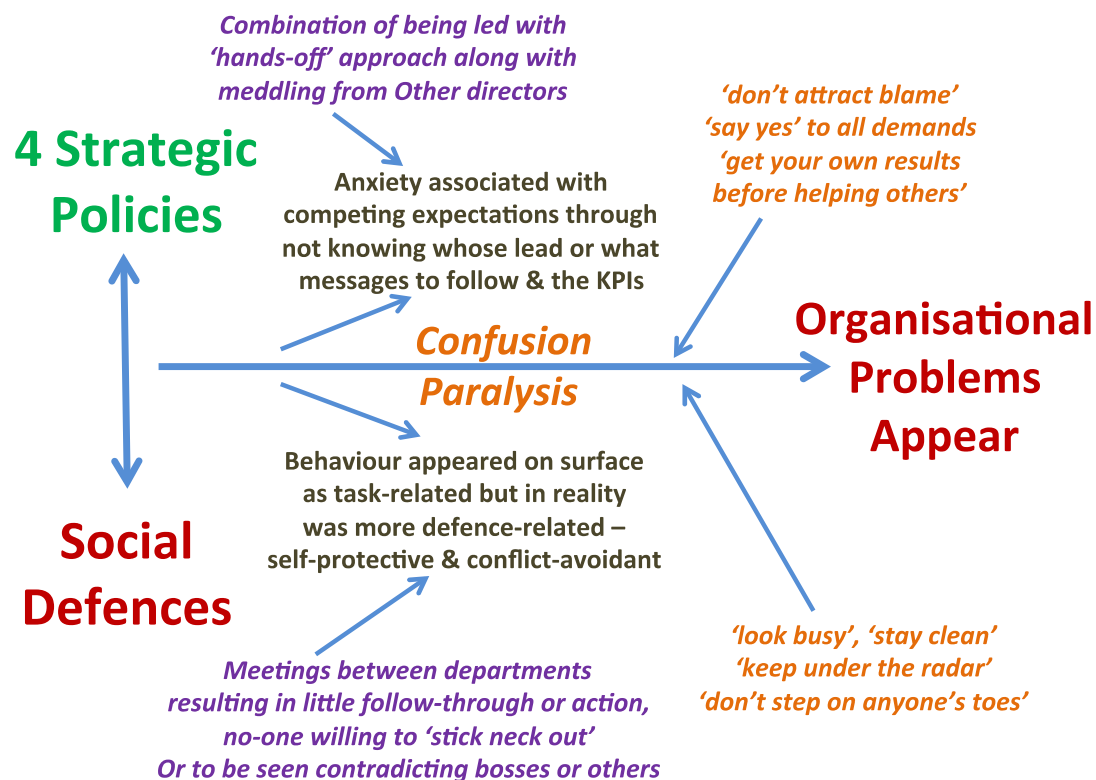


Note: A similar time-delay occurred between the GFC and social defences as between social defences and new organisational problems. The initiatives and social defences, together, added to the later difficulties by contributing confusion and paralysis. Level two and three managers confided to me their confusion over whose lead to follow. This manifested in apprehensive work-behaviour and, ultimately, paralysis in problem-solving. Their ostensible *task*-behaviours were more self-protective (*defensive*) than task-related (Diagram 5.5 below).

Social defences were also observed within the senior team. Members were limiting themselves to their immediate responsibilities rather than working in concert to implement strategic policies. Interpreted as BA 'Me' and presented back to them, their narrowing of focus not only contributed to the social defences below, it compromised our social defence intervention. This individualism was a direct response to the increased uncertainty, pressure and risk they were experiencing. Such defence related more to the "primary risk" of which strategy to pursue, rather than anxiety associated with primary task being an indicator of social defences in senior teams (Hirschhorn, 1999; Hirschhorn and Horowitz, 2015). Second and third level managers witnessed this and discussed it during coaching. Tolerated at first as

'reasonable' given the circumstances, it began to elicit similar self-protective behaviours in them. Diagram 5.5 describes how contradictory policies and social defences contributed to collective confusion, anxiety and paralysis.

Diagram 5.5 Strategic Policies Interacted with the Social Defences



Note: We observed that prominent events, emotional journeys reported individually, changing metaphors and public emotions marked a deteriorating organisation. 'Gallows humour' expressed privately but serially expressed was felt in common, and yet too disturbing to be shared overtly (Freud, 1905). Private expression of collective emotions is typically a good indicator of what lies beneath the surface (Armstrong, 2005). Our supposition is that without discussion and "working through" (Freud, 1920), what is collectively unconscious will fester.

Capturing collective emotional experience "as a source of intelligence" (Armstrong, 2005: 90) or, how organisational events trigger emotional constellations (such as social defences) that in-turn impact upon on organisational functioning, is the particular value of social defence theory. However, what to do about this if the organisation ignores it?

In the next section we re-examine events using two theoretical frameworks (SDT with CT) and three analytic models. What can be done to help organisations develop and change when social defences are ignored will concern the remainder of the thesis.

5.3 Third Iteration: Articulating Social Defence Theory, Cultural Theory and The Three Analytic Models

At this stage we consider key events, looking at how different theories can deepen the analysis, either in competition (as rival explanations) or in combination. Following the narrative examination of cause-effect relationships, this was our third iteration of data-analysis.

5.3.1 Social Defence Theory

Reported emotions (social defences) at the top three levels, and observed in different departments, served as the early warning of something amiss. But alone, SDT did not equip the author to forecast what occurred later. Nor could SDT sufficiently interrogate other elements of the case.

Contradictory post-GFC policies account for the confusion and anxiety that elicited social defences. We have also seen how these policies, in tandem with social defences, help explain worsening problems. But is there any special reason why the social defence intervention should have failed?

Here we explore how SDT's underdeveloped social side limits its usefulness. More particularly, how might we enable managers to take SDT seriously enough to act upon it? In short, why did our intervention fail and what would improve our prospects for facilitating change?

One problem with SDT lies in distinguishing task-undermining from benign social defences. Recent theorising expects that social defences will inhabit all organisations (Bain, 1998; Hinshelwood and Skogstad, 2000). Without being able to distinguish destructive from benign defences, it becomes difficult to know whether to intervene. Defences *might* be integrated into an organisation's socio-technical and sentient systems without harm (Trist et al., 1993; Miller, 1976; Miller and Rice, 1967). Defences may be 'task-circumventing' in that ways will be found around problems

(and therefore anxiety).⁷⁷ Destructive social defences are 'task-undermining' or 'avoidant'. In our case, individuals *feigned* being 'on task', knowing that strategies were not working, but were too anxious to speak up. This was true for managers and direct reports alike. Why?

Destructive social defences resemble what Durkheim termed 'anomie'. Treated thus, social defences can be considered as 'normlessness'. Durkheim would arguably warn that 'anomic' social defences will affect individuals profoundly, placing them at risk of self-harm. Anomic social defences would be distinctly destructive. A Durkheimian take on internal life, then, puts the 'social' into social defences and might meet Menzies' under-examined innovation of this 'social side' of social defences.

Once institutionalised, then (anomic) social defences may operate independently of the individuals involved with consequences widening harmful effects. What does it mean to claim that social defences are social in nature and operation?

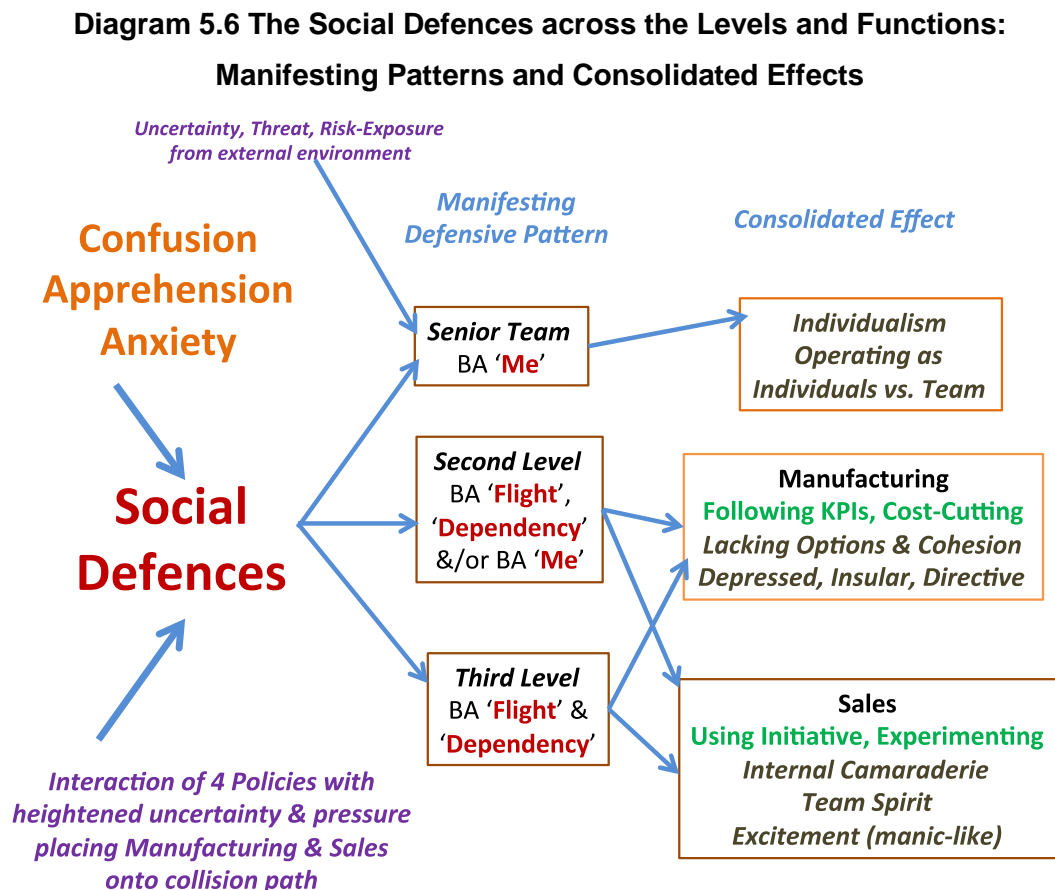
SDT methodology certainly distinguishes social defences from other psychological processes. It does this through Bion's observation of 'task' as a trigger for individual anxiety. 'Basic assumption' behaviours are such collective defences against anxiety-provoking tasks. How effective was this in forecasting the consequences of harmful social defences?

In our case three observations can be made:

- There was a time lag between the first appearance and later 'consolidation' of social defences
- They registered in the top three levels in distinct ways ...
- Then accompanied the 'Manufacturing-Sales divide'.

Diagram 5.6 captures these three distinctions.

⁷⁷ In line with this, Hirschhorn and Horowitz (2015) have recently argued that any work "worth its salt", including "extreme sports" and work-environments, comes with risk and anxiety as a necessary part of the challenge. The satisfaction comes in "working through" the anxiety to achieve the task.



Note: The senior team's social defences manifested as busy-and-harassed-individuals-not-team-members, pursuing private schedules. They took calls in meetings, came late and left early. They 'went along with others' in apparent consensus, but without results. Tavistock theory would posit basic assumption 'Me' in this (Lawrence et al., 1996). But this could not have been all. Individualism may have fostered a self-protectionist and self-obsessed environment, but not a deregulated, creative and discretionary one. On the contrary, there were attempts to increase control while managers reported entrapment and diminution of freedom.

Ostensibly the organisation was becoming anything but 'individualistic'. This was defensive individualism: defensive against anxiety and fear and not a source of power but of powerlessness and ineffectuality. Managers sought to look the part while the scope for action was lessening. The stifling of initiative was most acute at lower levels, and the opposite of what had been hoped for through coaching.

Basic assumption 'Me' provides precise classification of what was observed, but not especially an explanation for what had caused this specific form of defence. Nor does it explain why such individualism was associated with reported reductions in freedom.

Nor did 'personality', 'team conflicts' and 'power struggles' account for the observation. Any such tentative suggestions met with disbelief. Managers were adamant that personalities were not to blame. We did not wish to add to their defensiveness.⁷⁸ We sensed through our counter-transference feelings - discomfort, bewilderment and powerlessness⁷⁹ - that the avoidant behaviour was difficult to confront.

Basic assumption 'Me' was mixed with basic assumption 'Dependency' and 'Flight', particularly in third level Sales managers but in Manufacturing, only the latter. Second level managers showed one or the other of these defences; some identifying with the senior team ('Me') and others with third-level direct-reports ('Dependency' and 'Flight'). For them, the strategic policies were creating the confusion and apprehension. Contra the theory, the 'dependency' and 'flight' were not provoked by 'task' but by not knowing how to approach or what task to pursue, KPIs notwithstanding.

These managers complained about 'meddling' and 'not knowing' which directive to follow. Sales and Manufacturing met at their own instigation to solve problems and improve coordination. While 'on task' agreements were reached, they were not followed-through. There was individual and collective understanding of problems, but none would 'stick their neck out' by contradicting a director nor each other. Fear and caution reigned. As defences consolidated, managers reported diminution in the numbers of people whom they trusted. There was aversion to 'conflict', to 'stirring up bad feelings' and to 'blaming anyone'. In coaching, managers expressed the regime thus:

- 'Don't stick your neck out!'
- 'Don't be seen as a Trouble-Maker!'
- 'Don't say or do anything that may attract blame, or land you in trouble!'
- 'Stay under the radar!'

⁷⁸ It is perhaps such consulting experiences, and consulting failures, as with Menzies' seminal case study that led to theorising how social defences explain why change is resisted (Long, 2006a; Krantz, 2010). The challenge is in translating such theorising into intervention practice.

⁷⁹ With the help of hindsight, these feelings confirmed Hirschhorn's (1999) hypothesis of 'primary risk' as a source of social defences in senior teams, reflecting the uncertainty and anxiety about what to do strategically. As we have seen, even when such an intervention was offered, it too was ignored. The consulting challenge is how to combine strategic with psychological intervention given the largely normative divide the two represent both as interventions, and in the world view of their proponents (see for example, Greiner, 2008; Beer, 2008). This is where cultural theory may assist, such as in proposing "clumsy solutions" (Verweij and Thompson, 2006) and interventions that may help in bringing them about.

- 'Look busy!'
- 'Say yes to everything!'
- 'Get the results expected of you!'
- 'Do your own job, not others!'
- 'Look out for yourself and your buddies!'
- 'Have eyes in the back of your head!'
- 'Be careful of whose toes you might step on!'
- 'Be on guard!'

The Diagnostic Limitations of SDT

Knowing the 'basic assumption pattern' of these defences helped at the outset. But as they consolidated, SDT was unable to encompass the impact they were having on the organisation. Nor was SDT discerning enough to account for the effects of different social defence systems in Manufacturing and Sales. Another theoretical language was needed. 'Basic assumptions' did not describe the social nature and operation of social defences and provided only imprecise indication of possible consequences.

The coaching conversations and other observations established that social defences consolidated differently in the senior team and in Manufacturing and Sales from when they first manifested.

A central claim of this thesis is that superimposing the four way Grid-Group CT typology onto the case renders the observed outcomes markedly more intelligible. Identifying the 'elementary forms' operating in each of the social defence systems and the four post-GFC policies, and especially the organisation-as-a-whole⁸⁰ - seen as movement into Isolate Ordering (displaying a Fatalistic thought-style) - provides a more discriminating account of what our respondents were thinking, feeling and doing. The effect of social defences and post-GFC policies operating in tandem was to inadvertently create 'pathways into Isolate Ordering', rendering the organisation increasingly ineffective in the face of mounting problems.

The easiest place to begin is where CT's 'Individualism' and SDT's BA 'Me' coincided. Looking at the senior team's defences when they had consolidated, we

⁸⁰ Each was conceptualised as a social or institutional entity that displayed an institutional thought-style that was derived from the degree of (social) Regulation (Grid) and Integration (Group) each exhibited.

noted a basic assumption 'Me' defensive pattern and a culturally distinctive Individualism (I-don't-care-about-you. This-way-works-for-me-and-competition-can-sort-out-which-of-us-is-right). Here, CT and SDT overlap: the BA 'Me' defensive pattern with Individualistic reasoning and action. We can envisage how 'positive feedback' between BA 'Me' defences and a concomitant thought-style created antagonising effects on other types of social defences in Manufacturing and Sales and on the other thought-styles (as in each of the post-GFC policies) existing across the organisation.

With the exception of the senior team's BA 'Me',⁸¹ identifying the basic assumption pattern only captured the inward-looking, individualistic, self-protective behaviour when the social defences first manifested. When they consolidated, it could not account for the impact they were having on the organisation. Inferring the 'elementary form' and tracing the feedback effects this generated, provided a more reliable forecast. Devoid of CT, a SDT 'basic assumption pattern' describes the anxiety and defence, signals a problem but not its dynamic effects.

BA 'Me' could not account for how the senior team's individualist outlook led to centralised control at the top (increased Social Regulation) that fuelled both the social defences below and the Manufacturing-Sales divide, leading to decreased Social Integration. This combination of higher Regulation and lower Integration captures the inadvertent pathway into Isolate Ordering that was created. This, in tandem with the competing effects of the institutional operation of the post-GFC policies and social defences in Manufacturing and Sales, contributed to the later problems and compromised the organisation's ability to deal with them.

Likewise, BA 'Dependence' and 'Flight' in Manufacturing could not account for the *Fatalistic* thought-style fostering a depressive, inward looking mistrust towards outsiders and greater top-down internal 'command and control' that reversed many of the earlier coaching gains. Nor did BA 'Me' and 'Fight/flight' in Sales capture the manic 'can do' *Individualistic* experimentation of managers mixed with *Egalitarian* camaraderie as the only department 'out to save the organisation' through making sales and circumventing dysfunctional organisational systems that actually created more problems than it solved.

⁸¹ This is arguably because of the overlap of the theoretical definitions of basic assumption 'Me' and the individualist elementary form and thought-style.

Re-Reading Social Defences

Two questions were posed earlier:

- What do social defences indicate?
- How do they assist organisational consultants?

We, and all the managers, knew 'something was going wrong'. Retrospective analysis indicates that four (contradictory) strategic policies elicited social defences. The defensive patterns provided us with insufficient prior indication of their effects. Nor did SD theory-and-method encompass the selection and organisational impact of the four strategic policies. Traditional SDT interventions had not worked and the senior team did not take them seriously. SDT was valuable insofar as it alerted a changing emotional experience reported by managers – referring to 'climate' as distinct from the 'culture' (Burke and Litwin, 1992). But as Burke and Litwin concede, 'climate' is mostly an effect of other 'transformational' causes and does not address the 'transformational levers' of change. We understood the defensive climate but not what it would do nor why the social defence intervention failed.

There is often a divide between what concerns business leaders and what concerns OD consultants. What the consultant searches for is the means to pique the interest of business leaders in emotional data, and help them understand their apprehensions. If we had been in a position to offer the senior team causal explanations, clearer forecasts and practical advice this would have helped. Trist, Emery and Jaques arrived at much the same conclusion by different routes.

Our typical OD action-research method worked adequately in explaining why social defences developed. But the intervention unravelled because the organisation was overtaken by difficulties bewildering to all. We offered interpretation (working hypotheses) and action-research to enable managers to arrive at their own conclusions and choices which they struggled to do. We followed the lead of recent theorists, notably Lawrence (2000 and 2006) and many others (Long, 2013; Bain 1998 and 1999; Armstrong, 2005), who urge greater parallels between organisational consulting and mainstream psychoanalysis that offers interpretations (analysis) but non-directive intervention. In this case, we provided *working hypotheses* (analysis) but did not give advice or, know enough to, advise. We were limited by our (interpretive rather than realist) consulting methodology and the under-developed social side of the social defence theory we were relying on.

Had we been equipped with Cultural Theory, informed and credible forecasts could have been offered, encouraging the clients to look more closely at the data and its strategic implications. In hindsight, we see that CT understanding of thought-style would have enabled us to read the organisation – especially its defences and their effects – much more quickly. In parallel with psychoanalytic action-research consulting, CT-informed consulting would facilitate 'clumsy solutions' by 'chairing' organisations so as to ensure that all four 'voices' (thought-styles) are expressed and respond to each other's *competing*, *partial* and *reasonable* analyses of 'what the problem is' and 'what to do about it'.⁸²

5.3.2 Cultural Theory

Cultural Theory was introduced to bring sociological assistance to SDT. It proved compatible and helped re-read the social defences, the post-GFC policies, and the independent institutional life which these acquired. With additional sociological resources, SDT becomes more diagnostic and useful in bringing about organisational change. We can then understand:

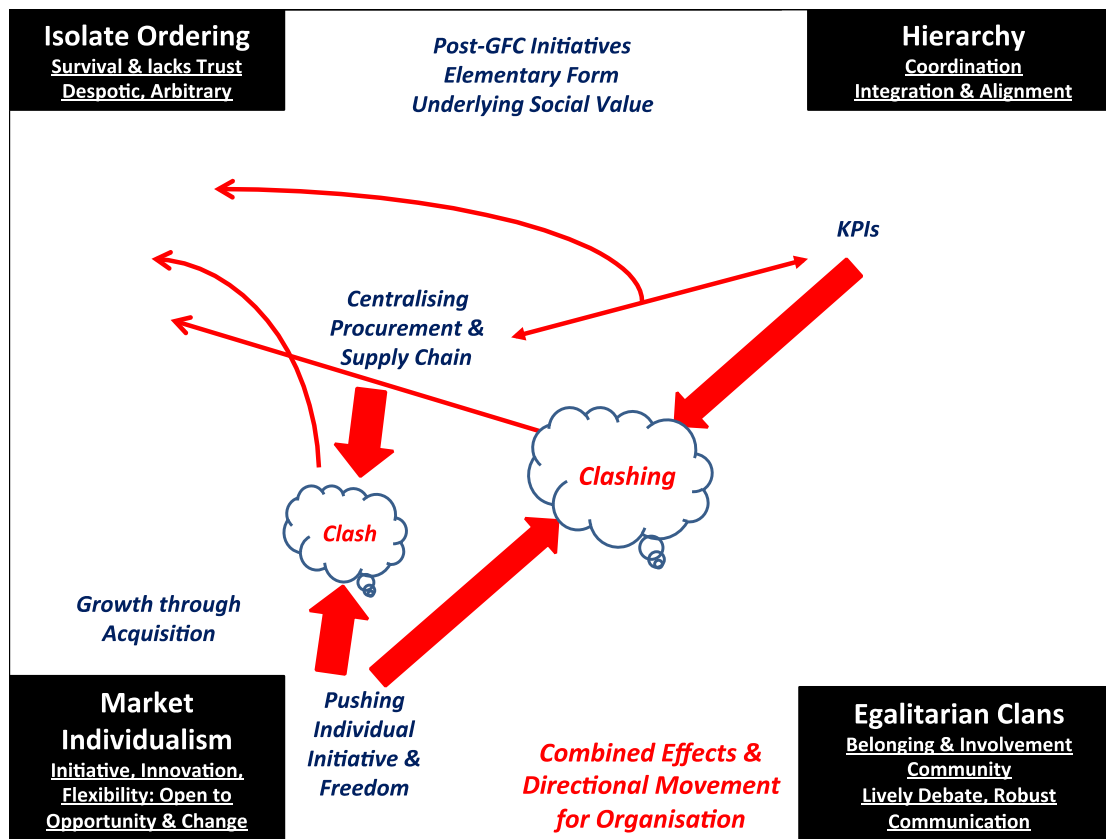
- The thought-styles the policies generate or from which they derive
- The anxieties these elicit in contending thought-styles
- The social nature and operation of social defences
- The consequences of these defences for the organisation.

Pathways to Isolate Ordering

Based on CT, Diagram 5.7 maps competition between the company's strategic policies and how they had the effect of increasing regulation and undermining integration. High Regulation and Low Integration is what defines 'Isolate Ordering' that we think social defences contributed to.

⁸² Facilitated, for example, in the style of Future Search conferences (Weisbord and Janoff, 2010).

Diagram 5.7 The Policies Expressed as Contending Thought-Styles and their Dynamic Movement



Note: The four elementary forms informing the post-GFC policies are inferred as distinct constellations of values and implicit social relations that were audible in the individuals pursuing them. This pinpoints where the policies clash, the movement which these clashes induce and what the combined effects might be.

For example:

- The centralising of Purchasing and Distribution and the introduction of KPIs increased Regulation but, in different ways, while further dividing Manufacturing and Sales. Centralisation provided clear directives, limiting managers' options. But this affected Manufacturing more than Sales, and worsened their integration by setting them on different paths. The KPIs, because they were mindlessly followed and used defensively in both Manufacturing and Sales, instead of promoting coordination and integration between the levels and functions, increased regulation and reduced integration, further inducing Isolate Ordering.
- The encouragement of initiative, a measure to breakdown the 'command and control' mind-set, was scuttled in Manufacturing as managers lost much of

their discretion due to the centralisation of Purchasing and Distribution. In Sales, however, while it unsettled 'cosy sales relationships' with buyers as intended, it also promoted individualistic competitive entrepreneurship which rebounded back onto Manufacturing, further exacerbating the divide between the two functions.

- The policy of growth through acquisition, in addition to being a market-directed revival measure, involved partial secondments to initiate negotiations and to redesign and integrate acquisitions. These secondments, while allowing considerable initiative and freedom, induced competing cultural behaviours in the individuals involved and suspicion from colleagues. By also reducing key human resources in many departments for long periods, these functions became increasingly insular, weary and self-protective with demands made upon them.

Each of these policies had logic and purpose. But their combined operation elicited confusion, anxiety and social defences, and *Fatalistic* 'playing it safe' by meeting KPIs at the expense of functional integration. Our re-reading is that social defences and Isolate Ordering, reinforced through positive feedback, underscored the 'anomie' across the whole organisation. This further undermined the organisation's ability to adapt to, let alone deal with, problems. This only became clearer by plotting movements of the policies and social defences onto a blank CT map. While there are circumstances when Isolate Ordering is functional,⁸³ that was not the case here.

Social Defences

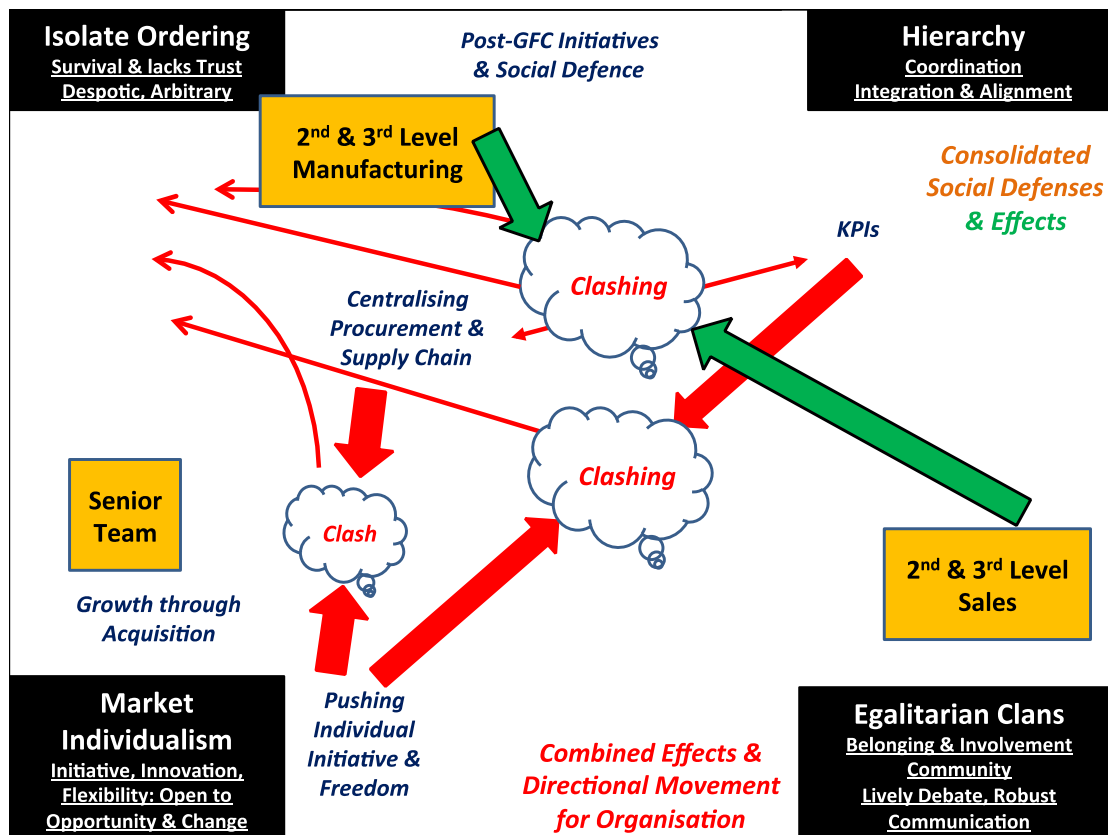
Diagram 5.8 uses the GGCT typology to superimpose the social defences and policies. Identifying the elementary form (observed values, style-of-organising and rationality) driving their operation, better captured their effects. It depicts their clashes as *competing institutions* and the failure of the *Individualistically*-defended senior team to moderate them. This further undermined *Social Integration*, pushing the organisation deeper into Isolate Ordering.

⁸³ An example is in very high risk and dangerous environments: in particular parts or functions of organisations where isolate design and working away from other parts and the whole may increase productivity (see Mars, 2008); in organisations working within the simpler of Emery and Trist's external environments such as placid, random and placid, clustered (1965) where smaller and directive designs can be effective; or in times of extreme crisis and transition where leaders need to take control to turn things around. In this last situation, isolate design is effectively promoted only in the short-term otherwise it may then start to undermine the positive influences that can be promoted if aspects of the other elementary forms are brought into the mix. This is taken up in the next chapter.

Here we see the elementary forms driving the policies, both fuelling the social defences and indicating what they were a likely reaction to. But, we also see the effects of their combined interaction on the organisation.

For example, the reduced scope of Manufacturing managers, following the Hierarchical centralisation of Purchasing and Distribution, fed their social defences and led to their style of Isolate organising. They 'played it safe' through BA 'Flight' and 'Dependency' and blind compliance with KPIs. In Sales, managers seized on their (different) KPIs to pursue 'initiative' to the maximum. They found a different policy around which to build their 'Fight/flight' and 'Me' defences. The *Individualism* that 'pushing initiative' promoted, reduced their internal *Regulation* and fostered an *Egalitarian* camaraderie. In contrast to the depressive mood feeding a Fatalistic thought-style in Manufacturing, Sales grew manic occupying the low Regulation, high Integration quadrants of the CT map.

Diagram 5.8 Social Defences, Policies and Cultural Shift



Note: Feedback loops animated by different social defences in Manufacturing and Sales, and fuelled by the different policies, undermined each other's ability to coordinate and pursue a common primary task, culminating in torrid problems. Analytically, both the policies and social defences are here reconceptualised as institutions. Respectively, the policies are *driven by*, whereas the social defences are *feeding*, different elementary forms that promote competing values, thought-styles and ways-of-organising. These effectively become conflicting cultures running rampant in the organisation.

In Diagram 5.8, we see a pocket of Individualism/Egalitarianism flourishing in Sales. But far from orchestrating a potential 'clumsy solution' that may articulate an underutilised thought-style and alternative solution, this only further undermines the *Integration* between Manufacturing and Sales. Nor can it be heard by the Individualistically-defended senior team. Together this pushes the organisation deeper into Isolate Ordering.

Had we been aware of Cultural Theory we could have tracked the vectors taken by the different social defences by understanding the elementary forms that were animating them. In this iteration, form-driven social defences are discernible in late 2009, a year before the company's worst problems. Had we been thus equipped, we would have had a useful diagnostic tool and could have anticipated the consequences that social defences would have had, if unattended. SDT's 'problem of change' is addressed here because we see not only 'why change is resisted' but also the changes that consolidated defences can have.

Comment: A Senior Team Member Responds to Cultural Theory

When Cultural Theory analysis was presented to the last remaining senior team member – and sponsor of our consultancy – he was emphatic that it would have helped. His immediate grasp of how CT accounted for the events is promising. Here was a framework that could hold its own against 'Theory E' *and* which repairs sociological deficits in SDT.

Re-Reading Menzies Using CT

How might CT been used with Menzies' (1960) seminal paper? As cultural artefacts, social defences will betray the reasoning of thought-styles. In Menzies' case study,

we might infer that reasoning at the hospital was predominantly hierarchical (placing faith in rank and rules). Hierarchy between doctors and nurses minimised nurses' discretion and suppressed their care for patients with absurdly anomalous measures (a triumph of formal over substantive rationality). Nurses' expertise in care and rehabilitation was compromised. What should have been glaring anomalies - the long-list of problematic patient-care procedures Menzies described - failed to register. This contributed to the positive feedback enjoyed by Hierarchical reasoning. In response, nurses in CT terms trod a pathway into Fatalism for survival's sake. Even matrons and experienced senior nurses passed on Hierarchical reasoning to junior nurses and nurses-in-training.

The manifest social defences were Isolate-Fatalistic adaptations to Hierarchy: in Bion's terms, this was basic assumption 'Dependency'. Dependency is a well-recognised defensive manoeuvre in such circumstances. Nurses who could tolerate dependency were more likely to stay by conforming to rules and delegating upwards even tasks that were within their competence. For others, this provided inadequate respite. They adopted basic assumption 'Flight' and departed. The respective results: unthinking task performance and reluctance to take even authorised decisions, non-completion of nurse-training and high turnover among qualified nurses.

Likewise, BA 'Dependency' and BA 'Flight' featured in our consultancy (compounded by BA 'Me' within the senior team).⁸⁴ We suggest that BA 'Dependency', 'Flight' and 'Me' are dynamic and that this dynamism fuels, and is animated by, contending thought-styles, which depend in part on what the defences were a reaction to in the first place.

In the hospital, the nurses BA 'Dependency' was a reaction to the dominating Hierarchical reasoning and organising. For those who fled the hospital and/or their training by choosing 'flight', this could be a reaction to the 'dependency' they found within the nursing system or animated by contending thought-styles operating within these nurses' own consciences.

In our case, the BA 'Dependency' and 'Flight' in Manufacturing was fuelled by the policy of centralisation and a blind obedience to their KPIs which animated a

⁸⁴ We had much better access to the elite than did Menzies, and were able to differentiate BA 'Me' within the senior team, which for level two and three managers was described as a return to the 'command and control' practices of the past. Perhaps something else was also feeding the Hierarchical reasoning in the hospital?

depressive Fatalistic reasoning and organising. In Sales, BA 'Flight' and 'Me' was fuelled by the policy of 'pushing initiative' which animated a manic Individualistic risk-taking and Egalitarian camaraderie. These, when combined with Individualistic-defensiveness (and BA 'Me') of the senior team, pushed the organisation deeper into Isolate Ordering. This requires reconceptualising consolidated social defences as institutions carrying rules, norms and cultural-cognitive ways of thinking (see: Scott, 2008) and animated by one or a weighted mix of elementary forms and contending rationalities (Douglas, 1986; 6, 2011).

Bion's theory is sensitive to anxiety and defensive manoeuvres, but not to what triggers them, nor why social defences 'consolidate' and what they go on to cause if unattended. This is due – in our terms – to 'positive feedback' of a thought-style that, in its consolidated form, animates the social defence system.

Neither BA 'Dependency' nor 'Flight' produced new ways of organising the hospital's nursing service. Why?

The defences which Menzies observed exquisitely were *symptoms* of Isolate Ordering in the face of 'rules-gone-mad'. Using CT, nurses' dependency consolidated into Fatalism. Isolate obedience to senior medics reinforced nurses' marginalisation. But if their defences had encompassed Egalitarian or Market reasoning, we may have seen either coordinated protest and supportive camaraderie, or working with initiative and finding creative ways around stifling rules. We stress: Hierarchy elicited "dependency", consolidating as Isolate Ordering. This settlement between Hierarchy and Isolate organising locked-out other forms of reasoning. Note that this was achieved through nurses themselves, starting with the matrons and senior nurses. As with our consultancy, Menzies was at a loss when it came to overcoming the trap.

One Defence becomes Another

In our case, we infer that social defences among second and third level managers began as 'flight' from anxiety aroused by competing policies and BA 'Me' interference by different members of the senior team. BA 'Dependency' – in Manufacturing and Sales managers' slavish attachment to KPIs – came later. For Bion, this is typical of how groups shift between different basic assumptions before they settle into a particular defensive pattern (or return to task).

For us, 'dependency' manifested differently in Manufacturing and Sales. Manufacturing followed their cost-reduction KPIs and submitted to central regulation. Aware of lost freedoms, new-found 'dependency' consolidated as Isolate Ordering: teams lost cohesion, managers became despondent and insular. Plant managers returned to directive 'command and control'. This is similar to what Menzies' nurses experienced under excessive rule. In both the hospital's case and in ours, it was thought-styles which consolidated 'dependency' into the Isolate form.

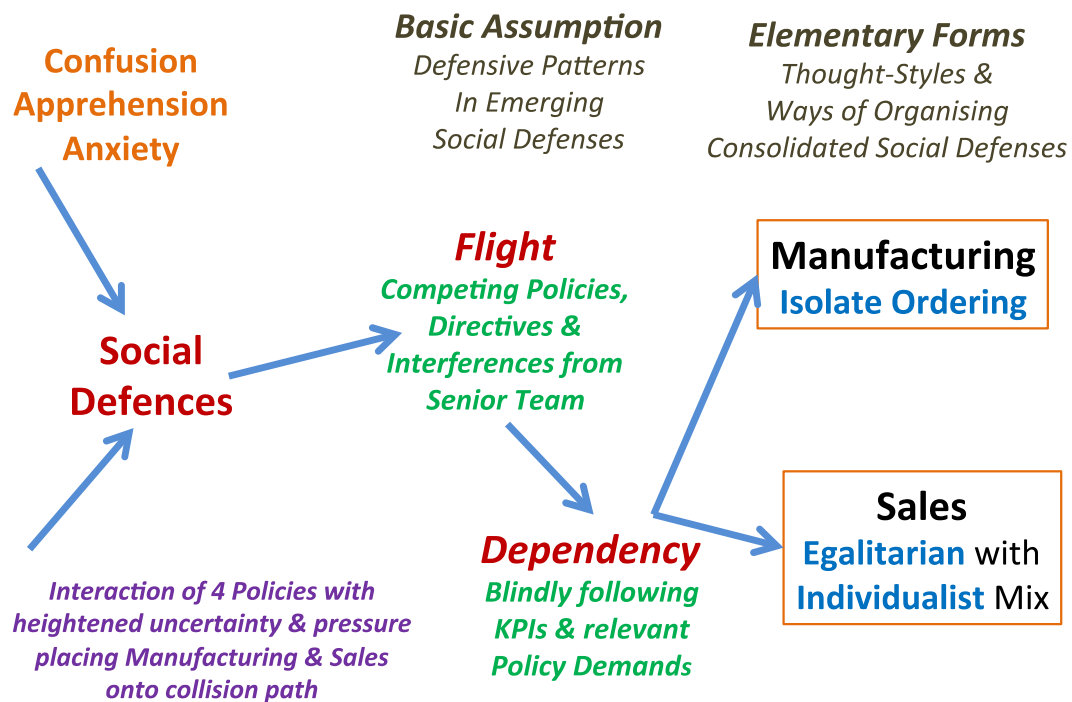
But in Sales, managers were less directly affected by the centralisation (of Purchasing and Distribution). Sales' KPIs allowed for initiative and resourcefulness. As a result, their 'dependency' consolidated into Egalitarian and Individualist forms of reasoning and acting. They felt 'unappreciated' when making sales with new customers in new markets. They felt they were 'rescuing the company to everyone's benefit', only to meet with fresh *diktats*:

- Central Sales Processing Only!
- Maintain the Profit-Ratio!
- No Product Modifications Manufacturing and Product Development approvals!

In CT terms, Sales team solidarity and camaraderie were 'reinforced' when customers complained about late orders which were 'No fault of the Sales Team'. Lack of appreciation, compounded by fresh restrictions, validated their sense of inhabiting an unjust system. Grievance settled into resentments and became an 'I-told-you-so!' resource, consolidating their Egalitarian defences.

This warranted inflated sales-estimates with the aim of forcing Manufacturing to speed up and increase their raw materials inventory, thus:

Diagram 5.9 Social Defences as 'Flight', then 'Dependency', Consolidated by Different Thought-Styles



Note: BA 'Flight', in Sales and Manufacturing, turned into 'Dependency' with respective KPIs and policy diktats. This consolidated into two distinct defence systems that could not have been foreseen using Bion alone. The elementary forms driving the social defences also point to their organisational consequences.

By applying SDT and CT, we think we have a better understanding of how defences 'consolidate', and not just in groups. One fortunate feature of CT is that it is 'fractal' (Thompson, 2008). Different thought-styles will apply at individual, group, organisational level and society levels allowing for responses and consequences to be inferred not only to group-tasks, but at any scale.

5.3.3 The Three Analytic Models

The discussion so far is built on SDT and CT. Other middle-range social models were employed when re-reading the social defences and other critical features of the case. CT draws on them (Thompson, 2008; 6, 2011; 2003 and 2014) and it was their use by CT that prompted their use here. Each provides a fresh way of understanding social defences and developing its social side using an explanatory, realist approach.

Here, we turn to the 'agency-structure' interplay over time; aspects of institutional theory (the formal and informal organisation and institutions) and systems theory – feedback loops and self-organisation.

Agency and Structure

Psychological and sociological accounts differ in their emphasis of agency and structure as causal in organisations. Although Menzies postulated that social defences become independent of, and influence, the individuals involved (i.e. structures), in practice she dwelled mostly on their psychological causes and effects (agency which is albeit unconscious – or created by individuals). This limits how far evidence of social defences can be used to diagnose their social causes and consequences.

CT does not have this limitation. It insists on both options. "Social context" (structure agents encounter) is conceived in "social terms" that allows "permitting and constraining effects upon the individual's choices ... [and] the individual's part in transforming it" (Douglas, 1982: 192). While structural circumstances (institutions, organisations) will cultivate a thought-style that shapes and specifies styles of agency, individuals will also develop preferences for specific thought-styles that they will draw upon to change structure, especially when the dominant institutional thought-style falters. We will return to this.

We have already argued that consolidated social defences become independent social entities. As such, they can be approached as 'structures' or as we prefer, institutions. This provides another lens than only focusing on the anxiety that fuels them which can reduce accounts back to individuals or their psychological effects. Approaching them both as agency and structure, can help us distinguish between psychological and sociological accounts of social defences.

Here we distinguish between different treatments of social defences as symptoms or causes. In doing this, we draw on Archer's (1995) distinction of agency and structure as 'analytically distinct' phenomena whose reciprocal effects can be observed over time.

In fact, Elliot Jaques in abandoning his earlier social defence hypothesis (1955) simply reversed his treatment of social defences from being causes to symptoms (1995). By not 'throwing out the baby with the bathwater' as he had done, social defences can be diagnostically approached as both symptoms calling for explanation, and causes having effects.

These distinctions enable separate questions to be asked about:

- What triggered the anxiety that lead to social defences?
- What in the organisation are they a reaction to?
- What effects do anxiety and collective defences have on individuals?
- What effects or consequences do they generate on organisations?

Collective anxiety can be understood as the agency causing social defences. However, the subsequent unconscious formation of defences can also be understood as agency and structure - agency as individuals actively prevent discomforting anxiety; and structure as consolidated social defences (as independent social entities) generating consequences back onto individuals and the wider organisation.

As agency, among second and third level managers, anxiety and defences were most likely a lagged response to troubling post-GFC policies. In the senior team, anxiety and defences were most likely caused by the uncertainty and risk of an altered post-GFC external environment and later, the dawning realisation of the ineffectiveness of their policies. These were different causal chains. This was helpful in alerting us that these defences, as agency, were task-undermining and likely problematic.

It is here where SDT and CT can draw upon each other. Social defences, for example, may provide an early signal that a thought-style and its related structure - by giving rise to collective anxiety and defence (as agency) - is faltering and potential change is in the air. The social defences as lagged responses to competing policies and inadequate responses to a changed external environment provide such a signal that both the existing organisation and its new policies (as structures) were faltering. This is diagnostic information. But it is only the first step.

Focusing on social defences as the work of unconscious processes, like Menzies had done, allowed us to see them as causal, only insofar as their effects on the

individuals concerned, and as providing a warning – but of what exactly? We suspected something more: that they would likely generate effects on the organisation, but did not have the means to forecast how. All we could do was warn, and to offer help to the individuals involved to better understand and perhaps deal with them. However, the senior team, our target client was not interested in this. We got stuck in SDT's 'problem of change'. Treating them as agency and causal, as we did, helped us with little else. If, instead, we treated them as symptoms needing to be explained, we could begin to search for their social causes, and also their social consequences. This would provide for more complete diagnostic information.

With hindsight, we suspected that the social defences had a hand to play in causing the later problems. But how? If we treated them as both 'structure' and causal (rather than pertaining to individuals or their psychology – 'agency' and causal as we had done), we could focus on how they operated socially – as Menzies had suggested, but did not elaborate on how. This was the work and claim of this thesis: that social defences once they consolidate can be reconceptualised as informal institutions that operate with institutional qualities (rules, values and thought-style), as well as (and not only) group dynamics (basic assumptions). As such, identifying their institutional qualities, with the help of CT, allowed us to trace back what the defences were a social reaction to, and to forecast what consequences they generate given the elementary form and thought-style that animated them, and the different elementary forms existing in the organisation.

In summary, CT can help elaborate how social defences operate socially, as well as what in the organisation (structures) they are a likely reaction to and what they will go on to affect. SDT can help CT by indicating that anxiety and social defences (as agency) are the first sign that a dominant thought-style driving an institution is faltering or that a realignment of elementary forms is already in train. This provides consultants with real-time diagnosis and not just suspicions, hunches or hindsight.

Institutional Theory and Analysis

If consolidated social defences operate as 'structures', it is reasonable to understand them as institutions, albeit informal ones. They may lack official systems and sanctions. They may be implicit and unconscious. Nonetheless, they display identifiable practices and ways of thinking and acting for effected individuals.

Thompson (2008) defines institutions as any non-randomness in behaviour; Douglas (1986) as conventions in support of a purpose. And Scott (2008) defines them as a set of rules, norms and ways of thinking that guide behaviour.

By treating social defences as informal institutions, discovery of their rules, norms and ways of thinking help us further understand their operation. 'Ways of thinking' (thought-styles) are just what CT means to explain as the four outcomes of Grid and Group. Treating social defences as (cultural) institutions encompasses what social defences are a reaction to, and once consolidated (through positive feedback), the effects they may have. This supplements their psychodynamic defensive pattern.

It is institutional analysis which identifies how consolidated social defences in Manufacturing and different consolidated defences in Sales undermined these functions' operations. The three-way interplay between these institutions and the senior team's Individualistic BA 'Me' defences caused poor coordination and a degree of paralysis bewildering to all (including myself).

In the different social defences, we have informal institutions that resist deliberate organisational control. While more benign social defences may find better ways of realising organisational-purposes by circumventing anxiety-not-task, destructive ones undermine task. It is their informality that makes social defences difficult to see and hard to control. In our case, the policies of Centralisation, KPIs, Initiative, and Acquisitions operated at the formal-informal boundary. They were sanctioned formally by the senior team, but in working more as individuals than a team, the policies were driven more through (unofficial) diktat and occasional cajoling that served to supplement one, while undermining another. This further fuelled their already competing nature and operation, adding to the confusion and anxiety while undermining the senior team's gravitas. This reinforced the social defences below, which in turn, corroded the spirit and intent of the policies.

Centralisation diminished control by Manufacturing managers. The social defences (anxiety of losing control) took an Isolate form. Isolate ordering was destructive to good practice: it re-asserted 'command and control' practices in plant managers that affected the inexperienced seasonal workforce who lacked the attention to quality and sense of belonging for which high social integration (high Group) and well-regulated systems (high Grid) are necessary. Suspicion and mistrust of others

manifested in careless behaviour towards outsiders. Meanwhile, in Sales, the policy of 'Promoting Initiative' brought experimentation and a destructive settlement between Egalitarian enclaving (us versus the system) and opportunistic Individualism (my way) that produced mistrust of outsiders and indifference towards consequences. They also 'made sure of meeting KPIs' but competing ones to Manufacturing.

The crucial point is that neither type of social defence could have been predicted from that initial defensive basic assumption pattern. Understanding the interplay of each institution – formal and informal – and their competing thought-styles is needed.

Though in official command, the senior team's BA 'Me' defences turned them into 'loose cannons' capable of 'damage to the ship and its crew'. The psychoanalytic adage - what is unconscious may also prove to be undermining - applies here. But institutional analysis of how muscular formal authorisation can contribute to, and be brought down by, informal institutions provides a richer account of the practical effects of different defences on each other. Consolidated BA 'Me' defences caused senior team members to pursue their own agendas to assuage anxiety while neglecting coordination or direction. Strong formal authorisation and an interplay of three defensive systems (senior team, Manufacturing and Sales) undermined the effectiveness even of those in possession of the most authority.

'Power-struggle' and unconscious dynamics does not describe all that was in play. In Chapter Seven, we will examine the view that unconscious mechanisms and power dynamics, while informative, do not encompass the evidence as well as does institutional analysis.

Systems Theory: Feedback Loops and Self-Organisation

Feedback loops and self-organisation capture the mechanisms and processes through which institutions operate and produce the effects that they do. This proved helpful to the research.

The Tavistock paradigm draws mainly on open systems theory, introduced by Emery in the 1950s.⁸⁵ But, at best, it only implies the operation of feedback loops. CT draws on feedback loops to explain change, and while unacquainted with 'self-organisation' does articulate that there is no ultimate equilibrium point in any cultural system. Self-organisation speaks to the degree of permanence acquired by 'consolidated' institutions – be they intentional policies, or the unconscious social defences against anxiety. This is because any reasoning will provoke the discontentment of the other forms of reasoning.

Self-Organisation

The systemic concept of self-organisation (Capra, 1996; Capra and Luisi, 2014; Burke, 2011) posits that any system (organisations, institutions) is simultaneously *open* to the influence of its environment while being *closed* operationally in what it does. The GFC, for example, created a massive upheaval for the organisation from the external environment, but how the organisation responded was of its own making. This accounts for how systems can remain relatively stable over time, largely because something of the character of the 'whole' is reflected and discernable in its 'parts' that work to self re-produce, but also how (human) systems (through agency) are always open to choice and change. Self-organisation shows how systems can work to re-create themselves, despite external influences, while simultaneously being open to change given the available environmental opportunities and restraints.

In the research, self-organisation was used to understand the simultaneous open and closed operation of the organisation as a whole, but also of some of its parts – the policies and social defences. This allowed us to examine the relative independence, as well as character, of the various institutions in how they reflected aspects of the

⁸⁵ As we have seen, it mainly focuses on the concept of task, input and output equations that together inform what an organisation, as a system, needs to achieve in order to survive (Miller and Rice, 1967); and how the paradigm has come to think of systems as pseudo-structures that are essential parts in relation to each other and to the whole. This is used to reveal different levels of analysis or where an issue or problem emerges such as within the individual, the relationship between individuals, the group-level, the inter-group or organisation-as-a-whole (Wells, 1995). It does not explicitly use the concept of feedback as a process that generates effects from one part of a system to another except, insofar as this is implied in the operation of open systems which draws more on the biological metaphor of an organism in relation to its environment. Nor does it use the concept of self-organisation which emerged later from quantum physics (see for example: Capra, 1996; Burke, 2011). Very early on, Emery realised a problem with open systems theory. When inputs and outputs are taken into account, the influence of the external environment is taken as given, and the very nature of the external environment is deemed as knowable (1997). It was this insight, together with their consulting and research, where they realised how organisational environments created consequences for organisations often greater than the organisation's own efforts or influence. This led to the seminal paper that he and Trist wrote on the causal texture of the organisational environment (Emery and Trist, 1965). Here they suggest how changes in the nature of the external environment necessitate changes within organisations which they must adapt to in order to survive.

whole but also operated in relative independence. In response to the GFC, the senior team, as its most sanctioned organisational agents, issued policies. Some were totally new responses, but others could be discerned in what had been done in the past. But like the organisation, these policies self-organised as institutions: and what Manufacturing and Sales did in response created social defences that also became self-organised. Once each of these 'parts' came into operation, despite aspects of the whole being reflected in their pattern or character, they took on a life of their own. They affected each other, but as we saw of the social defences in particular, these remained resistant and even hostile to influence.

CT and SDT make best sense of the contending rationalities and defences that animated these institutions. To a consultant, iterative analysis of their 'patterns and webs of relationships' matters.

The similarity with CT in particular is also quite striking. According to CT:

- Institutions are fashioned by thought-style(s) (numbering four distinct parts defined as a whole by Grid and Group). While one may dominate, the others are potentially available
- Individuals will subscribe to different thought-styles (thought-styles inhabit individuals as much as they do organisations)
- Individuals may dissent from how their institution thinks (Douglas, 1982; 1986) (discrepant thinking is an agential response to a dominant thought-style that under environmental pressure falters)
- Nevertheless, response-traces of this whole will be present in its parts and its jostling parts will be apparent in a changing whole.

This is a variation of Thompson's (2008) observation that system parts contain properties of the whole; like 'fractals' that need not be identical to the whole. Self-organisation, then, also describes how part-relationships contribute to the character of the whole.

Why add self-organisation to cultural theory? Cultural theory encompasses any combination of four *contending* thought-styles, and the disagreements that can exist between them. The principle of self-organisation can be used to ask:

- Are the parts consistent with each other?
- Does this contribute or not to the coordination of the whole?

- Does their operation affect or change the whole?
- Is their joint operation consistent with the character, intent and logic of the whole?

This helps separate diagnosis of each part, but also its relationship and contribution to the operation of others and of the whole. This was contributed by 'feedback'. What we saw was:

- The whole was characterised by increasing regulation, florid individualism 'at the top', and social defences below weakening integration that created a pathway into Isolate Ordering for all
- This pathway became apparent in all the institutions' parts despite their being different in design and operation.

Ordinarily, this idea is in keeping with Emery and Trist's (1965) proposition that organisations' design and strategy should acknowledge 'the external environment'. And, we can say that the GFC environment is acknowledged *somewhat approximately* in our organisation and even in its parts (notwithstanding their different designs and operations). But because of the social defences, we think all policies were undermined, due to the confounding obstinacy of their institutions and their complicating feedback. These conspired to weaken social integration, but tighten regulation; hence Isolate Ordering.

Feedback Types and Phases

Feedback can occur within, and between, institutions and the whole. In the first phase, a thought-style is generated and reinforced within, while the second phase generates effects onto other institutions and the whole. Feedback is also famously 'positive' (reinforcing) or 'negative' (undermining). Feedback loops were used to explain how the institutions – policies and social defences – generated effects for the individuals involved, each other and the whole.

In a CT context, positive feedback means reinforcement of a way of thinking through the gathering of evidence which reinforces its conviction: thus 'I told you so! It only goes to show how right we are!'. Negative feedback occurs when mounting evidence of anomalies induces crises of confidence to that way of thinking: 'beautiful theory destroyed by ugly facts'.

We saw positive feedback occur within each of the social defences, and negative feedback between them. Feedback from social defences created havoc onto the policies, while the competing nature of the policies ultimately meant they were undermining each other. The confusion and anxiety they generated served to further reinforce the social defences within Manufacturing and Sales.

Positive feedback (belief in the rightness of a particular thought-style) also occurred within the senior team's Individualistic BA 'Me' defences making them impervious to our interventions but also to what was really transpiring in Manufacturing and Sales – these were not simply 'teething problems', as one senior team member put it. Each social defence system reinforced the other, especially during the first phase feedback loop (within each system), while undermining each other's efforts to secure results during the second phase (between systems).

As for the policies, the reasoning and defences associated with Centralisation and (different) KPIs strengthened Regulation. But 'Promoting Initiative' was weakening, whatever Integration had existed. In combination, these created a now recognisable 'pathway into isolate ordering'. Disconcerting experiences reinforced (different) social defences in Manufacturing and Sales, compromising the policies. And comforting dependence on (different) KPIs made a mockery of them. Despite individuals *knowing* that 'this isn't helping'; they persisted.

Once identified, the prevailing elementary form operating in any institution should help in forecasting the consequences for other institutions. Indeed, we should be able to forecast the probability of positive and negative feedback. In CT terms, we should be alert to pushes and pulls: cultural shifts across the cultural map imparted by the waxing and waning of different thought-styles and their different disagreements.

With the knowledge we already had about (different) consolidated social defences and the knowledge we now have about (different) thought-styles, in hindsight we see these in what were before, bewildering outcomes:

- Individualism in the senior team meant that their conflicting directives were immanent and imminent.
- Isolate Ordering in Manufacturing meant that survivalist suspicion and mistrust of other functions were immanent and imminent ... and despotic control suppressed initiative. Things going wrong reinforced the need to 'keep your head down'. This makes sense of failures to address crises in quality

and maintenance while concentrating on 'getting orders completed regardless'.

- Egalitarian enclaving within Sales teams *would* promote suspicion towards outsiders, and look for positive reinforcement of feelings of correctness. Sales were inhabited by a second thought-style, Individualism, which *would* likely either increase experimentation, not least, by finding self-serving strategies good for Sales and resistant especially to Manufacturing – worsening the 'Manufacturing-Sales Divide' through deliberate (and ingenious) inflation of sales-estimates.

Distillation

It is easy to be wise-after-the-event. But, it is also wise to assimilate the models on which this wisdom rests. Look for the elementary forms inhabiting policies and social defences and the positive and negative feedback immanent within, and between, them.

If consultants find that adherents of a thought-style are seizing on 'I-told-you-so' evidence to their own satisfaction, then expect positive reinforcement which will provoke other ways of thinking, their associated defences, compromising coordination and undermining other institutions. These processes are inferred from the effects that have been described throughout the case study. Table 5.3 breaks down how to identify a thought-style and basic assumption defences.

Table 5.3 How to Identify Thought-Styles and Basic Assumptions

Thought-Style		Basic Assumptions	
Animate Institutions (conventions developed over time to achieve a Purpose)		Collective Emotional Constellations that Reflect Anxiety that is Defended Against in Groups	
Institutions are made up of: - Rules - Norms (Values) - Beliefs about the World and How it Works - Ways of Thinking and Behaving (doing) ... are Driven by one or a hybrid mix of CT's Elementary Forms derived from the combination of Regulation (rules) and Integration (group Solidarity), and ... reflect distinctive ways of organising relationships		All Groups have a Purpose (primary task to achieve) Group Members Working to achieve a purpose can experience / generate anxiety which is unconsciously defended against Group Dynamics are Cyclical, reflecting the on-going sway between on-task and off-task patterns of behaviour	
Can have positive and negative manifestations brought about by positive feedback within that generates consequences outside the institution		Are in the service of defence against ... but can also have positive manifestations that operate in the service of the task	
Isolate Ordering - Fatalistic - fear mistrust - Two positions - despots or serfs - Everyone out for themselves - Rules serve the despot and arbitrarily enforced Can work well in a crisis or when work is best done in secrecy or segregation	Hierarchy - Duty and Obligation to the Whole - People follow rules, procedures that exist for all contingencies - Individuals are ranked and respect and serve others' ranks - status based Can be overly bureaucratic where people follow procedure mindlessly	Dependency A leader is sought (and frequently replaced) to relieve the group of anxiety. Members relieve themselves of individual authority and expect direction that comforts them	Fight / Flight A group acts as if its main task is to mobilise fight or flee from a common enemy
Individualistic - Autonomy, discretion, freedom to pursue own task / conscience - Entrepreneurial - Open to calculated risk / expediency - Rules can be improvised for task Can be self-serving / self-oriented	Egalitarian - Equality - 'all for one and one for all' - Principle-based - Collaboration and Camaraderie - Rules must be Fair - Robust debate or concerted protest - Strong boundaries Can become unwieldy if too big / subject of splits	Pairing A group avoids its task by focusing on a pair or members pair-up to avoid anxiety	Oneness / Me Group members collude to deny there is any difference between them or its opposite - members operate as individuals or isolates not as team

5.4 Fourth Iteration: Episodes, Causal Triggers, Mechanisms and Processes

A realist analysis searches for the (most) viable explanation(s) that accounts for the events, case-outcomes and causal mechanisms operating to produce them (6 and Bellamy, 2012; Maxwell, 2012). We have argued that: realist analysis in concert with interpretive methods (Long, 2013) better accounts for unconscious processes than only interpretation (Rustin, 1991); and that explanations of (beneath-the-surface) behaviour and (complex) social phenomena over time often require several overlapping iterations of data-analysis (Yin, 2009). This is our fourth iteration following the narrative, cause-effect relationships and analysis with SDT, CT and the analytic models.

The four significant case events, or discrete "episodes" requiring explanation together and separately (Tilly, 2008) were the:

- GFC
- Policies
- Social Defences
- Confounded new problems.

Diagrams 5.1, 5.2 and 5.3 map the relationship between GFC, policies and social defences. Diagram 5.5 maps the interaction between the policies and social defences and their relationship to problems. In addressing SDT's 'problem of change' as our main concern, we have sought means for forecasting the likely consequences of unattended social defences. Diagram 5.1 shows time-lags between GFC and the social defences, and then between the defences and the organisational problems. These time lags are very telling: they hint at a succession of what we can call 'triggers' that set in train the mechanisms and processes operating to produce outcomes.

GFC

The time-lag between GFC and social defences means that the GFC was not their direct cause. Causal mechanisms are contingent and need a 'trigger' to come into operation (Dannermark, et al., 2002: 55). The GFC is, of course, a backdrop to the three other events. Policies, social defences and new problems may not have occurred had 'the environment' not changed.

The GFC gave rise to a certain glee in head office. Despite the threat of losing their largest customer, there was *reasonable enthusiasm* about using the crisis to fix past-practices. At this point, there were few, if any, signs of social defences. There was also support from below that members should increase discretionary activity within their departments. This was *felt to be reasonable*. It was later that enthusiasm was replaced by apprehension and confusion in the light of reasonable evidence that 'things weren't right'. Discrepant directives were the more likely cause of social defences.

What is a 'Mechanism' and how does it work?

Tilly (2008: 138-140) describes causal mechanisms as "events that alter relations among specified sets of elements". But there is more to mechanisms than events and why was the organisation unable to do something about the combined effect of mechanisms they were fully - or partly - aware of?

Senior and second level managers confided their awareness of their contradictory actions, but somehow saw this as unexceptional. Both groups reasoned that 'policies can take time' and 'it will be a while before we know if they are having the desired effect'. As the social defences developed, individuals at both these levels acknowledged privately that they were contributing to confusion, uncertainty and anxiety. But this was brushed-off as the expected effects of change.

But, by the time the social defences consolidated, it was as if circumstances had overtaken individuals' understanding of their effects, overwhelming their ability to control. Why? If we blame the policies, or senior managers' lack of coordination, or second level managers' poor implementation, we misplace blame on the persons involved, questioning their capability. However, in collective endeavour, individuals are limited. Individual blame – however gratifying – overlooks the organising logic which each policy had on each department. Blaming senior managers misses the partly intended but largely inadvertent institutions (with defences, thought-styles, loops) that were created. These institutions proved stronger than any individual, and social defences within the senior team compromised their ability to direct proceedings.

Independent of the individuals, it was the institutions that most likely produced the case outcomes. With an understanding of each institution's organising logic, we

suggest that their influence was greater than that of individuals (even of individuals in aggregate). Once the genies were out-of-the-bottle, they caused mayhem. This led to a dramatic turn: several senior team members left and an unprecedented world-wide search ensued for a new CEO. The organisation had collective realisation of its collective inability.

If we search for the internal organising logic of policies and social defences as institutions – with the help of CT, SDT and the three analytic models – we saw how the elementary forms and anxiety-defences inhabiting these institutions had tandem effects. But neither thought-styles nor social defences alone are sufficient explanation for the mayhem they created in conjunction with each other.

Mechanisms Concatenate

According to Tilly (2008: 138-140) "mechanisms concatenate into broader processes" which become what 6 and Bellamy (2012: 189-194) refer to as "trajectories" or pathways in the shape of feedback loops. Social causation rarely occurs in a simple linear manner. The institutions generated feedback and feedback animated thought-styles that – in combination – produced outcomes which no-one intended.

This consultant was equipped with a well-practiced understanding of individual and group psychodynamics, but this was insufficient to the task. If we had understood institutions and their organising logics, this may have assisted the consulting by helping leaders understand their actions and consequences. We would have alerted them to social defences as effects and as causes of fresh rounds of unintended consequences. Real-time diagnosis-analysis needs SDT and CT and the ability to divine what participants' emotions are telling them and telling us.

Chapter Six: From Theories to Practice

Structural and Psychological Forces are Needed to Understand Consulting Practice

As long ago as 1950, Trist called for "interdisciplinary combinations" of psychological and sociological theories in "action research" consulting projects "in order to understand the many-sided real-life situations being dealt with". He suggested that "*psychological forces ... at the level of the group and individual, interact with structural forces to bring into existence a concrete 'field' with a dynamic pattern which is specific for a given social situation*". This is "impossible [to understand] with either psychological or sociological concepts alone" (Trist, [1950] 1990: 538-539). Trist, with Tavistock colleagues, Emery and Jaques, provided clues and resources for developing a sociological component to social defence theory.

This dissertation is an attempt to realise Trist's recommendation more especially by synthesising Social Defences Theory and Cultural Theory, increasing their explanatory and predictive power, and practical uses.

The research showed that the social defences *interacted* with different *cultural rationalities* within the organisation, combining to create distinct 'institutions', which created problems and vexed consulting.

Even in the 1950s, Trist was far from alone. Menzies observed that social defences are *more than* psychological processes (1960; Menzies Lyth, 1989; 1990). However, she struggled to identify how social defences get institutionalised. Instead she emphasised that people's psychological needs, including their defences against anxiety, trump an organisation's task and technology in explaining organisational outcomes (1960: 101). As a consequence, defences were not examined as social institutions.

With the benefit of hindsight we now know that:

- Changes in collective emotions (affects) and the emergence of social defences, indicated impending change; however,
- Social Defence Theory was insufficient to forecast and explain what would happen next
- Cultural Theory's Social concepts can explain, but not forecast
- In conjunction, SDT and CT would have improved the quality of our diagnosis and recommendations.

Though they can be read as strong warnings of trouble, defensive patterns can not be used to infer the damage they will do. The consultancy, armed principally with Menzies, proved inadequate in helping the organisation deal with problems, caused in part by social defences which bore silent witness to conflicting thought-styles.

6.1.1 Social Defences as Institutions

Using Cultural Theory (and the three analytic-tools), social defences were reconceptualised as institutions, driven by the organising logic of one or more conflicting 'elementary forms'. With positive and negative 'feedback', these emerge as the most likely causes of social defences, what they were a reaction to, and the practical consequences of.

Social defences operate as institutions in the thought-style they cultivate in individuals who come to think along similar lines, getting stuck. Thus, as well as mutual psychological 'identifications' inferred through social defence theory, Douglas' understanding of thought-styles (1986) parallels Menzies' suggestion that organisational "members become like the institution in significant ways ... sharing [its] common attitudes" (1989: 40-41). In a sociologically sanguine moment, Menzies also stated that "institutions, once established, may be extremely difficult to change ... [they] modify the personality structure of their members ... [and] to change the members one may first need to change the institution" (1989: 26). She did not go on to develop this thinking.

How do organisations get stuck? Cultural theory posits that institutions will self-organise according to one or more 'elementary forms' (Thompson, 2008; 6, 2011). This produces rules, norms, and common ways of thinking (Scott, 2008) or thought-styles (Douglas, 1986) prone to different forms of feedback.

Our research indicates that through 'positive feedback', a thought-style becomes entrenched because all its worst fears seem to come true. In our case, once arrived at from a Fatalist Position, then Hierarchical, Egalitarian and Individualistic dispositions all appear monstrous. Hierarchs weave excessive rules. Egalitarians day-dream. Individualists indulge in competition. But the worst fears of any thought-style can be magnified, confirming the rightness of that particular position, and what is to be done.

Negative feedback may occur through 'surprises' (after Thompson) when contrary evidence defeats the assumptions of any thought-style; either blatant evidence of the inbuilt practical failings of any one position, or actions by others that confound our theories about them (a kindly bureaucrat, say; or a trust-worthy innovator; an agile enclave). Much of this is uncomfortable thus bad-feelings abound, *from which social defences provide respite*.

Thought-styles and defences combine to create institutions having consequences in and beyond organisations (6, 2011; 2015 and 2003).

The research showed that the effects of evident social defences could not be forecast without understanding the underlying elementary form(s) that awakened them. Social defences abounded as the organisation became stuck in Isolate Ordering.

Social defence theory does not explain how change occurs, but why it may be resisted so deeply (Long, 2006a; Krantz, 2010). Defences are symptoms of disquiet induced by the uncomfortable operation of thought-styles.

6.1.2 Poly-rationality + Defences = Collaboration Collision

It is partly a question of 'geography'. If we focus on the 'mechanisms' of defences (treating them as the 'figure' of attention, after Lewin), it is hard to see the 'ground' or 'context-plus-situation' in which they arise. Installing sociological (cultural) theory enables the ground to be understood just as well. And, if we want to predict what the social defences will cause to happen, we need to see them as institutions independently of individuals, whose thoughts are not just of their own making. These feed-back both positively and negatively as described above: creating worse cultural monsters and more virulent psychic defences, despite consultants' best efforts to exorcise them.

By identifying the elementary form(s) operating within a social defence system - inhabiting systems, policies, teams and departments - we can assess what the social defences are reacting to and what they will do.

We found that post-GFC policies failed to create the movement which senior leaders had sought and agreed *expressly*. Instead of action; apprehension, confusion and anxiety gave rise to florid social defences and confounded the 'fault-line' between Manufacturing and Sales which (was common knowledge) could not be undone. The

elementary forms operating inside these defences were cultural (thought-style) reactions against the elementary forms driving conflicting policies. Indeed, it is the nature of sociality that the particular reasoning behind *any* given policy will probably antagonise and 'animate' opposition from within any (or all) of the three other contending forms of reasoning. Thus, it is understood that the clues are there as to likely affects and effects.

For example, 'hierarchically reasonable' centralisation and cost-saving KPI policies that restricted the options available to Manufacturing managers, animated 'Fatalistically reasonable' 'Isolate' social defences in them. Meanwhile, 'Individualistically reasonable' decentralisation of discretion in Sales had a very different effect: namely, individual resourcefulness (creativity beloved of the Individualistic thought-style) and team camaraderie; that is a 'poly-rational' or 'clumsy' mix (or 'settlement') of competitive Individualism and Egalitarian enclaving.

Verweij and Thompson (2006) argue that 'clumsy' thinking can excel at solving 'messy problems' however defence mechanisms do have to be contended with. Because conflicting thought-styles elicited defensive manoeuvres, then deliberate collaborative problem-solving had the opposite effect of pushing two departments into collision pathways.

Hence: Poly-Rationality + Defences = ~~Collaboration~~ Collision.

6.2 Feelings Should Matter to Managers

The organisational development, change, and Tavistock systems-psychodynamic literatures, have long since established that organisational members' feelings act as a 'barometer' of their level of engagement and of their frustration and dissatisfaction with the organisation, its policies, and of how well they feel they are being led (Burke, 2011; Cummins, 2008; Cummins and Worley, 2001; French et al., 2000; Schein, 1969; Armstrong, 2005; Obholzer and Roberts, 1994). Changes in collective emotional experience *is* diagnostic.

In hindsight, the social defences were an early warning that the organisation's responses to the GFC were not working, and that there were problems ahead. This was the important contribution of social defence theory and associated consultation methods.

However, the importance of pointing-out social defences to the senior leaders was not as evident to them as to the consultant. This knowledge failed to arouse interest, as the senior team did not regard the members' feelings as a valid source of information. To *imply* that social defences are diagnostic, is not the same as *explaining* how they came about, and what they will do if unattended.

Nevertheless, the senior team did embrace some working hypotheses; including any which spoke to the Manufacturing-Sales 'fault-line' and unintended consequences of conflicting post-GFC policies. Our hypothesis that the senior 'team', so-called, was operating as individuals (in what I later realised was a Fatalistic state of Isolate Ordering) was denied and dismissed.

6.2.1 Communicating the Financial Risk of Social Defences

The failure of the social defence intervention speaks to the normative divisions pervading organisations and even organisational theory itself. We noted how Beer (2008) sees a division in organisational theory between Theories 'E' and 'O': the degree that change *ought* to focus on *finance*, or *culture*.

An insight to emerge from the research was that if social defences could have been *explained* in terms of what caused them, and what they will go on to cause (Theory 'O'), it may have been easier to have won the attention of senior managers focussed on financial efficiency (Theory 'E'). If we had found the means to demonstrate that *social defences acting in conjunction with thought-styles affect financial performance*, they would have paid attention. 'Interpretive' identification of social defences implying these are potentially harmful is not the same as explaining their causes and risks in managers' day-language.

One solution to consultant/client communication problems is to offer working hypotheses which are open to negotiation and further co-creation by clients (Lawrence, 2000; 2006). As with consulting-room psychoanalysis, clients are left to decide on actions. The evidence presented is typically psychological, involving the surfacing of unconscious motives and desires (Long and Harney, 2013; Bain, 1999; Menzies Lyth, 1990).

However, our position is that the risky consequences of social defences and conflicts among thought-styles should be *spelled-out* in a way that is 'expert' (Hierarchical) with evidence befitting Theory 'E', in a manner which is intentionally interventionist,

and draws out the sociological, political and economic causes and implications. A consultant can join-the-dots between: managers' emotional experience and the 'institutions' operating on them. Table 6.1 summarises the arguments and where they point.

Table 6.1: How the Research Suggested Improvement to SDT Intervention

Theoretical Aspect	Implication	Typical Interventions	Alternative Interventions
<i>Social Defences are built into organisational systems, structures and work practices</i>	How Exactly and Why? What is their Social Nature and Operation? Social Defences as 'Social Facts'?	Provide Examples	Reconceptualising Social Defences as 'informal institutions' cultivating thought-style and generating feedback processes
<i>Social and Psychological Needs of People Trump Task and Technology in Explaining Organisational Outcomes</i>	The Psychological Causation of Organisational Outcomes	Interpret Defensive Behaviours and Dynamics Help Individuals Understand and Think Differently About the Dynamics they are Caught In	Social Defences as 'Symptoms' of Social Causes and Anxiety and What they go on to do as Institutions
<i>Use of Bion's Group Theory to Capture Task-Avoiding Defences and Basic Assumption Defensive Patterns</i>	Primary Task as Social Referent Social Defences as 'Basic Assumption' Behaviour	Changing, Re-Aligning or Differently Adapting to Primary Task Naming the Basic Assumption Defensive Pattern gives Individuals Options to do Something Different	Differentiating between Benign vs. Destructive Social Defences Inferring the Elementary Form or Mix Providing the Organising Logic and Values Guiding the Social Defences
<i>Working Hypotheses</i>	An Account of How or Why the Social Defences Came About Providing the Reasons and 'Because' Behind Interpretations	Action-Research Intervention Offering Hypotheses, Facilitating Discussion, Allowing Client to Decide Course of Action Presentation of Working Note	Same But With A Realist Causal Explanation: Indicating Causal Triggers, Mechanisms and Tracing the Social Processes
<i>Use of Bion's Theory to Make Society an Intelligible Field of Study</i> <i>Wells' Systemic Levels of Analysis</i>	Bion's Innovation from Individual to 'Group-as-a-Whole' Extended to Explain Social Dynamics Wells' Model Providing Psychological Interpretations of System Dynamics	Observing and Diagnosing Work Cultures Group Relations Leadership Training Organisational Role Analysis Social Dreaming Listening Posts	Using Bion and Reconceptualising Group Dynamics with Institutional and Systemic Dimensions, and Cultural Theory's Elementary Forms to Explain the Social Operation and Consequence-Generating Nature of Social Defences Incorporating Sociological and External Environment Lenses to Wells' Systemic Levels

6.3 Diagnosis, Analysis and Policy: Coupling Social Defence Theory with Cultural Theory

How to link?

6.3.1 Dialogue between CT and SDT

Cultural Theory (CT) and Social Defence Theory (SDT) are expert realist theories offering analyses of what lies 'beneath the surface' of appearances. These respective neo-Durkheimian and neo-Freudian approaches show epistemological compatibility.

CT's attention to thought-styles accounts for 'how institutions think' (Douglas, 1986) and offers profound explanations for why well-intentioned participants are bewildered by disagreements over moral preferences, explanations and policies. CT overlaps and extends psychoanalytic investigations of:

- emotional experience (Armstrong, 2005)
- group dynamics (Bion, 1961; Rice, 1965; Miller, 1990)
- social defences
- organisational cultures (Krantz, 2013; Hinshelwood, 2013; Menzies Lyth, 1990).

This is fortuitous as CT repairs omissions in SDT. Though SDT lacks *institutional* focus, SDT is not formulated so as to exclude CT (sociological) attention, notably to thought-styles (elementary forms). CT gives social and political dimension to psychoanalytic investigation. For example:

- The *elementary form* or 'settlement' operating within collective emotional experience, group dynamics, social defences or culture, can reveal the underlying logic organising internal relations and the social values that animate practices.
- Because thought-styles are 'fractal' (inhabiting individuals, groups, organisations and industries alike), CT can reveal rationalities in play on any scale. It explains reason to reason-ers.
- Social defences (SDT) and thought-styles (CT) also allow for *positive and negative feedback loops* which reinforce or undermine institutions (though SDT does not incorporate such analysis at present).

Why incorporate cultural dimensions within accounts of how social defences operate? Because *basic assumptions*, such as 'fight or flight', may be more than a defence against the group's task: they likely represent an appeal to specific values, ways of thinking and acting in reaction to - up to - three discomfiting contrary rationalities.

Given any one of four available rationalities, we can infer what social defence constellation is built according to which rationalities it is reacting against; and what they may, in turn, influence or affect through the feedback processes they generate. We can explain why and how groups and social defences come to be the way they are, and forecast the consequences.

For its part, we suggested that CT could enhance its analyses and forecasting ability by being alive to social defences born in cultural conflicts. Synthesis of CT and SDT allows us to treat shifting emotional experience within individuals, teams, departments, or organisations as evidence that re-alignments in elementary forms are occurring.

CT posits that all elementary forms, however marginalised or seemingly absent, are always present, to a degree. Marginalised forms offer alternative thinking and leadership, and emerge when the dominant way of organising and thinking stops providing solutions. Institutions are forever 'organising and disorganising' (6, 2011; Thompson, 2008) and if mood 'improves' it may indicate that:

- A marginal rationality is gaining strength, bringing *hope* to adherents and fresh solutions even to those who reason differently
- A *peace* settlement between contending forms is made
- Powerful defences have been created against disturbing alternatives and challenging possibilities hence 'Whistling in the Wind' by 'closed minds'.

'Worsening mood' may indicate that:

- The prevailing elementary form(s) within an institution is struggling to meet acknowledged challenges ('nasty surprises')
- Cultural realignment is occurring, animated by bad feeling on either side of disputed rationalities, remaking 'institutions'.

Notice that divining *which* of these is the case, calls for consultants who are alert to both SDT and CT, identifying reasonable feelings and defences.

The emergence of anxiety and defences in our client company suggested implicit or impending problems. Identifying where the social defences lay was realised for the 'senior team', in Manufacturing and in Sales. This should have indicated that realignment of elementary forms (reasoning, thought-styles, values, preferred solutions) was occurring. But if cultural theorists do not take such shifts seriously, their analyses will clarify only after-the-event.

6.3.2 Douglas and Menzies, to Durkheim and Freud and Back

The theoretical underpinnings of social defence and cultural theory share many concepts enabling integration. Douglas (1982) was aware of the presence of structure (institutions) and agency (cultural animation) influencing outcomes. Menzies (1960), too, hypothesised that collective defences can inhabit organisational structure and culture.

Durkheim and Freud also used concepts that apply freely to inter- and intra-personal phenomena. Thus, treating social defences as Durkheim's 'social facts' and as 'anomie' captures their causes and operation. Similarly, Freud's 'moral anxiety' admits that anxiety can be social in origin and nature; 'identification' encompasses symbols, ideas and principles, which are markers for values and beliefs.

Thus:

- Defences are 'social facts' carrying "external expectations, obligations, beliefs and practices outside [of] individual consciousness" constraining and obliging individuals to act in particular ways. Sociality induces "internal psychological states" (Keat and Urry, 1975: 82-86)
- Defences are 'anomic' in that they occur when norms no longer bind and contain individuals.

Thrown into disarray by the GFC, our organisation could not contain anxiety nor direct action, and social defences are typical in anomic settings. The social defences then produced actions, including actions which managers wished expressly *not* to take.

- Individuals spoke contemporaneously of 'risks' and 'survival', suggestive of collective 'existential' changes in sense-meaning which aroused anxiety (see also Hogget, 2013; 2015; Boxer, 2013; 2015)

- We concur that identification and attachments are the psychological mechanisms through which Durkheim's 'individuals' become socially, and culturally, constituted (Hausner, 2014).

Table 6.2 summarises the neo-Freudian/neo-Durkheimian argument.

Table 6.2 Consulting with Neo-Durkheim and Freud

Issue		Finding		Implication	
Emotional Warning-Signs		Psychoanalytic Method and Social Defences Identify Mood Dynamics but not their Causes, Operation nor Consequences Cultural Theory Explains after-the-event and with too little understanding of intra- and inter-personal emotional dynamics 'Theory E' Leaders do not take Social Defences seriously		Weaknesses in one theory are repaired by the other: CT repairs the social gaps in SDT CT can be alerted to Social Defences and Emotional Dynamics when recognised as 'Institutions' animated by contending Thought-styles	
Means					
Understanding social defences as 'Informal Institutions' with positive and negative feedbacks and consequences	Understanding defences as 'anomic' Anxiety triggers defences and tightens identification and attachment to a thought-style	Treat CT and SDT as reversible such that the Dependent and Independent Variables of each can be swapped readily	In doing so, Wells' 'Five Levels' aid sorting of data	Group Dynamics treated as Institutional Practices with Consequences that can be forecasted	

6.3.2 Using Wells

Wells' framework (1995) was one of three methods for sorting our coaching data. He invites consultants to link individual coaching urged by systems psychodynamic (ORA), with Burke and Litwin's concern with organisational performance and change.

Wells differentiates between five levels of "organisational processes", ranging from the intra-psychic to the inter-organisational, within which behaviour and unconscious

dynamics derive (1995: 52-54). He recommends that “greater emphasis” should be placed on “interpersonal, group-level and inter-group processes than [on] intra-personal processes” because “too often intra-personal analyses are made [that] prematurely indicts/blames individuals for an organisational problem” (1995: 74). Wells warns against psychological reductionism in psychoanalytic investigations of organisations.

Wells followed Bion's group theory by shifting attention from the individual to the group-as-a-whole (Miller, 1998). This renders organisations and "society an intelligible field of study" (Khaleelee and Miller, 1985). While the attention-shift is welcome, Wells still only provides for *psychoanalytic investigation* albeit applied to larger systems. By assuming social dynamics and psychic dynamics are similar, we arrive at social defence theory's notorious ‘problem of change’. Psychoanalytic investigation – at higher ‘levels’ – will provide worrying signs of impending problems, without understanding ‘cultural’ causes and consequences.

Wells is right to assume that psychological dynamics and emotions pertain within individuals, groups, departments and whole systems. With Burke and Litwin (1992), Wells indicates that psychological dynamics have ‘layers’ (embedded in structure, strategy, culture, work-unit climate, etc.) which are susceptible to different interventions (transformational, whole-scale change; transactional, targeted improvements).

However, at each level, Wells still offers only psychological analyses specific to each level. We argue that SDT and CT can be applied alternately at all levels. In Lewin's terms, the ‘figure’ and ‘ground’ of sociological and psychoanalytic analyses can be swapped repeatedly to find the cultural bases of defences and the defensive attributes of contending rationalities. Though more than willing to swap, initially we did not know how.

Indeed, there may be rivals to ‘swapping’. In the next chapter, Foucault's understanding of rationality and power (Flyvbjerg, 1998) will be evaluated as an alternative to SDT-cum-CT, as will the work of Emery and Trist (1965) who supplement Wells by urging organisations to ‘adapt’ to their environments.

6.4 Leadership and Institutions

We have examined policies and social defences; the independent life of their institutional practices and the unintended, and undesired consequences. How did the institutions develop? Most immediately from the actions of different senior managers. And what is the relationship between leaders and institutions?

Leaders are responsible, typically, for creating and changing 'strategy, structures and systems' - amending the formal institutions. But their actions, intentions and unconscious assumptions also generate informal institutions that reinforce or undermine the formal ones. Jaques (1998: 14-16) suggests that a leader's unconscious assumptions about why people work and whether they can be trusted, get built into organisational structures and systems. Hence organisations can be "trust-inducing" or "paranoia-genic". He also suggests that what leaders value become "vectors" attracting others that "express force in a given direction". We saw examples of this in some leaders' policies.

Schein (2004) writes about a similar relationship between leaders and organisational cultures. Leaders are in a position to change culture. But this is simplistic. In our organisation, contending thought-styles and defences meant not one organisational culture but up to four; such that leaders hardly led as such. Each can be said to have exercised influence, but not in concert. They pushed-and-pulled in different directions, creating unwitting pathways into Isolate Ordering (Fatalism). They possessed unconscious or "decentred" agency (Caldwell, 2005).

What can leaders do to understand their impact? How can they direct their agency in ways that align with their intentions? Is 'alignment' possible given four contending rationalities? Table 6.3 discusses implications for leadership.

Table 6.3 Implications for Leadership

What	Why	How
<p>Navigating Formal and Informal Institutions</p>	<p>Organisations cannot meet all Contingences</p> <p>Rules and Roles are Interpreted</p> <p>Members and groups have Cultural Biases</p> <p>Organisations contain different histories</p> <p>And different anxieties</p> <p>Any system can be contentious and problematic, especially when circumstances change</p>	<p>Notice what is done rather than what is said</p> <p>Ask whether systems aid primary tasks</p> <p>Find the 'go-to' unofficial leaders and engage their assistance</p> <p>Establish whether the task- and sentient- system reinforce or undermine each other</p> <p>Do members work around systems to get things done?</p> <p>Be alert to changes in affects</p>
<p>Institutions' Consequences</p>	<p>Leaders' unconscious beliefs and assumptions can generate informal institutionalised practices</p> <p>These can be rooted in reasoning that conflicts with other formal and informal institutions, with unexpected, undesirable consequences</p>	<p>Policy directives are insufficient</p> <p>Know one's biases and assumptions and how others respond to both</p> <p>See the combined work of institutions; how they 'replicate uniformity' and 'diversify'</p> <p>Pay special attention to unexpected results</p>
<p>Leadership is a Process Generating other Processes</p>	<p>Treat Organisations as 'verbs'</p> <p>Organising Structuring Defining Accentuating Renegotiating</p>	<p>Trace ever-widening circles of effects ... including conflicting effects</p> <p>Uncover reticent differences between 'espoused-desire' and 'real-desire-in-use'</p>
<p>Organisations 'Think' but usually not in unison</p>	<p>Thinking and Opportunities are constrained by prevailing thought-styles</p> <p>But Opportunities are also created through novel 'settlements' between them</p>	<p>Leaders (and followers) can be taught to recognise thought-styles and recognise others as reasonable</p> <p>What 'blinkers' exist?</p> <p>What is animating reactions and resistance?</p>

6.4.1 Navigating Formal and Informal Institutions

Distinguishing formal from informal organisation (Soda and Zaheer, 2012; Gulati and Puranam, 2009) and treating the organisations as made up of several from both (North, 1991; Cason et al., 2009) was our approach from the outset. How can leaders do the same?

Consultants can teach leaders what to look for and how to understand it. The clues are clearer when things are not working.

Immediately after the GFC, managers at the second and third levels were in tandem with the senior team (leaders), and eager to address inefficiencies and failing practices. But within six months, enthusiasm turned to confusion and apprehension. Over time, what Manufacturing and Sales managers were doing to meet their KPIs was found to be contributing to problems. How they felt and what they did - not what they knew - indicated that what they would do and were supposed to do, showed the informal organisation at work. They defended against anxiety, undermining each other's departments. The formal organisation was not aware of the extent of what was happening.

Systems-psychodynamic methods for investigating collective emotion uncovered what was beneath the surface. Like consultants, leaders can also observe discrepancies between what people say, what they should be officially doing, and what they actually do. Leaders can recognise:

- Hierarchical respect for formal rules
- Egalitarian 'enclaving' and preference for informality and collegiality
- Individualist creative competition and again, preference for informality
- 'Survivalist' begrudging acceptance of formality among Fatalists ... and visible and hidden recriminations as things go wrong.

This requires attending to these ... in self and others; and getting to the source of the difficulties (and possibilities). Attention to the values as "vectors" that "express force" in a particular direction are also valuable data. It helps if leaders are aware of 'cultural biases' in their evaluations of others and note their (inevitable) impacts on others. Systems-psychodynamic training can help leaders learn to use their feelings and hunches as a source of data/intelligence from which to develop diagnostic hypotheses ... treating their own feelings as evidence.

6.4.2 Institutions' Consequences

If CT is right then formal and informal institutions are inclined to collisions, not all of which are destructive to problem-solving. Policies and procedures, departments and teams, are formal institutions with intended purposes. But informal institutions find easier, more efficient ways of getting work done; or circumvent or defend against anxieties aroused in the course of working.

Informal institutions are not 'under-socialised'. On the contrary, they respect implicit conventions, but lack formal sanctions and incentives, making them difficult to direct. Douglas (1986) and 6 (2011: 58-61) stress the "causal significance of informal institutions over formal ones", because they can also be "critical in making it possible for formal institutions to achieve the leverage they do" and because formal institutions cannot be designed to meet every contingency. Observing their operation is a critical diagnostic skill.

Formal and informal institutions are linked. Feedback reinforces or undermines neighbouring institutions affecting performance (6, 2011: 58-60) and how performance is assessed. Understanding confirming and disconfirming feedback should help leaders recognise unintended consequences and suggest which rationality to use to best effect, when, and of the need to 'contain' how others feel.

The value of CT is in how easy it is to recognise four distinctive rationalities and how they offer a repository of alternative approaches to leadership. They can be heard in the thinking and differences that individuals express naturally, based on preferences developed in them through exposure to each way of thinking (and their inherent practical limits).

Savvy leaders would draw on all four and contemplate the different solutions they offer. They are especially important during crises when fresh solutions are needed. Ironically, alternative ways-of-thinking are often present 'under the leader's nose'. What is needed is that people voice what is truly on their minds, however contentious to other reasoning, making 'clumsy solutions' possible (Verweij and Thompson; 2006). They suggest that 'wicked' (complex, large-scale) problems (Rittel and Webber, 1973) do not have one solution, but effective 'clumsy' composite solutions may emerge if all voices engage.

As there is 'no cultural equilibrium', any solution will create chains of effects; intentional and otherwise. Leaders are not omniscient but familiarity and respect for the four voices should help them understand organisational talk and consequences. Leaders' thought-style will affect (and provoke) thinking among their 'direct reports', fostering:

- Anxious and defensive (Fatalistic) attempts to accommodate leaders' wishes
- Exuberant (Enclaved) departmental solidarity against other departments
- Painstaking (Hierarchical) updates to formal rules and punishment of deviants
- (Individualistic) competition of one against all ...

... fostering new institutions.

In the case study, leaders' directives created not clumsy solutions, but uncontained social defences along a concealed pathway to Isolate Ordering. We stress that leaders should attend to:

- Changes in affect
- Informal institutions and their effect on tasks
- The rationality of dissent
- Feedback leading either to retrenchment in thinking or recognition of 'surprises'
- Their own biases and blind spots
- Overcoming reticence in others
- Defining possibilities 'counterfactual' to their way of thinking.

6.4.3 Leadership affects Leaders

Hosking treats leadership as a process (1988; Grint, 1997) to avoid treating leaders as individuals. This is how organisations become 'verbs rather than nouns'. The process, says Hosking, involves:

- Structuring activities and interactions
- Negotiating definitions of the social order
- Promoting the values and interests of the social order (1997: 293).

While this invites appreciation of their agency and consequences, Hosking fails to notice the cultural boundaries to reasoning. True, there will be intended and

unintended consequences. But what counts as a surprise will differ between each thought-style. Fatalist reason *expects* failure so a move into Fatalism provides refuge from confounded Egalitarian, Hierarchical and Individualist thinking.

The post-GFC policies generated both types of consequences. The senior team members were satisfied with their initial desired effects so dismissed unintended effects as 'teething problems'. However, these surprised others, triggering confusion and anxiety, and creating social defences below senior management. The social defences working as informal institutions reacted with formally institutionalised policies that caused worsening difficulties.

The value of culture theory is that it enables leaders to read the elementary form contained within any reasoning (theirs included) and the consequences they may provoke. Meanwhile, the value of a psychoanalytic perspective to skilled leaders is to alert them to defences which send followers running in different directions.

Conflicting post-GFC policies gave rise to manifest confusion and apprehension in the levels below and then, social defences. Identifying the elementary forms driving both leaders' decisions and different institutions could have provided a real-time diagnostic resource for leaders.

6:4:4 Leadership Parameters

Leadership agency is constrained by available reasoning, and existing institutions. At best, four-way reasoning is available, but usually it is less. The irony is that the agency which alters existing arrangements sets new constraints on leaders once institutionalised.

CT and SDT both suggest that Hosking (1988) and Schein (2004) may exaggerate leaders' agency because different strategies suit different environments (Emery and Trist, 1965) and different moments within the organisation. Identifying the prevailing elementary form will indicate the following:

- Imaginable changes
- Push-back from countervailing reasoning
- What may expand leaders' scope.

Understanding the paradoxical interplay of agency and constraints is a valuable resource for leaders wishing to push the boundaries of possibility. Again, 'switching' between thought-styles allows leaders to encompass the geography of the possibilities they inhabit and understand why some of their interventions fail or generate unintended consequences.

6:5 Pathways into Isolate Ordering

Cultural theory also offers a way of organising besides markets, hierarchies and clans (Lindblom, 1977; Williamson, 1975; Ouchi, 1981). By adding just one extra thought-style, Fatalism multiplies the number of available 'hybrids' of the elementary forms (6, 2011).

Isolate Ordering offers a plausible and viable way of organising under particular conditions. But it can be a trap. Surprises, change in external environments, or too many unintended consequences create crises that pressure leaders to do things differently. This can unravel the prevailing form(s). The Cultural Theory of 'disorganising' (Thompson, 2008; Coyle, 1997; 6, 2011) suggests that when a prevailing thought-style reaches the limit of ability to explain or predict, we reach for other thought-styles which address their situational-needs. Each form suits different contingencies and types of change that leaders want to pursue (Diagram 6.1 below). That is, the forms are vulnerable to events they cannot explain or deal with (Coyle, 1997: 69-70).

Diagram 6.1 Strengths, Weakness and Disorganising Tendencies of CT



Transitions to new ways of organising rarely occur smoothly (Bridges, 2004 and 1995). During transitional states, organisations may create unintentional pathways into Isolate Ordering as with our organisation.

One pathway is created by leaders seeking to assert control or preserve their position during crises. Mars suggests that Isolate Ordering works well in constrained parts of organisations (2008). However, long periods of Isolate Ordering are dangerous especially if collaboration is called for. While regulation can promote a sense of order, containment and predictability; it can also stifle. If combined with low integration, it compromises communication, trust and debate. It undermines solidarity, and increases individual isolation (anomie). In extremes, Fatalistic leadership oscillates between highly controlling, absent or arbitrary, further undermining trust and inviting rule-bending - an unhealthy variety of resourcefulness. Elements of mild and extreme forms were displayed in the case.

It is to leaders' advantage to recognise and understand pathways into Isolate Ordering and the dangers and benefits of Fatalistic reasoning. The case has much to teach about transitions to fatalism and about getting stuck there.

6:5:1 Isolate Ordering as a Viable Form

The high-regulation-low-integration position in CT was first labelled 'Fatalist', referring to beleaguered thinking and those squeezed-out by three more viable 'ways of life'. 'Fatalism' could be expected among the marginalised, disenfranchised and downtrodden (Thompson et al., 1990). Cultural Theorists were interested in what would sustain Fatalist reasoning, weak social ties, a view of the world as cruel, and the actions consequent of this position: passivity, indifference and resignation. Ellis saw this as a learned response to experiences of limited agency (1994), not personality types.

However, as CT developed a theory of institutional dynamics (Douglas, 1986; Coyle, 1994 and 1997; 6 and Mars, 2008; 6, 2011 and 2015); understanding grew that Fatalism was a viable way of organising, sustained by a type of leadership described by Coyle as "oppressive" or "despotic" (1994 and 1997). Fatalism has been re-labelled as Isolate Ordering, in recognition of the experiences of leaders as well as pessimistic subalterns being organised in this quadrant of the Grid-Group Typology.

'Oppressive Leadership' (Coyle, 1994) describes the experience of the highly regulated and lowly integrated. Coyle highlighted how low social integration and sense of autonomy which Isolates share with Individualism, are subverted by extreme constraints indicative of 'despotic' oppression. Coercion frustrates and subverts autonomy and trust (1994: 225) producing marked qualitative differences from Individualism. Unlike Hierarchical leaders who "internalise their externalities [or difficulties] rather than impose costs on others",⁸⁶ despots pass on the costs and constraints to others, not for collective benefit but for preservation of their dominance. Perri 6 (2011) noted there would likely be other aspiring despots vying for the top spot, encouraging the incumbent despot to be increasingly suspicious and despotic

⁸⁶ What economists refer to as "externalities" are the unintended negative consequences or "public bads" such as pollution and other technological and health hazards which free markets generate and are not particularly good at dealing with. These are in contrast to "public goods" such as social infrastructure, public health, education and other social services that free markets generally do not provide as well as governments and who generally do not impose the costs on users (see, for example: Harford, 2011 and Sachs, 2011). Comparing what free markets can and can not provide with government regulations and services is what cultural theorists frequently use to compare the operation of markets with hierarchies (Thompson, Ellis and Wildavsky, 1990).

but also politicking below. Coyle writes that by understanding Fatalistic leadership, we can clarify and predict forms found in the three other positions.

Isolate Ordering subverts the *autonomy* that markets need. *Duty and obligations to others* found under Hierarchy and *equality* associated with Egalitarian organising, are compromised by *coping* at the expense of others (Coyle, 1994: 224-26). Isolate Ordering fosters two positions - "despot" and "serf". The despot inclines towards arbitrary rule (6, 2011; 2015 and unpublished): "organisations buffeted by pathologies may tend in this direction or ... be viewed that way by their members" (Coyle, 1997: 64).

By synthesising SDT with CT, a key finding is that these conditions foster, consolidate and entrench social defences, resistant to attempts at non-despotic leadership. Each thought-style incurs risk, but our study speaks principally to risks in Isolate Ordering. This capability of CT to use implicit values and social patterns as suggestive of each other (Thompson et al., 1990) enables any quadrant to produce a theory of organisation, and we agree that it is better to see high regulation/low integration as a way of organising, not a residual category for the dispossessed (6, 2011).

6:5:2 The Organising Genius of Despotism at Large- and Small-Scales

Orwell's (1949) novel *1984* provides a brilliant exploration of Isolate Ordering where life is experienced as Hobbesian and leadership is Machiavellian. The 'social contract' of Locke or Montesquieu is missing (Smith, 2012). Ezrow and Frantz's (2011) analysis of authoritarian regimes finds features typical of Isolate Ordering, including:

- Perpetual danger of coups
- Corruption and cronyism
- Policy Gridlock
- Worsening conditions for those below.

Mafia organisation is a case in point, displaying Isolate Ordering throughout. The Mafia boss is effective by Fatalistic standards (see Mars, 2008; Douglas and Mars, 2003). Nevertheless, even for leaders, life is anxiety-fuelled and dangerous, forcing all to be in a state of 'constant watch'. Risks are delegated, placing the lowest in

worst danger. Criminal street gangs are organised similarly and are just as durable. In contrast, Terrorist organisations which may appear similar, would likely display hierarchical coordination on top, charismatic Individualist recruiters, and Enclave-designed missions (Douglas and Mars, 2003).

Our warning to leaders and followers is clear: difficulties in eradicating organising principles, which institutionalise dismal outcomes for the majority, are a testament to the viability of Isolate Ordering. The longevity of Totalitarian regimes is a case in point.

In 'failing (democratic) states' (Acemoglu and Robinson, 2013), the rule of law is tenuous; judicial institutions and markets cannot be relied on. Rules are enforced intermittently, fostering rent-seeking by office-holders. Public goods and services, typical of Egalitarian reasoning, are moribund. Public safety is poor. These are graphic illustrations of the powerful organising capabilities of Isolate Ordering.

Though Isolate Ordering has a powerful self-organising logic, other elementary forms provide repositories for different organising principles which leaders can reach for. Procedural justice typical of Hierarchy, Enclave solidarity, and creative freedoms associated with Individualistic reasoning may each prevent staff from leaving, and each harness people's commitment and best efforts in different ways.

But our case illustrates that if leaders create unintentional pathways into Isolate Ordering and if its organising principles go unchallenged for too long, leaders and followers may have to continue that way, maintaining power while diluting legitimacy and impoverishing, even with survival as an outcome.

An individualised 'bunker mentality' affected commitment to the whole. Our coaching data found individuals with reduced initiative, and unwillingness to exercise the discretion for which they were qualified (as did Menzies' nursing staff). Camaraderie diminished and there was unwillingness to hold difficult conversations or engage in teamwork. Duty and obligation to the whole were being eroded, and activity was more opportunistic, defensive and survivalist. Functional activity was stalling and feedback increased frustration, erratic activity and a certain calculating indifference. This undermined followers who complied too readily with conflicting directions.

6.5.3 Inadvertent Isolate Ordering

In the case study, Isolate Ordering was inadvertent and unintentional. It took hold while dealing with existential risks posed by the GFC by increasing regulation and reducing integration. If leaders (and this researcher) had been more aware of the four sets of organising principles invoked by moving any organisations in either direction along both Grid and Group dimensions, our experimental capability would have been enhanced. With training, sensitivity to the effects even of small changes can be gained, enabling attention to the specific empirical outcomes to many small experiments (and not just to the effects of catastrophic experiments). And while running these tests, one needs to notice how changing the organising logics and practices begins to affect how institutions think *and* 'what there is to feel'.

These sensitivities should enable us, for example, to judge when Isolate Ordering is beginning to be entrenched. This will feature in formal and, especially, in an organisation's informal institutions; in political manoeuvring and defensive strategies. We can learn from democratic governments and political parties as leaders begin to lose their grip and party members start apportioning blame (for unpleasantness), and passing constraints onto others (widening anxiety). Leaders, then, can treat their own (defensive) feelings as evidence of Isolate Ordering and their unintentional contributions towards it (6, 2015) while buffeted by crises (Coyle, 1997).

Social defences *will* appear. Table 6.4 below summarises arguments where Isolate is legitimate and when it is problematic.

Table 6.4 The Organising Logic of Isolate Ordering

What is it?	<ul style="list-style-type: none"> - High Grid/Low Group Ordering - Calls for 'realism' and 'urgent action' under conditions of 'real and present danger' - 'Tough Leadership', 'Difficult Decisions' - 'Survival' - 'Game Playing' - 'Screw Others before they Screw You' <p>Recognisable in:</p> <ul style="list-style-type: none"> - Arbitrary Rule Changes - Inconsistent Rule-Enforcement - Opportunism and Cynical Treatment of Others - Coping Mechanisms - Mistrust - Undisguised Coercion - 'Breath-takingly Bad Behaviour'
Form of Power	<p>Isolate Ordering is 'a law unto itself':</p> <ul style="list-style-type: none"> - Legitimacy is low - Democratic consultation dismissed as 'time-wasting luxury' - Despotic Control - Patriarchal Control - Fratricide - Matricide - Regicide - Hostile Take-over
When necessary?	<ul style="list-style-type: none"> - When time is of the essence (crises) and risks are extreme then centralised 'command and control' and seizure of resources can be very effective - When demands exceed the capacity of existing processes to meet them - Unprecedented Circumstances for which no Rule Book exists and for which Experts have no answers - Market chaos
Why Dangerous?	<ul style="list-style-type: none"> - Corrosion of those systems that do work - Incapable of complex coordination and discipline - Rewards ruthlessness rather than merit - Breeds indifference towards others - Fosters Deviance
Pathways Into Isolate Ordering	<ul style="list-style-type: none"> - Recipe = Any Simultaneous Increasing of Regulation and Undermining Integration ('command and control' and/or 'divide and rule') <p>From the Hierarchical Position:</p> <ul style="list-style-type: none"> - Leaders who do not uphold Rules - Leaders who flout regulations intentionally to get things done; or 'turning a blind eye', 'blinking and continued rhetoric' (Mars, 1982; 6, 2014) <p>From the Egalitarian Position:</p> <ul style="list-style-type: none"> - Failure of a Popular Grand Project - Loss of a Charismatic Leader - 'Comrades' who 'Defect' or do not uphold group norms or principles - Complete Defeat of an Enclave <p>From the Individualistic Position:</p> <ul style="list-style-type: none"> - Market Crashes - Unregulated Competition - Losers pay heavily (Germany post-WWI gave rise to Hitler: ... Greece 2015?: but not Germany/Japan post-WWII - debt eventually forgiven)

	<ul style="list-style-type: none">- Broken Deals- Unregulated Disruption (Mars, 1982; 6, 2014)
How to Escape?	<ul style="list-style-type: none">- Change in leadership (6, 2015)- Recognition and Reward for loyal subalterns- Amnesty- Peace and Reconciliation- 'Surprises' which are accountable from Hierarchical, Egalitarian or Individualistic positions (see Diagram 6.1)

Chapter Seven: Rival Explanations and Anticipated Objections

The validity of realist causal explanations can be enhanced by accounting for possible alternative theory-explanations and objections and why these could not account for the case as well as the ones chosen. This chapter examines and addresses some of these challenges. Three types of alternative or rival explanations will be examined. These arise from organisational strategy; rival models of organising, culture and change; and analyses-interventions based on power.

This chapter also identifies possible objections that can be directed at why SDT, CT, and the distinction between types of change - and not other theories or concepts - were adopted in the research. These will be examined first.

7.1 Potential Objections to Theories and Models Chosen

Social Defence Theory

Regarding SDT, there are no easily identified rivals in the psychological or psycho-social or sociological literatures. Its emphasis on collective defences against anxiety in the workplace that form unconsciously, and carry consequences to organisational performance, is unique.

Hochschild's (1983) emotional labour refers more to the nature of specific work and how employees are expected to manage their emotions in accordance with official guidelines and expectations. While there may be a contradiction between official rules and the appropriate feelings employees should show, it pre-identifies the type of roles and labour in which employees are expected to display the requisite emotion. It does not focus so much on how emotional defences may arise. Defences, for example, may arise in non-emotional-labour work, or how it can be used to diagnose organisations or facilitate change. Similarly, the sociology of emotion and its application to organisational behaviour (Fineman, 2000), simply, but importantly, puts emotion on the map, as distinct from thinking, judgement or decision-making, albeit influencing them. The focus is on how different theoretical traditions apply it to culture, subjectivity, social relations and power (Harding and Pribram, 2009; Burkitt, 2014). But it is not intentionally practice-based like SDT, though it may be utilised implicitly.

Nor does the sociology of Goffman or Garfinkel, that draws on the pragmatist notion that knowledge should not be abstracted from practical contexts (Outhwaite, 2005), address the same terrain as SDT. Goffman focused on how social roles are performed, and how individuals move between 'frontstage' appearances, and 'backstage' impression-management. Garfinkel, like his contemporary Goffman, was interested in the 'dramatic structure' of social interaction and the reasoning individuals use to define situations in particular ways, how order was maintained in social interaction, and the implicit rules that guide and may be breached (Outhwaite, 2005).

Kelley's personal construct theory and repertory grid technique (Fransella, 2005) which covers some of the analytic ground that a combination of SDT and CT seeks, focuses more on individuals rather than groups or collectives, to interpret their experiences and how they construct meaning. It seeks to identify the values, beliefs and assumptions individuals use. It could potentially be used with groups but this does not include how group dynamics, defences, or underlying social principles of design, or the conflict CT postulates through the presence of four competing rationalities may influence social outcomes, regardless of whatever meaning individuals may place on them. These may be defensive manoeuvres or personal justifications, placing individuals in the best possible light.

Cultural Theory

Much of the remaining chapter addresses alternative theories and rivals to CT from the organisational literature, such as Mintzberg, Quinn and Schein. This section addresses the types of theories and approaches to culture used in organisations and how CT stacks up. The work of Smircich (1983) who initially mapped, and Martin (2002) who took up, the different theories and approaches to culture will be examined.

CT is relatively unique in being an institutional theory of culture that posits how there are present four competing rationalities that co-exist in some way or shape within any specific culture, and how organisations are likely to have several cultures, each with its own internal competing rationalities, co-existing with the whole. One of CT's strengths is that it *has* an in-built theory of change. It does not rely only on external forces or "exogenous" shocks to bring about institutional or cultural change, but shows how culture can change from within or "endogenous[ly]" (Mahoney and

Thelen, 2010) from the weight of its own contractions, perpetual self-reinforcement, or inability to adapt to changing circumstances.

In comparing the concepts of organisation and culture, Smircich identified how both are concerned with how social order is maintained or changed (1983: 341). This overlaps with CT. In reviewing the literature, she also identified two distinct approaches to culture which carry implications of whether, or how, culture can be changed. Culture can be philosophically approached as a "critical variable" which implies it is something an organisation has and can therefore be "instrumentally changed" or manipulated; or it can be approached as a "root metaphor", suggesting that culture is what an organisation is, implying it is not so flexible or amenable to change. Nevertheless, she importantly identifies the normative tension between its different proponents who frequently, but not always, overlap with Beer's (2008) distinction between how proponents of 'Theory E' or 'O', respectively, approach change.

The value of CT is that at its heart are the normative conflicts that play out within, and between, cultures. It encompasses both approaches but is neither constrained nor governed by them because of its in-built theories of change and values-conflict. Analytically, it allows both approaches to be on the table. This is how culture was approached in the research, thanks to CT. Moreover, as Greiner (2008) has noted, since 2000, there have been moves in the change literature to bring together strategic and OD approaches, with all the normative tension this entails, and how both are required to understand organisations and to change them. CT has an explicit awareness of these.

Martin (2002) identified three more practice-based, rather than philosophical, approaches to understanding culture and change. Compared to Smircich, these represent potential rival approaches to CT. She identifies these approaches as:

- *Integration*: or "an oasis of harmony and homogeneity" oriented toward organisation-wide consensus, consistent relations between cultural elements, while excluding ambiguity
- *Differentiation*: as "separation" of sub-cultures with "the possibility of conflict" oriented to consensus within sub-cultures but not between sub-cultures, where ambiguity is channelled to other sub-cultures

- *Fragmentation*: as "multiplicity and flux" where a lack of consensus occurs throughout, ambiguity is acknowledged and there is no clear consistency or inconsistency between sub-cultures (2006: 94-111).

Martin suggests all three approaches need to be adopted. The value of CT is that all three are implicitly subsumed under the one theory, rather than an approach which shifts between several models at once. A similar distinction was identified by Wallace (1970) within anthropology of culture as either a "replication of uniformity" or the "organisation of diversity". CT addresses this in a similar fashion.

Transformational Change versus Planned Change

Burke and Litwin's (1992) distinction between "transformational" and "transactional" change, which makes a similar differentiation between "types" of change models found in the literature (Burnes, 2009), was used as it draws attention to *where* change needs to be directed. This distinction helped identify why SDT had a problem with change.

Theories or models that focus on '*how*' to affect change, such as planned change, top-down versus bottom-up change, or emergent change were less relevant to the research. This is because the focus was more on where change needs to be directed, and how we understand this; rather than how to actually facilitate change. These '*how*' models do not tell us where to focus, but how we need to go about change, and take as given that a diagnosis and a change strategy is already identified.

Nevertheless, one such approach like Kotter's (1996; 1995) "leading change" that was not used, could be used to critique the consulting on which the research was based. His work outlines eight critical factors for why change efforts, like this case study, fail. This consultation fell into many of the traps identified by Kotter. In part, because the consultation was not set up initially to facilitate change, but found when social defences appeared and the intervention failed, it needed to understand *why*, and given SDT's acknowledged problem of change, what could be done to improve its prospects.

Kotter's approach assumes that a change strategy is already identified and the purpose is to facilitate change. His first critical factor of "establishing a great enough

sense of urgency” was not part of the consulting brief. Nor did the organisation after the GFC, or at any time, actually embark on change but rather management of the fall-out.

From this point, according to Kotter, things started to go wrong. The lack of “urgency” did not help establish a “clear vision” for change. For Kotter, without a vision, “a transformation effort can easily dissolve into a list of confusing and incompatible projects”. This is what happened, but more by default, rather than intention or design. Nor was Kotter's second critical factor of “creating a powerful enough guiding coalition” ever present, despite our efforts to point this out to the senior team, given the competing nature of their post-GFC policies. From there, every other factor in Kotter’s list was compromised.

7.2 A Possible Strategic Explanation?

The lack of an articulated strategy, especially after the onset of the GFC, loomed as a key issue throughout the consultation. The first sign was when the company lost its preferred supplier status with its largest customer, which guaranteed its high prices, 'cosy' practices, and exclusive focus on quality. Overnight, it was forced to compete on price, quality and everything else with competitors. In Emery and Trist's (1965) terms, its external environment changed from the simplest "placid, randomised" type to a "placid, clustered" one.

In such circumstances what an organisation knows about its environment becomes critical for survival (1965: 24-25). Historically, the company had chosen to focus on quality, knowing that sales and profit-ratio were protected. Now it focused on reigning in cost, and more efficient redesign. From an organisational strategy perspective, this indicates it took a "resource-based" approach (Wernerfeld, 1984; Carter et al., 2008) rather than being mindful of "market-forces" or "competitive advantage" (Magretta, 2012; Grant, 2008).

Had I known this, would it have made a difference? Probably, because it would have appealed to the senior team's business rationality, as well as quelling anxiety, theirs and the anxiety of those below, which I had mostly focused on instead. It may have even prevented the social defences from appearing, as it was the contradictory post-GFC policies that best account for their development. This is a compelling counter-factual possibility.

However, if we look at *how* the senior team applied a "resourced based" view, another picture also emerges. How it was managing this was not working. This suggested that a strong cultural dimension was undermining whatever strategy they adopted. Their history confirmed this. The company had been successful due to sharing a common ownership structure with its largest customer, rather than through its own efforts. Despite a new senior team, and the company's pre-GFC efforts to fix the 'command and control' practices, and to promote greater initiative and responsibility below; once the GFC hit, they appeared to be returning to features of isolate ordering. Similarly, all the evidence post-GFC indicated a strong cultural dimension in its inability to act or to solve problems. Had they adopted a different strategy post-GFC, it is difficult to imagine that they would have managed this one any better.

Emery and Trist's paper highlighted two further environmental shifts. One occurred between 2008 and 2011, when the "placid, clustered" environment gave way to a "disturbed, reactive" one; the other in 2011 to a "turbulent field". The first appeared as the company's own doing. Its on-going inability to solve problems allowed competitors to get on an equal footing and make inroads into the company's largest market share. The next occurred when the largest customer effectively turned the company and its competitors into *suppliers* of larger customers, rather than independent companies per se. In 2011, when this *was pointed out*, it still made no difference.

Here, CT and SDT provided a better account of the culture the organisation had *inadvertently* created ... of social defences and a pathway into isolate ordering: similar to the one inferred pre-consulting. At this time, however, they had become too gridlocked to even contemplate a paradigm shift, even if it could appeal to their business rationality. Questions of strategy and paradigm shift, while correct, were no match for the cultural gridlock. But neither was the senior team open to a sole Tavistock intervention. When a cultural explanation, utilising CT and SDT was provided in the last intervention, it appealed to the one senior team member remaining. But this was too late: the company was searching for a new CEO and was in a holding-pattern.

7.3 Theories of Organising, Culture and Change

Several models that covered the terrain of SDT and CT were identified as offering rival explanations. Three offering the most plausible alternatives will be examined. They each offer composite approaches to organising, culture and change. They include: Mintzberg's (1979; 1987; 1991) forces and forms in organisations; Quinn's (2001 and 1988) competing commitments framework; and Schein's (2004; 1996) relationship between leadership and culture.

Mintzberg's Organisational Forms and Forces

Mintzberg identified five component parts of organisations: a strategic apex, operating core, middle line, technostructure and support staff (1981). Their combination forms the basic structure of an organisation. Not all parts are needed, and they can combine in simple or complex ways, and in different sizes and shapes for the purpose of coordinating the organisation's work. Mintzberg argues if their combination is not suited either to the task, situation or external environment, the organisation will not function effectively. There are five distinct configurations or organisational types that lock into naturally occurring cohesive and integrated systems. Each has its strengths and weakness, and each is better suited to particular situations. These configurations are designs that organisations can adopt to match their needs, size and purpose. They can also be used to diagnose the appropriate design. They are: entrepreneurial, machine, diversified, professional, and adhocracy.

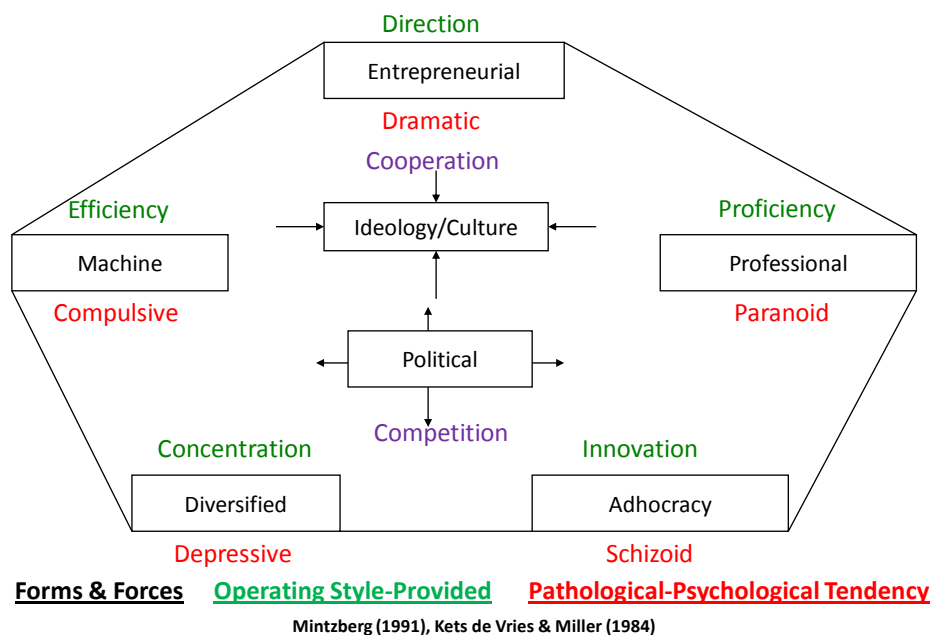
Change occurs through organisations being subject to one of five forces and pulls. The forces include: the pulling together of a dominant 'ideology' of values and beliefs; the pulling apart of 'politics', strategic debates and competing interests; the 'cleavage' of two or more forms confronting each other, creating 'fault-lines' or paralysis; conversion into another form or configuration; and a life cycle or evolution (1991). See Diagram 7.1 below. This captures how Mintzberg's forms and forces are dynamic and at odds with each other. Kets de Vries and Miller (1984) furnish an array of psychological-pathological styles or tendencies associated with each of Mintzberg's forms. The latter is included because of its psychoanalytic concepts that allow comparison with SDT. With Kets de Vries and Miller, Mintzberg's two models seek to do what SDT and CT were asked.

Mintzberg also identified a number of 'pulls' which include: the pull to "centralise" by senior management; the pull to "formalise" by the technostructure; the pull to

“professionalise” by operators; the pull to “balkanise” by middle managers; and the pull to “collaborate” by the support staff. Mintzberg suggests that organisations are faced with two on-going options: either to continually adapt at the expense of their internal consistency, which Mintzberg describes as “evolution”; or maintain internal consistency at the expense of external fit where they periodically undergo sudden restructure to achieve internal consistency with external fit or “revolution” (1981:12-14). This change distinction is akin to Burke and Litwin's transformational and transactional change.

Diagram 7.1 Mintzberg's Forces and Forms (1991) with Kets de Vries and Miller's (1984) Pathological Tendencies

A System of Forces & Forms in Organisations



Mintzberg's forces and forms are parsimonious and compelling because, essentially, his research came from studying actual organisations and how they evolved and changed over time. They also capture several features of the organisation in the case study, and aspects of what occurred. But they left gaps. For example:

- There was not one dominant ideological force, as Mintzberg suggests, but several institutionally-based competing ones. Competing ideologies within each of the policies and then the social defences, rather than politics per se, created the schisms. Within the senior team, there was more evidence for

uncertainty and anxiety underlying self-preservation, driven more through desperation rather self-advancement.

- The widening schism or 'fault-line' between Manufacturing and Sales could have been conceptualised as two competing design-configurations confronting each other: one from a machine configuration in Manufacturing, and the other toward an entrepreneurial one emerging in Sales, and leading the organisation into paralysis. But these were driven more by the conflicting post-GFC policies, than their internal configuration. It also fails to take into account the role of the policies in generating the social defences, with both now operating to create outcomes. This offers a more direct and compelling analysis of the causes of problems.
- Nevertheless, the strong engineering focus pre-consultation indicates the 'pull' to professionalise and exert greater control by Manufacturing which represented the organisation's core strength and the reason it was originally 'spun off' ten years earlier. But this does capture the reason for the post-GFC problems.
- The pull to centralise does capture what the senior team did post-GFC, but not entirely. Pre-GFC, however, they were seeking to de-centralise. But this too, in Mintzberg's terms, could be partially explained through the senior team's attempts to evolve the organisation away from its Manufacturing or machine-configuration dominance, toward a more entrepreneurial design. But, these two configurations could not satisfactorily explain what the organising was 'evolving' into. This was better captured through the inadvertent increase in regulation and undermining of integration creating a pathway into isolate ordering.
- There appeared a pull to 'formalise' aspects of the technostructure, especially in the introduction of the KPIs, but these were associated more with the senior team's pull to centralise. But both miss how this was the result of anxiety and self-protection rather than politicking. Similarly, the pull to 'balkanise' that appeared in the middle levels - to protect their positions - was more about creating self-protective social defences rather than systems or procedures to ensure the positional authority of the middle levels.
- Kets de Vries and Miller's (1984) pathological tendencies identify neurotic-psychological traits associated with each configuration. Kets de Vries' earlier work linked each trait with pathological tendencies in leaders. It lacks the collective dimension of SDT, or how such effects are generated such as CT's

institutional thought-styles. They impose psychological concepts associated with individuals that appear to criticise rather than diagnose organisations.

Mintzberg's forces and forms appear more descriptive of configurations and why they look like they do. They are design tendencies that may 'cleave' but only with configurations beside them in Diagram 7.1. They impose a character onto the whole, and not how the parts may be very different, reflecting different cultures or tendencies operating or their effects. Elements to the model are added to explain change and conflict but lack an underlying theory, such as CT's grid-group typology, which operates like an engine under the bonnet. CT allows for more variation than is commonly observed, and for how hybrid combinations of elementary forms may give, for example, a distinctive individualist or egalitarian character to a machine bureaucracy, or hierarchical or fatalist tendencies within an adhocracy. It also has an in-built theory of change, such as: how the less dominant elementary forms within a hybrid represent alternative leadership along with strategy, design and culture if the dominant configuration stumbles; and how change can occur through internal forces rather than only external, as is suggestive of Mintzberg.

Quinn's Competing Values Framework

Quinn's framework (2001 and 1988) is similar to CT in its emphasis on the co-existence of competing values influencing organisations, and its underlying construction. Quinn developed it as part of the wider interest in organisational culture of the 1980s that provided an alternative way of explaining what occurs within organisations. It seeks to explain why changes in strategy or design either do not take hold, or are undermined by underground competing cultural forces.

Quinn (2001) arrived at his framework through four sources:

- His interest in organisational effectiveness which had produced numerous studies and lists of variables, but how these differed from study to study, only adding to the confusion (2001: 60).
- Insights from Peters and Waterman (1982) who highlighted how effective managers had a capacity for dealing with paradox. This was elaborated by Van de Ven's (1983) observation that most organisational theories could not account for paradox because of their need for internal consistency, along with how leaders utilise ethics and value judgements to inspire higher levels of motivation and morality.

Quinn saw such leadership as inherently related to culture which he argued is reflected in a set of values that convey “how we do things around here”. For Quinn, these “take on moral overtones”. Values, he suggested, are “so powerful, it is difficult to see past them [or] to recognise that there are weaknesses in our own perspectives and advantages in opposing perspectives” (2001: 60-61). He concluded there was a need for a dynamic theory that “could handle both stability and change [and] can consider the tensions and conflicts inherent in human systems”.

- Third, whereas Mintzberg asked what effective organisations looked like, Quinn explored what the experts thought. He sought to get to the assumptions behind the studies on organisational effectiveness that could help make sense of the confusion (2001: 60).
- He drew on four prominent theoretical frameworks in the literature. He placed them on a two-by-two matrix. One dimension focused on the degree of *external or internal* focus; the other on *decentralisation* emphasising the degree of flexibility or *centralisation* emphasising control and integration (see Diagrams 7.2 and 7.3 below).

Diagram 7.2 Competing Values Framework (Quinn, 1988)

Competing Values Framework: **Effectiveness** (Quinn, 1988)

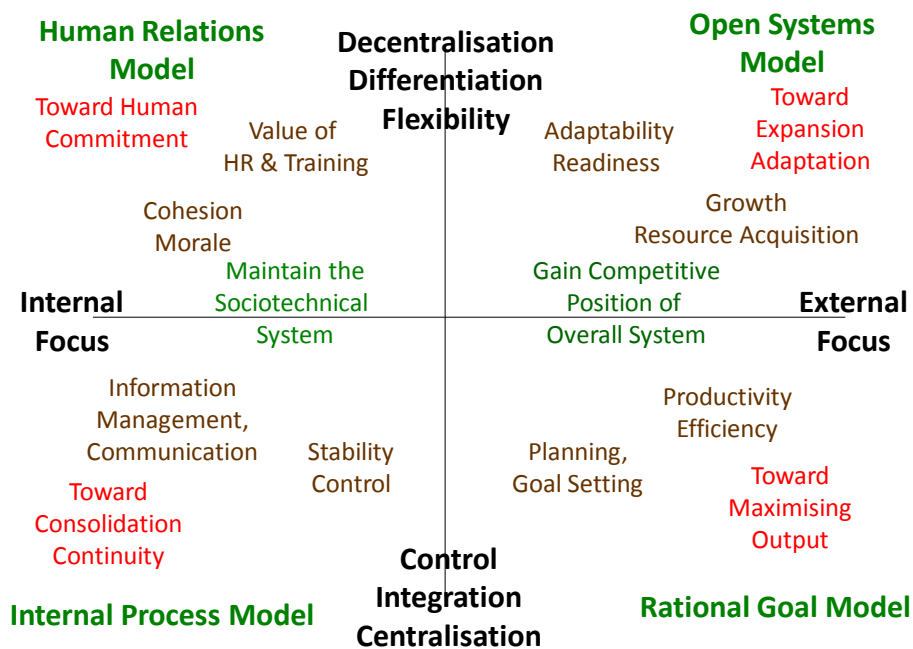
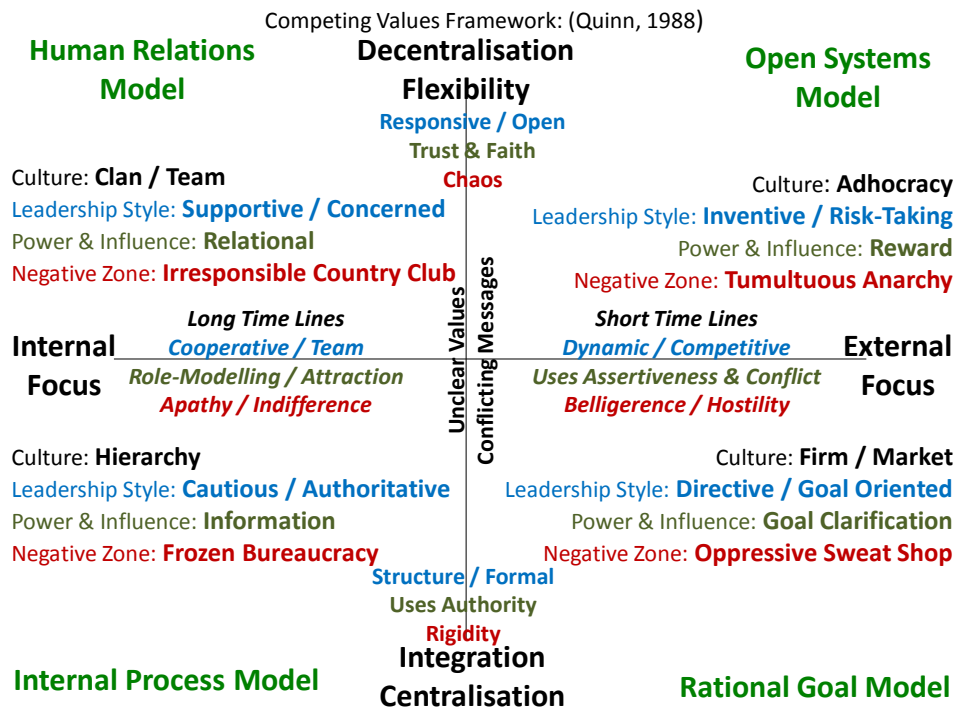


Diagram 7.3 Cultures, Leadership Styles, Ways Power and Influence are Used and Negative Zones of Each of Quinn's Models of Organising (1988)



Quinn suggests that each model has a polar opposite in the diametric column; whereas each shares parallels with the two on either side. Each quadrant is a way of organising, with an implicit means-ends theory. Each mode tends toward a: particular culture, style of leadership, way that power and influence is utilised, and a negative zone which implies how a cultural configuration may start to unravel from internal inconsistencies and contradictions.

The four models suggest the choices, values, messages and consequences of different designs. The axes are negatively labelled to show how criteria of effectiveness, if blindly pursued, become criteria of ineffectiveness, and how within each quadrant there is a negative cultural zone. But also, if no values choices are made, the organisation can be left without a sense of meaning and direction, or worse, conflicting messages. Similarly, organisational strengths can become weaknesses and the challenge for leaders is to continually manage paradox. This can occur, not only through drifting into a negative zone, but from a lack of clarity of choice and purpose, or drift into the middle (Quinn, 2001: 62-66).

Much of what occurred in the case study can be explained by Quinn's model: such as the competing values and their associated organising logic underlying the different

policies, and how their joint operation created the confusion, apprehension and anxiety that gave rise to the social defences, and, even how the conflicting post-GFC policies were introduced without an overriding strategy to integrate, coordinate and implement them. Quinn's model could equally be used alongside SDT to indicate the inherent tendencies within the organisation that generated the social defences, or how the policies and social defences drew upon competing models, or internal contradictions in how they operated. Because of the clear links with organisational theory, Quinn's model would have arguably appealed to the senior team's business rationality, better than a model coming from anthropology.

What occurs in Quinn's negative zone, or drift into the middle, is similar to explanations provided by CT. Positive feedback, for example, can begin to unravel any dominant rationality, whereas two competing rationalities may undermine clarity.

Quinn's model adds organisational theory weight to the role of values, and their influence in organising and disorganising used in CT. The reason CT was used instead is because it provides a simpler, parsimonious, and easier-to-use model. Its high-low values for regulation-integration make intuitive sense, as do the thought-styles, rationality and organising logic of each elementary form.

CT's elementary forms captured, quickly and easily, the organising logic, values and thought-style operating in each of the policies and social defences, and how their combined interaction was creating an inadvertent path into isolate ordering. If this was used early in the consulting, it could have predicted the case outcomes that eventuated.

Quinn's model was more cumbersome. Unless a manager is versed in organisational theory, what is meant by a 'human relations' model or 'rational' model needs to be explained. Similarly, cultural descriptions such as adhocracy and market, intuitively, overlap while belonging under the same decentralised/flexible focus.

CT also suggests that any two or more forms may combine to form a relatively weighted hybrid. Quinn does not consider hybrids and settlements, only that forms sitting next to each other have more in common. This gives CT more ways of organising. While each elementary form can be functional or dysfunctional according to the circumstances, CT's 'fractal' quality (Thompson, 2008) suggests the elementary forms apply to an individual's preferences. In addition, they range from

the most informal institutional practices to departments, organisations, external environments and nations, allowing CT to highlight how there can be several competing cultures within the whole, while subject to external influences.

CT explicitly holds that all four ways of organising will likely be present in some shape or form, in any sized grouping, and the many groupings that make up the whole. This indicates that conflict and change, along with paradox, as Quinn suggests, is always potentially present. But it is more the result of the less dominant forms representing alternative leadership, and rallying points for discontent (Thompson, 2008), rather than an unravelling through contradiction as Quinn's model suggests.

CT's isolate ordering, while not inherently dysfunctional, or more or less dysfunctional than the other three, offered a useful metaphor for the type of dysfunction that purposeful organisations can drift into when too much anxiety or uncertainty unsettles leaders, triggering them to overly assert control, or more control than is necessary. This can work extremely well during a crisis, or to drive change in the short-term, but will start to undermine the more functional aspects of organisations such as collaboration, coordination, flexibility-initiative represented by the other three elementary forms that can be found in varying degrees in whatever organisational configuration. Instead, in functional organisations, too much isolate ordering can lead to expedient, short-term, survival tactics; arbitrary regulation or enforcement of rules; and the flaunting of formal systems and procedures. Unless it is absolutely necessary as a means of changing an organisation, or for its long-term coordination, this spells warning. The movement into isolate ordering, evidenced in the case study, better explained the cultural grid-lock and inability of the organisation to solve its problems or to coordinate its policies or for its departments to collaborate. This further fuelled the social defences as a means of self-protection.

Quinn's model, like Mintzberg's, lacks an underlying theory or engine under the bonnet. As a result, it is more descriptive of the types of benefits or dysfunctions that can emerge.

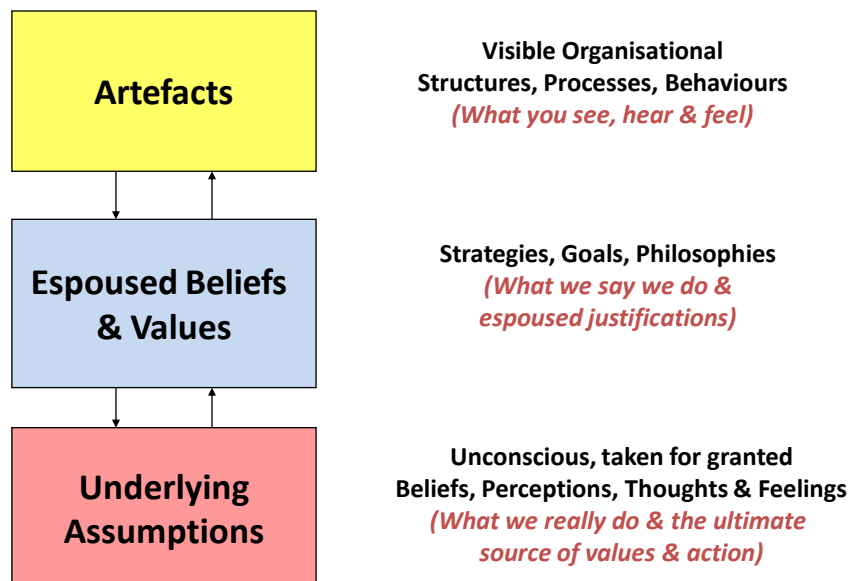
Schein on Culture and Leadership

Schein's work on culture and its relationship to leadership, (2004) and his three cultures of management (1996), offer alternative ways of understanding aspects of the case. Diagram 7.4 and Table 7.1 summarise his respective models.

Schein defines culture as a set of tacit assumptions about how the world is - and ought to be - that a group shares and which determines their perceptions, and behaviour (1996). These are learnt as a group solves its problems of external adaption and internal integration, and become valid enough to be taught to new members as the correct way to think about and do things (2004). He argues that leaders' beliefs and values drive the creation of culture, or can change culture when new situations warrant (2004); and how competing, occupationally-based sub-cultures can operate and undermine organisational performance and learning.

Diagram 7.4 Schein's Three Levels of Organisational Culture (2004)

Schein's Three Levels of Organisational Culture



Schein's surface level of organisational culture is straightforward, but comes with the anthropological warning that outsiders may mistake or impose their own meanings onto what they see, hear or feel. His second level offers a view of how cultures develop - through the process of solving problems, adapting and integrating - that provide their on-going justification and existence. These transform into taken-for-

granted, non-discussable assumptions, or his deepest level of culture, because they continue to work. At this level, they now operate more like rules that serve a normative and moral function of guiding members to deal with surprise, uncertainty and difficulty. Like Quinn and CT, values are central to understanding culture, but for Schein, it is their relationship to leadership that underlies his theory and change.

Table 7.1 Summary and Implications of Schein's Three Management Cultures

Culture	Assumptions and Translation Difficulties	Effect on Organisation	Missing Sub-Cultures and Relations
CEO and Executive	<ul style="list-style-type: none"> - Maintain financial health: focus on board, investors, capital markets - <i>Tension between organisation-as-team vs. accountability-of-individuals</i> - Maintain control or experiment - <i>Values rules and systems over/or relationships and community</i> - Assumptions of people: necessary evil vs. intrinsic value 	<ul style="list-style-type: none"> - <i>Hierarchical vs. Individual vs. Community focus</i> - Eliminate hierarchy or intrinsic to control and coordination - <i>Direct or indirect control</i> - Organisation as well-oiled machine <i>not</i> needing people, but contractors; or Built on people, values, culture 	<p><u>Senior Team</u> - lone heroes or team?</p> <p><u>Middle Managers</u> - collaborators, contributors or implementers?</p>
Engineering Technology	<ul style="list-style-type: none"> - Designers of Work and technology - <i>Linear, cause-effect, quantitative thinking</i> - Optimistic can master nature - <i>Pragmatic Perfectionists, stimulated by puzzles, elegant processes and machines</i> - Prefer people-free solutions independent of human needs or foibles 	<ul style="list-style-type: none"> - <i>Designing Humans Out of systems vs. into them</i> - Over-engineer for quality, safety, elegance vs. people - <i>Emphasise task system over sentient needs</i> 	<p>Sales and Marketing - usually more creative and people-oriented</p> <ul style="list-style-type: none"> - <u>Sales</u>: <i>merchandisers vs. contributors of buyers' needs, wants</i> - <u>Marketing</u>: <i>subservient product-development vs. orient and design for market</i>
Operator	<ul style="list-style-type: none"> - Evolves Locally, in Operational Units, around core technologies - Based on Human Interaction, Requires: Communication, Trust, Teamwork = Interdependencies of processes and people - Efficiency depends on people's knowledge, skill, commitment - Requires: translation of rules and procedures, and capacity to learn and deal with surprise 	<ul style="list-style-type: none"> - Must follow assumptions from above - but incentive system and how they are managed may conflict - Must work to rule vs. at times, work around systems and managers to be efficient - Need to align task and sentient systems for efficiency and commitment 	<p><u>First Line Supervisors</u> - know from experience and assume their way is best</p>

Schein's three cultures of management highlight how outside influences from individuals' occupational experiences and training, can influence behaviour independently of the organisation. It also captures how and where potential conflicts and 'fault-lines' can play-out because of sub-cultures. There were certainly aspects of these sub-cultures in the senior team and in Manufacturing, and to some degree, these influences did play out in their respective social defences. But, these alone were not enough to explain the influence of policies and social defences as institutional cultures. The policies, especially, incorporated groupings from across the three sub-cultures. Schein's three profession-based cultures may encourage a formulaic approach to understanding problems, rather than observation of what else may be contributing.

Schein's "Test" of Culture and SDT

The ways Schein conceptualises his deeper levels of organisational culture overlap with those of CT and SDT. For example, the "test" that Schein suggests that allows some espoused values and beliefs to transform into fully-fledged unconscious cultural assumptions, his third level, is not so much "whether they work or not [but] how comfortable and *anxiety-free* members are when they abide by them" (2004: 29).

This is in keeping with the "anxiety-culture-defence" view of culture in SDT (Hinshelwood and Skogstad, 2000: 16) which "mediates between the task, with its associated anxieties, and the defence" constellations that arise in response (Long, 2006: 284). For both Schein and SDT, culture provides the means of dealing with anxiety. SDT may better explain Schein's idea of why cultural change is difficult and resisted, whereas CT explains why leaders' agency/rationality can change some cultures which share it more easily than others that do not.

Schein's Purpose of Culture and the Contribution of CT

How Schein defines culture is also similar to CT. Schein (2004: 32 and 13) quotes Douglas when he likens his deepest level of culture as a "*thought-world*" or "*mental-map*", referring to the common "*habits of thinking*" that are generated within the members of the group or organisation: culture as 'thought-style'. The way Schein describes culture as a set of assumptions that work to solve a problem is also similar to Douglas' definition of institutions as conventions that coordinate members in

problem-solving. For Schein, any set of values, as long as they appear to work for the circumstances, can become cultural assumptions. For Douglas, it is around the values inherent in each of the elementary forms and how these reflect a particular way of organising.

In both CT and SDT, culture is linked to how an organisation or group-as-institution is organised and carries out its strategy or primary task by being built into organisational systems, structures and work practices. This is only implicit in Schein, as the values a group uses to solve its problems.

For CT, the values that sustain or pull a culture apart are the key organising and governance values found in political philosophy such as: liberty; equality; fraternity or the sense of duty and obligation to the whole, which includes fatalism. These viable ways of organising were what Douglas (1982) found in her research of the recurring themes of anthropological ethnographies in constructing her grid-group typology.

Schein's One-Sided Emphasis of Leaders' Agency in Relation to Culture

In CT and SDT, culture is not just a variable, as implied by Schein, that leaders can use to reinforce or change their organisations, but it is very much how groups, institutions or organisation are organised.

Instead, Schein (2004) sees leadership and culture as two sides of the same coin. He suggests that culture begins with leaders who impose their own ways of doing things - and with this their values and beliefs - on a group. If the group is successful on an on-going basis, these become the underlying, taken-for-granted assumptions of his deepest level of culture. When this happens, it is culture that defines leadership and the types of leadership behaviours that are acceptable. If, however, the group runs into difficulties to the point where the assumptions are no longer valid, Schein suggests that leadership comes back into play. The work of the leader is then to step outside the culture and look for new ways of adapting or integrating the organisation that solve problems and, with this, develop new values, beliefs and ways of thinking and working. Schein's point is if the organisation and its culture are no longer producing the expected results, the ultimate act of leadership is to destroy the culture and start afresh.

The issue here is the degree of agency or control that Schein suggests leaders can exert over culture in creating, destroying or changing it. What is missing is the reciprocal cultural influences constraining leaders and how even the policies they create in turn constrain them. What we saw in the case study was that senior team members were just as much at the mercy of, and as ineffective in tempering, the effects of the policies they initiated, as those below. This is not because they did not use their agency as Schein suggests: they continually did. Nor were they any more or less effective than the ideal leaders that Schein speaks of. It is just that Schein, at least as far as this case study is concerned, overemphasises agency and power.

Emphasising leaders' agency and influence reinforces the stereotype of leaders as lone heroes rather than also being team members and players, as much subject to *psychological* group dynamics and *social* institutional influences they find and inadvertently create, as those below. However, Schein is appealing to, and reinforcing, the self-importance afforded to them by their role which can as equally undermine leaders, as give them a springboard to change things. Schein's appeal to leaders represents only one way of creating change, and one that this case study did not find.

The issue here is that it underplays the role and influence of an institutional conception of culture and of the different institutions or cultures co-existing within the whole, and how these exert their own influence independently of the individuals involved. The agency Schein attributes to leaders does not take into account the operation of the informal organisation; and informal institutions such as social defences, that leaders may not see, let alone influence. Nor, does he take into account that when institutions such as social defences are operating, change may become even more difficult to effect.

7.4 Power, Rationality and Power Dynamics

A totally rival explanation focuses on the role of power, and how it is rationalised, resisted, and shapes the context-specific rationality in which it is applied. This can apply to elements of the case, including:

- The effect of the senior team and their internal dynamics
- The different rationalities as thought-style they generated

- The social defences, especially below, if they are seen as resistance to power.

However, it tends to reduce analysis to power and its exercise. This by-passes other factors such as the independent effect of institutions once they were generated; the social defences in the senior team; and poses difficulties in how to utilise during a change intervention. For example, naming dynamics as 'power' is similar to naming psychological dynamics, which the senior team resisted.

Power mostly relates to the third stream of the organisational literature which focuses on critical and postmodern approaches to change. These emphasise: ethical concerns related to means-ends instrumentality of change (Smircich, 1983); the gaps between the rhetoric and the reality of planning and strategising (Whittington, 2001); different 'bounded rationalities' (Simon, 1997); and the role of power on what voices are heard and excluded (Clegg et al., 2006). A case study, undertaken by Flyvbjerg (1998), on the political, administrative and planning processes in Aalborg, a Danish town, is used to compare a power analysis to the one in this research. What occurs in senior-levels of politics can apply to the senior-level of large organisations.

Flyvbjerg draws on an intellectual tradition culminating with Foucault through the ideas of Nietzsche, Machiavelli and Thucydides, who he suggests focus on the *real* rather than normative or values-based rationalities at work in politics.⁸⁷ He seeks to demonstrate, through the political processes in Aalborg, how *power defines rationality*, which is context-dependent. He sees power not as an entity which is held, but exercised through subtle strategies and tactics: the principle being defining what is rational. Following Foucault, Flyvbjerg suggests that power is omnipresent, it is set within a dense network of relationships, and where there is power there is resistance. Power can be both productive and repressive. Its analysis requires the study of conflict and struggle,⁸⁸ and focusing on what people actually do, not what they say they do or their stated reasons.

Flyvbjerg's case study culminates in a series of propositions to answer the recurring pattern he observed: during the implementation of a project or policy, or what he calls

⁸⁷ By normative rationalities, Flyvbjerg means the Enlightenment's establishment of scientific method and analysis as the dominant or only rationality, and/or what actors in different situations espouse to justify their claims.

⁸⁸ He suggests these are central requirements for sustaining social freedoms and democracy. In organisations, this applies to positional-based freedoms that role-holders can take up within organisational constraints.

"when idea met reality", Machiavellian power-plays, Nietzschean will to power, and Foucauldian rationalisation-as-rationality resulted in the fragmentation of the project or policy. Table 7.2 provides a summary of Flyvbjerg's propositions (1998: 225-236).

Table 7.2 Flyvbjerg's (1998) Propositions on Power

Power Defines Reality	<ul style="list-style-type: none"> - Power defines what counts as rationality and knowledge and thereby what counts as reality - Power does not limit itself to a given view or interpretation; but defines and recreates physical, economic, ecological and social realities
Rationality is Context-Dependent	<ul style="list-style-type: none"> - Power blurs the dividing line between rationality and rationalisation - It is misleading to operate with a concept of rationality in which power is absent - The rationality of a given activity (practices) is produced in action by participants via the activity - When challenged, or required, rationalisation is produced
Rationalisation Presented as Rationality is a Principal Strategy in the Exercise of Power	<ul style="list-style-type: none"> - The freedom to interpret and use rationality and rationalisation for the purpose of power is a crucial element in enabling power to define reality - Where there is power there is resistance - rationalisations can be challenged - Rationalisations are often difficult to identify and penetrate - they are presented as rationality - Powerful actors may not reveal a rationalisation as power lies behind it
The Greater the Power, the Less the Rationality	<ul style="list-style-type: none"> - Kant: 'power unavoidably spoils the free use of reason' - As 'power corrupts' it 'spoils reason' - as 'the greater the power the greater the corruption', it 'spoils reason even more' - Rational argument is one of the few forms of power available for the powerless - Machiavelli places little trust in rational persuasion - he differentiates between those who can 'force the issue' for their purposes and those who must use 'persuasion' - Power finds ignorance, deception, self-deception, rationalisation, and lies more useful for its purposes than truth and rationality
Stable Power Relations are More Typical than Antagonistic Confrontations	<ul style="list-style-type: none"> - In contrast to Foucault who observed power relations as dynamic and reciprocal - they can at any time evolve into antagonistic confrontation - Flyvbjerg found stable power relations far more typical - antagonistic confrontations are actively avoided - because confrontations are far more visible, they are what get researched or publically reported - this leads to a biased representation of power relations
Power Relations are Constantly Being Produced and Reproduced	<ul style="list-style-type: none"> - Power relations are not immutable - they evolve and change - they demand constant maintenance, cultivation and reproduction - Flyvbjerg found business substantially more skilled at this - creating a 'semi-institutionalised' position from which to influence government
The Rationality of Power has Deeper Roots than the Power of Rationality	<ul style="list-style-type: none"> - Pre-modern relations of power based on class, privilege and tribalism - are more powerful than modern institutions and ideas such as democracy, rationality and neutrality - and often prevail
In Open Confrontation,	<ul style="list-style-type: none"> - 'Truth is the first causality of war' - While Foucault places emphasis on knowledge-power and

Rationality Yields to Power	rationality-power relations - Flyvbjerg found that where power relations become open, antagonistic confrontation - power-to-power relations dominate - dictated by what works most effectively to defeat the adversary in situ
Rationality-Power Relations are More Characteristic of Stable Power Relations than Confrontation	<ul style="list-style-type: none"> - Rationality and power tend to stabilise and often constitute power relations - Stable Power Relations are not necessarily equally balanced - they entail no more than a working-consensus within unequal relations of dominance
The Power of Rationality is Embedded in Stable Power Relations Rather than Confrontation	<ul style="list-style-type: none"> - Because rationality yields to power in open, antagonistic confrontation - the power of rationality or 'force of reason' is weaker - But it can gain maximum effect in stable power relations characterised by negotiation and consensus-seeking

Reduction to Power

There are two types of problems associated with analyses focusing mainly on power. The first is the tendency to reduce everything to power dynamics and, by implication, to the actors involved who are seen as protecting or furthering their interests. Power is made the determinate, or what does the explaining. Other issues such as values differences, the role of uncertainty and anxiety, or the influence of institutions or external events take a back seat.

What may not be asked nor experimented with, as this research did with social defences, is when is power better approached as cause, effect, or trigger? A similar problem occurs with strong versions of psychological or sociological analyses. Once explanations are reduced to either individuals or institutions, there is little room for alternative understanding. The same applies with other single-factor determinates, such as when self-interest is used as the behavioural foundation of economic theory or the explanation of political life (Sen, 1990; Mansbridge, 1990; Douglas and Ney, 1998). Other reasons for behaviour - related to altruism, ethics and morality, or why people cooperate other than furthering their interests - can be overlooked. This is the weakness of any single-factor explanation. A psychological-only focus, frequently found in SDT, was criticised for this reason.

Flyvbjerg's case study, while illuminating of political processes, is guilty of this. Machiavellian power-play, Nietzschean will to power, and Foucaultian rationalisation-as-rationality, for Flyvbjerg, represent what is *real*. They are used to explain the recurring pattern that when a policy was about to be agreed upon or implemented, it would somehow fragment. He frequently noted how stronger arguments from weaker

opponents fail in the face of power - especially in the agreement phase of policies - but how disagreeing opponents will gain extractions that frequently undermine the implementation of policies. This gives Flyvbjerg's propositions a good degree of face validity in any situations where policy is being developed, agreed upon and implemented.

This makes his case study relevant to this research given the competing nature of the post-GFC policies, their effects in triggering the social defences as resistance, and how the social defences could arguably be seen as undermining, through indirect means, the intended implementation and effects of the policies.

Flyvbjerg's desire to be pragmatic focuses on:

- What he calls "real rationality" or "realpolitik" (1998: 6) during the workings of power, and its resistance versus the more normative rationalisations or accounts used by actors to justify their actions or push forward their claims
- The "minutiae" of what actually occurs, when and how, and whether there is overt conflict or not, and how it plays-out or is suppressed (p. 7-8).

Such analysis seeks to be explanatory and is in keeping with realist methodology and analysis.

Power and the Problem of Intervention

The second problem concerns intervention. This applies whether power is assessed as an issue or not. The two-way risk is if power is not seen as an issue, is this succumbing to dominant interests or is it a case of consultant-naivety? If it is made an issue, unlike in pure research which can stay more detached, it is difficult not to be seen as taking sides.

When power and actor credibility - both of the senior team members and consultant - are at stake, it becomes difficult for consultants to play the role of psychological referee, so to speak, as one can with competing values or group dynamics. A consultation can risk becoming politicised, and be accused of cutting across or undermining authority lines, or it can be seen as challenging or succumbing to different power interests.

This was not something Flyvbjerg had to deal with. If he had, this may have altered his perspective or added complications, especially, as in this research, if an explanation was developed for use as intervention. This occurs when theory meets practice, as Kurt Lewin was acutely aware, leading him to suggest that 'the best way to understand an organisation', or for that matter anything, 'is to try to change it'. This, in turn, led Lewin to suggest 'there is nothing as practical as a good theory' (Burnes and Cooke, 2013).

Nevertheless, issues of power in organisations, as in politics, are always present, or present as an alternative perspective. This is because in getting things done or getting what they want, individuals not only use formal means such as their roles, the authority attached to their roles, and official procedures, but at times rely on their personal power or influence (Obholzer, 1994).⁸⁹ If we accept Flyvbjerg's assertion that 'rationalisation is presented as rationality', then if such rationalisations are directly challenged they will most likely be denied. The challenge for intervention is not only assessing how important power is to the situation, but also how important to make it, given that this would be most likely denied and resisted.⁹⁰

This, it is argued, requires experimenting with seeing power as either cause, effect or trigger. Each choice carries different consequences for analysis and intervention. Three examples will be examined.

Issues of Power as Effect or Something that is Triggered

Firstly, given that the senior team resisted the use of both psychological evidence and interpretation of their not working as a team; they would most likely also resist any reference to power dynamics and underlying conflict. The challenge became finding alternatives to a direct approach. Such thinking in the research led to a focus on the causes *and* effects of social defences, rather than their only being causal.

⁸⁹ Obholzer (1994) makes a helpful distinction between leadership as a role; authority and authorisation as officially-sanctioned; and power as an unofficial personal ability to muster "internal and external resources". He notes that while authority is sanctioned from "above", it importantly has to be taken-up from "within", and needs to be earned from "below". He invites consultants to look at the "authority/power" ratio both in a role-title and how individuals take up their roles. He suggests that authority without power is mostly ineffective, but power without authority is prone toward dictatorship or despotic leadership.

⁹⁰ The same applies when psychoanalytic interpretations of unconscious processes are offered. It does not deny their truthfulness, only that they cannot be independently verified. The challenge is both whether to offer them and if so, how. Trist who was Menzies' long-time mentor was originally very suspicious of her directly interpreting anxiety as he believed it would be resisted and perhaps undermine the consultation. This is why he chose, instead, to work with psychoanalytic insight in the background (Armstrong, 2012).

Offering this interplay between what caused the social defences, and what they may go on to cause, provides an explanation that may better appeal to the senior team's business or 'Theory E' rationality, as a guide to intervention. Approaching the issue of power in a similar fashion may also be more helpful especially for intervention.

If power was seen as the cause of what was occurring within the senior team, to not focus on power dynamics may be seen as side-stepping the issue. But addressing it may be seen as playing a power-influence game, or worse, manipulating the existing balance of power. If, instead, it is seen as an effect or triggered by the GFC, the senior team's behaviour could be framed as dealing with a crisis. Reframing their behaviour as a consequence, and as appropriate, rather than manipulative or self-interested as the naming of power may appear, was something they would more likely engage with than deny. Similarly, raising their lack of an overriding strategy as an effect of their still working-through of various strategic debates and choices, treats the problem as part of a process they will eventually solve, and not an over-sight which may imply ineptness and likely be defended against. Also, by treating it as a future cause of undesirable consequences, if not addressed, also puts the choice and control of what to do back into their hands. This does not undermine their authority or stature as senior team members.

Power-Play or Primary Risk and Clumsy Solutions

Secondly, we could interpret the different policies as power-plays by individual senior team members: as 'strutting' their credentials as alternative CEOs. Or, we could interpret the lack of an overriding strategy as evidence of covert conflict and resistance to one view winning at the expense of others. Both are in line with Flyvbjerg's propositions.

However, given the resistance that was already encountered during interventions, naming this, if not done diplomatically, may open up a Pandora's Box and risk aggravating an already anxiety-fuelled situation. Instead, by not taking the strong version of power as a causal approach, allowed other evidence to emerge. This was pointing to the senior team members' sense of uncertainty; anxiety; their doing their best to avoid bad decisions and to survive in their roles while keeping the organisation afloat. This is better seen as their dealing with what Hirshhorn (1999) refers to as 'primary risk' or the anxiety and uncertainty associated with a choice of

which strategy to pursue. Such anxiety keeps leaders awake at night and is a good example of psychoanalytic interpretation being used in the background.

At the same time, there did not appear to be signs of overt or covert conflict between senior team members, nor did they seek to undermine each other's domains or chosen means of addressing problems. With their direct reports, they pushed their own policies and preferences, while not undermining those of their colleagues. When faced with evidence of conflicting directives coming back at them from below, these were diplomatically side-stepped. This, too, was more suggestive of uncertainty and not knowing what to do, rather than playing politics.

Nevertheless, it was also evidence of senior team members' *'power defining reality'* and of *'rationality being context-dependent'*, at least within each leader's domain. And, as Foucault suggests, where there is power there is also resistance. This could be seen as evident in how those below reacted. While on the surface they complied, it did slowly trigger social defences. There was also evidence of *'stable power relations being more typical than antagonistic confrontation'*. This certainly applied to the senior team. Individually, they were protecting their own power base by not openly challenging their colleagues which mutually reinforced their joint power-base as the senior team.

But such insights are more descriptive of the obvious, adding a more nuanced understanding of what the senior team were doing and their effect on those below and the organisation, rather than representing a rival explanation.

Instead of seeing the policies as evidence of power-plays by individual members of the senior team, we focused on their effects as competing institutions generating unintended consequences. This may have allowed the senior team, individually and collectively, to engage with this. Similarly, for the purpose of intervention, even if the assessment is one of power struggle, reframing and working with it more in terms of strategic and normative differences - as suggestive of a clumsy-solutions approach within cultural theory (Verweij and Thompson, 2006) - may allow alternative ways of thinking to enter into a solution-focus.

The value of the concept of 'primary risk' is that it focuses leaders' attention not on nebulous anxiety per se, but the actual risks associated with different strategic options they must choose from. The value of 'clumsy solutions' is that it focuses

attention not on conflict, but on normative differences that represent viable, alternative approaches and solutions to the problems they face. Together, these two models may allow team members to better tolerate, or cope with, their uncertainty and anxiety, and to voice different perspectives toward finding a workable but clumsy solution.

Social Defences as Power through Resistance-to-Power

Thirdly, if we develop the idea of social defences as a form of resistance to the effects of the rationality-as-power of individual members of the senior team, this can provide an interesting twist on conceptualising social defences. Just as we have reconceptualised social defences as informal institutions generating their own independent feedback and consequences on the individuals involved and the organisation; reconceptualising social defences as resistance similarly opens up other possibilities.

Social defences, by their nature, are covert and operate unconsciously. They avoid direct 'antagonistic conflict' which Flyvbjerg suggests is more indicative of 'stable power relations'. They help organisational members maintain the semblance of stable relations between the levels and functions while also voicing their resistance-as-complaint to what they are experiencing.

If social defences are presented as resistance-as-complaint - rather than as something psychological and all that comes with such a label (which is commonly resisted and denied) - it can be offered as an opportunity to explore the push-and-pull as a kind of Lewin style 'force field analysis' within the organisation. This may provide an easier method of working with social defences between the groups that are exhibiting them, and the groups or institutions they are reacting against and/or affecting. This can become an organisational-level or inter-group rather than team-level intervention and help the effected groups across the organisation identify the different pushes and pulls between them. This is the first step to understanding each other's needs and complaints. Through voicing these, they could agree upon solutions that could better navigate - or find alternative ways - around the grievances by the different groups better understanding and helping each other.

What such an intervention suggests is working with power - as was suggested with psychological insight - not in the foreground, but in the background. Here, power and

resistance could be named as something natural and a given in all organisations. Not as a rallying point to take up arms and defensive positions, as it can be if it is bluntly interpreted. The challenge and solution is finding ways of understanding the push-and-pull in order to address both the causes and the effects of social defences.

In a similar way, with the social defences in the senior team, the push-and-pull could be seen more in terms of their relationship to changed environmental conditions, and its effects on them as individuals responsible for functions and as a team responsible for the organisation. Helping team members identify how they are being 'pulled' by the changed circumstances, can help them begin to find better alternatives to 'push' back at these. Their own social defences could be reframed as an opportunity to assert power-as-resistance. This may have been a better way of helping them engage both with their social defences but also to find a strategy they could identify and be used to address the changed environmental conditions that the organisation now had to navigate. Being proactive in finding ways to influence the external environment is very much a solution that Emery and Trist (1965) identified as type four external organisational environments or turbulent fields.

These examples highlight the value of working with power, as was done with psychological-insight in this research, in the background rather than foreground of analysis and intervention. This utilises Flyvbjerg's insights, as a rival hypothesis, as one of many to be examined.

Chapter Eight: Conclusion

The research set out to explore social defence theory's recognised problem with change. It was triggered when social defences appeared during a coaching-consulting project the author was working on where a traditional Tavistock-style action-research intervention failed.

A review of the social defence and wider Tavistock literatures, and the post-fact analysis of the case, revealed problems with both the theory and method that may assist with this problem of change.

This started with Menzies' (1960) sociological innovation of SDT that social defences are more than psychic phenomena but get built into organisational systems, structures and culture. The implication is that social defences take on a social quality and nature that becomes independent of the people involved: "an aspect of external reality that old and new members must come to terms" (Menzies, 1960: 101; Menzies Lyth, 1989: 26-44).

However, this does not tell us *how* they operate socially, *why* they appear in some organisations and not others, and *what* social defences will go on to do, without intervention. Nor does it tell us what consultants should do about them. Menzies (1960) focused instead on detailing the psychological reasons for social defences and how they affect individuals and undermine task-performance. Her later writing similarly develops the psychological dimensions of SDT, and interventions to help individuals and teams come to grips with their situation (Menzies Lyth, 1989; 1990). In fact, she increasingly grew pessimistic about organisations as adequate containers of anxiety and about changing them.

Trist, Emery and Jaques provided clues on how the sociological dimension of SDT may be developed. This included that both sociological and psychological theories are needed to make sense of consulting projects, and to experiment with seeing social defences as causes and symptoms. The organisational literature indicated that organisational level change is qualitatively different, in addition to individual and team change. Changing individuals and teams will not necessarily change the organisation.

Menzies was aware that individual and team change was often not enough to address social defences. She suggested that "an institution affects the personality structure of its members" leading members to "introject and identify with the institution" and become "like the institution in significant ways" and "*to change members one may first need to change the institution*" (Menzies Lyth, 1989: 26; 41-42, italics included). It was this quote that first alerted us to the parallels with Mary Douglas' cultural theory and with its institutional focus which was used to develop Menzies' sociological innovation.

The research revealed difficulties with the method, particularly in business environments. The social defence intervention failed as it was not taken seriously by the senior team. It did not appeal to their business or 'finance' rationality. CT contends that competing rationalities can as easily promote conflict and stasis, as they can problem-solving. The senior team showed interest when possible causes were presented – how their post-GFC policies exacerbated the Manufacturing-Sales 'fault-line'. But they balked at our attempts to initiate their analysis through action-research intervention – an OD and psychoanalytic-consultant's rationality. What was missing was a forecast of what the social defences would cause if unattended.

In order to appeal to the senior team's rationality, explanations of the causes and consequences of social defences may have helped. A realist causal approach was then integrated with Tavistock interpretive methods (Long, 2013) and interventions that allow clients to conduct their analysis and problem-solving (Lawrence, 2000). Our research involved several iterations of data analysis to arrive at the most viable explanation of case-outcomes.

Reconceptualising Social Defences as Informal Institutions

The key research finding reconceptualised social defences as informal institutions driven by the organising logic, values and thought-style of one or a mix of CT's elementary forms. Analysis of thought-style better pointed to the causes and consequences of the social defences when they consolidated compared to their basic assumption defensive pattern when they first manifested.

Nevertheless, the research underscored the value of SDT by identifying social defences as the first sign that something was going wrong. But alone, it could not adequately tell us why, or what may happen next. Only when SDT was integrated

with a CT analysis, drawing on the three analytical models, could the causes and consequences of social defences be identified – and then can interventions that better appeal to business leaders' rationality and organisational-level (transformational) change be developed.

Recommendation for CT, SDT and Psychoanalytic Consultants

If *cultural theorists* can take emotional data as being relevant - something that unfortunately Douglas warned against - this can speed up CT's responsiveness in real-time versus post-mortem organisational diagnosis. Emotional data (such as social defences) can be seen as appeals to different thought-styles, and to search for the social or political dimensions underlying anxiety and anomie. This may be the first sign or warning that change in the realignment of elementary forms, within or between institutions, is in process.

Similarly, if SDT and psychoanalytic-consultants follow Trist's 1950 recommendation that both sociological and psychological theories are needed to account for the real-life complexity of action-research projects, this may greatly improve the prospect of bringing about organisational level change. Psychological phenomena in organisations take on sociological dimensions – thought-style, values and ways of organising - that may assist consultants better account for the unconscious dynamics they are observing.

This thesis represents one way of integrating psychoanalytic theory and consulting methods with sociological theories and models to develop the sociological dimensions of SDT, and with this, to better explain and forecast the causes and consequences of social defences, and to help bring about organisational-level change. We found that unconscious dynamics importantly warn that something is going wrong, but only revealing them is not enough to either explain the situation, forecast what may occur next or help us do something about them.

After all, the purpose of consulting through the psychoanalytic study of organisations ... is to bring about change ... organisational change and not only individual and team change.

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