

## Book Reviews

*Organizational Values in America.* By William G. Scott and David K. Hart. New Brunswick: Transaction Publishers, 1989.

In his *Nicomachean Ethics*, Aristotle says that "No one chooses to possess the whole world if he has first to become someone else."

By contrast, the motto of most Americans might be expressed, "Promise me material prosperity and I will become whomever you please." Material prosperity was promised to Americans by the modern organization, and has in good measure been delivered. In the process, Americans have allowed themselves to be defined by the modern organization, and have ended by defining themselves accordingly. (Emblematic of this, Scott and Hart tell of a student of theirs who spoke of himself as a "sausage," and admonished his teachers not to stuff him with anything his future employers would find indigestible.)

*Organizational Values in America* charts the history of the rise to predominance of the modern organization, and then analyses the pre-suppositions involved. Its thesis is that the great gains in productivity and material prosperity that this Leviathan has provided have come at a devastating cost that is only now becoming evident. What has been exacted in payment is the moral character of individuals. Our bankruptcy of moral character is lately epitomized in the flood of exposures of corruption in our business and political leadership, in finance, in academia, in the professions, in the military, in evangelical religion. This has produced a public outcry for "more integrity" in our leadership, but the cry is anachronistic. Since the beginning of this century, the virtue of integrity has been systemically eroded by what Scott and Hart term the "organizational imperative," until we no longer have an operative idea of the meaning of the term.

The Founders of our country knew what integrity is, and the current agitated demand for "more integrity" is identified by the authors as a faint echo of Founding values. Integrity is a moral virtue in individuals that consists in living in truth to oneself. It is the life that is true to itself that Aristotle said no one would abandon for the promise of the whole world. Personal integrity was understood alike by Aristotle and our country's Founders as beyond price, never to be traded by those who possessed it for promised rewards of any sort or amount. (Was Spiro Agnew anathematized for selling himself, or for selling himself so cheaply? In any case his conduct disclosed that his self was whatever

prospective buyers were ready to pay for.)

In mid-nineteenth century Thoreau wrote: "It is remarkable that there are few men so well employed, so much to their minds, but that a little money or fame would commonly buy them off from their present pursuit." He counted on the retention by his readers of the idea of integrity, in order to shame them with it. Today we retain the word, but it has been emptied of content by the organizational imperative: (a) that "whatever is good for the individual can only come from the modern organization," (b) that "therefore, all behavior must enhance the health of such organizations," and, finally, (c) that "the individual can [and should] be shaped ... for maximum organizational utility" (pp. 30, 49).

The history of the ascendance of the organizational imperative begins with the emergence of the discipline of sociology, in mid-nineteenth century, on the premise that human beings are "social products." What the authors mean by the "modern organization" is a twentieth century phenomenon that translates this sociological premise into a technology for creating the kind of persons society is thought to require.

Humankind has never been without forms of social organization, but "the modern organization" is *sui generis*. "Modern organizations are managerial systems, using universal behavioral techniques and communication technologies, to integrate individuals and groups into mutually reinforcing, cooperative relationships" (p. 2).

As Scott and Hart present it, the modern organization began in our country with the "scientific management" of Frederick W. Taylor. Taylor's innovation was to break tasks into their constituent elements, improve the efficiency of each element, and then recombine the elements or reassign some of them to other workers where efficiency dictated. The effect of this was to extend the centuries-old progression of management control into the least details of work, removing from workers the last vestige of self-direction and self-responsibility. In terms of the analysis provided by Scott and Hart it capped the transformation of "individuality," understood as self-direction, into "obedience," and of "spontaneity" (the expression of the worker in his or her work) into "planning" (by management).

The next step came with the Hawthorne studies at Western Electric in the mid-1920s. They are widely known for the "Hawthorne effect," but according to Scott and Hart this misses their true impact. "Although many of the Hawthorne findings are now discredited, no other single piece of psychological research has had as great or as lasting impact on management thought and practice. It opened the floodgates for the behavioral sciences to inundate management with new perspectives and techniques for manipulating employees. They demonstrated that management could enter the realm of the employees' subconscious to manipulate their job attitudes" (p. 100). And to the extent that persons identify

with their work, the shaping of employees' job attitudes is the shaping of their self-conceptions.

The flood of experimental findings from the behavioral sciences was effectively integrated into the paradigm that constitutes management orthodoxy today, in classical management texts authored by Chester I. Barnard, in 1938, and by Herbert Simon in 1947. To Barnard and Simon, management entailed the shaping of persons through the inculcation of values. Barnard held that management must determine "the conditions of behavior, including a conditioning of the individual by training, by the inculcation of attitudes, by the construction of incentives." Simon began with the proposition that "The behavior of a rational person can be controlled ... if the value and factual premises upon which he bases his decisions are specified for him."

This is recognizably moral work, and requires moral justification. The moral justification of the modern organization for shaping persons to organizational requirements is often merely implicit in management texts, but is explicated by Scott and Hart as the proposition that the modern organization is the most effective way to supply people with more of what they want, namely material benefits, and is therefore entitled to their support. The evidence that people are getting what they want is their readiness to cooperate in the shaping of themselves to organizational requirements.

So effective has been our conditioning in this doctrine that its perniciousness will be difficult to recognize. It would have been instantly recognizable to the Founding Fathers, however, and Scott and Hart endeavor to reawaken us to their wisdom.

The sociological tenet that human beings are "social products" is a half-truth whose incipient dangers become manifest in the endeavor to implement it by modern management. The notion that persons are entirely social products is by definition totalitarian, i.e., it represents total control of persons by social institutions. That persons appear to choose to be thus controlled is not the endorsement of the controlling institutions by individuals, for true individuals do not exist. Such endorsement by persons who are institutional products is but the institutions' self-endorsement.

This deceptive question receives the special attention of the authors in a striking Epilogue that is presented as a dialogue between Dostoevsky and Chester I. Barnard. In essence Barnard defends the modern organization on the ground that it gives people what they want, and Dostoevsky counters that oppression becomes truly effective when it thus conditions people to welcome it.

As Scott and Hart show, the Founding Fathers perceived the incipient totalitarianism of unopposed social power, and would have resolutely opposed the capitulation to it that is represented by the sociological principle. "What they would not accept was that individuals were nothing

until institutions molded them into something—that it was up to the institutions of a society to give shape, meaning, and substance to individual lives” (p. 47). They held that while, indeed, social forces shaped individual lives and identities, individuals also possessed within themselves an independent source of identity in the form of innate potentialities within each person. While individuals are responsible to society in important respects, so correspondingly society is responsible to individuals. It is therefore in a dynamic tension between individuals and society that the health of both society and the individual lies. Accordingly it is a grave misconception of the problem of the individual and society to suppose that it is to be “solved” in favor of either side as against the other.

To restore this dynamic tension today is as the authors insist to rediscover true individuality. Their thesis is that the dominance in “Organizational America” of the organizational imperative requires to be redressed by an “individual imperative.”

In their formulation the individual imperative consists of the primary proposition, “All individuals have the natural right to actualize the potentials of their unique selves throughout the stages of their lives,” together with the derivative proposition, “The primary justification of any organization is the extent to which it promotes the actualization of those potentials” (p. 162). The reason that actualization of potentials requires to be promoted is that in its early stages it is weak and tentative—we all begin life as helpless infants and dependent children—and no match for the powerful social forces that it meets in the world. The measures that are proposed by the authors include the restriction of organizational size to human scale, the encouragement of the formation within organizations of social enclaves in the interest of the pluralism that individuation requires, the adoption of a federal model of organizational governance, and promotion of ongoing moral discourse within management in acknowledgement of management’s moral nature (Chapter 11).

Scott and Hart are also clear that the individual imperative will require profound revision in our patterns of education, affecting alike its elementary, secondary, and higher levels. One basic revision is that the development of moral character in individuals must be recognized as a responsibility of our educational system. The second is that education must be designed to promote self-knowledge as the foundation of self-actualization and of moral self-development. Each of these basic revisions has countless secondary entailments for teaching and learning, in terms both of methods and of content. To develop them is the work of a philosophy of education whose agenda is laid by *Organizational Values in America*.

The book makes a powerful case for the recovery of strong moral character in individuals as the only feasible corrective to a gradual drift toward totalitarianism. The historical prescription of pitting organization

against organization, as in church against state, or public sector vs. private sector, or division of powers within government, are alike vitiated by the subsumption of all organizations under the modern organizational imperative.

But implementation of an "individual imperative" depends upon reformist initiative, and the authors confess that it is difficult to identify a likely source. They analyze our prevailing class structure as consisting of The Significant People (managers), The Professional People (possessors of technical know-how), The Insignificant People (organization functionaries), and The Invisible People (no organizational role or place). In these terms they find only minimal reformist prospect, and in but one class. The Professional People hold this small prospect because they know how the modern organization works, are not numbed by munificent rewards, and preserve a vestige of personal integrity thanks to tension between their allegiance to the organization and their identification with their professions.

Much likelier, in the authors' judgment, is that cracks that are lately appearing in the modern organization will provoke reform initiatives from presently unspecifiable sources, perhaps including organizations themselves. For example, the cost of American labor has by degrees for two decades been pricing American goods out of both foreign and domestic markets. Ironically, this outcome reflects the success of Organizational America at buying the compliance of workers through material rewards. The need for continued escalation of rewards was predictable by the long-recognized truth that material acquisitiveness has no upper limit.

What has been squeezed out of the consciousness of us Americans is all recognition of the intrinsic rewards of work, when the work in question is the right work for the individual, and when the conditions of work are designed to enable workers to do work they are proud of, rather than to frustrate this ambition. Organizational America today needs these initiatives. And if we recognize that self-fulling work is an important dimension of the personal integrity of workers, we will perceive with Scott and Hart the self-defeating mistake in the tenet of orthodox management theory that personal integrity of workers is subversive of organizational loyalty. It is the *ground* of the individual's loyalty—to the right organization.

*Organizational Values in America* is as timely as it is telling. It is unequalled as a guide for college students to the world they are preparing to enter. And it has the power to jolt some of us who are their elders into a new sense of our responsibility to dormant moral potentialities within us.

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