RESPONSIBLE SELF-MANAGEMENT

In different industries, in different ways, the two organizations documented in this program have taken participation of employees to its highest level—self-management. Results have been extraordinary! In this fast-paced world, business has achieved immediate control of quality, costs, and productivity. For employees, the outcome has been pride and "ownership".

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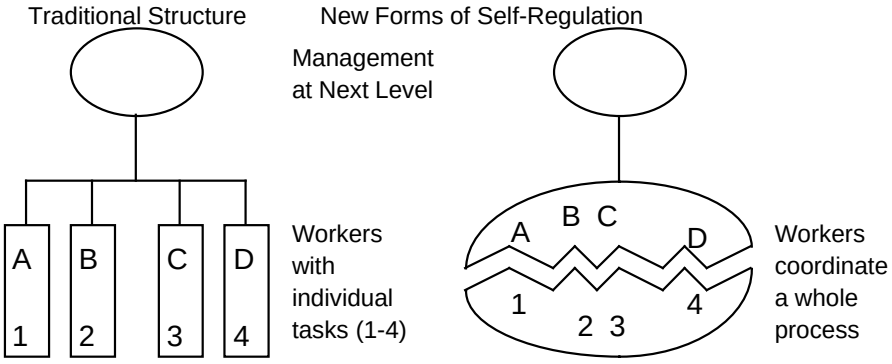
OVERVIEW:

The organization design of most workplaces that have emerged from the twentieth century translates simply into an underlying principle ("Design Principle One") that responsibility for coordination and control are located one level higher in the organization above where the specific work is being done.

This is in contrast to "The Second Design Principle", initially identified by Fred Emery (see Vol. II: Trist/Tavistock Anthology) that locates responsibility for coordination and control of activities with the same people who perform those activities. People take responsibility not only for their individual tasks, but also for the inter-dependence and 'whole' outcome of those tasks.

As Emery states: "the essential change in the design of work organizations is that the 'building block' is changed from the unit of one worker/one job under direct supervisory control to the 'semi-autonomous group' of people carrying responsibility for a unitary task". (This principle is diagrammed in "The Process and Content of Work Design", Painter, 1995—see *Good Reading.*)

Fig. 6: Shift from an old to new form of organization



In its application, "Design Principle Two" is most effective when it is "system-wide in scope; everyone in the organization, at all levels, is affected" (see *Good Reading*, Purser & Cabana: "The Self-Managing Organization"). Therefore, this principle is important at 'higher' levels of an organization, e.g. middle

management, where "multi-skilling" may apply to a limited extent or not at all, but where people can define shared responsibility and accountability for a specific value-added function.

As Purser & Cabana clarify, the notion of hierarchy does not disappear but is transformed from a "dominant" hierarchy of perceived superiority to a hierarchy of "competence". Moreover, between levels in a "competency-based" hierarchy, relationships change, "are more egalitarian and complementary, with high degrees of participation between them. A management hierarchy still exists in self-managing organizations (albeit with fewer levels), but its character is radically transformed".

"The Second Design Principle" is consistent with another groundbreaking but not widely known body of thinking about organizations, namely, the "Viable System Model" (VSM) developed by Stafford Beer (see *Good Reading*, S. Beer: "Diagnosing the System for Organizations"). VSM helps with an understanding of the 'whole' and the context for levels of hierarchy.

In the article, "The Viable System Model as a Framework for Understanding Organizations", Espejo & Gill provide a concise summary of VSM: "[The] architecture of complex organizations is based on the premise that living systems are composed of a series of sub-systems…to operate effectively in [the] environment: Implementation, Co-ordination, Control, Intelligence, and Policy,…each having self-organizing and self-regulatory characteristics…[as] recursive systems".

In VSM terms, the core work of producing the product or services implied by the organization's identity corresponds to the "Implementation" sub-system which, itself, needs to be self-regulatory. Meanwhile, the "Coordination" sub-system provides the mutual adjustment among the primary implementation units and, as well, the support functions. "Control" is the sub-system through which resources are negotiated and distributed. *(In each of the Stories within our program, "Responsible Self-Management", we see two or three of these sub-systems at work, with people acting within clear bounds to "manage their own affairs" or system function.)*

There is a practical imperative associated with VSM and/or "Design Principle Two", both of which constitute a fundamental shift in the conventional wisdom of organization design. That imperative is the threatened viability of any autonomous unit within the "turbulent environment" of business today. As Emery states: "only the choice of the second principle is potentially adaptive", and with Beer's model goes the belief that the traditional 'command-and-control' structure is "too slow and inflexible to cope with the increasing rate of change and complexity surrounding most organizations".

What Emery & Trist established in their still remarkable article, "The Causal Texture of Organizational Environments" (see Vol. III: Trist/Tavistock Anthology), is that the functioning of an organization can only be understood in its transactional relations with its environment. Moreover, the "environmental contexts in which organizations exist are themselves changing, at an increasing rate and towards complexity". Emery & Trist described these complex environments as "turbulent fields" where "the dynamic properties arise not only from the interaction [e.g. competition] of the component organizations, but also from the field itself" [e.g. interdependence between economic and political factors]. For organizations, these trends mean a gross increase in their area of *relevant uncertainty*, and the need to coordinate and construct "alliances" across boundaries and organizations.

Within this context of modern times, 'systems-thinking' of VSM and/or "Design Principle Two" build-in adaptability at the least cost—financially, materially, and in people terms--at all levels of an organization. "**Responsible Self-Management**" shows us what these principles look like in action.

SAMPLE THEMES:

i) There is common beginning to our two Stories of self-management, namely, a coherent plan for developing the organization as **Whole Systems**. The intent is for "Total Involvement" that can control quality and other issues immediately and closest to their source, and it applies at all levels, in all departments of the organization.
See: "Responsible Self-Management"
Story 1: Chapter 1, A New Work System;
Story 2: Chapter 1, Total Involvement;
See also "Whole Systems Teamwork"
Story 1: Chapter 1, A Participative Team System;
See also "Engineering for Commitment"
Chapter 1. Systems-Thinking & Lou Davis.

ii) **Flexible Work Units** are the core of the whole system. Flexibility to quickly re-allocate, re-combine, and re-focus human resources is a function of "requisite variety" that is derived from various degrees of Multi-Skilling and/or Multi-Functionality. A sub-theme can be **Job Rotation**, to maintain skills, variety of work, and most of all, a shared understanding of the whole work process.
See: "Responsible Self-Management"
Story 2: Chapter 2, Flexible Multi-Functional Work Units;
See also: "Whole Systems Teamwork"
Story 1: Chapter 2, Broad Skills & Job Rotation;
See also: "A Learning Organization"
Story 2: Chapter 2, Multi-Skilled Flexibility;
See also: "Beyond Collision"
Chapter 2: Canadian Pacific Railway & Teamsters Rail Conference.

iii) A major factor contributing to the "self-management" within the work unit and/or level is **Internal Control & Coordination**. Internal control is enhanced when the boundaries of work units *embrace* those work roles and/or technological/informational capabilities required to control key *Variances* affecting product or service reliability and quality. (So, for example, testing labs have been built inside or adjacent to chemical process operators' control rooms.) Sub-Themes are **Information Systems** and **Technological Choice**. Coordination also becomes internal to a work unit or system level, when many of the "indirect" tasks of scheduling, logistics, quality control, and even, maintenance are included within the unit boundaries, rather than being the responsibility of any external party. Internal control & coordination is what provides the *speed* of response to any contingency.
See: "Responsible Self-Management"
Story 1: Chapter 3, Control & Coordination;
See also: "Whole Systems Teamwork"
Story 2: Chapter 3, Just-In-Time Decisions;

See also: "A Learning Organization"
Story 1: Chapter 2, Integrated Process Control;
See also: "Engineering for Commitment"
Chapter 3, Choice in Technology & Systems.

iv) One outcome is a **New Role for Workers**. Their "direct" tasks in production or service are varied and add-up to a meaningful 'whole' job. Just as significant, if not more so, is the addition of 'indirect' tasks like scheduling, line trouble-shooting, and quality control of the 'direct' production or service activities. There is a sub-theme of **Knowledge Work**. A steelworker or an assembly technician (see "Responsible Self-Management"), or a telephone operator (see *Good Reading*: Swayze & Bromilow, "Not Just an Operator: How Manitoba Telephone System & CEP Implemented Work Redesign") becomes a worker who applies specialized knowledge to process information and to problem-solve or make complex decisions quickly.
See "Responsible Self-Management"
Story 1: Chapter 2, Doing the 'Whole' Job
Story 2: Chapter 3, Operator=Knowledge Worker;
See also: "Whole Systems Teamwork"
Story 2: Chapter 1, Shared Leadership by Employees;
See also: "A Learning Organization"
Story 1: Chapter 3, Employees & The Customer;
See also: "Beyond Collision"
Chapter 2: Canadian Pacific Railway & Teamsters Rail Conference;
See also: "Engineering for Commitment"
Chapter 5: Social System Design.

v) There is also a **New Role for Supervisors**. The hallmark of self-managing organizations is that the traditional Foreman/Supervisor role is eliminated. No longer is there anyone whose primary function is to watch-over, and direct or correct the work of 'subordinates'. However, this creates an opportunity for new roles and new organizational competencies. In some cases, shop floor or office supervisory roles are transformed completely into support functions such as training or customer service (see "Whole Systems Teamwork": Story 2). In other cases where the supervisory role has been removed from the shop floor, it has been transformed into cross-functional, cross-organizational coordination in support of the core work process (see "Responsible Self-Management": Story 1). This Coordination role can also be achieved while maintaining a shop floor presence, when it carries no "disciplinary", directing authority, and instead, the emphasis is on communication and development of employees' self-managing capability (see "Responsible Self-Management": Story 2). Whichever new role is developed, it provides a way to overcome "structural predicaments in a traditional hierarchy", particularly, the over-burden placed on the traditional Supervisor role that is stretched and stressed to a human breaking-point by the need to keep a "close eye" on the core work of subordinates while responding to ever-increasing demands for participation in lateral and higher-level coordination activities. A sub-theme is **Engineering Support**, whereby the engineering role becomes truly collaborative, and to some degree, simplified, with a new relationship to the Implementation level of core work.
See "Responsible Self-Management"

Story 1: Chapter 4, Engineering Support
Story 2: Chapter 4, Process Coordinators;
See also: "Whole Systems Teamwork"
Story 1: Chapter 5, Team Leaders & Management
Story 2: Chapter 4, New Roles for Supervisors.
See also: "Participative Work Design"
Story 1: Chapter 4, New Roles for Workers, Supervisors & Managers.

vi) A **New Role for Middle-Level & Senior Management** is another part of a whole systems design for a self-managing organization. Despite the cost-cutting trend to shred middle-level management, there is an increasing need for this level of management to translate the organization's strategic intent into effective growth and innovation initiatives. Middle-level management also maintains and strengthens the support systems that allow true self-management to sustain at the operational/implementation system level. (See *Good Reading*, Purser & Cabana: "The Self-Managing Organization", Chapter 11: The Role of Management in a Self Managing Organization. See also Louis Davis: "The Coming Crisis for Production Management" in Vol. II: Trist/Tavistock Anthology.)
See "Responsible Self-Management"
Story 1: Chapter 5, Open Management & The Business
Story 2: Chapter 5, The Role of Management;
See also: "Whole Systems Teamwork"
Story 1: Chapter 5, Team Leaders & Management;
See also: "Participative Work Design"
Story 1: Chapter 4, New Roles for Workers, Supervisors & Managers.

vii) The final theme of this program, and one that is prevalent in almost all the other programs in this DVD Collection, (including Chapter 6: Legacy for the Information Age, in the program "**Engineering for Commitment**") is **Extraordinary Results**.