

The Handy Guide to the Gurus of Management

Programme Two - Charles Handy

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CHARLES HANDY:

You should know, to begin with, that I grew up in a rectory in Southern Ireland where my father was the Protestant minister. I rejected a lot of his religion at the time but I am conscious that the moral underpinnings of life that I absorbed from those years still infects my thinking. I can't, therefore, support the sort of predatory capitalism that puts profits before people or the kind of management that reduces human beings to mere statistics.

Businesses can be huge levers of progress, but they need to be clear what they mean by progress. It can't only be profits for the owners, with no thought for anyone else. Management, in other words, can usefully do with a bit of philosophical underpinning.

My early education in the language and history of Greece and Rome also infiltrated my first management contribution. That was in 1974, and it was, I believe, the earliest attempt to describe the different cultures or types of organizations. There were four possible cultural models, I suggested, developing an idea first

mooted by my friend, Roger Harrison, a consultant in America. But to make the list more memorable and, I hoped, user-friendly, I gave the cultures the names of Greek Gods. So there was Zeus - the all-powerful head of the gods and the Zeus Culture, an organization dominated by the personality and power of one person, often the founder or owner. Then there was the Apollo organization, dominated by rules and procedures, after Apollo the God of harmony and order. Athena, the warrior goddess, was the symbol of the project organization, the culture that dominates consultancies, advertising agencies and, increasingly, all innovative businesses. Lastly there was the Dionysian culture, one in which the individual has the freedom to develop his or her own ideas in the way they want - an artists' studio, perhaps, or a university. They are hard to manage, these Dionysian places, but increasingly necessary if you want to employ really creative people.

Does that mean that any organization has only four options to choose from for its style of management? No. I'm afraid the world isn't that simple. In fact every organization, just like every individual, is different from every other one, but what they are is a different mix of the same four basic cultures. The trouble is that some get stuck in one of them instead of mixing all four.

Apollo seems to be a very powerful God and can drown an organization in the budgets, targets and forms of bureaucracy, leaving it unable to respond to crises or changes in its environment. Government organizations are very prone to the uncritical worship of Apollo. Perhaps you can recognize the dominant culture in your own organization?

I started out wanting to make organizations more efficient. Then I began to worry about a bigger problem. That was that the world of work was changing before our eyes. The problem was that we weren't paying attention. Organizations were shrinking in their numbers even while they seemed to be growing in size. The paradox was explained by the formula I was given by a chief executive - $1/2 \times 2 \times 3$. It meant, he said, that he planned to have half as many people employed in five years time, but working twice as efficiently and producing three times as much. Sound familiar? The way to do this, of course, was to outsource or subcontract everything that others could do as well or better than you, leaving you with the bits that really were unique to you. Easy to say, difficult to do, as many began to discover.

What interested me, however, was not the downsizing or the re engineering itself, as others began to call it, but the

consequences for our individual working lives. Organizations, it seemed to me, would increasingly dispense with our services in our mid-lives as they concentrated on fewer and younger people in their cores, with only a few wise heads to keep the show on track. The rest of us would have to develop what I called 'portfolio' lives, a mix of different bits and pieces of work, some for money, some for fun, some for free. Half of the working population, I suggested, would not be full-time employees by the year 2000. The problem was that we weren't preparing people for this sort of independent existence. We had institutionalized them, letting them think that the organization would look after them until they retired and would then support them by a pension in their later days. By the end of the century, my prediction had come true in Britain and much of Northern Europe and portfolio working was commonplace. This was just one example of what I mean as a guru's role in interpreting what was going on so that people can adapt in time.

These concerns with our likely futures led to my growing interest in education. I am convinced that we need more 'why?' and 'how?' in our education and less 'what?' because the knowledge component of life is changing all the time. Anyway knowledge is no substitute for the necessary skills of taking responsibility for

ones own life, for working with others, for problem-solving, communicating, innovating and risk-taking, none of which feature enough in any school curriculum that I know of.

'What has education policy got to do with management?' It's a fair question, but my interest in organizations has always extended beyond the organization itself to the influence it has on the rest of our lives. Businesses, in particular, are more than money-making machines, or they ought to be. They infect our values, provide us with many of our friends and order our days and our weeks. A lot of my writing, therefore, is looking at what we are doing to ourselves as we pursue the idea of constant economic progress.

Unlike some gurus, therefore, you won't find a lot of 'how to..' formulas in my work. I see my role more as interpreting what is happening and where it might lead, if we don't do something to change it. What those changes should be I can only outline in broad terms. The details will always be different for each organization.

My view that the role of the guru is to interpret, explain and forewarn is one that is shared by the prince of gurus, Peter Drucker - whose work I'll be discussing in the next programme.