Pluralism in Management

Organizational Theory, Management Education, and Ernst Cassirer

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Introduction

My motivation for writing about Cassirer is not based on a wish to investigate philosophy, as such. Consequently, where philosophers expect to find lengthy discussions about, for example, the different branches of the Marburg school, they will be disappointed. I am not investigating Cassirer in order to shed light on philosophy. Also, taking into account the diversity and enormous number of subjects covered by Cassirer in his writings, I will leave several themes unnoticed.

It is thus important to emphasize that my point of departure is as an organizational theorist with a background in the practice of organizational development; learning and change; and a particular interest for how we, including myself, may become better practitioners in our organizational work, whether we are theorizing or practicing organization in academia or in what is often referred to as "real life" and "real organizations." How can we understand organizations in ways that are useful to us? How can we obtain a realistic view of the processes of organizing and the forms we call organizations (and, sometimes, institutions)? How can we train ourselves to become better organizational theorists and practitioners, based on close, practice-based, and realistic understandings of organizational life? How can we educate managers and professionals to become experts in their fields?

Developing an understanding of organizations based on Cassirer's philosophy is a long shot. My attempt is merely a modest effort to open some doors that may or may not lead to a new understanding. It is driven by my own curiosity about these philosophical ideas that, if a counterfactual history of the philosophical underpinnings of organizational theory were written, most likely would have led to a different landscape of organization theory than we see around us today.

I am grateful to Turid, who not only led me to Ernst Cassirer but also through her paintings and drawings introduced me to the power of the fine arts, as well as to the mystery that is to be found if one bothers to look beneath formal surfaces. I also wish to express my gratitude to Daved Barry and Stefan Meisiek and to my colleagues at Nord Trondelag

1 An Autobiographical Account of a Formative Experience

I suppose we all have had some formative experiences that have shaped us as persons or, if one can make such a distinction, as professionals.

I certainly have had such experiences. Being locked in a hotel for five days with sixty other scared managers and some consultants and psychiatrists trained in unstructured processes in the Tavistock tradition definitely did something to me, although I cannot explain exactly what. Being evaluated by my colleagues and subordinates using personality tests also had some effect. And sitting in a room with many other people and being told that some of us would be laid off, and then suddenly realizing how angst smells, is something that has followed me since.

Some episodes from my second career as an academic scholar have had a lasting impact, too. I will never forget some lectures where I am sure Csikszentmihalyi would have nodded his head and said that we all, both students and I, were in a flow, an autotelic situation where we became one and we all knew that what we were experiencing at that very moment was something very special. (I guess it is that feeling I always strive to recreate when I start my lectures, but is it difficult!) And I remember some episodes with colleagues when what I thought was an innocent discussion about different schools of management theory nearly ended in murder. (Who said that theory is detached from "real life"?)

But one experience stands out as particularly decisive for my current piece of writing. It goes back to the early 1990s.

TAKING TEXTBOOK KNOWLEDGE TO THE REAL WORLD

I was so proud. Top management had asked me to be in charge of the strategy process at Aker Verdal. Formally, the CEO would be in charge, of course; but I was the one who was going to design and lead the whole process. They had noticed my work in the Human Resource Department, and they trusted me, they said. This was my big chance.

I had worked at Aker Verdal, the offshore construction yard, a little more than two years. When I got the job, I had just finished my master's degree

program at UC Davis. I knew what I was doing. I was a distinguished scholar at UCD. I had excellent grades. In other words, I was prepared for the task. But Aker Verdal surprised me. It was not like the companies in the textbooks. Everything seemed to change all the time. My first shock came after just a few weeks when the company lost a major contract. Suddenly, people all around me were laid off. There was no work for me, either. I had to work for a small company in a rural village. But after a few months, Aker Verdal won a new contract, and I was back in the yard again. This time the situation was different: there were not enough workers. We had to get welders from Denmark and from other parts of Norway. This should have been avoided, I thought; I was sure that they knew nothing about planning. Now I was expecting a more stable work situation, but the longed-for stability never came. Instead, I learned the meaning of hyper-turbulence: we planned for something only to realize that our assumptions were wrong when we arrived at work the following day. We lost contracts we had expected to win, and we won some that we never thought we would be even close to getting. And as soon as we started a new job, the customer (typically an oil company) changed the design, and then changed it again. The situation was disturbing.

Aker Verdal was and still is an offshore construction yard. The key products have been the engineering and building of large steel constructions (platforms, modules, and jackets), hulls, and wellhead platforms. The products are highly specialized. In addition, the scope constantly changes during a project period. In the late 1970s and early 1980s, about 20 Norwegian construction yards were competing with Aker Verdal. By 2003 only six were left, and Aker Verdal was the only one still building steel jackets. And at the same time, the global competition, also from the Far East, had become stronger every year, forcing Aker Verdal to compete with companies from economies with substantially lower personnel costs.

RATIONAL AND CREATIVE STRATEGY WORK

Although uncertainty and unpredictability characterized Aker Verdal, formal planning had always been central. Aker Verdal was jam-packed with elaborate planning systems. Strategy had traditionally been a long-range planning process based on external and internal analysis, resulting in formal plans. Aker Verdal was part of an international corporation with headquarters in Oslo, Norway. Each December–January the planning staff in Oslo analyzed markets and international trends. Their background document was the central guidance for the strategy process in each of the companies in the corporation. The idea was that the companies should position themselves in such a way as to make a complementary group of businesses. Such was the case in February of 1991, when the CEO called on me to help with the new strategy process. My task was to help top management

develop a plan for the following two years. In cooperation with the CEO, I set up a time schedule for the process. By June, we were supposed to finish an overall plan for the whole company. On the basis of this plan, the different divisions were expected to develop their operational plans by November. The division plans were again starting points for more detailed plans that could be broken down into individual work plans.

The top management group was committed to the process. They agreed that each of them should carry out strategy analysis within their specific responsibility areas. These analyses would be used as chapters in the new strategy plan. Every second week of the month throughout spring, they met to do strategy work. I conducted these sessions. The CFO analyzed the financial situation and presented it to the others. The managers in charge of fabrication, human resources, technology, and market did parallel work within their responsibility areas. When it was the market manager's turn, he predicted that only the very best construction yards in Europe would survive the coming years because of low activity in the offshore market.

In addition to the biweekly top management meetings, two seminars were conducted in which middle management, labor representatives, and top management participated. The CEO and I led these sessions. The top management groups' analyses were presented, with an emphasis on the challenges of the new market situation. Then we worked in groups on how to meet the new challenges. This work was of two kinds: *rational* strategy work, which involved traditional analysis based on the planning and design school toolkits (e.g., gap analysis and SWOT); and *creative* work, with participants using colored pencils and giant sheets of paper to express their mental images of the company as they saw it at that time and as they expected it to be in three years.

My inspiration for the creative sessions came from Marjorie Parker (1990), who worked as a consultant in the Norwegian corporation Norsk Hydro's aluminum plant in Karmøy, Norway, in 1986. Hydro Aluminum was by then Europe's largest producer of aluminum; with 1,700 employees, the Karmøy plant (KF) was the largest of Hydro Aluminum's plants. In cooperation with KF's CEO, Parker conducted a visioning process that combined the Scandinavian democratic tradition with creative art-based methods. The Scandinavian way of conducting business is characterized by equality and consensus (Schramm-Nielsen et al. 2004). Marjorie Parker combined the willingness and expectation to participate in the decision-making processes that were part of the work culture with creative vision processes, which were less common in Norwegian companies. The CEO had previously engaged an artist to develop a visionary picture of the company's desired future, but was not satisfied with the result. Now Parker engaged the employees in a series of sessions in which they used crayons to develop colorful pictures of the company as a garden. Their vision led to action plans and, according to Parker, increased empowerment, focus, and commitment.

So the CEO and I had engineers, union representatives, and managers working in groups and expressing on large sheets of paper their artistic images of Aker Verdal in the past, in the present, and in the future. Some were reluctant, some cynical; but after a while, they all were busy discussing and drawing with colorful crayons.

When they were finished, the drawings decorated the walls. It would be a slight exaggeration to say that the results were impressive, at least assessed as works of art. But creating and discussing them was surely different from what they were used to doing. The groups took turns presenting their work. One group had pictured a person pumping iron, some new buildings, a piggy bank, and a person crossing the finishing line as number one. They explained the need to develop a focused strategic plan, invest in new assembly halls, improve logistics, and develop competence; in turn, it would become possible not only to compete with the best European plants, but to beat them all.

A second group portrayed Aker Verdal at the top of a winners' roster that said "European Champion 1997." In second place was Kvaerner, the fierce Norwegian competitor; in third place was the Italian plant Belleli. The group argued that if strategy work was taken seriously and if we worked hard on continuous improvement, Aker Verdal had a fair chance of becoming the number one plant in Europe.

After all the groups had presented their works of art, we had a lengthy plenary discussion. Out of the discussion came a vision: Aker Verdal was to become the best offshore construction yard in Europe within prioritized areas (e.g., steel jackets). I am not sure who initially formulated this idea; in retrospect, I remember it as something that "just emerged" from the groups' artwork and discussions.

The overall strategy plan was finished by June. The CEO, supported by the other top managers, conducted a series of meetings to communicate the new strategy to everyone. In these meetings, he presented the new strategy and legitimated it with the help of the SWOT and the market analysis from the overall strategy plan. The plan had become an immense document, crammed with numbers and impressive analysis. In August, the middle managers were to develop plans for their divisions and to align activities with the new strategy plan. The message now was *plan discipline*: "the plans were in charge," as we used to say; improvisation and local expensive solutions were banned.

THE SINKING OF THE SLEIPNER A PLATFORM

By August we were on schedule with the strategy work. The main task then was to fine-tune the rest of the company. Top management seemed to appreciate the way I had helped them with the process, and I was extremely proud of myself and the beautiful strategy plan.

On 23 August, I woke up to disturbing news. The Sleipner A platform had been sinking during testing in the Gandsfjord, close to Stavanger, Norway. The foundation leaked and sank during a controlled filling of ballast in connection with the assembly of the top site. When the 250,000-ton concrete platform hit the bottom of the fjord, it left nothing but a pile of debris 220 m deep and a seismic response reading of 3.0 on the Richter scale. Also the institutional field of oil and gas trembled: The cost was $700 million; but, even worse, the accident put at risk the largest Norwegian business contract everbecause the Sleipner A platform was built to supply Europe with gas through the Zeepipe pipeline to Zeebrugge in Belgium. To build a new concrete platform would take three years, a delay that would jeopardize the extremely important multibillion-dollar export contract. Thus, the Norwegian state oil company Statoil, today one of the world's largest exporters of crude oil, was looking for an alternative to building a new concrete platform. In the new strategy plan, we had positioned ourselves as experts on steel jackets. Statoil decided to ask Aker Verdal for help. A steel riser platform jacket would be faster to build, but would nevertheless normally take about a year to finish. To build it faster would require a total commitment to the project, including the dedication of human and other organizational resources, as well as flexibility and simplicity in the planning and construction process.

The sinking of the Sleipner A platform was never predicted in the strategy process or in the extensive plan that came out it. If Aker Verdal was to build the steel riser platform, the strategy plan seemed to be of little or no value. I was disappointed: my efforts seemed to be a waste of time.

FROM FORMAL PLANS TO PLANNING AND IMPROVISATION: A PERIOD OF IDEOLOGICAL EXCEPTION

No serious discussions took place. Top management accepted the challenge and put the strategy plan aside. Aker Verdal built the 4,330-ton Sleipner Riser platform and 1,900 tons of piles in about half the normal time. The exceptionally short building time was seen as close to impossible in the institutional field of oil and gas. In order to succeed, Aker Verdal abandoned established organizational practices. For example, there was no time for formal planning as the company knew it. During the building of the Sleipner Riser, planning and building often happened in parallel, and formal plans were sometimes developed more as documentation than as tools for work performance. The traditional way of organizing work was also put aside as long as the project lasted. The boundaries between Aker Verdal, Statoil, and subcontractors became blurred; and the pyramidal multilayer organization relying on mechanistic principles was, to a large degree, replaced by informal networks and self-organizing work groups.

   The accident challenged the taken-for-granted assumptions underlying the dominating traditions of planning and organizing in the company. Planning and the use of sophisticated planning tools had always been fundamental at Aker Verdal. When Aker Verdal accepted the Sleipner Riser contract, "the traditional way of doing things" was put aside, but only for the project period. Work was based less on formal plans and more on continuous planning and improvisation. This change was a success. But the abandonment of the well-established ways of planning and working was seen as an ideological exception. When Sleipner Riser was successfully delivered to Statoil, it was back to business as usual.

THE CHAMELEON'S EYES

I have illustrated how the strategy process was designed and performed on the micro level: how it was led, who participated, and what activities were performed, as well as how a major discontinuity suddenly changed the rules of the game. It was tempting to conclude "Learning 1, Planning 0," as Henry Mintzberg (1991) did in his classical strategy dispute with "the Father of Strategic Management," Igor Ansoff (1991). However, I came to understand that such dualism would be oversimplicity, a closure that actually could hinder learning. On the one hand, I admitted that "my" strategy plan and all the meticulous rational analysis seemed to have little value as operational and predictive support alone because the premises changed so abruptly. On the other hand, they also seemed to play an imperative role in combination with the art-based processes; I was just not sure how.

   It appeared that the new company vision—a result of both rational analysis and creative sessions—seemed to fuel a collective mindset and a stronger organizational commitment. A survey among 15,000 employees in different Nordic companies revealed that in no other company did employees have a stronger belief in the future of their own organization than those at Aker Verdal. It was difficult to distinguish which of the processes was most important. The creative work in the strategy process grew out of a new understanding that was the result of rational analysis; and the creative work seemed to open perspectives, add flavor, and attach meaning to the piles of numbers in the strategy analysis. I concluded that both ways of working had been important.

   When Claus Nygaard invited me to lecture before the strategy students at Copenhagen Business School, I used the Aker Verdal strategy case to advocate the view that the design/planning and pattern/learning schools should not be seen as mutually exclusive dichotomies, but as representing different processes whereby one constitutes the other in an interdependent yin/yang manner, and that organizational deep-level and surface-level elements should be seen as parts of the same processes. However, when only one gains ideological dominance, the ability to solve real problems in a

complex and changing context is reduced, I claimed. At Aker Verdal, an organizational ideology based on such values as clear norms and rules, top-down management, disciplinary control, detailed planning, a high degree of formalization, and hierarchical organization had developed into a taken-for-granted metastandard for organizing. Improvisation and planning as a continuous process had become illegitimate activities that were allowed during only the limited period when the Riser Platform was built. When the Sleipner Riser was finished, the old order was reestablished.

This strategy case turned out to be a formative experience to me. When we think about formative experiences, we often think of incidents that have shaped our character and formed us in important ways. I was not "formed" in the sense that I found the answers; I rather found some new questions. A certain curiosity and some questions were formed that guided me for years to come. It was a new awareness, not in the form of some religious or spiritual revelation, but an inquisitiveness that turned my focus from either-or to a more relational and combined view: surface *and* deep-level phenomena, facts *and* values, knowledge as a thing *and* as a process, science *and* art, rationality *and* emotions, functionalistic *and* interpretive. It was like trying to imitate the chameleon's eyes. The funny thing about the chameleon, in addition to its well-known ability to change colors according to the landscape, is its ability to focus its eyes on different objects at the same time, and still obtain an accurate view, as well as a better overview, of the whole situation. It started as a hunch, a suspicion that developing the ability to "see" would turn me into a better organizational developer and change agent. When I reentered the academic world, this combined focus guided my scholarship—my reading, writing, and teaching—and inspired me to produce this work.

Turning the page to the next chapter, some readers might find it strange to start reading about Ernst Cassirer's philosophy and debates within the philosophical community in the 1920s. But I hope the reader will stay tuned. Something there actually still has consequences for how we think about and carry out theory and practice today.

2 Cassirer's Philosophy of Symbolic Forms

This chapter introduces Cassirer's philosophy of symbolic forms. I discuss briefly how Cassirer drew on Hegel as well as on Kant, how he differed from these thinkers, and how the idea of the symbolic forms was developed into a plural and non-dualistic[1] theory of knowledge. I close the chapter by summarizing why I find Cassirer particularly relevant to organizational theory and management education.

UNVEILING THE ULTIMATE REALITY

After concentrated studies at the Warburg Library in 1922–1925, Ernst Cassirer (1874–1945) released his three volumes of *The Philosophy of Symbolic Forms: Language (PSF 1)* in 1923, *Mythical Thought (PSF 2)* in 1925, and *The Phenomenology of Knowledge (PSF 3)* in 1929. Cassirer analyzed how three major areas of man's cultural life—myth, language, and science—were structured logically, and showed how space, time, cause, substance, and number as general categories of thought obtained content differently within these three symbolic forms (Verene 1969: 40–41).

The symbolic forms are areas of man's cultural life, illustrating the historical development of human consciousness, and representing different logics and angles of refraction that man can take on to understand reality. They are not to be understood as classes of perceptions or objects; rather, they represent different perspectives that can be taken of any object, according to Verene. In *The Philosophy of Symbolic Forms*, Cassirer chose to discuss myth, language, and science as focal symbolic forms. However, fifteen years later, in *An Essay on Man* (1944; from now on abbreviated *EoM*) he included chapters on religion, history, and art as well. In *Mythical Thought*, he also mentioned the possibility that ethics, law, economics, and technology could be treated as symbolic forms (*PSF 2*: xiv–xv).

> Donald Phillip Verene (1969) concluded:
> It seems clear that for Cassirer any area of culture is potentially a symbolic form; and whether any area of culture is a symbolic

form would appear determined by whether it can be shown to have a distinctive logical structure. For Cassirer, in a manner analogous to Hegel, all symbolic forms are potentially present in each stage of consciousness.

(Verene 1969: 44)

According to Cassirer, reality is cloaked as well as revealed in the symbolic forms (*PSF* 3: 1). Symbolic forms open, illuminate, and hide reality. They offer different perspectives, angles, and logics that may shed light on, or veil, aspects of reality. Cassirer sees his philosophy as an endeavor into the distinctiveness of these different forms. "The same basic functions which give the world of the spirit its determinacy, its imprint, its character, appear on the other side to be so many refractions which an intrinsically unitary and unique being undergoes as soon as it is perceived and assimilated by a "subject." Seen from this standpoint," Cassirer holds forth;

> " . . . the philosophy of symbolic forms is nothing other than an attempt to assign each of them, as it were, its own specific and peculiar index of refraction. The philosophy of symbolic forms aspires to know the special nature of the various refracting media, to understand each one according to its nature and the laws of its structure.
>
> (*PSF* 3: 1)

Cassirer explained his philosophical journey as an attempt to unveil the ultimate reality, the reality of "being" itself. He quoted Spinoza as saying that it is the essence of light to illumine itself and the darkness, so at some point there must be an immediate self-revelation and reality. Epistemologically, he claims that ". . . thought and reality ought not merely to correspond to each other in some sense but must permeate each other" (*PSF* 3: 2). The function of thought should not be merely to "express" being, or to apprehend and classify it under one of its own categories of meaning. Thought should instead "deal with reality on equal footing" (*PSF* 3: 2). Thought and the object toward which it is directed are one, and are not to be treated as separated unities. As I hope to show in this book, this non-dualistic and relational stance permeates Cassirer's philosophy and is among the central characteristics of his position between the analytic and the radical philosophical schools.

CASSIRER'S MAIN POINTS OF DEPARTURE

Verene (1969) pointed out that most commentators understand Cassirer's philosophy of symbolic forms as basically derived from Kant. However, Verene claimed that Cassirer built the presuppositions of "symbolic

forms" on Hegel, rather than on Kant. He referred to Cassirer himself, who regarded Hegel's *Phenomenology of Mind* (which appeared in 1807) as the foundation work of his own *The Philosophy of Symbolic Forms:* "In defending his theory of symbolic forms and the theory of man that underlies it Cassirer selects Hegel rather than Kant," Verene (1969) concluded, and held forth that the problems Cassirer's commentators raise concerning Cassirer's philosophy can be largely solved through attention to Cassirer's relationship with Hegel (36). Lofts (2000), writing from a viewpoint as a continental philosopher, and more specifically from a viewpoint as a structuralist, interpreted the philosophy of symbolic forms as " . . . a *type* of 'structuralism' *avant la lettre* resulting from a fusion and critical transformation of Kant's critical transcendental philosophy, on the one hand, and Hegel's phenomenology of spirit, on the other" (21). Lofts stated that Cassirer's philosophy is "neither neo-Kantian nor neo-Hegelian," but a synthesis of number of thinkers: Heraclitus, Kant, Hegel, Natorp, Goethe, Schelling, Husserl; " . . . to mention a few" (21–22).

In agreement with Verene as well as Lofts, Neher (2005) pointed out that Cassirer's philosophy of symbolic forms is derived from both Kant and Hegel. But Neher nevertheless underscored the significant role of Kant in Cassirer's thinking: "Kant was the philosopher who most effectively broke the hold of the idea that our knowledge of the empirical world is simply a case of consciousness mirroring a preestablished reality that exists independently of our apprehension of it" (359). Also, Cassirer undoubtedly belonged to the neo-Kantian Marburg school, of which Hermann Cohen (1842–1918) and Paul Natorp (1854–1924) were among the most central philosophers. The Marburg school built on and reinterpreted Kant in an effort to develop a non-dualistic philosophy.

In contrast with the Marburg school, we find the rivaling neo-Kantian Baden school (also known as the Heidelberger school and the Southwest school). Among its significant members were Wilhelm Windelband (1848–1915), Emil Lask (1875–1915), Heinrich Rickert (1863–1936), and Max Weber (1864–1920).

These two schools interpreted Kant differently. The Baden school placed more emphasis on science and logics, and built on a dualist notion of subject and object, knowledge and reality, concept and object, form and subject matter. The world out there is infinite, and no way or method exists that may help us experience the world "as it is" (Birkeland 1993; Birkeland and Nilsen 2002). In contrast, the Marburg school held that subject and object do not belong to separate worlds; rather, they are in a relational process with each other. Experience and consciousness are not abstract entities; and reality is something that is ontologically finite and can, although never fully, be grasped through experience. To the Baden school, the world is, so to speak, "out of reach." Thus, the Baden school rejected positivism and reinforced the divide between natural and interpretive sciences.[2]

"Cassirer worked all his life to develop a systematic philosophy able to overcome the dualism of the Baden school," according to Foss and Kasa (2002: 14). In doing so, he seems to have reinterpreted the Marburg school's neo-Kantian stance by drawing on Hegel's dialectical and historical theory of the development of human knowledge. Cassirer's philosophy is a philosophy of man, a cultural philosophy where the development of man's consciousness throughout history is pivotal. Every stage of consciousness represents certain symbolic forms. In different stages, different forms are more dominating than in others, and influence the way man understands his own particular being. As a crude simplification, one may say that man's consciousness has developed from a mythical to a scientific stage. Other forms of knowing exist in parallel at a certain historical stage, but the logics and levels of refraction that the particular form of science represents have become increasingly dominant.

According to Verene (1969: 39), Cassirer regarded Hegel's distinction between science and sensory consciousness as analogous to his own distinction between science and mythical knowledge. Hegel analyzed the progress of man's consciousness as a development from an immediate sensory-based understanding to an advanced level of scientific understanding, as I have tried to depict in Figure 2.1.

Cassirer built on Hegel's idea, but developed it into a theory of culture and *various forms of knowledge*. "Cassirer (. . .) regards mythical consciousness as an earlier and more fundamental stage of mind than Hegel's stage of sensory consciousness," Verene held forth (1969: 35–36). By using the term "mythical" instead of "sensory," Cassirer avoided giving the impression that understanding can be a totally pure sensory consciousness, unmolded by the forms of knowing that are represented by a certain stage of man's cultural development. What characterizes man is that human knowledge is *symbolic*.
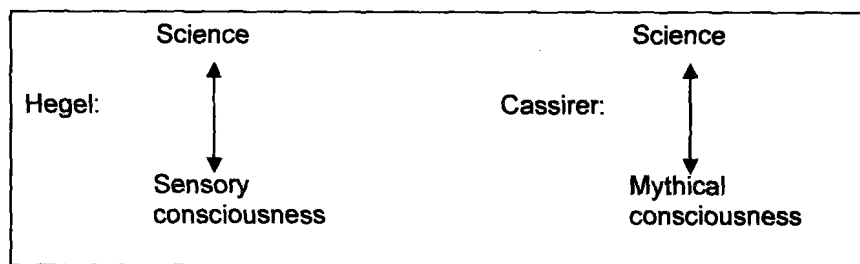

Figure 2.1 Sensory versus mythical consciousness in Hegel's and Cassirer's philosophies.