Organization & Management Lessons: From The Soviet Union??

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There are lessons to be learned, other than the obvious geopolitical ones, from the foment within the Soviet block nations; from the conflict associated with newly realized "borders" and among the various sub-cultures. Naturally enough, political and social scientists have been rubbing their hands with the same kind of glee we see among cartoonists when Heads of State are in real trouble. Normally, caricature and its various non-graphic or verbal equivalents requires considerable exaggeration of even slightly prominent features of the "landscape". Under recent circumstances such exaggeration is hardly necessary, the rate of change in Eastern Europe these last several months has been almost surrealistic, containing its own exaggerations.

Organization theorists and top level managers in complex organizations can also learn much from these living laboratories; there is a great deal going on which is rather like macrocosmic demonstration of the validity of many theories of organization, including some having to do with structure, culture and conflict. Let me select just a few such, and perhaps readers, stimulated by these examples, can extrapolate to others less obvious and produce analyses for our collective enlightenment.

In Peters and Waterman's *In Search of Excellence* (1982) there was a prescription for effectiveness which was based on "Simultaneous Loose-Tight Properties". This stirred considerable debate and controversy in academe and among managers everywhere over what exactly was meant by this seemingly self-contradictory guideline. But look at the current situation in the Warsaw Pact countries. Where once there had been iron-clad (and Iron Curtain contained) central control, of virtually everything, we now have splintering of the major cultural entities and real manifest conflict between the subcultures within and between many of the satellites. And how would the organization theorist relate this to the organizational context and show failure to hold Loose/Tight Properties?

Well, the forces which bind together the otherwise loosely related subcomponents of any organization (such as different departments of one company, for example), are of two major varieties:

First, overriding awareness of something larger (positive or negative) than the boundaries and differences within the whole. Management terminology might refer to this as superordination of goals with emphasis on external threats and opportunities; and resultant diminishment of minor clashes and differences between sub-units.

Second, cross-boundary diminishment of real differences through organizational development processes, particularly creative and productive processes. In management parlance: we strive for the breakdown of functional separations by encouraging a form of maturity beyond independence to well-informed interdependence. Mature relationships (of global or interpersonal proportions) can only be truly successful when there is total appreciation and acceptance of differences AND mutual giving and commitment to the needs of both (all) parties. To refer, again, to Peters and Waterman, "Management by Walking Around" is done (at least in part) so that managers can come to appreciate the culture and the problems/challenges being faced by their colleagues in other departments and by all the various factions of the organization. I acknowledge that this is my own interpretation, since these authors never clearly spelled out their own meaning for this. I also acknowledge, of course, that some systems (organizations) are naturally more conducive to such interdependence awareness than others, are more tightly coupled.

There is little evidence that the absence of clashes across minor cultural boundaries in the Soviet block countries, prior to recent upheaval, had anything to do with item two, above. The maturity necessary, first of all, is extremely rare in the large collective (indeed it is relatively rare in the small collective, such as families or business entities). Secondly, the contrived confusion and dysfunction of Soviet imposed bureaucracy all over Eastern Europe these last several dozen years has merely suppressed conflicts through despair and resignation, neither of which condition tends to kindle creativity and maturity on any level. On the other hand, there is nothing more likely to stimulate clamor for rights and justice than a modicum of both. It is a curious phenomenon of human nature that oppressed people (and

individuals) have never rebelled during the most oppressive conditions. It is only after a little bit of realized hope that repressed drives for more freedom make themselves manifest in aggressive behaviors. In the history of this country, no better example exists than that AFTER the passing of the Civil Rights Act (1964) and its subsequent enforcement, black (and other minority) unrest suddenly boiled to the surface after being heavily repressed for more than 150 years.

Organizations with strong central cultures can be reasonably assured (even though the subgroups are not forcibly repressed) that subcultural conflict will not pervade the organization, or at least will not become a dominant and negative part of daily activity. Firms with a looser overall definition of what they are and where they are going, however, can expect manifestation of interdepartmental and other intragroup conflicts to be a daily experience. There are only two effective ways of dealing with such conflicts (when they become negative, an outcome dependent on many variables not touched here). Organizational Development technologies with interventions throughout the organization, involving all levels and over protracted periods of time, can lead to the maturation (read openness and trust) required for these conflicts to diminish.

Alternatively, the overall and/or external threats and opportunities can be amplified, or at least levels of awareness can be raised, so that the energies of the relatively mature will be properly directed toward these external challenges. Keep in mind that a strong centralized culture is inevitably induced and sustained by various mutations of something called bureaucracy! As old Max Weber knew, bureaucracy has value, and this is one positive aspect of the much maligned concept. Also keep in mind, as modern theorists and managers have come to realize, there are situations to which bureaucratic forms are well suited. In relatively stable environments with relatively unchanging technologies, for example, the latent weaknesses of bureaucracy tend not to produce undesirable outcomes. When environmental change is more rampant, however, and/or technologies are dynamic, the non-bureaucratic, less hierarchical form can provide flexibility and creativity not matched by the unchanging bureaucracy. Indeed these very forces are responsible for producing the Soviet response embodying Perestroika!

It behooves every organizational leader to determine in very specific terms, exactly what conditions prevail in the market and in environmental forces of the organization. THEN to deliberately create, or allow to develop, an overall culture/structure suitable for those conditions. The people who then operate within the resultant culture

must be matched closely to the dictates involved. No easy task, but at least there is some possibility that the human team can be built and shaped to maximize possibilities for success. Poor old Mikhail Gorbachev does not have the luxury of choice, cannot "replace" populations with others more suited to the prevailing conditions, or in any significant ways bring about rapid maturation of rabid factions long frustrated under a powerful blanket of social, economic and psychological constraint. He has effectively removed the "superordinate threat", but with what will he replace it?

Notes:

The maturation referred to here is labeled in management literature the Transcendence Model. It is a simple concept involving transcendence from Dependence, through Independence to Interdependence (Boshear and Albrecht, 1977).

Reference to "Culture" throughout the article intends the larger meaning of the construct: "any distinctive pattern of beliefs, attitudes, behaviors, appearances or language"; hence an engineer in any organization is of a different culture from an accountant in the same firm, as an example.