EMBRACING DIVERSITY THROUGH INTEGRATION

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EMBA2
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Acknowledgments

I have too many people to thank to name them all. Those requiring special mention are my Mum and Dad for inspiring and guiding me as they have always done, William, for challenging me, Vicky and Mags for supporting me in so many ways and Cal for always believing in me. Thanks also to Philip for constant encouragement and to all at IHC for participating in this journey with me.

You are the wind beneath my wings.

In deep Gratitude
# Embracing Diversity through Integration

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"It may be a long process, but one day it has to happen: the crust can no longer hold and starts to crack. This is the moment when something once more begins visibly to happen, something new and unique....History again demands to be heard."

From 'Disturbing the Peace' by Vaclav Havel
Embracing Diversity through Integration

1. Introduction

My dissertation is entitled "Embracing Diversity through Integration". The focus of my research is finding a way of making the existence of difference beneficial to organizational growth. Diversity is a broad subject. I have specifically targeted the diversity issue of technical capabilities as my key problem. It is difficult to pinpoint the exact beginning of this 'journey' into learning about diversity and integration, as it seems to have been as a result of parallel events. The first event was the awareness of a diversity problem within my organization. The other was my own personal view on the conflict that diversity was causing within the company. I saw conflict in a very negative light, as something to be quashed. At the same time I began reading a book by Pauline Graham, her words challenged my view of conflict and diversity. My reading, most particularly the work of Mary Parker-Follett, who was the original inspiration behind Graham's book, increased my interest in this subject.

One of the key issues that emerged as a result of this interest was that of communication. It became apparent during the research that one of our organization's weakest areas was our ability to communicate. Daily conflicts in different departments were as a direct result of a failure to communicate effectively. The first reaction was to assign blame, this was accompanied by a lack of motivation to find where the problem lay. There appeared to be an implicit intolerance of diversity. Therefore the beginning of the research was to understand my own and other interpretations of diversity. The next step was to investigate the effect of diversity in an organization in terms of its problems and benefits. Once this was achieved being able to effectively manage diversity was the end goal. The information I researched about integration made me think it could possibly be a useful management technique. The basis of this management style is open and honest communication, which dealt with the core problem area.

Graham suggests that "Diversity is the most essential feature of life and fear of difference is dread of life itself." The point I take from this is that diversity is inherent in society. To ignore its existence is not beneficial to growth or development within
organizations. It is therefore vital to understand what diversity is and so be able to identify the problems and benefits as appreciated through this understanding. Once the essence of diversity is established it is then necessary to determine whether integrative management techniques are valuable for managing diversity effectively. Follett\(^2\) says, "When two desires are integrated, that means that a solution has been found in which both desires have found a place, that neither side has had to sacrifice anything." The main implication of integrative management is that it requires a clear goal. To achieve integration all parties must be prepared to contribute opinions and information in an open and honest manner. This may require careful management of the process, the need to create a 'container' or safe space in which individuals feel free to dialogue. This view of the world echoes my own and is distinctly interpretive in nature. Fredrick Taylor saw organizations in a more functional way. He saw the potential for increased efficiency in breaking down the work into smaller parts and setting up systems that commanded, coordinated and controlled. He made the hierarchical system work efficiently. This approach has its drawbacks in terms of the effect it has on the morale of staff that are expected to function very automatically. What will affect the choice of approach is the chief goal. These issues are discussed further and in more detail in the literature review.

The first part of this research paper deals with the problem formulation. The key issues are identified as diversity and the management of diversity using integration. Diversity is discussed and questioned in detail. Then the topic of integrative management is dealt with using systems thinking tools to surface the drivers and outcomes of this approach. The product of this section is the development of the research question. The second part of the paper deals with the nature of research. Various research approaches are illustrated and commented on. This leads to a discussion on the choice of research methodology for the particular problem formulated in section two and a framework for the research process is laid out. The literature review discusses the various thoughts and opinions of management writers on the subject of diversity and integrative management. I have also included a discussion on Russell Ackoff’s circular organisations because it is a similar approach to Follett’s and it helps to deepen the understanding of the nature of integrative management. The knowledge developed through the process of research design and the literature
research is used to apply the research methodology. This is the practical part of the research process where the stakeholders affected and involved are identified and interviewed. An overall picture of the organisation is drawn up with the input of the stakeholders. The application of the research methodology leads to a process of theory building and insight. This section develops themes that have emerged in the research process and debates their validity and usefulness. The last part of this project is a reflection on the entire dissertation.

This research paper began as an investigation into a diversity problem surrounding the issue of differing technical capabilities. What has emerged is evidence of a deeper diversity issue. The leadership of the company is small and was historically patriarchal. As individuals have grown and changed so too has the approach to leadership and management styles within the organization. This problem may have been evident to an outside consultant but being a participant in this problem as well as an observer meant that it initially was not as obvious as it is now. Having implemented better communication techniques using the conceptual framework developed during the research process has meant that this area is now spoken about freely and we are in the process of managing the situation as we have come to understand it. My experience has expanded my view of diversity and management in myriad ways. The research carried out in the workplace has affected all those who participated. While much of the writing may illustrate the situation as being simple and easy to change the experience has been very different. What is significant is that through the introduction of small micro-changes a transformative re-definition has occurred. In retrospect this project has lead to profound change and growth for many individuals within our organization that alone is gratifying and inspiring.
2. Formulating the problem

The route I have chosen to formulate my problem and develop my research question uses the flow diagram, the development of research questions, I created after reading Craft of Research¹. (See Appendix 1.) I have selected the flow diagram as my map through the territory of determining my research problem.

2.1. Selecting an area of interest:

My research has led my investigation into two areas that have ultimately converged to create this project. The first area is that of diversity and the second is integrative management. This concept of integrative management was introduced to me when I read a book by Pauline Graham called "Integrative Management"², sub-titled Dealing with Diversity. Pauline Graham's writing ignited a spark within me. The management writer, Mary Parker-Follett, has inspired Graham's writings. What has been, and continues to be, so fascinating about this journey is that this woman, Mary Parker-Follett, wrote much of her management insight during the 1920's and 1930's. Her work is extraordinary considering the time it was written and by whom. Her work went largely unsung at that time.

2.1.1. Diversity and Conflict

Diversity is a root cause in many of the conflicts we witness in the world today. My own organization is no different in the subtle ways that low tolerance to diversity is expressed. Conflict begins as the expression of difference and unaired differences grow into resistance.

How we see conflict will affect the way in which we choose to manage it.

Follett describes three ways of attending to conflict, namely, domination, compromise and integration. She suggests that both domination and compromise are merely ways chosen to cope with conflict. Meaning that the resolution depends on the power differential between
the parties. The result being a settlement rather than a resolution, while integration tries to join the conflicting powers. Graham\textsuperscript{21} describes integration as occurring when a solution is found that allows both interests to find their place, neither party being required to sacrifice anything that is significant to him. Follett says this, "Integration offers far better prospects for a long lasting solution that enjoys the understanding and support of all groups concerned and promotes the kind of learning experience that may well continue to reproduce and sustain itself."\textsuperscript{2} (Follett 1995: 94). Clearly integration is not always possible but it is probably easier to achieve than we think. Graham\textsuperscript{21} suggests that, "Given the right frame of mind and the appropriate techniques, we can learn to accommodate each other's needs and interests in small things, without loss to either; as we gain experience in the use of this method, we become better prepared to manage the bigger problems when they appear."\textsuperscript{21} (Graham 1991: 83).

The Issue of Gender

Peter Drucker has termed Mary Parker-Follett 'the prophet of management.' In his introduction to the book entitled "Prophet of Management\textsuperscript{2}\" he suggests that her neglect and rejection was not because she was woman in a man's world but rather that she was simply not heard. He says that, "the 1930's and 1940's simply did not hear and, equally important, did not want to hear." (Drucker 1995:4) Rosabeth Moss Kanter challenged Drucker's view; she suggests that Follett's gender cannot be disregarded on the subject of her neglect, "It is hard to found or build a discipline without disciples. It is hard to attract disciples if one is very different from traditional authority figures."\textsuperscript{2} (Kanter 1995:xvii). This point highlights the diversity issue. I believe each of these suggestions made by Drucker and Kanter to be probable, and possibly inseparable, in their causality. Follett had a different way of thinking that challenged the business people of that time. Her ideas were not readily accepted. This is a testament to the fact that more organizations thought about the management of difference traditionally and her radical approach was easy to avoid. It is my experience that people seek to belong and most often this requires conformity. The tolerance of difference, even today, is not high.
Follett's subject matter suggested a very new way of thinking. Her work, when read today, still gives that feeling of inspiration and innovation decades after it was written. It leads me to assume that it would have been quite revolutionary in its time. This is not to say that her ideas were not used. She gives examples of organizations, even then, that chose to practice management a little differently. So, not only were her ideas challenging, but also a woman in a largely male dominated arena was introducing them. This inspires a further comment on the writings of both Pauline Graham and Mary Parker-Follett. They rarely draw attention to gender issues. They speak of people and their relationships within organizations and society. For me, this gives these writers even more credibility on the subject of integration and diversity because I believe that race and gender are the more obvious diversity issues that can be used as distractions to the real problems that are being experienced.

**Resistance to Change**

Reflecting further on this situation of resistance to Follett's ideas it seems to me that people are much the same as they have always been. If our society of "quick fix" solutions reflects the society of Follett's time then the picture, for me, becomes clearer. The management alternatives that Follett writes about are far from the "quick fix" solution. Her focus is long-term. Her ideas were about changing thinking. This, I feel, is the critical point. Despite change being a certainty of life it is constantly resisted. The change she was potentially precipitating was enormous. Her ideas were visionary which probably explains why it has taken so long for them to come to light. Parker-Follett introduced her thinking in the industrial age. The focus of that time would have been very functionalist: the focus being on production. The emancipatory vision of Follett was more concerned with people's relationships, within and among organizations. Today as I read her work I find the sense in her words inspirational but I am aware that my perception of the world is very different to what it would have been during her time. This fact makes Mary Parker-Follett all the more remarkable.
Creating Shared Vision

In short Follett was not offering an 'aspirin to cure a headache' solution. Subsequent to all these writings have been other writings on similar topics. In Follett’s essay on “The Giving of Orders” she says, “Make employees share in a common purpose, make them feel a joint responsibility, make them feel co-partners in a common enterprise.” (Follett 1995:133) Peter Senge in his “Fifth Discipline Fieldbook” revisits this idea where he devotes an entire section to the concept of “Shared Vision.” Senge suggests the challenge is, “creating a sense of purpose that binds people together and propels them to fulfil their deepest aspirations.” (Senge 1994: 298) There is a span of 60 years that separates these writings yet the message is almost identical. There are two points that seem appropriate to my research. Firstly, that people play a vital role in the development of organizations and secondly, that creating shared vision implies the need to accept difference. My take on the second point is that it implies shared vision is not inherent and requires a process of dialogue and consensus to achieve. This means that their perceptions, beliefs and values need to be acknowledged. From this point relationships will be built and nurtured.

The environment I find myself in is replete with the obvious diversity issues of race and gender, but it is the more subtle diversity issues that particularly interest me. Here I am alluding to issues like inter-departmental jealousy or arrogance that leads to conflict and communication breakdown, which can only result in decreased efficiency and progress within organizations. So much is written on the subject of management and managers still encounter problems, particularly with the management of diversity. Is this the knowing-doing gap? My research will enable me to answer that question. My interest is in finding a successful approach to the management of diversity and my reading of Follett’s integrative idea leads me to consider it a plausible option.

2.2. Finding a topic

Organisations grow and evolve or they dissolve. It would be interesting to find out if there is a way of predicting this situation. What determines the ‘health’, or ill health, of an
organisation? My view is that the health of an organisation depends solely on the health of those working within its structure. Arie de Geus writes extensively on this subject in his book entitled, ‘The Living Company: Growth, Learning and Longevity in Business.’ In an interview by Sarah Powell De Geus says, "If we want to be successful in our lives, whether in our economic, social or family life, we must learn constantly.... if you do your learning mostly based on past experience, you are always 'fighting the last war.' ......learning depends on deliberately being a part of, and open to, the outside world." While De Geus stresses the importance of learning he equally impresses the value of staff. He states that a living company must develop the potential of its individual members because this creates the potential of the company. In his book, The Living Company, De Geus suggests that most companies die because they focus on the economic activity of producing shareholder value and profit while forgetting that the true nature of an organisation is that of a community of humans. Mary Parker-Follett, while writing well before De Geus's time, supports this view. She says, "we can never wholly separate the human from the mechanical side, but you all see everyday that the study of human relations and the study of operating are bound up together." (Follett 1995:27)

Organizations today are exposed to rapid change. To be able to adapt to and embrace this change is the key to success and longevity. I work for a young company that has grown extremely quickly over the past 5 years. We have recently had a large restructuring exercise that was necessitated by this expansion. I will look at how this type of change affects a company and what the long-term perspective becomes. De Geus carried out a study to try and determine the key factors of longevity. After his research he came up with four key determinants that all long-lived companies are:

1. **Sensitive to their environment.** This represents a company's ability to learn and adapt.
2. **Cohesive, with a strong sense of identity.** This is the company's ability to build a community and persona for itself.
3. **Tolerant with decentralised control**, meaning that a company can build constructive relationships with other entities, within and outside of itself.
4. **Conservative in financing** which gives a company the ability to govern its own growth and evolution effectively.

Being sensitive to your environment takes on new meaning with the political situation in Zimbabwe. This scenario has caused stress and has lead to a fragmentation of the company cohesion, however part of our current company journey is to cement a strong sense of decentralization and control. The financing is conservative and closely monitored which has ensured our survival this far. Now it is not only survival but also longevity that we strive for. It is important now for us to engender a sense of pride and belonging that will result in cohesion and loyalty from all the employees, this way the organization can grow and develop. The community aspect of organizations is of particular interest to me. It would seem that many of the organizational problems we experience today are as a result of poor human resources management. De Geus stresses the importance of HR by saying, "to me it will always denote human relations. Human relations are the essence and certainly one of the essential characteristics of the management of people - which is all about relationships." My views coincide with those of De Geus and with this in mind I will look at management styles used to offer some insights on this issue as it relates to the human relations within my own company.

Follett says, "The divorce of our so called spiritual life from our daily activities is a fatal dualism." (Follett 1995:60) This focus dictates the direction that Follett takes towards her concept of integrative management. This is the natural progression for me. The requirements of this form of management may seem somewhat idyllic but it offers a way forward. Integrative management encourages a win-win scenario. In a given situation no one gives up anything and both parties achieve their desired end result. In the 21st century companies need to look at the potential this idea offers. The need for companies to acknowledge the personal goals of employees is becoming more important. A quote by the CEO of Hanover Insurance illustrates this point: "Our traditional organizations are designed to provide for the first three levels of Abraham Maslow's hierarchy of human needs - food, shelter and belonging. Since these are now widely available to members of industrial society, these organizations do not provide anything particularly unique to command the loyalty and
commitment of people. The ferment in management today will continue until organizations begin to address the higher order needs: self-respect and self-actualisation."³ (Senge et al, 1994: 24) My research will take a guided look at the work of Mary Parker-Follett and other writers to see if their insights offer valuable guidance for managers today.

Each individual is regarded as being unique. The daily family conflicts probably vouch for this claim. If those who share common genes find it difficult to reach consensus is the higher aim of consensus building within organizations just a pipe dream? This I know is an extreme view. What I am illustrating is the depth of this subject of diversity. The conflict surrounding diversity begins and ends with societal attitudes. Management, as an activity, tries to mould the autonomous nature of a freethinking person in the direction of production. The topic to investigate is therefore the management of difference.

2.3. Questioning from different points of view:

So far we have discussed an area of interest which has lead to the choice of a topic, that of managing diversity using integration. In the search to formulate the problem it is important to question the subject matter from a number of different angles to ensure that we are actually dealing with the right problem.

"Asking basic questions and challenging crucial assumptions are essential to the problem solving process."⁴ (Mitroff 1998:10)

Ian Mitroff’s work in "Smart Thinking for Crazy Times"⁴ suggests that there are 3 types of problems. Type I errors regard statements suggesting significant differences between results when there are none. Type II errors are the opposite, statements suggesting no significant differences between results when there are differences. Type III errors (E3) involve the formulation of the problem. An E3 is the error of solving the ‘wrong’ problem precisely.
For this reason I would suggest that problems persist in organizations today because in many instances we commit Type III errors. We solve the wrong problem precisely. Perhaps it is not as blatant as that. In the article 'Knowing what to do is not Enough', the suggestion is that we do know what to do but it is in the implementation of the proposed solution that the problems arise. The authors write, "...although knowledge creation, bench-marking, and knowledge management may be important, transforming knowledge into organizational action is at least as important to organizational success." (Pfeffer and Sutton 1999:88) This is echoed in 'The Performance Paradox' written by Harlow Cohen, who says, "Managers know what to do to improve performance, but actually ignore or act in contradiction to either their strongest instincts or to the data available to them." (Harlow 1998:30) In my mind, the problems that seem to perpetually exist in organizations are as a result of, firstly, not recognizing the root of the problem and, secondly, even when the problem is determined the solution is incompletely implemented.

Many issues within organizations can present in ways that obscure the root of the problem. This rapidly opens the door to an E3 situation. If the issue is particularly sensitive it may be a relief to embrace an E3. This distracts everyone from the real issue. The fact that solutions, even if they are for the wrong problem, are being found, temporarily diminishes the focus on the initial problem. In short it works as an avoidance technique. As with avoiding the actual problem, so too, implementation may be abandoned as the resultant change feels enormously threatening to those affected. Again we find ourselves in that arena of managing human perceptions.

There have been amazing technological advances in recent years. While these advances have improved efficiency have they solved the problems they were intended to solve? The technology available has increased the availability of knowledge exponentially. If not knowing was the original problem to be solved then, it could be said that, the problem has been solved. The writers of 'Knowing what to do is not Enough' suggest that, "...a much larger source of variation in performance stems from the ability to turn knowledge into action." (Pfeffer and Sutton 1999:87) So the argument comes back to the importance of
defining the original problem accurately. Technological advances may have resulted from solving the wrong problem precisely.

Management assigns many of the problems encountered to the generic category of communication. Innovators of our time got together and produced extremely high tech communication systems that allow instant contact and sharing of knowledge. Yet organizations still have problems with communication. So it would appear that it is not the medium of communication used that cripples progress but rather how that communication is delivered, deliverer to recipient. So the argument builds that, at the centre of all this knowledge, and communication possibility lies the source of the real problem, namely, people and their relationships with their communities. In other words, it is the actors rather than the stage set that we need to focus on. This is not to suggest that the stage set in unimportant. It seems that perhaps in the past, effort was largely focused on the stage set. I believe this to be because the solutions required for the human problem are far harder to identify and implement than any other. To quote Mary Parker-Follett,

"We, persons, have relations with each other, but we should find them in and through the whole situation. We cannot have sound relations with each other as long as we take them out of the setting which gave them order and meaning." (Follett 1995:130)

In my work experience I have seen a trend to require employees to separate the working individual from the personal individual. 'Just do the job and don't let your personal life interfere'. I believe this is unrealistic. It is also a subtle way of suppressing diversity and the issues that are created through this. Offering employment that encourages and motivates the integration of the employee will surely result in a better work performance. This brings us back to De Geus's point about organizations being a community, the management of people being all about relationships and that management of diversity being all about integration. Mary Parker-Follett was talking of this very concept back in the 20's. She says, "Business men may be making useful products but beyond this, by helping to solve the problems of human relations, they are perhaps destined to lead the world in the solution of those great problems of co-ordination and control upon which our future progress must depend." (Follett 1995:139)
Asking the Who, What, When, Where, How, Why and So What questions:

- **Who?**
  - Who is responsible for identifying the diversity issues that are at stake?

If we continue with the De Geus’s idea that an organization is a community then the responsibility for identifying the diversity issues present in a context is with every one of the stakeholders. However the practices of the past are ingrained and difficult to transcend. It is always more difficult to take the road less traveled but if management were to be the trendsetters in this arena that would begin the process of leading by example. People are the key to management. My thinking is that we have not fully accepted or understood the human condition. The issue that challenges management continually is that of communication. The requirement of successful communication is understanding. The process does not stop there. From understanding further communication and further understanding is required resulting in a flow of information and knowledge creation. The words communication and understanding contain deep ramifications but I do not want to unravel these words at this stage. They will be an integral part of discussions later in this project.

- **What?**
  - What is the real problem or the real solution?

"Why do so much education and training, management consulting, and business research and so many books and articles produce so little change in what managers and organizations actually do?" (Pfeffer and Sutton 1999:83) Literature is replete with information on the subject of diversity and management issues. The literature offers myriad solutions to the problems that they discuss. These solutions are presented in the form of systems that can be implemented, measures that can ascertain performance, or frameworks that guide new paths. All of this is virtuous and valuable but the problem, as I see it, is in the repetition of circumstances that prompts these research opportunities. If we dissect the problems that are discussed it is clear that the management of diversity begins with the right management of human relations. To determine a solution it is necessary to understand the real problem and that is the core issue of prejudice.
Embracing Diversity through Integration

- **When?**
  - When does diversity become an issue?

When it is not adequately addressed. It is not just diversity that is affected in this way but if the wrong problem is identified and possibly even solved then the real problem will continue to be an issue. Diversity is a complex problem so it needs clear and critical thinking to manage it adequately.

*Mitroff* is very clear in his thinking on this topic. In *Smart Thinking for Crazy Times* he states that there are 5 reasons why the wrong problem gets solved.

- Picking the wrong stakeholders
- Selecting too narrow a set of options
- Phrasing the problem incorrectly
- Setting the boundaries/scope of a problem too narrowly
- Failing to think systemically.

The solution therefore is to think critically and carefully about every problem. *Mitroff* says, "Those who are adept at smart thinking know how to cut through complex issues, ask the right questions, and solve the right problems." (Mitroff, 1998:6)

- **Where?**
  - Where does diversity cause management problems?

Diversity is an issue throughout modern day society. If we define an organisation as being a collection of individuals it could refer to a family or a multi-national. All organisations at one time or another have experienced diversity problems. People make up society. Organisations are made up of people, which means that any societal issues that they carry with them will automatically enter the organisation when these people do.

- **How?**
  - How can the problem of diversity be solved?

Diversity issues interfere with the efficiency and effectiveness of organisations. If the issue is left to fester it can have enormous ramifications, for examples in the form of strikes or in the case of Zimbabwe, war veteran invasions. These examples are dramatic.
There are smaller, day-to-day examples of how business can be affected when employees are not being managed well. These could include examples like a sales rep purposely losing a sale, a manufacturing assistant contaminating a product, resigning one's post and many more. The question is how can these issues be solved. The answer, I believe, is by adequately addressing these issues. This is not an easy solution. The subject is emotive and complex. A way of allowing perceptions and issues to be aired is as necessary as is being heard.

➢ **Why?**
➢ Why is it important to find solutions to this set of problems?

The management problems surrounding the subject of diversity are deep-rooted ones. These issues are the source of many of the other little distraction factors that many managers get tied up with day to day. I believe that it is important to get to the base of the problem because then it will disappear. To use an analogy, it is almost like embracing the 'shadow self' that Jung talks about in his theory of personality. The shadow self is deemed unacceptable and is hidden from view, yet Jung suggested that the converse could be true. The shadow side could be a golden side. The reason I use this analogy is because I think it illustrates well the nature of the problem. In the same way that people search for wholeness and completion in their lives, so to, do organizations. The level of wholeness of the people within that organization will mirror the level of wholeness of the organization.

This means that creating awareness of the issues that I see as being the pathological cause of dysfunctional organizations will offer managers a different insight into their specific set of problems.

➢ **So What?**

This question asks why any of this matters anyway.

To seek a truth to improve a situation by identifying and understanding it better will add to the body of knowledge that already surrounds that issue. To me it becomes an ethical point. “Truth is that which makes an ethical difference in human affairs, that is, leads to the betterment of the human condition.” (Mitroff 1998:147)”
The investigation into the management of difference using the lenses of other management writers has enriched my practice as a manager. The insights that I have gained from the wisdom of Mary Parker-Follett, Mitroff, Senge, de Gues and others have changed the way I view various aspects of the work that I do. I have been inspired to change my thinking because of the ideas they have expressed. The test will be to use them in my own organisation to ascertain if they are sound and practical.

In Summary

Questioning the subject of diversity from different points of view gives us a better idea of what topic it is exactly that we are investigating. This section has determined what we want to know about diversity and its management. This is achieved by asking who is affected and what the actual problem is. The issue is then contextualised by determining when and where it becomes a problem. Once this is established the next step is to determine how the issue can be dealt with and why it is important to deal with it. The last step is the critical one as it tests the point of this investigation. While all the other questions may have logical answers this final question digs deep and asks why any of the earlier questions were necessary.

In this section the issue of diversity was addressed. Asking who is affected and what the issues are illustrated the nature of the problem. Once this is established more specific questions are asked to determine the boundaries and limits of the problem. The issue at hand is the management of diversity in the workplace. It is an important issue because poor management of diversity will lead to disruptions within the workplace and a decreased productivity as a result. This means that effective diversity management is not just ethically necessary it is also financially a sound practice. Not only will the organisation benefit from a better understanding and management of diversity but so too will the communities that support the organisation. People who learn to manage better within the organisation will hopefully carry that beyond the organisation to better the management within the communities in which they live.
2.4. Defining the Rationale of the research topic:

The focus of this research report is to understand the nature of diversity in order to manage it better. Diversity is an enormous topic. It is not only about race, gender, sexual orientation or physical capabilities. It is about being different to those around you. This is the point. Issues like race and gender are easy to identify, as they are more obvious to the eye. More importantly this does not make them more problematic than the less obvious problems associated with having distinctly different values and beliefs. Diversity is an emotive subject. I have witnessed people become very defensive and upset when challenged on any issue of difference. This decreases rational thought and success in problem solving. A safer space is required where understanding and tolerance can be created and nurtured. The aim of this research project is to try and find how this might be achieved.

2.4.1. The Focus of my Inspiration

The work of writers like Mary Parker-Follett and Pauline Graham have helped me to understand better the complexity of management. What they have also done is inspired my thoughts on how to make their principles work practically for me as a manager. My intention is to discuss at some length the issues that they write about. Then I will turn to my own organisation to investigate the validity of these findings. Mary Parker Follett used what Pauline Graham terms a two-track approach: “the meticulous study of records and documents combined with the personal contact with the individuals involved, in order to ascertain firsthand their thoughts, feelings and actions.”2 (Graham 1995:13) Graham also says about Follett, “She was profoundly interested in the individual in society and how one could attain personal fulfilment while striving at the same time to create the well ordered and just society.”2 (Graham 1995:15) These words echo my own feelings and inspire my search for that goal too.

St Francis of Assisi said, “Seek to understand before being understood.” It seems logical that to better understand people will enhance understanding of situations and actions. Understanding will lead to empathy and it follows that empathy will result in tolerance. Daniel Goleman lauds empathy as making the difference between average managers and
those that truly lead their people. In his paper “What makes a Leader.” he suggests that empathy is one of the components of emotional intelligence, “the very word (empathy) seems unbusinesslike, out of place amid the tough realities of the marketplace.” He goes on to say, “empathy is very important today ... for at least three reasons: the increasing use of teams; the rapid pace of globalisation; and the growing need to retain talent.”

In management situations today it seems that perhaps there is an underlying pathology of diversity problems that causes them to recur persistently. I would like to try and find the source of these problems and suggest ways of dealing with the cause. This way the solution is not a 'symptomatic treatment' but therapeutic in a cathartic sense. The challenge of embracing problems of this nature is that a fundamental shift is required in how the participants see themselves and their situation. Inspiring people to think differently about situations is extremely difficult. As I see it there are 3 main steps:

- Understanding the problem
- Creating a new way to look at the problem
- Implementing the new way

These echo the recommendations that Ackoff makes in his Interactive Planning model where he discusses dealing with complex problem issues in the following 5 stages:

- Formulating the mess
- Ends planning
- Means planning
- Resource planning
- Design of implementation and control.

These are complex, 'messy' issues that do not have a prescripted solution. This is because they tend to have an emotional basis. In these scenarios it becomes important to have an appreciation of the situation context. As the context changes so too will the worldview of
the participants. This means that a different understanding of the problem will be found and therefore an alternative solution may be more appropriate.

To begin this journey there needs to be a commitment not only to understanding the problem situation but to the action of implementing a solution. Initially it is important to find information and make sense of it. A process of knowledge creation needs to occur. The relevant use of knowledge is a knowledge creation process. Knowledge creation has been described as a dynamic interaction between tacit knowledge and explicit knowledge. (Choo 1996:333) This knowledge must then be transformed into action. Zeleny stresses this important point in his article, ‘Knowledge as Co-ordination of Action.’ He says, “Knowledge is purposeful co-ordination of action. Achieving its purpose is its sole proof or demonstration.” Discussing how to obtain knowledge Choo says, “Drawing out tacit knowledge requires a mental leap, and often requires the use of metaphor or analogy. An organisation would have several bodies of explicit knowledge generated by different groups or units at different points in time. These disparate bodies of expertise may be combined and reconfigured into new forms of explicit knowledge…the new explicit knowledge created would have to be re-experienced and re-internalised as new tacit knowledge.” (Choo 1996:335)

What appears important is to understand the various sources of knowledge and use them. As Zeleny says, “knowledge cannot be separated from the process of knowing.” Having knowledge would mean that I am expected to be able to establish relationships between objects and then co-ordinate this awareness into activity to reach a goal. Any knowledge that does not co-ordinate activities is merely information.

I have linked the ideas discussed in this last section, as I believe they overlap in their application. I have illustrated this in Figure 1 where I have included the three steps that I proposed for inspiring people to think differently, Choo’s process of knowledge creation and the original stem of action learning, namely the cycle of research, action, learning. These processes may occur on different levels but essentially they describe similar activities. I will use diagram as a broad framework for my research process of investigating and
proposing ways to effectively manage diversity in organisations. This framework provides the core essentials of action learning, which is at the heart of this research.

The result of developing this framework is that it helps to guide the first steps of this journey towards managing diversity effectively once the diversity issue present has been acknowledged. The first step is to understand the problem. This can only occur if many points of view are considered. Gathering multiple perspectives helps one see the problem from different points of view. Realizing that more than one opinion may be valid creates understanding. From this new perspective action can be determined and a new way forward decided upon. The important point to note is that this process cannot be short-circuited. To resolve the problem issue each stage must be visited in order to move to the next stage. If this does not occur then the implementation of a new way will not occur.

The reason I see this research as being important is because of the subject matter. Diversity can be very difficult to manage well. If I can understand better the effect that
diversity has within organizations and find ways of tapping it as a beneficial resource then I will consider myself better informed in this subject. My interest in this research is to find ways to improve that management of difference, particularly within my organization, and hopefully to provide insight to other managers who are embattled by similar circumstances within their own organizations.

2.4.2. The Process of Research - Learning - Action

It is necessary at this point to ground some of the theory introduced into a practical context. My interest in the management of diversity led me to embark on an extensive investigation into other's views and experiences of this subject. This was the information-gathering phase illustrated in Figure 1. At this time my interest was purely academic. What happened, as a result of this research was that I began to see my organization differently. This is the learning phase described in Figure 1. A process of knowledge creation occurred that introduced a different way of seeing the situation. I had always recognized the presence of obvious diversity in the form of gender and race. Now my view took on a subtler edge. I began to recognize a deeper diversity issue that I saw as more damaging to our business, that is the issue of differing technical capabilities. It appeared that a mixture of arrogance and insecurity had resulted in a fragmentation of the organization into departments that kept themselves separate from each other. Contact was usually forced by problems that required collaboration to solve and these issues were clothed in blame and finger pointing. Gradually I realized how entrenched this behaviour was. I found myself participating in this 'blame culture' and it occurred to me that my response to the finance department would be followed and copied by my subordinates. The resultant inefficiency of this behaviour struck me and motivated me to look more closely at the whole issue.

2.4.3. Using The Interactive Planning Process

After the knowledge creation process comes the next step, that of action (see Figure 1). It occurred to me that this would be an ideal area for my research to focus on. This was because it was of practical value to my organization and if a way of dealing with the problem effectively was determined during this research then it could be translated into other areas of the business. So at this point I will introduce the broad circumstances through
which the problem area arose. I used Russell Ackoff’s Interactive Planning Process to aid in
determining the context of the situation. This methodology consists of five stages.
- Formulating the mess
- Ends planning
- Means planning
- Resources planning
- Implementation

These stages have been outlined briefly already however I explore these stages in more
detail to give the reader a better insight into the practical context in which the research is
being carried out.

Formulating the Mess
This phrase, formulating the mess, seems most appropriate in trying to determine and
discuss the current Zimbabwean business context and more specifically that of our own as a
pharmaceutical wholesale and distribution business. In discussing the area of concern it is
necessary to describe some of the history of the change that has and continues to affect
the context of the problem.

The first step in formulating the mess was to refine the problem area. The issue at hand
was the operational problem of too much stock tying up too much cash. The next step was to
determine the interaction between the inventory and the cash flow. Figure 2 is a causal loop
diagram that describes the relationship between these two elements. Inventory held is
available for sale. If an inventory item is sold the buyer will pay for this purchase. When the
cash is collected then the money available can be used to repurchase the item sold or
another inventory item.
The problem faced at Independent Healthcare in May 2001 was foreign currency shortages followed by the threat of no foreign currency at all. This was as a result of a Reserve Bank ruling that they would take over the allocation of all requests for foreign currency. Our strategy at this point was to buy as much stock as our credit limits would allow so that when the money did dry up we would have stock to sell during the anticipated period of no forex. As a result of this action our stock value increased enormously. The net result of this was a drain on the cash flow. The Reserve Bank ruling never took effect. This meant that our initial ordering strategy had to be radically altered.

Bulking up the stock tied up cash. This cash flow crisis necessitated prompt attention and a new strategy for stock procurement. It was decided that the necessary response was to reduce the stock holding by a certain value (to reach an ideal stock of 80% of the sales value.) This was achieved by reducing the quantity of stock purchased at any one time. The value of the stock holding dropped considerably which improved the cash flow. I increased the frequency of ordering and decreased the quantities to try and dampen the fluctuations between overstocks and stock outs.

The need to address the stock issue was very urgent and became more so as the economic situation in the country declined. Despite the new ordering strategy of frequent, smaller orders, the fluctuation in stock levels continued. Clearly something else was affecting the stock levels. On investigation it could be seen that within the reduced stock value was stock that moved extremely slowly and other stock that moved quickly and was often out of stock.
This meant that the stock mix was not correct. Some items needed to be ordered in bigger quantities and other item needed to be discontinued. We identified products that were responsible for most of our profit and called these items Top Stock. These products should never be out of stock. The other strategy we employed at this time was to identify any 'dogs' in the stock, namely items that were not moving, and sell them at a discounted rate to free up any cash that we could. These items were labeled 'X' stock so that they were not reordered again. These problems had a significant impact on our sales level. It was important to react as quickly as possible to the problems that we identified.

The economic and political environment played a significant role in the development of these issues. This meant that we were not the only players affected by the circumstances. Our competitors were also struggling to react to the rapidly changing scenarios. The effect of this was that at times we would be the only wholesaler with certain products. This would result in a run on lines that had not been big sellers in the past. This changed the sales history and profitability potential of these items. This changed our Top or X stock profile, sometimes dramatically.

I drew up the diagram in Figure 3 entitled formulating the mess to try and make some sense of the issue. This helped to illustrate the main areas of concern and how they interact. Identifying these areas helped to separate the problem a little. It also highlighted the areas that are directly under our control and those that we are unable to control. This is important, as effort expended trying to control what is essentially out of our control is futile. This is not to say these areas are unimportant. Far from it, that is why they appear in the diagram. It is critical to acknowledge their presence and effect but the response to this has to be in the domain that is under our control.
FORMULATING THE MESS

Internal conflicts and discrepancies
- communication issues
- stock portfolio changes
- resistance to change

Independent Healthcare

Geddes Greenwood wholesalers
Government Medical stores

Competitors

Future Customers

Current Customers

reliability
efficiency
stock availability

efficiency and
reliability problems

Keep informed
Keep asking questions

Figure 3

Looking at Figure 3 it can be seen that the stock situation is critical to the business. However just as having stock to sell is important so is having the cash to repurchase the goods. This is where the initial problem began, the question being:

How do we keep the sales team happy with optimum stock and the accounts team happy with a cash flow that is not in constant crisis?

What is making this situation difficult to describe is that it keeps changing. When I began to focus on the problem area the issue at that time was the stock holding. Our competitive advantage up until now has always been stock availability but what has radically changed all of this since May is the value of the currency. From the initial interactive planning exercise on the company I drew two causal loop diagrams for the reference projection phase (see
Figures 4 and 5) to illustrate the relationship and interactions that occur between the sales and financing areas of the business. Figure 4 illustrates the situation simply but it can be clearly seen that these areas are inextricably linked. A problem in one area immediately leads to a problem in another area.

Reference projections:

![Causal Loop Diagram](diagram.png)

**Figure 4**

The top causal loop diagram (Fig. 4,) was drawn to illustrate the ramifications of continuing with an uncontrolled stock purchase scenario or a situation of ordering the incorrect stock. To hold the wrong stock has an impact on the cash flow. Incorrect stock ties up cash and ends up costing money if it is not sellable or has to be sold below its cost price. The problems of limited cash flow are then compounded because this means that there is less money available to pay creditors. Late or short payments to our creditors, particularly in this uncertain environment, will lead to a decrease in credit allowed with the suppliers, which will restrict the quantities, or products able to be ordered. (Foreign suppliers at this point were already reluctant to allow any credit.) The result of this is the perpetuation of an inventory problem (see Fig. 5.)
The problems that these causal loop diagrams illustrate were internal and within our control to solve. The next section discusses the contextual environment. I have included this because while the internal problems can be solved our political and economic environment directly affected much of the strategy that we needed to implement. For interests sake I have broken the reference scenarios into January and July so that the reader is able to get some idea of the speed with which the environment was changing. While these scenarios are out of date now they were prepared and useful at a time when the uncertainty was at its peak.

Reference Scenario (January 2001):

Change is a certainty, however, in Zimbabwe today planning ahead has a rather different time frame as the rules change daily. Planning ahead is month by month. The nature of the situation and the toll it has taken on the business community means that there is an air of despondency surrounding most ventures for the future. It is difficult to inspire a long-term vision due to the politically inspired uncertainty. This very problem directly affects the stock issue. Money is extremely expensive to borrow so stock cannot sit on the shelf for any length of time if a profit is to be made. Not only is money expensive but also it is in short supply both within the company and outside of it. So the appropriateness of our stockholding, which is our bread and butter, becomes critical to our survival.
Our bias towards branded products is also a potential long-term problem. The generic market will become more popular due to the escalating price of medicine in this hyper-inflationary environment. Our current success and growth cannot be relied upon indefinitely. To constantly assess the needs of the market and to try and look ahead to possible future needs is important. Pharmaceuticals take almost 2 years to be registered by the medicines control authority. It is important to decide now what products we will keep in the future, as the process of registration should begin as soon as possible.

Reference Scenario (July 2001):

Government cut the interest rates on borrowings massively. The interest rates dropped from around 63% to 10%. The result of this was a huge influx of money into the market. In economic terms this was not a well thought out decision. But then the current government policies indicate a lack of interest in the economic stability of this country. What is very clear is that this is a power game and a politically dominated situation.

At this point I had selected the stock management as the research problem. Working with the finance, managing and systems directors we drew out information which showed us that we were seriously under stocked in some items and seriously overstocked in others. The look of the situation at that time was that we were losing sales due to an out of stock situation of top products.

Investigation of this showed that there were two contributing factors to this problem. Firstly, our major competitor was out of stock of many of the lines that they habitually have had in the past. This resulted in a need for a large increase in our volumes. Secondly, this caused a cash flow issue. There was a gap between the money required to pay our creditors because we were buying larger volumes and what money was expected from our debtors. This is the challenge of funding growth.

Sourcing and being able to pay for foreign currency on the parallel market is our competitive advantage over our competitors.
Formulating the mess helped to unravel the complexity of the situation. It created an understanding of where we stood and where the situation could possibly take us. The next step in this process was to determine what we were trying to achieve and how we were going to do that. This is the next step of the methodology, namely, ends planning. At this stage discussion discerns the desired end result using the information revealed in formulating the mess using.

**Ends Planning**

Ends planning is about determining a desired outcome. The discussion stimulated by formulation of the mess process determined the desired end result to be a need for rationalisation. It was unanimously decided that we needed a ‘back to basics’ approach with respect to the stock issue (this decision was made in May 2001 but still applied in July.)

This initial ends planning process was focused on the stock issue that led us to define our ends planning situation as summarised simplistically in Figure 6.

**Figure 6**

Figure 6 illustrates the ends planning process. The original business idea was to be a general pharmaceutical wholesaler with a strong service orientation. This would involve stocking a wide variety of products. We also offered to find products that we did not routinely stock but were required by one of our customers. The cost of having a large and diverse stock
holding was not manageable in terms of the cash flow. The desired end to this circumstance was to abandon the original ‘everything to everybody’ focus and move to a more refined portfolio that allowed us to do few things well. The way to achieve this end through stock was to rationalise the number of lines held, find out what products were the best sellers and build a new portfolio around them and ultimately have no waste in the supply chain by having an ideal inventory. The concept of an ideal stock situation would mean that the cash that is tied up in stock is turned back into cash promptly because the products available are the products desired by the consumer.

Means Planning

To achieve a certain end it is necessary to determine the means by which this goal can be attained. This is the process of means planning. To achieve optimum stock levels there are two main functions that need to be fulfilled:

1. **Stock analysis** - comprising reports of stock movement, costs and units on hand.
2. **Discussion** - all the stakeholders need to be consulted and debated with.

The means planning process is illustrated in Figure 7. The diagram is formed around the original causal loop diagram that described the inventory and cash cycle (see Figure 2.) In Figure 7 the areas of inventory and cash flow are shown and how they interact with each other and with their contextual environments. The diagram also illustrates the relationships that exist within this system. To enable an optimal stock and cash flow system to exist there is a need for clear communication channels between and within these systems. For example, to be able to accurately make decisions about the stock holding and what needs to be ordered it is imperative that information about the inventory is easily accessible, accurate and relevant. It is also essential to have the involvement and commitment of the entire team responsible, in their different portfolios, for some part of the stock management. The diagram shows the internal and external systems affected and involved and it suggests areas where there is a need for communication and conversation within and between the various groups.
In the past little communication occurred between departments and even within them, resulting in misunderstandings and miscalculations. The major problem that arises with means planning is that the employees within each department hold different agendas. The reps and telesales want maximum stock available and will always recommend ordering excess rather than too little. The accounts department wants to hold out paying creditors as long as possible as well as having to decide who gets paid and when. The buyers want to keep adequate stock and be able to order more products less frequently; the suppliers encourage large orders as often as possible.

![Diagram]

**Figure 7.**

- **Conversations and Communication**
  The conversations and areas of communication, in the form of information that is needed within the organization, are clearly shown. This is the means through which the ends can be achieved. This step required an identification of the missing conversations and communication. In any business this communication is required in every area however for the purposes of this project it was necessary to refine the area of interest and look only at the
channels of communication required in effective stock management and the financial management associated with this activity. It was important not to get lost in too many conversations. The problem at hand was the one between the sales department and the finance department.

**Resource Planning**

Once the means required to achieve the ends is established the next step is to understand what resources we need to ensure that the means achieves the ends in as far as is possible. This is the phase of resource planning. In the present context we are trying to achieve integration between stock optimisation and cash flow therefore the following resources are necessary to achieve our purpose.

- Computer technology and expertise.
- Sales and Marketing activity
- Accounts information
- Customers and Suppliers feedback

The diagram in Figure 8 is an extension of Figure 7. In Figure 8 the resource elements and their place in the overall picture can be seen.
Figure 8.

- **Computer technology and expertise**
  To achieve optimal stock levels accurate information is critical. In terms of the problem that we are looking at the most important resource is information, for example stock data. The reports generated must be up-to-date and reliable and able to show the information required.

- **Sales and Marketing Activity**
  Sales and Marketing information is extremely important when deciding what products to stock and what is not so important. This was particularly relevant in trying to refine the portfolio that we had previously held. This issue is still being hotly debated. This department has direct access to the customer so their potential information resource must be utilized.

- **Accounts Information**
  The accounts department must have up-to-date information. The time frame for creditors needing payment and money due from debtors is critical for planning. This information helps
to determine the purchasing strategy over the next period. Accurate account information is imperative for pro-active decision-making.

- **Customer and Supplier Feedback**
  The tacit information held within the fold of customers, suppliers and competitors is an under-utilized resource. Using an appropriate line of questioning to surface the feedback is a valuable skill to develop. My experience has shown me that brief and informal conversations with the customers and suppliers yield very valuable information about new products and trends within the market. Other health professionals, such as doctors who write prescriptions for their patients, have an impact on what our customers will buy. This means that indirect customers can be a valuable source of information as well.

In this problem situation it has been important to keep an eye on the competitors. Our competitors have not been as efficient as we at keeping up their foreign debt payments. This has led to times when the competition is out of stock. If we are aware of this then we can take advantage of the situation and order larger quantities due to the anticipated increase in demand.

**Implementation**

Formulating the mess shows us where we are. The ends planning process identifies the goals and ideals we are trying to achieve. Means and Resources planning show what is available to achieve such ends. All this is well and good but ideas with no action remain as such, ideas.

It has been established so far that the problem is an operational one where mistakes in purchasing have been exacerbated by the economic crisis in the external environment. This has required a ‘back to basics’ approach and a resultant rationalization the inventory portfolio. By analyzing the means and resources required to achieve this end highlighted an internal inadequacy within the present communication channels. Therefore the solution needed to prevent this occurring in future must be one that incorporates communication channels into the implementation framework. The framework that was designed for this situation was entitled the ‘implementation conversation’. It was designed to aid and focus
the process of interaction between sales and finance. This framework is illustrated in Figure 9.

**Implementation Conversation**

![Diagram](image-url)

**Figure 9**

Diagram developed by Group 3 during Operations Module 2000 (Blackie et al.)

The implementation process was applied as set out in the diagram above. The meaning of each section and our experience is discussed below. The arrows on the diagram indicate relationships of cause and effect between the various elements.

Choosing the TEAM: The team needs to be selected to represent all the stakeholders involved or affected by the problem at hand. In this situation the sales and finance departments were at loggerheads so the team needed to comprise of individuals from these areas. That constituted those involved and an ‘independent’ person was also selected as representing those affected. Increasing the diversity of representation creates a better
chance for innovative solutions to be found, as well as helping to prevent the type 3 error that Mitroff speaks of.

The conversation was around the stock and the cash flow. Everyone is encouraged to express an opinion. The team for this particular problem consisted the individuals responsible for ordering, the financial director and a member of her staff, another director not involved directly in either of these areas and myself. The concept was easily accepted. In some ways we have been building up to this exercise for a while so it was the next logical step. The only difference is that my approach formalized it more than it might have been under different circumstances.

The discussion generated a great deal of information. There was a healthy participation that resulted in the interchanging of information. Tacit information was made explicit which created a level of understanding and insight that in some cases was entirely unexpected. The situation was critical and for the benefit of the organization we needed to be working together effectively.

After determining a resolution to the discussion the next step of the conversation is to design a system that works with these issues. The start was agreeing that the historical data we had may be inaccurate but it was nevertheless a useful starting place. The information gleaned from this could then be discussed to determine what needed to be done. The FD produced the lists for me from the historical data. Taking this information we could sit together and discuss the pertinent problems, decide on appropriate solutions together. This was specifically in terms of how much money was needed for which products and when.

Any solution found but not resulting in action becomes irrelevant. In this instance the severity of the problem meant that action was critical. New reports were generated and decisions made on that information. The contextual environment being so volatile resulted in a change of focus. The original team meeting was not repeated as the following month a different problem arose as a result of the instability of the economic and political
environment. But the conversations had around the subject have continued with the result that the crisis experienced at that time has not recurred.

To ensure that the various activities are carried out various \textit{CONTROLS} have been put into place. The overall objective for this process is to create a situation where information on stock and sales is continually analyzed with respect to sales. This way if purchasing behavior changes in any way it is quickly noticed and the necessary alteration in buying is made. Reports have been set up that facilitate this activity and they are checked weekly.

The benefit of this system has been clearly seen in a very short space of time. The stock problems have been somewhat of a dilemma for us. Getting heads together and sharing thoughts has created a shared vision\textsuperscript{2}. This has meant that the solution to the problem has been seen as a joint responsibility. The results have cemented the validity of the implementation. We experienced the process of implementation as being focused on effective communication. The communication occurs in the form of both conversation and information. The situation in Zimbabwe is extremely uncertain therefore the lessons learnt during this process, like the need to have on-going conversations, must become a \textbf{ROUTINE}.

The result of this investigation was successful implementation of a stock control system. The ends stated were to be good at a few things. The result of rationalizing the stock helped to free up cash that had been ‘stuck’ in the system. Discussion and the sharing of ideas had been very valuable in the problem solving process. The process of Interactive Planning is very thorough and enables a clear picture to be developed of the problem at hand.
2.5. Naming the topic

"That the systemic principle is recognised and accepted, the notion of seeing the unit in itself as a whole, always in the making out of the effective interrelating of its interdependent parts and, at the same time, itself part of the wider system with which it is connected." ²¹

My topic is guided by the above quote of Pauline Graham's²¹. Having explored the topic of diversity and its meaning it is my intention to develop a deeper understanding of the idea of integrative management and then to introduce the concept in my own environment. My research will involve looking at a particular management problem within my organisation that could be defined as 'messy' and complex. I will investigate the idea of integrative management as a part of the means to resolve the issue. The lens through which I am looking at all of these issues is the lens of diversity. My view is that the conflicts that exist within our organisation are as a result of refusing to embrace the diversity in thinking within and between departments - Each holding onto their expertise and knowledge avariciously, feeling the need to protect rather than share information.

2.5.1. The Problem Area

The finance department never wants to spend money and often employs the default response of "No" to requests for money to buy products. The sales department wants to have as much stock available at all times to promote sales. I have simplified the scenario for the sake of description. It is not as clear-cut as this but I have become increasingly more aware of an 'understanding gap' between the sectors. Each division understands its own set of stresses and goals, which are not always communicated adequately within the department let alone to other departments. This means that each area of the business sees the other as a potential threat to the circumstances that they are under instruction to create. My sense is that this misunderstanding is as a result of diversity. It seems there is some kind of entrenched belief like - finance departments never have good relations with Sales because that is the way it has always been.
As explained in the Interactive Planning section the problem issue of stock management is key to the success or failure of our business as a pharmaceutical wholesaler. The current political and economic climate in Zimbabwe challenges our survival daily. There is enormous uncertainty about the future, which makes planning difficult. As result of this situation people are stressed. This has caused emotional flair-ups and conflict. The emotional affect has been damaging and paralysing to some and invigorating to others. The problem, as I see it, is that there is little integration between and within departments. The stock and cash flow are tightly controlled so there is little room for mistakes. Any changes or hitchs in the system have far-reaching affects. So my intention is to look at the overall problem. This view will be of the entire organisation. From there I will focus particularly on the stock management area and the financial area. I expect that the insights gained from this exercise to be transferable to other areas of the organisation, but for the scope of this project I will concentrate more specifically as this is the area within the business that requires immediate attention.

2.5.2. The Aim
From this investigation I hope to develop a framework that I can introduce that will be beneficial to managing the health of the organisation. Within our organisation we have recently undergone tremendous change. Two new directors were appointed and several other key management positions were created. The exponential growth that we as a company have experienced recently necessitated this change. As the group struggles to find its feet the usual re-formation of groups is being experienced. The chaos and conflict within the operations is as a result of the economic turmoil that we are experiencing. The chaos and conflict within the relationships of the team is as a result of a major management reshuffle. So effectively there are a great many stresses that need to be acknowledged and dealt with. As a manager it is important to me to have motivated staff, a productive department and satisfied shareholders. My interest in learning about integrative management is so that I may better understand how to manage people in organisations successfully.

In short my aim is to introduce the concept of integration as tool for managing diversity, in the conflicting areas of stock management and cash flow. This research will look at the
processes, the relationship between the various processes and therefore the human interactions that affect all of this.

2.5.3. The Process
To introduce the subject of integration and the factors that affect this style of management I used a systems thinking approach to produce an Affinity Diagram (AD), Inter-relationship Digraph (ID) and a Causal Loop Diagram (CLD). (Systems thinking is discussed in more depth in the Chapter on Research Design, pg 30) In this research the AD (see Appendix II) was developed using brain writing. All the elements of integrative management and the principles that I have gleaned from reading both ‘Integrative Management’ and ‘The Prophet of Management’ were recorded. I then clustered them into groups and labelled them with appropriate headings. These groups were arranged in an ID where the relationships between these elements were determined (see Appendix III.) Once the drivers and the outcomes of these relationships have been determined in the ID, a CLD was drawn reflecting these relationships. “There are basically two building blocks of all systems representations: reinforcing and balancing loops.” (Senge et al 1994: 114) These relationships can be identified in the CLDs as a circular arrow which follows the direction of movement of the relationship within the CLD and a letter, R or B within that circle. The R is for reinforcing and the B is for Balancing. A reinforcing relationship is one that generates exponential growth or collapse. So the growth or collapse occurs at an ever-increasing rate. The balancing relationship indicates the presence of elements that cause a resistance to exponential growth. These relationships eventually limit growth.

Complex situations result in a number of relationships emerging within the ID. This means that a number of CLDs can be drawn. In my quest to name my topic the following section has a number of CLDs that were drawn out of the initial ID. The relationships intersect to produce the final CLD (See Fig 16). The CLD in Figure 16 is extremely complex. To illustrate this complex relationship straight away is not only confusing for the reader but its complexity can distract from the insight that the relationships illustrated offer.
The CLD seen in Figure 16 is the amalgamation of a number of smaller loops. To create an understanding of this diagram I have broken down the CLDs into their component loops and these will be discussed separately. The complexity of the diagram in Figure 16 also reflects the complexity in the integrative management research issue. These interactions also give rise to leverage points within these loops. Leverage points are elements within the CLD that have connections to a number of other elements within and between the CLDs. What is powerful about leverage points is that they are inter-related, in that they affect a number of other elements. Influencing a leverage point will have a ripple effect because of all the other elements that are affected by this relationship.

In discussing the CLDs as I build the picture to the ultimate CLD in Figure 16 I have used various names as titles for these CLD's. I have used words that illustrate what the CLD means to me. I purposely did not use numbers or letters to differentiate them as this can imply a hierarchy of which there is none.

The story begins with the first CLD named the 'Situation CLD'. The CLD shows the relationship of the elements that make up this diagram.

2.5.3.1 “The Law of Situation”

![Figure 10](image-url)
The Law of Situation

The Situation CLD illustrates the concept of the 'law of situation', which Mary Parker-Follett suggests is derived by the demands of the situation. Her idea was that orders flow from the task at hand rather than from any hierarchical authority. Follett discusses this concept in the light of giving orders. Her idea is that orders that are depersonalised and dependent on the logic of the task will more readily be carried out than those that are dictated by an authority figure. The law of situation will drive the move to integrative management because the very idea of integration is that everyone participates in a relevant capacity. This suggests that time should be created to understand what the situation demands. This understanding could be invaluable to the management of the scenario.

Integrative Management Styles

Integration demands a holistic approach that is inter-disciplinary and circular. This idea immediately embraces the concept of diversity. This style of management will enhance the idea of collective responsibility. Encouraging inter-disciplinary participation will also enhance the possibility of innovation. Multiple perspectives will encourage the opportunity for innovation. The employees who participate in the activity of production will have the best knowledge of that process. It therefore follows that any ideas for improvement would be well served by the thoughts of those individuals. That is not to say input from independent and uninvolved persons is not useful.

Innovation

The point about innovation is that it is a thought that hasn't been described before. Sometimes it can take complete outsiders to look at the circumstances with a fresh eye and offer novel ideas for progress. Any product or service is affected by or affects various departments within the organisation so any of these people may have ideas for improvement. Innovation can come from anywhere so it is important to allow as much input as is possible without paralysing the process of creativity.
The Organisation

The element of innovation drives the next element, that of the organisation. The word organisation encompasses the idea of a community of people in inter-relationship. Clearly any change with the introduction of innovations will affect this community. If the interdisciplinary approach is followed then the affect upon the community, that is the organization, will more likely be positive. The innovations and changes introduced will have been universally discussed and agreed within the organisation and so will be seen as acceptable. Embracing the change the organisation then rearranges itself to adapt to the innovation. This is the path of learning organisations. Clearly though the converse may also be true. Any big changes instituted without the organisational community’s approval or knowledge will have an impact that will almost certainly be negative in some respects. Change is always difficult to inspire and if it is a surprise to employees they will become suspicious and unhelpful if they perceive it as being threatening.

Common Purpose

Living the idea of the organisation as a community will enhance the process of finding a common purpose. If employees in an organisation have a sense of belonging they will be able to see and believe in a common purpose. I believe that a common purpose can only be developed if a community spirit exists. This common purpose then sets the course for the organisation. The direction is determined by the cause. Once a direction has been chosen the activity occurs and activity will bring situations that may introduce new conflict requiring resolutions. The common purpose is shown to drive the ‘law of situation’ this is because the goal described in the common purpose will determine the situation(s) that emerge within the organisation. These situations are the charter of management.
2.5.3.2. The Causes of Conflict

The negative connotations associated with conflict can affect growth in any relationship. Mary Parker-Follett embraces conflict like this; she says, “Conflict at the moment of appearing and focusing of difference may be a sign of health, a prophecy of progress.” (Follett 1995:71) While this cannot be true of all conflict it is an important principle to consider. Two opposing sides each wanting their own way can result in a deadlock or it can lead to an entirely new approach. This is innovation. This is how conflict can drive innovation.

In the Situation CLD it can be seen that innovation drives the communities that form organisations. Organisations are made up of people. It is the inter-relationship of these people and their value systems that will determine the governing principles of that organisation. As I see it governing principles are totally dependent on the principles of people that make up the organisation. These are the values that underpin the choices that each individual makes. When a group of individuals becomes an organisation then these principles are tacitly or explicitly incorporated into the community that has been formed. Governing principles are the fundamental building blocks in life that will be different for each individual. This means that these very deep and closely held ideals would often be the
source of conflict if the underlying values between individuals appear to be mutually exclusive. This is where the issues of diversity begin. The importance placed on various governing variables by each party will determine the nature of the conflict that ensues.

2.5.3.3. Understanding the Process

![The Process CLD diagram](image)

The third set of relationships focuses on the importance of the process as opposed to the less systemic way of looking at the input or outcome. The elements of common purpose, the law of situation and integrative management styles have been discussed in the situation CLD story. The nature of integrative management, as including more holistic and collective styles of management, means that it is a systemic approach. To understand the concept of systems thinking is to adopt an approach that is process, rather than product, focused. This is not to say that the product is not important but more to acknowledge the complexity of production.

To manage integratively is to concentrate on processes. Whatever process occurs will affect the authority of that situation. The view of authority that I am trying to illustrate is
that of Follett's. She says, "Authority should go with knowledge and experience, that is where the obedience is due no matter whether it is up the line or down the line." (Follett 1995:142) If this is the case then it is the process in play and the actors within that process that will dictate the authority of that situation. This authority will influence the common purpose. If the authority that is dictated by the situation is obeyed then the shared vision will be achieved. This occurs because the process that dictates the authority will have been decided using integrative management techniques that were determined by the law of situation, which is originally driven by the common purpose. This is the cyclical nature of the system.

2.5.3.4. The Value of Followers

Figure 13

The importance and strength of followers is highlighted in the fourth CLD. The inter-relationship between the four elements of common purpose, the law of situation, integrative
management styles and innovation have been discussed. The effect of innovation on governing principles is the next relationship. Here it is important to realise that some governing variables will not be obvious under certain conditions. When a situation changes as happens with innovation it is possible that implicit values that had not been affected by the prior activities are challenged. This may introduce an area of possible conflict as a result of not acknowledging the principles being changed and why.

Governing variables will dictate the expression of an individual. That individual will reflect whatever deeply held values he or she has as they live out their daily lives. The interpretation of these values will be reflected in individuality. Each person has different qualities. This is the essence of diversity. The expression of these qualities will be tempered by the governing principles that they hold. This individuality will affect the nature of the community to which it belongs. Within organisations individuals make up large groups of followers. The principles that these individuals express will affect the nature of their followership. If values and vision are shared then the followers will be a united front, if these principles differ fundamentally then the potential for conflict and dissension returns. The circle closes with the relationship between the followers and the common purpose. The followers should help to determine the common purpose but if they do not they will nevertheless influence the achievement of it since it is their governing principles that will be guiding the path they wish to travel.
2.5.3.5. The Influence of Leadership

In this diagram the relationships between Causes of conflict, innovation, the organisation, common purpose and the law of situation have already been discussed in the other CLDs. I will begin my story with the relationship that exists between the law of situation and authority. Here my ideas are drawn directly from those of Mary Parker-Follett. She would say that the law of situation is derived by the demands of that situation and if authority belongs to the person who has the expertise in that situation then it follows that the law of situation will drive the authority. Although this is the ideal being discussed even if the authority is hierarchical it will be driven by the situation that requires attention. In the same way the followers are driven by authority, be it their own internal authority or an external command.
The relationship between followers and leaders is an interesting one. I have chosen the driver of the interaction to be the follower. A leader without followers is no leader at all. This does not mean that leaders do not drive followers. To be a good leader it is important to inspire the activity of the followers, which could suggest the element of leadership is a driver but the influence of the followers on selecting and maintaining leadership suggests to me that followers actually select leaders and therefore drive the relationship. In making this assumption I am using Hegel’s argument about the domination of master and slave. He states that there can only be a master is someone agrees to be the slave. It is my argument that a leader can only be such if others elect to be followers; because of this I have chosen the element, followers to be a driver in this relationship with leadership.
2.5.3.6. The Effect of Education

The sixth CLD that is a part of the composite CLD is the one that I have called the education CLD. Education is about learning and developing competencies. Any organisation investing in the pursuit of training and education for its employees will benefit in a number of ways. The CLD shows that education drives the relationship of developing the organisation. As stated earlier the organisation is a community. It is my personal experience that by investing in staff training the reward of improved skills is not the only return on investment received. Employees feel nurtured and valuable if training is offered in the right way. This means that the training needs to be relevant and valuable. If an employee senses their value to an organisation through that company's investment in their training and education this will help to engender the employee's loyalty. An organisation will only be as good as the people working in it. Whatever skills and expertise employees bring to the workplace will profoundly affect the nature of the organisation.
The relationship within this CLD between the organisation, common purpose and the law of situation has been discussed earlier. The law of situation should drive education in that the situation will demand certain capabilities. If these skills are not available they will need to be learned. Therefore the law of situation is a precursor to education.

2.5.3.7. The Nature of Integrative Management

The end result of the relationships illustrated in the previous CLDs is the composite relationship that can be seen in the CLD drawn in Figure 16. Although this diagram looks complex it offers an insight into which factors are leverage points in these interactions. I did not include these leverage points while building up the relationships in order not to introduce too much complexity at once.

A Causal Loop Diagram looking at the Interactive Elements of Integrative Management

Having discussed the relationships between the various elements of the CLD I will not speak about them again under this heading. What I will focus on here is the importance of identifying the leverage points within the CLD. It can be seen from the diagram that 'the law of situation' is an important leverage point. This is not surprising, as it is a key feature of the style of management that Follett and Graham describe. Follett\textsuperscript{2} states that, "one
person should not give orders to another person, but both should agree to take their orders from the situation.” (Graham 1991: 143) In this way orders are depersonalised. Any situation has its own order and logic. Authority is inherent in the situation so the action required in that situation is effectively dictated by the situation. It becomes a common purpose.

In many ways I see this concept as being a useful insight in the management of diversity. If the 'law of the situation' was fully understood by the parties concerned, the conflict arising from the giving of orders would occur less often because the situation would dictate the action required. This would be understood to be the authority voice. Follett says that it is, “a different conception of authority, to let the job itself, rather than the position occupied in a hierarchy, dictate the kind and amount of authority.” This way orders are dictated by the task at hand, which means that there is less likelihood of resentment occurring. Unhappy staff may be inclined to perform badly which decreases the productivity of organisations therefore by decreasing the possibility of resentment an organisation could significantly increase its effectiveness.

Other leverage points seen in Figure 16 are the organisation and leadership. The leverage points are important because they indicate an area of influence. This means that any action taken in the region of a leverage point will affect a number of the relationships between elements within the CLD. This illustrates the value of knowing the leverage points in these complex relationships.

The aim of this exercise of drawing and discussing CLDs was to determine the drivers of integrative management, as I understood it. I have been able to determine the drivers of important relationships and key areas to concentrate on in my discussion on managing diversity through integration. The subject is vast and this series of systems techniques helps to refine the thinking surrounding the problem area. In this instance it has also highlighted aspects of Follett’s management ideals that are critical to the success of integrative management, which I had not seen to be important to the process of integration.


2.6. Developing the question

"Everything changes, and the only thing of any value is the question."

*From ‘Turlough’ by Brian Keenan*

The management of diversity is a critical skill required for the development and growth of organisations today. The problem area of diversity management has been discussed and the possible application of Mary Parker-Follett's concept of integration has been introduced. The question that I am asking is this:

Using the understanding of the essence of diversity researched in this project, what are the problems or benefits associated with the presence of diversity in the workplace and is the concept of integrative management a realistic and appropriate tool for the effective management of diversity in the workplace?

2.7. Exploring the Research Question

The Key Elements

The key elements of the question are to understand diversity and so be able to identify the problems and benefits as appreciated through this understanding and then determine whether integrative management techniques are valuable for managing diversity effectively.

The Implications

The presence of diversity will almost certainly introduce the potential for conflict within organizations. Conflict generally decreases efficiency and affects the morale of those individuals involved. Focussing on difference can result in power plays, certain groups affording themselves a superior or inferior status due to tacit or explicit ideals held by those members. These elements illustrate the negative side of embracing diversity.

The positive aspect of diversity is that to have difference is to have multiple perspectives. This increases the requisite variety inherent in the group. The law of requisite variety implies that for survival and growth it is necessary to conserve diversity. Variety implies a
number of states in which a system can exist. If a system is complicated it shows extensive variety. Simple systems do not have much variety. Ashby’s Law of Requisite Variety says, “The variety of a regulator must be at least as large as that of the system it regulates.” In this way variety becomes a measure of complexity because the more variety that exists within a system the more potential that co-exists to deal with myriad circumstances.

The potential chaos of conflict is also potential innovation as discussed in the literature review under the concept of Chaos Theory. This means that diversity introduces the possibility of chaos and conflict but the other side of the same coin is the potential for creative solutions to issues and problems. These are the implications of diversity within the workplace.

The main implication of integrative management is that it requires a clear goal. To achieve integration all parties must be prepared to contribute opinions and information in an open and honest manner. This may require careful management of the process, the need to create a ‘container’ or safe space in which individuals feel free to dialogue.

The issues
The initial issue was that of the health of organizations. This was discussed in the light of Arie de Geus’s idea of living organizations. My interest focussed on the health and longevity of companies. Growth and development are not generally spontaneous activities; they come as a result of careful analysis and resultant action strategies. The ideas expressed by De Geus echoed my own and so I investigated further. I work in a young company that is currently experiencing that ache of growing pains and I see the basic issue as identifying the problems that are stalling or stopping this growth.

One of the key issues that emerged as a result of this interest was that of communication. It became apparent during the research that one of our weakest areas was our ability to communicate. This was evident in the conflicts that occurred daily in different departments. As these issues were analyzed the core problem was a failure to communicate effectively.
The conflicts tended to arise out of a need to be right and an unwillingness to hear another point of view. This indicated to me a low tolerance for diversity. So the beginning of the research was to understand my own and other interpretations of diversity and then to investigate what this means to an organization in terms of the problems and benefits. Once this was achieved an appropriate management technique needed to be suggested and described. I liked the integrative ideal and the key to effective integrative management is open and honest communication, which dealt with the core problem area.

**Avoiding Type III Errors**

In “Smart Thinking for Crazy Times” Ian Mitroff states very clearly what is needed to avoid a type 3 error namely,

- Include all the stakeholders
- Broaden the scope of the issue
- Phrase the problem correctly
- Expand the boundaries of the issue
- Think systemically

**The Stakeholders**

In this research project I have kept these pointers in mind throughout the research process. Initially the stock issues were only dealt with in the ordering department. As it became clearer that the activity of this department affected other areas of the business it seemed logical to include other stakeholders. This concept seems very basic but it was not happening. When the company was in its infancy the necessary communication occurred as everyone was involved in almost every area of the business. The breakdown in real communication has happened as the company has grown in size and no formal communication requirements have been acknowledged.

**Broaden the Scope**

Broadening the scope of the topic was critical to the essence of this research. Initially I understood diversity to be about gender and race. So I approached the problem area with this focus but the conflict that we were experiencing was not solely about race or gender no
matter how many angles we approached the issue from. As we broadened the scope it became clear that the problem in hand was a diversity issue that involved differing technical abilities. Being able to name the diversity issue gave us clarity for the next step of phrasing the problem correctly.

Phrase the problem correctly
The problem that this research paper focuses on is the communication gap that exists between the finance and sales departments within my organization. The question is broader than the specific problem area, as I believe what I am looking at is inherently a communication issue that exists as a result of a diversity problem. The key to phrasing the problem correctly is understanding the core issues that surround the problem area. In my case it was necessary to clearly understand the concept of diversity. It was also important to have a clear idea of what integrative management was and what it offered as a solution to the problem.

Expand the Boundaries
The boundaries of the problem were expanded using Russell Ackoff’s Interactive Planning Process and the systems tools of AD’s ID’s and CLD’s. The IPP investigation illustrated the nature of the problem and by developing reference scenarios this highlighted the effect of other elements that needed to be considered as an integral part of the original problem. So the problem did not change but the frame of reference through which it was considered was expanded. Brain writing was used to collect all thoughts and ideas on the subject of integrative management. These ideas were clustered and named before being analyzed through the inter-relationship digraph and drawn out in causal loop diagrams. The result of this activity was to develop an understanding of integrative management. The drivers, outcomes and leverage points all offer different ways of understanding and dealing with the problem.

Think systemically
I have found the use of systems thinking to analyze problems profoundly beneficial. This is because the process followed of clustering ideas and then working out the drivers and the
outcomes within those ideas may highlight elements that had not been considered as important to the process. In my research of Follett’s work the CLD’s illustrated leverage points that altered my approach to the solution. Understanding what an important role the ‘law of situation’ plays in the process of integrative management was a key insight gained from approaching the issue systemically.

The Practical context

The issue of this research is the problem of managing diversity. The question guides the initial investigation into the meaning of diversity. This was covered in some detail throughout this section of problem formulation. The issue was theoretically analyzed and this argument was then transferred to the practical context in which the research was to be carried out. It was through this action phase that the diversity issue in play was revealed. A situation had arisen as a result of differing technical capabilities, which had led to alienation between departments within the organization. The problem was a diversity issue.

Once the essence of diversity is understood the question requires this knowledge to seek balance by demanding research into both the problems and the benefits that diversity introduces into organizations. This part of the question suggests that everything exists in equilibrium. The challenge therefore is to seek the best balance for the practical circumstances. Diversity brings with it multiple perspectives and with this the possibility of innovation, however it also introduces the prospect of conflict and disagreement. This conflict was already being experienced in the organization. By questioning what was actually happening helped me to see that it was a culture conflict. The old culture was one of conformity and autocracy that worked from a single perspective. This was a situation of essentially one-way communication facilitating a command and control approach practiced by the old leadership. The new culture was introducing the concept of participative leadership and teamwork. There was a clash of perspectives. This situation needed to be thoroughly investigated and the question guided the rigour of this research.
Identifying a problem is the beginning; a potential solution needs to be considered. In my case the idea of integration seemed to offer a possible route to the managing of the issue of diversity. This is the practical part of the research where the ideas purported are tried out in the actual situation.

The question, while broad in its context, can be used very specifically in this research project. The problem area of managing diversity is enormous therefore it is important to have boundaries within which the investigation takes place. My chosen subject and context is a diversity issue that exists around a problem concerning two issues that of differing technical capabilities in a changing organizational culture and the alienation that has resulted due to the previous traditional one-way communication style. This gives the research a direction and a purpose. The aim is to seek a solution to this problem.
3. Research Design

3.1. Introduction

This chapter introduces the concept of management research as a broad topic, defining what research is, what types of research exist and what the objectives of good research should be. Understanding the attributes that underpin research is essential. This is discussed under the philosophy of research design. The two research philosophies are detailed and compared to help select the appropriate route. The research method used can vary. In this project I am using an action learning approach to my research problem. The nature and value of action research is also highlighted in this section. The basis of my research question is then stated and the decision of approach justified. The next step is to determine the type of problem being dealt with. Is it a practical problem or a research problem? How to determine this and why it is important is illustrated in this section. The following section concentrates on the broad area of research methodologies. Systems thinking is introduced and discussed in some detail since the methodologies in use are based on the principles of Systems thinking. The characteristics of research are varied therefore the methodologies available are distinctly different. The value of hard, soft and emancipatory systems thinking are briefly mentioned and how to determine which methodology to use. An important part of research, as I see it, is the inquiry process. I have spent some time investigating researcher thoughts of this process. Much of Soft Systems Methodology (SSM) is based on the principles of inquiry so it seemed appropriate to include it in my discussion that leads up to a detailed description of this methodology. The final section discusses my choice of Soft Systems Methodology. I illustrate the fundamentals of the methodology, the philosophy behind its origin and the reason I have selected it for use in my own problem context.
3.2. Management Research

Research is a journey into the unknown in many ways. It is a process. To be driven by the outcome, the finished product should almost certainly be secondary to the process of exploration and discovery. There are three main classifications of research, namely, pure research, applied research and action research.

Pure research is the theoretical route. The results of this type of research can be divided into three broad categories. Discovery - the emergence of a completely new idea. This is rare and unpredictable. Invention - this result is more predictable and results in the production of something new to deal with a stated issue. Reflection - the outcome of pure research involves revisiting old theories and inventions from a different point of view. Applied research starts with a problem and searches for a solution. Action research was born of the idea that 'research should lead to change, and therefore that change should be incorporated into the research process itself.'10 (Easterby-Smith, Thorpe and Lowe 1991: 8)

Choosing the type of research to use is difficult. As the authors of 'Management Research'10 write, "Research is always hedged about with uncertainty and risk. Those who learn to work effectively and independently with this uncertainty will find they possess a skill that can be transferred very easily into management roles." (Easterby-Smith, Thorpe and Lowe 1991: 9)

Phillips and Pugh (1987)9 stated that good research has three main characteristics. Firstly, an open system of thought.10 This requires the researcher to suspend judgement and nurture a spirit of creativity, constantly to question questions and assumptions, to analyse ideas critically, to create new ideas and develop them even if they are largely unsupported by acceptable evidence. This is critical for data collection. If the person collecting the data, be it via the interview process or questionnaires, has judgements or preconceived ideas this could compromise the investigation substantially. In action research it is critical not to have an end in mind as this can interfere with what is trying to emerge from the data collection process. Secondly, to examine data critically,10 requesting evidence for conclusions drawn by other researchers. Thirdly, attempting to generalise the research.10 This would mean that
evidence and information gleaned from a certain situation may be transferred and be applicable to another.

### 3.3. Philosophy of Research Design

To decide which type of research methodology to use it is important to understand the philosophy of research design. Successful research produces results. For the research to be successful it is important to know what approaches are considered valid. Understanding the philosophy behind research will help the researcher to choose the most appropriate form of investigation.

Essentially there are two guiding philosophies for research. These are positivism and phenomenology. These two philosophies guide methods of research in very different directions.

The Positivist view is one that says that 'there can be no real knowledge but that which is based on observed facts.' The assumptions of this viewpoint are:
- Reality is external and objective
- Knowledge is only significant if it is based on observations of this reality

The focus of this form of investigation is the complete objectivity of the observer and the conditions under which the research is carried out. Validity is gained by the results being reproducible. Ideally, anyone could carry out the same experiment under the identical conditions and achieve the same outcome.

The Phenomenological view is one that states the world and 'reality' are socially constructed and given meaning by people. The focus of this type of research is to try and understand what motivates the different experiences that people have without trying to pin this behaviour down to external factors or fundamental laws.

In summary the choice of research design will depend on the focus of the research. "The appropriateness of a research approach 'derives from the nature of the social phenomena to be explored." (Easterby-Smith, Thorpe and Lowe 1991: 40) The positivist approach is fact
orientated. The problem is reduced to its constituents in order to gain a better understanding. The phenomenological approach looks for meaning and interaction. The problem is looked at holistically in order to better understand what is happening. Rarely is research strictly one or the other, in terms of these approaches, but it is important to understand that they represent, in their purity, diametrically opposed views.

My research problem will best be investigated from a phenomenological approach using grounded theory. The research problem I am investigating is socially orientated. How people behave, interpret and interact in their environments is core to what I am researching. The reality I am discussing is socially constructed rather than objectively determined as the positivist view demands. In a grounded theory approach the researcher uses intuition and feel to produce themes or patterns from the data collected. The nature of the data collected will be qualitative. These themes are then appraised and interpretations induced. Grounded theory is less prescribed than methodologies of the positivist approach. It opens the door for new insights and interpretations. However, it is important not to lose sight of the limitations this form of research has. The data often takes a long time to acquire and there is an additional risk with this method of research and that is that the data may reveal nothing of interest when it is finally collated.

Qualitative data collection methods have been defined as "an array of interpretive techniques which seek to describe, decode, translate and otherwise come to terms with the meaning, not the frequency, of certain more or less naturally occurring phenomena in the social world." (Easterby-Smith, Thorpe and Lowe 1991: 71). Therefore to gather information I will use informal interviews to collect data. This information will be obtained from various members of my organisation. I see the process as being iterative, as my understanding of the situation changes after each interview, I may request further interviews to refine the data collected or to collect new data.

I have chosen an action research approach as I have experience with the techniques of this form of research and have witnessed the efficacy of this approach. The nature of the research also dictates the fact that action research would be beneficial since participation
in a major part of the data collection process. Bob Dick says, 'to my mind a need for
responsiveness is one of the most compelling reasons for choosing action research.'\textsuperscript{11} The
benefit of action research is that both the researcher and the research process can
influence and change the situation under investigation. Clearly this affectation is not
appropriate in all instances but my research problem is a daily practical issue that requires a
practical solution. Instead of theorising about the benefits of management blueprints this
form of research puts the researcher at the 'coal face'. Here the people affected are
involved in finding the solutions and more importantly the problem issue is being attended to
during the normal course of events.

Therefore the action research approach using grounded theory and qualitative methods of
data collection will serve my needs well. The management problem I am dealing with is that
of trying to integrate optimum stock holding to cash flow. It is a dynamic issue. There are
no two days when the optimum stock and the working capital balance are the same. This
realisation identifies the problem as 'messy'. There are several quantitative checks that we
use to give us an idea of where we should be and yet the equation swings from side to side.
On reflection it seems to me to be a perfect scenario to use for action learning. As we work
with the problem it will evolve and change, as will the way we see and interpret it.

The father of action learning, Reg Revans\textsuperscript{33}, said, “Comrades in adversity learn from and
with each other through discriminating questioning, fresh experience and reflective
insight.” This comment describes very closely the situation I am part of and witnessing.
Action learning provides the framework for ‘learning to take action’. From this point of view
I realise that much of what is required in our situation is the benefit of multiple
perspectives. The situation we find ourselves in is filled with uncertainty and appears
extremely fragile. There is no certain solution or way forward that can be clearly seen.
What seems critical is to ask the right questions. Revans\textsuperscript{33} says, “Action learning requires
questions to be posed in conditions of ignorance, risk and confusion, when nobody knows
what to do next.” This accurately describes the scenario we find ourselves a part of. The
nature of this situation is such that it cannot be quantified. We need to formulate the mess
using critical thinking. (Mitroff 1998)\textsuperscript{4}
Action research can aid and inspire profound change because of the cyclical nature of the process. The process is recursive. It penetrates the layers of investigation subtly yet thoroughly. Charles Handy’s developed what he termed a ‘wheel of learning’ (see Figure 17), this is in essence what action research involves: research-learning-action-research

![Handy’s Wheel Of Learning](image)

Bob Dick also suggests that in action research your initial research question is likely to be fuzzy which means your methodology will be fuzzy too and clearly this will result in a fuzzy answer but if the fuzzy answer allows a refining of the original question and method then this will lead to precision. (Dick 2001:12) A critical principle to remember is: ‘let the data decide.’ With action research the data collected up to this point and interpreted is then used to determine the next move.

The aim of action research is to learn from experience and to apply the change that comes as a result of that experience. Interest and commitment on the part of the researcher is more likely to inspire change. If change is a key objective then ‘the researcher's role can be viewed as a cross between an 'importer' of new knowledge to organisational members and a medium through which individuals can express the way they view the organisation or change.’ (Easterby-Smith, Thorpe and Lowe 1991: 81)
For this reason I am certain that action research is the most appropriate route to follow for my investigation. I am an integral part of the organisation that I am investigating and I believe the change that I wish to inspire will enhance our competitive advantage in the future.

3.4. Determining the Type of Problem

In research problems are divided into two types, practical and research problems. The area of integrative management to deal with diversity is the area of interest. The problem is philosophical on an ethical level but also highly practical. Managing diversity is an everyday challenge in my organisation. I see the problem that I am trying to resolve as a practical one but the route to the solution is through research. The authors of "Craft of Research" suggest that a practical problem inspires a research question, which becomes a research problem to be solved. The research answer determined is then used practically to solve the original management problem. These ideas are summarised in Figure 18 (Booth, Colomb and Williams 1995:49)

![The Type of Problem Diagram](image)

Figure 18

The nature of this research, with myself being part of the problem as well as being the researcher, suggests that an action research approach would be best suited. Bob Dick defines action research as a methodology that has the dual aims of action and research,
action to bring about change in a particular context and research to increase understanding. This type of research requires the use of actual practice for the research to be valuable. Action research requires participation. This stimulates and enriches the learning. With action research as much as you investigate you change. So it is with the topic I have chosen. It is as dynamic as the nature it exhibits.

3.5. Research Methodology

3.5.1. Systems Thinking

In "Creative Problem Solving" Jackson and Flood introduces systems thinking as an approach where, "the concept 'system' is used not to refer to things in the world but to a particular way of organising our thoughts about the world." (Flood and Jackson 1999: 2) Systems thinking developed in the 1940s when the current mechanistic thinking of the day failed to describe certain phenomena like biological organisms. In mechanistic thinking the system is made up of parts, the whole being the sum of the parts. In systems thinking the system is a network of parts, the whole being greater than the sum of the parts. There are arguments, which suggest that systems thinking is limited and restricts descriptions of phenomena. Systems thinking has developed and grown since its inception. New methodologies have arisen to deal with increasingly complex issues. Initially systems thinking developed in the field of engineering and operation research. This is termed hard systems thinking. The problems are simple, the system having few sub-systems and the participants are considered 'unitary' as they share common interests. For more complex problems methodologies like Stafford Beer's Viable System Model were designed to illustrate what certain systems require to make them viable in the long term. As the number of sub-systems within a system increases and there are more interactions the problem becomes more complex. When the participants have a compatible interest but do not necessarily hold the same values or beliefs then they are defined as 'pluralist'. The methodologies developed to deal with this research circumstance are Soft Systems Methodology by Checkland and Russell Ackoff's Interactive Planning and Strategic Assumption Surfacing and Testing (SAST) developed by Churchman. They were developed to deal with complex and 'messy' situations otherwise referred to as soft problems. Those
participants with no shared interest or desire to reach a compromise are labelled coercive. This has required the development of novel approaches. Such a methodology is Critical Systems Heuristics (CSH), which has been described earlier in this paper under the literature review. From my experience the value of systems thinking as a research tool should not be under-estimated. Figure 19 illustrates the progress in this field of systems thinking.

**Progress in Applied Systems Thinking**

![Diagram from "Systems Approaches to Management" 36 (Pg 95)](image)

Depending on the type of research problem the diagram above can help to direct a researcher towards a methodology that is suited to the problem at hand.

**Systems Thinking Tools**

Within the field of systems thinking certain systems tools have been developed that are extremely powerful if used correctly. The value of the systems techniques is that they
allow a large 'information dump' which can then be sorted using the techniques that I will describe. Probably the most exceptional benefit of using these tools is the space that can be created for true innovation and insight. The data is collected and related using the process described below. Relationships that had never been recognised before may be found in the process of this activity. The insight can be astounding.

To collect data a technique called brain writing can be used to collect all the words and ideas associated with the topic of research. This is effectively a brainstorm session. Collecting and grouping learning points, critical incidents or any relevant data can also be used. Creating an affinity diagram (AD) (See Appendix II) reduces this list of words, thoughts or ideas. In an AD, topics with similar meanings are collected and grouped under an overall heading that describes the contents of that grouping. These headings are then used to create an inter-relationship digraph (ID) (see Appendix III). The aim of this process is to show the relationships between the various elements. This is achieved by drawing arrows into and out of the elements depending on whether they drive the relationship or are an outcome of that interaction. The result is a series of inter-relationships. The next step is to determine which elements are the drivers and which are the outcomes of the whole ID. From this a causal loop diagram (CLD) (see Figure 16) can be traced which connects several of the elements within the ID. The resultant CLD is then used to describe the story of the relationships between these elements.

In his book on 'Systems Approaches to Management'\textsuperscript{36}, Michael Jackson points out the importance of understanding the word methodology which is used extensively when discussing the systems tradition.

"Methodology concerns itself with the study of the principles of method use, in the sense that it sets out to describe and question the methods that might be employed in some activity."(Jackson 2000: 11)\textsuperscript{36}

The point that he is making is that the methods used to collect data and interpret it must have a sound basis. The methodology establishes the principles behind the methods used. In other words similar methods could be used in differing methodologies. The rational behind
the methods used will depend on the research approach of the methodology employed. Jackson also points out that the systems methodologies are based upon the four most common research approaches found in social sciences, these being, functionalist, interpretive, emancipatory and post modern (these paradigms are discussed in more detail under Soft Systems Methodology.)

In the same chapter Jackson discusses the relationship between methodology, theory and practice. Jackson draws on Checkland's ideas for good research. Checkland uses the terms, 'framework of ideas' (F), methodology (M) and 'area of concern' (A). The framework of ideas is the expression of the information gleaned through the research process. A methodology appropriate to the F is then selected to investigate an area of concern. Jackson puts it this way, "From F a systems model is derived that seeks to explain the behaviour of some aspect of external reality. Methodological rules are applied to test the predicative capability of the model; to bring it into closer correspondence to A." The diagram below illustrates how Checkland saw the process. (Jackson 2000:12)

![Diagram](image)

Diagram from "Systems Approaches to Management" (Pg 12)

Essentially this diagram illustrates the structure of this research. The ideas of Pauline Graham and Mary Parker Follett, particularly regarding diversity, have been researched. The aim is to now choose a methodology appropriate to this research situation. The results gained using this methodology will then be used to investigate a particular area of concern within my organisation. The aim being to ensure that each area of the research, F, M and A are all given appropriate emphasis.
"The result of this linking should leave us with an improved capacity to learn about F, M and A, and to act in A." (Jackson 2000:16)36

3.5.2. Selecting the Research Methodology

**Viable Systems Model**

There are several action research methodologies to choose from. It is important that the methodology be suited to the problem under investigation. There are a number of methodologies to choose from depending on the purpose and nature of the research being carried out. Initially I was drawn to Stafford Beer’s Viable Systems Model (VSM) because the problem appeared to be operational. VSM falls into the research category of hard systems thinking. This type of systems thinking relies on rationality and logic to resolve issues. Here the organisation assumed to be a logical structure of communication and control. The Viable systems model is made up of 5 systems, which could be labelled implementation, co-ordination, control, development and policy. The premise of the model is that for an organisation to be viable all the systems must be present and functioning. The VSM methodology represents a functionalist viewpoint. Discovering that the VSM approach was essentially functionalist helped me understand its limitations for use as my research methodology. The goal to achieve appears to be stability. While I saw the problem issue of stock holding and cash flow as essentially operational I sensed that there was an underlying secondary process that was more to do with rational teleology than with the activities being carried out.

In the words of Checkland I see organisations as "processes in which different perceptions of reality are continuously negotiated and renegotiated." VSM could lead the researcher to focus too much on the organisational design as opposed to the individuals who are expected to work within that design. Jackson suggests, "VSM does not cater for the purposeful role of individuals in organisations. The model suggests that it is to the advantage of organisations to grant maximum autonomy to individuals. Nevertheless, the emphasis remains overwhelmingly on systemic/structural design to the neglect of the requirement to manage processes of negotiation between different viewpoints and value positions."
(Jackson 2000: 176.) The more that I have come to understand my problem situation the clearer it has become that the diversity issue that we are experiencing is embedded in differing viewpoints and value systems held by the various individuals involved. Therefore I would like to acknowledge the value of VSM as a tool for diagnosing and designing better operational systems within an organisation. However, for my purposes it lacks the flexibility needed for my role as an observer and a participant in the problem scenario.

**Strategic Surfacing Assumption and Testing**

My paradigmatic frame of reference is interpretive which suggests that my approach to this research will be to seek an understanding of the systems in play from the point of view of those who originally constructed them. In the search for an appropriate methodology I also considered using Strategic Assumption Surfacing and Testing (SAST). SAST has four main stages: group formation, assumption surfacing, dialectical debate and synthesis. For my purposes the most appropriate seems to be soft systems methodology (SSM) for a number of reasons. Before deciding categorically to use SSM for my research methodology I read about various types of approaches and experiences of researchers before me. Much can be gained from the hindsight and wisdom of those who have gone before. Research is an inquiry process. This seems to me to be a very important point. The essence of the inquiry process will affect the nature of the data collected. Mitroff constantly labours the necessity of asking basic questions and challenging assumptions. Because of this I spent some time considering the elements necessary for a valuable enquiry process. The following discussion combines a number of researcher thoughts about the nature of inquiry. The similarities of ideas lead me to ‘superimpose’ the steps to deepen my understanding of the requirements of inquiry.

### 3.5.3. The Inquiry Process

Dick describes what he terms an inquiry process. What is interesting is that the features of this process are inherent in SSM so I have included it in my methodology. (See Figure 21) The inquiry process is a critical part of action learning. Revans highlights the importance of this by stating that, “identifying the questions is the task of the leader.” Mitroff also
impresses the importance of asking the right questions in order to solve the right problem. In an article entitled 'A Systems Approach to Problem Structuring and Solving'\textsuperscript{14} the sequence of inquiry is discussed in 3 phases: immersion - problem structuring - designing a solution.

What I have done is combine the diagram from Dick's work (Figure 21) and the phases of inquiry set out in the article 'A Systems Approach to Problem Structuring and Solving'\textsuperscript{14} because the process is described similarly. I felt this similarity in approach significant so I have combined my descriptions of this 'inquiry process' discussing first the numbered section of the diagram (i.e. \textit{1,2,3,4}) followed by what I see as being the equivalent phase as described in the article about problem solving and structuring. This serves as a preamble to my discussion on pure SSM.

\textit{Figure 21}

Discussion on the process of Inquiry as represented in Figure 21

1. The immersion phase: The author suggests that it is difficult to remain objective in a problem situation therefore the problem solver needs to immerse himself in the problem before trying to define it. The definition is the essence. The process or dialectic, as Dick calls it, is the switch between reality and the description of that reality. To test out the description Dick suggests that the question to ask could be: What is the system achieving or trying to? (Dick 2001:20)
Using the problem structuring and solving idea the approach is as follows:

- **The Immersion phase** in the 3-phase system suggests ‘telling the story’, this forces thought about the problem before action is taken. It is important to get multiple perspectives on the problem. Inviting responses from the stakeholders about their concerns does this. This may result in a large quantity of information. A technique for sorting this information out is constructing an Affinity Diagram (AD). Here similar pieces of information are clustered together under categorized headings that are meaningful and relevant to the problem situation. It may also be helpful to draw a ‘behaviour over time graph’, which connects what is happening now to what has happened previously to ascertain if there are any trends, or patterns that have developed. The final step of the immersion phase is the focusing statement. This statement serves as a direction to the research. The purpose of this statement is to determine, firstly, what you are trying to achieve, secondly, what is stopping this and thirdly, what resources are at hand to guide this process.

2. The next step requires describing the essential elements of the system as an ideal. This process is the dynamic between what the system actually is and what it is capable of achieving.

- **Structuring the Problem** - this relies heavily upon the accuracy of the immersion phase. This phase provides the theory as to why the certain problem situation might exist. An Interrelationship Digraph (ID) can be drawn from the AD derived during the immersion phase. The interrelationships determined might lead to a story that converts the ID into a Causal Loop Diagram (CLD). The CLD can then be used to develop a theory about why and how the problem is being generated. Once the CLD has been derived it is necessary to reflect on it critically. This is the time to look at the theory developed and to determine what is happening and what to do about it.

There are four areas to concentrate on:

- The purpose of the system
- Mental models
Embracing Diversity through Integration

- The larger system
- My personal role

3. This stage compares the actual situation with the ideal model. From this point proposed changes can be made.

4. This is the process where the proposed changes are implemented in the real situation.

- **Designing a Solution** - this part of the process is where solutions are created. "The most powerful interventions often involve changing the thinking of the people involved in the system" (Ryan 2000:10)

In many ways the inquiry process just described underpins the entire SSM methodology. It uses different words and slightly different techniques to achieve the same purpose. I believe that keeping this process in mind can only enrich the research process using SSM.

3.5.4. Soft Systems Methodology:

"In soft systems thinking the emphasis is, rather, on what we ought to do and on participation and learning."  

Michael Jackson

The essence of a systems approach requires the maximum participation of those involved because every individual holds a unique worldview that, by virtue of this fact, must be restricted. Gaining multiple perspectives by asking questions of the participants about how they perceive the problem situation, serves in some way to examine the subjectivity of the investigation. In the field of soft systems approaches the 'system' refers to the vehicle used to order thought processes about the problem context, as opposed to accurately describing the real problem. This is because, in fact, the real problem is not so much a tangible constant but more an evolving and changing issue. Also Checkland warns of the danger of using a 'system' to describe the way the world is because we will then assume that the world comprises solely of systems and will therefore begin all investigations by first
seeking out 'the system'. Checkland says, "the 'system' as a concept is better reserved for ordered, abstract thinking about the world." This is because as an interpretive thinker, Checkland understands "social situations through action concepts (words that describe actions) which are meaningful in terms of social rules and practices (the described actions are understood through agreed interpretations of intentions or conventions) and constitutive meaning (fundamentally the reasoning why something should or should not be done in a particular way)." (Flood and Jackson 1999: 170)

The Paradigm View
This thinking led Checkland to conclude that there are two paradigms in systems thinking namely Paradigm 1, the hard paradigm and Paradigm 2, the soft paradigm. More recently this idea has been expanded using Burrell and Morgan's classification of sociological paradigms to include a further 2 paradigms. Burrell and Morgan's paradigms were developed around the differing assumptions social scientists make about the nature of social science and society. Jackson used this framework to show how social theory is inherent in all forms of soft systems thinking which makes the approach capable of intervening and changing social reality. The hard paradigm has been called the Functionalist paradigm, the soft paradigm is called the interpretive paradigm and the other two have been named emancipatory and post-modernist paradigms.

I will briefly describe the attributes of each paradigm, as it will give the reader a frame of reference for this project, which is viewed through my own interpretive paradigm. Additionally the SSM methodology is viewed as being interpretive in nature. In the functionalist paradigm it is possible to draw a model. The system is regular and predictable. The relationships inherent in the system are essentially uncomplicated. In the interpretive paradigm the aim is to achieve coherence. Individuals are expressing diverse values so integration is sought by getting involved and trying to understand why the participants do what they do. Therefore a model of the system can rarely be built. The emancipatory paradigm acknowledges the contradictory nature of human beings, the purpose of this system being to unmask domination and promote radical change. The post-modern paradigm seeks to understand the intentions of the individuals who constructed the system.
Jackson says the basic goal of this paradigm is reclaiming conflict. The point being to look at what is not being said and to allow space for 'lost voices'.

The basis of this theory is that each individual views the world through a certain paradigm. Paradigms cannot be mixed or multiplied. It is simply a description of a way of seeing the world that is inherent in the viewer. That is not to say that one cannot understand the world through other paradigm views but that each individual has a 'default' paradigm view through which he or she makes sense of the world. A conscious effort is required to move paradigm views and when viewing through one paradigm the other paradigms are not present. One cannot see the world through a functionalist lens at the same time as seeing it through an interpretive lens. The criteria of each paradigm are so different that they cannot be met at the same time.

The 'Hard' View versus the 'Soft' View

The hard view of the nature of problems assumes a potential solution. The assumption is that the participants all agree and the answer lies in determining how to attain the outcome. The soft view sees the problem as having arisen from a situation where the participants have differing opinions about the same problem situation. Each view is relevant and cannot be ignored if the issue is to be successfully resolved. The participants may disagree with each other but there is a common purpose, which creates a platform from which the players are committed to finding a solution. The assumption of the SSM approach is that while a conflict exists it must have occurred within a context that is cohesive and where differing interpretations are not fixed but need to be expressed. The answer lies in finding out what should be done. The 'what' question suggests that the issue at hand is the need to reach agreement. The way that SSM searches for the resolution to this question is by attempting to "draw in and explore a diversity of viewpoints as part of the decision-making and intervention process." (Flood and Jackson 1999: 169-170)

Using Soft Systems Methodology

Soft systems methodology is recommended for a problem that requires formulation rather than one that needs a solution. Flood and Jackson say this, “Essentially, SSM has been
developed for use in ill-structured or messy problem contexts where there is no clear view on what 'constitutes the problem', or what action should be taken to overcome the difficulties being experienced." It was reading an article by Nandish Patel\textsuperscript{12} that affirmed my rationale to use SSM. In his article “Application of Soft Systems Methodology to the real world process of Teaching and Learning” he states that, "At the other end of the continuum, (from 'hard' problems) the "problem" cannot be formulated and stated precisely, in fact, often the "problem " is simply an area of concern requiring attention." (Patel 1995:13) The area of concern that I am investigating is that of the management of diversity within organizations. One of the advantages of SSM is that it 'permits an examination of the various perspectives people have.' (Patel 1995: 22) The value that SSM creates for me is the holistic view it gives of the area of investigation.

Flood and Jackson declare that there are four main principles to acknowledge when using SSM. These concern learning, culture, participation and the "two modes of thought". The learning is describing a cyclic process. The aim of the exercise is to achieve action while in a turbulent and changing environment. Using this methodology the way forward is determined by relevance to the situation, acceptability in terms of organizational culture and without abandoning the fundamentals of systems thinking. From the cultural aspect it is important that SSM works within the boundaries of the social rules and practices. Participation has been mentioned before and the success of any SSM analysis will depend largely on the participation quotient. The "two modes of thought" refers to the abstract thinking applied in the development of the root definitions and conceptual models and the 'real world' thinking. Flood and Jackson warn that it is important to keep these principles in mind when applying SSM to the field of problem solving.

Dick\textsuperscript{11} describes SSM as a non-numerical approach to diagnosis and intervention. (Dick 2001:19) He describes his outline of the inquiry process (See Figure 21) as a series of dialectics. This word means the art of critical examination into the truth of opinion or the investigation of truth by discussion. To me this is very descriptive of the research process and the methodology, which is why I have made special mention of it. It is important to keep
in mind the research problem and the method by which that problem is to be investigated and resolved.

The SSM approach I used for my analysis was the seven-stage Checkland Methodology:

**Checkland's 7-stage Soft Systems Methodology**

1. Identify the problem situation or area of concern
2. Draw a Rich Picture to give some structure to the area of concern
3. Derive Root Definitions for the relevant systems
4. Construct conceptual models of these systems
5. Compare the conceptual model with the real life situation
6. Discuss the comparisons with the relevant people
7. Debate the action for change

The specific steps of SSM are outlined in Figure 22. Jackson summarizes the SSM process very well, “Analysis in soft systems approaches, should consist of building up the richest possible picture of the problem situation and not of trying to represent it in a systems account. Given that it is not obvious which system needs to be engineered, it is more appropriate to draw out of the analysis a range of systems relevant to improving the problem situation, each expressing a particular viewpoint of it. These notional systems can be named in “root definitions” and developed more fully in “conceptual models”. The use of SSM will therefore lead to the construction of a number of models to be compared to the real world rather than just one as in hard methodologies. Finally, while the models produced
by hard approaches are blue-prints for design, conceptual models are contributions to a debate about change.\textsuperscript{36} (Jackson 2000: 247)

Stage One:
The starting point is to identify the problem situation or area of concern. This has been done in the earlier chapters of this project using the systems thinking tools of AD, ID and CLD production. This part of the process is not to be glossed over glibly, if the problem is not formulated and represented well the rest of the research will be weak.

Stage Two:
The second step is the compilation of a rich picture. This complied using the data, ideas and perceptions gathered from all those involved. The aim being to produce, in Michael Jackson's words, "the richest of pictures." This picture should illustrate an idea of the context of the current situation as all those involved see it. The rich picture should be 'neutral'. The emphasis being on determining the 'structure' and 'process' and considering the relationship between them, "the climate"\textsuperscript{36}. The benefit of drawing a rich picture is that it encourages the sharing of ideas between the participants. Interrelationships can be made clearer and a picture is easier to remember by all involved.

A reliable method of data collection is important. There are several methods for data collection. The one that I will use is one-to-one conversations in the form of an interview. The literature supports this method as a valid form of data collection. The only disadvantage being the length of time it takes to accumulate the information. The benefits of using the interview technique is that it offers 'the opportunity for the researcher to probe deeply to uncover new clues, open up new dimensions of a problem and to secure vivid, accurate inclusive accounts that are based on personal experience.' (Easterby-Smith, Thorpe and Lowe 1991: 73) From another point of view it promotes an understanding of 'how individuals construct the meaning and significance of their situations...from...the complex personal framework of beliefs and values, which have developed over their lives in order to help explain and predict events in their world.' (Easterby-Smith, Thorpe and Lowe 1991: 73)
The interview process is one that demands skill and precision. It is very easy to glean information but if it is not relevant to the context being investigated it is of little value. The interviewer needs to have an understanding and empathy for differing points of view. She also needs to be able to assist the interviewee in exploring his own beliefs and ideas on the subject. Using an unstructured or semi-structured interviewing process is appropriate when:

- It is necessary to understand the constructs that the interviewee uses as a basis for her opinions and beliefs about a particular matter or situation.
- One aim of the interview is to develop an understanding of the respondent's 'world' so that the researcher might influence it, either independently or collaboratively, as might be the case with action research.

The interviewing technique, especially if the interview is not structured, is a key point of action research. To maintain the flexibility and ensure collection of valid data it is important to state clearly to the interviewee the area of interest. So guiding questions are a good idea to keep the focus without restricting the input of the interviewee. This way themes and patterns can be drawn out as the data is collected. As with all action research the process is collaborative. This means that each time inferences are drawn and data is collated this needs to be shared with the participant in the process to ensure the information they have divulged has been accurately interpreted as they see it.

Stage Three

"The root definition should be a condensed representation of system in its most fundamental form." 

Michael Jackson

The next step of the SSM process is to derive root definitions of the relevant processes. The rich picture forms the basis from which the root definition can be derived. Nandish Patel states that, "it is the root definition which adds structure to the area of concern." (Patel 1995: 15) The root definition describes what problem needs to be resolved and the system in which that problem exists. It is possible to have as many root definitions as there are worldviews or weltanschauungs. In other words the root definition reflects the different
perspectives of the problem context. So root definitions are not right or wrong but the insight they represent into the situation may vary. A mnemonic CATWOE is used to check whether a root definition has been well formed. The letters of this acronym stand for Customer, Actors, Transformation, Weltanshauung, Owners and Environment, the two most important elements being the transformation and the weltanshauung. Patel\textsuperscript{12} states that the Catwoe asks: “who is doing what for whom, and to whom are they answerable, what assumptions are being made, and in what environment is this happening?” (Patel 1995: 16-17)

Stage Four

“Conceptual models do not seek to describe the real world or some ideal system to be engineered, but are merely accentuated, one-sided views of possible, relevant human activity systems.” \textit{Michael Jackson}\textsuperscript{36}

Once the root definition has been determined the next step in the SSM methodology is to create a conceptual model. The conceptual model is as it suggests a concept. The model is not a real world situation but rather one that describes the activities of the transformation process required to achieve the purpose of the system. Jackson says practically that, “Conceptual models consist initially of seven or so verbs, structured in logical sequence and representing those minimum activities that are necessary to achieve the purpose enshrined in the root definition.” (Jackson 2000: 254) The root definition expresses what the system \textit{is} and the conceptual model describes what it \textit{does}. In his research Patel\textsuperscript{12} derived a conceptual model in which he describes 13 activities in the transformation process. This he terms level 0. He then discusses the need for controlling and monitoring of the system. This adds a further 5 activities into his original conceptual model which he now calls level 1. The final resolution of the model is to level 2, which add in the activities of the decision makers or the owners. As I see it this resolution can only enrich the depiction of the situation and therefore aid the determination for a lasting solution. The overall aim of the conceptual model is to provide a basis from which to begin a debate around the resolution of the problem situation.
Stage Five

Once the conceptual model is completed it is compared to the real world situation activity by activity. The comparison is between the activities that actually occur in the real world and those developed using the root definitions and conceptual models. This comparison will then determine the basis of the recommendations for change within the system being analyzed. Patel says that the stage of conceptual modeling is a valuable intellectual exercise. It enables clarification to take place of what needs to be done to achieve certain objectives (purposes), which is not always possible in other forms of problem resolution because of their emphasis on determining “how” to achieve the results. Indeed in the pressurized environment of the real world situation, often getting things done is more important than stopping to think exactly “what” is being done and why.” (Patel 1995: 22) The sequencing of these activities is a further benefit of the conceptual modeling process because it may not just be the activities themselves that are important but the order in which they occur. In other words the worldviews expressed are examined and their effect on the activities, or sequence of activities of the system under scrutiny is debated.

Stage Six

Debating the action for change is the penultimate step in the SSM process. It is important to acknowledge the need for debate. This process is a highly participative one and it is vital that the cycle is completed as such. For any profound change to occur there has to be a change of thinking. This type of shift does not occur through the dictation of orders. It is well documented that real change has to be a choice and a decision on the part of those involved with the change. Also there is a distinct possibility that the activities described in the conceptual model may be impractical in real life. Only those involved in such activities will be able to discern the feasibility of an alternative option as suggested in the systems model. This is the stage of SSM where integration can occur. If this point has been reached with the full participation of the organizational actors the chance of integration and resolution is much higher.
Stage Seven
This is the point where the action determined in the previous stages is implemented. This action will have been designed to improve the problem situation. What Checkland points out now is that this change gives way, either directly or indirectly, to a new problem situation and the cycle of learning starts again. Jackson supports this point saying, "Problem resolving in social systems is, for Checkland, a never-ending process of learning, in which participants' attitudes and perceptions are continually tested and changed, and they come to entertain new conceptions of desirability and feasibility." (Jackson 2000: 260)36

3.6. In Summary

"Managers are absorbed by the pressures and concerns of their immediate environments. They act and react according to their personalities, knowledge, and so on and are unlikely, on an everyday basis, to operate according to the rules of a methodology. Rather than being methodology driven they are situation driven." Michael Jackson36

The critical factor, therefore, that determines the use of this methodology is its practicality. The implementers must be able to make sense of their situation and value the action suggestions. Visible results that add value are required. Checkland said that SSM takes as its task the management of "myths and meanings". This is an important point as it is through myth and meaning that individuals make sense of their circumstances. Organisations consist of people daily carrying out this activity of sense making be it in a personal or professional capacity. Therefore the functioning of organisations is dependent on this sense-making activity. Therefore the need to encourage debate surrounding the differing assumptions that individuals make about the world is important. The 'facts' of a situation can be interpreted in myriad different ways and it is necessary to acknowledge this point. It seems that there are not really right ways and wrong ways of describing the world but rather different ways.

The SSM process is presented in the literature, and has been here, as a seven-step process, but the various authors' stress that it is rarely used so rigidly. It offers techniques that
can be adopted philosophically but adapted practically to reflect the character of each user. Checkland wanted to create a tool that would be useful to managers dealing with complexity and diversity on a daily basis. The practice of SSM may seem lengthy but it is not designed to be cumbersome. My experience with it has shown me that it does take some getting used to but practice is the key. When this form of investigation becomes second nature organizations and individuals cannot fail to experience a profound benefit. It is a powerful tool in the practice of management particularly in the field of diversity.
celebrate hybridity, impurity, intermingling, 
the transformation that comes of new 
and unexpected combinations of human beings, 
cultures, ideas, politics, movies, songs. 
....rejoice in mongrelization and fear the absolutism of the Pure. 
Mélange, hodgepodge, a bit of this and a bit of that
is how newness enters the world"

Salman Rushdie 1991
4. Literature Review

4.1. Introduction

"There is one and only one social responsibility of business - to use its resources and engage in activities designed to increase its profits, so long as it stays within the rules of the game, which is to say, engages in open and free competition, without deception or fraud."

Milton Friedman

The focus of this research project is looking at the potential benefit of integrative management techniques for the effective management of diversity in the workplace, particularly within my own organisation. In my research I have investigated my understanding of the concept of integration by looking at the subject from a variety of aspects. My main focus is on the nature of integration as a tool for dealing with difference, but I have also looked at it from the perspective of managing conflict situations and the possibility of its use in the management of change. Diversity is my main interest so I have taken the research further into this field to deepen my understanding of it. I examined the subject of diversity from three points of view, these being, chaos theory, communication and systems thinking. Chaos theory suggests a different viewpoint in the managing of diversity. Essentially chaos theory is about the management of unpredictable phenomena, so too is the management of diversity. In the text I draw parallels on this point. Communication is a vast topic. In this area I have chosen the elements of conversation, dialogue and language to broaden my knowledge of this subject. Systems thinking is also a subject that covers myriad methodologies and ideas. In discussing this area of my research I will focus on action research, soft systems methodologies and the use of paradigms through which we view the world.

Integrative management is defined broadly as being a situation where both sides achieve their desired outcomes without sacrificing anything. This is the view that Follett and Graham hold. The subject of integration is not unique, rather different labels are applied to similar processes. Russell Ackoff’s ‘Circular Organisations’ echo to some extent the ideas
held by integrative management. Similarly to my discussion on integration I have applied the lenses of diversity, conflict and change management to Ackoff’s concepts in order to understand them better. The concept of diversity is discussed from the point of view of stakeholder theory. Conflict is considered from the point of view of Critical Systems Heuristics (CSH). The aspect of change management is discussed from the point of view of production and production capability and what that means.

I have included the topic of mental models in my literature review because they play an important part in the success or failure of integration and circular organisations. Mental models are beliefs, that each individual holds, which affect the type of decisions made. To ground the subject of mental models I have discussed it in the light of single and double loop learning, critical thinking and the practice of reflection and inquiry.

The overall view that I wish to portray is that integration is a generic thread that runs through all the elements discussed. Integration weaves its way through and around the activities that constitute the practice of management in myriad domains, social, cultural, racial and intellectual to name a few. In this paper it is reviewed in more depth as a concept to use within the domain of dealing with diversity.

4.2. Integrative Management

Mary Parker-Follett has used the term integration extensively in her writings on Management in the 1920’s. She says, “When two desires are integrated, that means that a solution has been found in which both desires have found a place, that neither side has had to sacrifice anything.” Pauline Graham is a devoted follower of Follett’s work and wrote a book entitled “Integrative Management: Creating Unity from Diversity.” In her introduction she writes, ”This book is addressed to the practising and aspiring managers who would like to understand better the process and function of managing so as to become more effective leaders.” Management is a process; it is an organising activity that is part of the basis of life. The outcome of this process will depend upon the skills and resources used to carry it out.
4.2.1. Diversity

In the foreword of Pauline Graham’s ‘Integrative Management’ Ronnie Lessem has this to say about The Individual and the Group, "the more diverse the groups that the individual belongs to, the more he or she develops as a person. The more diverse the associations in which the enterprise is engaged, the more it develops as a business and cultural entity." (Graham 1991: xiii) Palmer and Hardy talk of an 'integration' philosophy in their book ‘Thinking about Management’. The example they use is the integration of work and family issues into the organisation’s culture. In my organisation I am trying to create an 'integration philosophy' between the sales and finance departments. The historical animosity that I have discovered between departments within organisations strikes me as being extremely inefficient. Each area requires remarkably different capabilities in order to succeed. This is the root of diversity. What appears to have happened is a "no interference, you wouldn't understand" type approach. This has resulted in intolerance developing between these departments. I wondered if this was specific to my own organisation but inquiry into the nature of other organisations has led me to conclude that this lack of integration between departments is widespread. On reflection I had to admit that I myself was guilty of contributing to this separatist antagonism.

To begin this journey into understanding the concept of diversity the initial step for me was to appreciate the potential benefit of difference. Jack Welch has this to say, “in manufacturing we try to stamp out variance. With people variance is everything.” (Welch 2001: 157) Clearly diversity is valuable; therefore a rich understanding of this element needs to be gained in order to tap the resource effectively to enhance both better productivity and staff morale. The question is what exactly constitutes diversity? Palmer and Hardy say this, "Observable diversity includes distinct, identifiable differences such as gender, race and ethnic backgrounds. Non-observable diversity may include education, technical abilities, functional background, tenure in the organisation and socio-economic background, personality and values.” Clearly these categories are not mutually exclusive. What is important to know is that managing people requires understanding these boundaries of difference that separate people. In my own case I am looking at the unobservable
diversity that surrounds the field of technical abilities. This is not to exclude the other dimensions of diversity, of which there are many in this case, but rather to frame the direction of this research paper for the reader.

4.2.1.1. Chaos theory

"Physicists like to think that all you have to do is say, these are the conditions, now what happens next?" Richard P. Feynman

What has struck me in much of the reading I have done is the potential benefit to organisations that embrace the opportunity to encourage diversity. It struck me that Chaos theory went some way to illustrating this benefit. Chaos theory explains the behaviour of unpredictable phenomena. I would suggest that managing with diversity is dealing with the unpredictable. Accepting uncertainty is the challenge. I would suggest that Feynman's quote (above) about physicists could be equally used for managers. There seems to be a desperate need for predictability. Perhaps the initial acceptance gained needs to be this very idea. Once managers accept that nothing is certain then, as with chaos theory, patterns can be sought and analysed and then possible predictions made depending on the nature of the pattern observed.

The essence of Chaos theory is the existence of a paradoxical relationship between stability and instability. At a critical point the relationship enters a phase called bounded instability. This is the zone of mathematical chaos, which produces fractals, these are patterns that show regular irregularity. The point of interest, though, about this theory is that when bounded instability occurs so too does the opportunity for creativity and innovation. Stacey says this 'edge of chaos' is "neither stable enough to obstruct the potential for change nor so unstable as to destroy the pattern". Diversity, as it exists within society, creates a sense of uncertainty. The relationships that are built have, as I see it, an unstable stability. So the potential for bounded instability exists and therefore the possibility of innovation which underpins the concept of integration.
The other concept with this field of Chaos theory that struck me was that of the 'Butterfly Effect' (Gleick 1998: 9). For me this parallels the ideas that are apparent in systems thinking. Edward Lorenz first spoke about the Butterfly Effect when he was investigating weather patterns and predictions. In essence the situation that occurs in a very small change ultimately becomes a very large alteration that does not represent the original situation at all. Gleick describes Lorenz's effect like this, "the map displayed a kind of infinite complexity. It always stayed within certain bounds, never running off the page but never repeating itself, either. It traced a strange, distinctive shape, a kind of double spiral in three dimensions, like a butterfly with its two wings. The shape signalled pure disorder, since no point or pattern of points ever recurred. Yet it also signalled a new kind of order." (Gleick 1998: 30) Systems thinking suggests a cause and effect relationship between elements. These relationships are illustrated in causal loop diagrams. In these diagrams are certain elements called leverage points. These points suggest that any effect in this area will affect a number of other areas within that loop because of a number of interacting relationships. The butterfly effect in systems thinking could be this effect where a change is made in one element and the ramifications can be suggested but not predicted and they could be unrecognisable as being initiated by the initial change.

Theoretically increasing diversity will increase the requisite variety within an organization. Nevertheless there is most likely an optimum quotient for diversity. Palmer and Hardy warn, "Too much diversity can put loyalty in question, lead to ghettoization, dual standards, and silent presence." The argument to balance this is provided by the potential of innovation and creativity offered by the state of bounded instability within chaos theory. If diversity increases the requisite variety of an organization, this means it increases the organizations ability to deal with myriad circumstances. Any problem situation can only be resolved if the person or team attending to the problem has the experience of being able to deal with similar issues. A diverse work force brings with it multiple expertise, which increase the inherent capabilities within an organization to manage complexity. When facing grave uncertainty in a turbulent environment, as we are in Zimbabwe, diversity provides a greater capacity for dealing with any situation that might arise. Having said that it is important to qualify such a general admission because the recent farm invasions by war veterans wanting...
land is probably an example of bounded instability leading to true chaos. The principle may be right but the action has lead to chaos. This activity has carried over into invasions of organizations with employees perceiving these war veterans as having the power to fight their causes within their organizations.

The managing director of my organisation introduced another issue regarding the internal effect of diversity, he pointed out that the groups that form within the organization are natural groups that have their own (not management imposed) rules, culture and rank structure. They feed on themselves and they develop largely in isolation to the other groups. He maintains that you can't stop this "ghettoisation" and nor should you. A by-product is team spirit, identity and a sense of belonging which all people need. The secret is to manage it to produce only positive by-products not gangs. The only way of achieving this is to establish what is going on inside the group and communicating with it, as a group or being able to break up the group or change internal power balances if need be.

4.2.1.2. Communication

Viewing the subject of diversity from the point of view of communication Ralph Stacey suggests that "Diversity arises in misunderstanding and in the cross-fertilization of concepts through interaction between different patterns of conversation." The management process, Graham suggests, is made up of three components - relating, co-ordinating and controlling. Ideally these elements should exist in a dynamic equilibrium in that each is a part of each other and together they form the whole. Communication occurs through a number of different forms. I will discuss it in the light of dialogue, conversation and language.

In the process of relating Follett talks about a 'linear response' and a 'circular response'. She suggests that relating through communication is often seen as a linear process. The message is sent by the sender and received by the receiver. Graham expands this saying that 'the reaction is not only to the other party but also to the relation that exists between the two parties.' She goes on further to say, "In human relations, I never react to you but
to you+me. It is I+you reacting to you+me. I can never influence you because you have already influenced me. Response is always to relating, the relation between the response and that to which the response is being made. It is that relation, that activity going on between the parties that determine their behaviour." (Graham 1991: 64) This illustrates what Follett termed the 'circular response'. Stacey\textsuperscript{38} would call this relating a complex responsive process. He says, "Knowledge arises in complex responsive processes of relating between human bodies, that knowledge itself is continuously reproduced and potentially transformed." What is important is to understand that the process of relating is a form of communication. Understanding how relating unfolds, in that it is essentially 'circular', makes the communication clearer. The management of diversity begins with the process of relating.

The next activity in this equilibrium is that of co-ordinating. This is a crucial management task. Co-ordinating can only occur through communication. Graham sees managers as having to identify various elements in separate activities, to understand their interrelationship and be able to connect them but in order to meet their objectives they must be able to communicate the co-ordinating activities required to the various people who will carry them out. An inability to communicate will lead to a failure in meeting objectives. The type of communication chosen is also important. If instructions are given the language must be clear and easy to understand. This is particularly relevant in circumstances where diverse population groups are employed. If there is more than one language spoken it may be necessary to communicate the tasks in more than one language for the sake of clarity and integration.

The point about language is an important one. Words are effectively symbols and may be assigned different meanings by different people. If shared understanding is to be gained then great precision must be used with this form of communication. Ambiguous meaning can lead to gross misunderstanding and this is largely due to assumptions being made about the definition of the meaning. At times this may require a process to create a common language. "Every individual's pattern of thinking and expression is unique, rooted in his or her personal experiences, and every one of us, if we want to work effectively, must learn to communicate
with people who have different patterns." (Senge et al 1994: 419) This is the challenge of managing diversity effectively.

If there is the possibility of a conversation around the co-ordination activities this allows the input of more stakeholders, which frequently improves the outcome of a project. Stacey stresses the importance of understanding that, at the base of it all, organisations are really grounded in a network of ongoing conversations. To build shared understanding teams require the skills of balancing advocacy with inquiry, surfacing tacit assumptions and creating awareness of the difference between theory-in-use and espoused theory. These skills can be transformed into capabilities through conversations. This strengthens the need for organisations to introduce the practice of having good conversations.

Controlling is the last element in this management process. In a way it blends with the activities of relating and co-ordinating to ensure that the objectives are met. So managing becomes the co-ordination of relations and the success of this co-ordination is a measure of control. These activities are achieved only through appropriate and effective forms of communication.

Graham discusses the four underlying principles for effective managing that Follett worked out: (Graham 1991:70)

- Reciprocal relating of all factors in the situation
- Direct communicating between the responsible people involved
- Starting the process at the earliest stages
- Keeping the process going on a continuing basis

To enlarge on the meanings behind these factors, Graham terms the process of organising resources as being one of integration. She goes on to say that the nature of unity is order. So that order between parts creates correct relation. This correct relation seems similar to the concept of coherence that David Bohm speaks of in his papers on dialogue. Dialogue is an important part of the communication process and perhaps a misunderstood one. I will
spend some time on the subject of dialogue to clarify my statement that as an activity it has been misunderstood. The word dialogue has its root in two Greek words, namely, \textit{dia} - meaning 'through or with each other' and \textit{logos} meaning 'the word' so Bohm defines dialogue as "the flow of meaning between or among us." He points out that meaning can only flow if we listen and respond to each other and if we manage to do this without resistance then coherence comes. Therefore healthy dialogue can create an understanding of the reciprocal relating of all factors in that situation. As I see it this form of communication would be very important in dealing with diversity. Bohm suggested that fragmented thought has infected our society like a virus. He was implicating the problems of talking across differences like specialities or technical abilities. William Isaacs says, "Instead of reasoning together, people defend their 'part', seeking to defeat others. If fragmentation is a condition of our times, then dialogue is one tentatively proven strategy for stepping back from the way of thinking which fragmentation produces." (Senge et al 1994: 360) Fragmentation is the opposite of integration.

When difference exists it is necessary to create an environment of understanding and tolerance. If this occurs then integration can take place. Bohm compared dialogue to superconductivity. When the electrons are cool they move together acting coherently. When they become hot their behaviour changes and they act more randomly, colliding and scattering. Isaacs says that people discussing tough issues can behave like these superheated molecules, colliding and talking at cross-purposes. "Dialogue seeks to produce a 'cooler' \textit{shared environment}, by refocusing the groups shared attention." (Senge et al 1994: 360) This shared environment is called a 'container'. This container emerges as dialogue occurs. The container is said to 'hold' the assumptions, intentions, values and beliefs of all those participating. It is the building of this container that is the challenge. Isaacs illustrates the dialogue process in the following diagram (See Figure 23). The diagram illustrates what Isaacs describes as the evolution of dialogue. He suggests that participants who are aware will be able to identify the various phases. Each phase presents its own challenges but all phases are essentially present together although one may dominate at any one time.
The Phases of Dialogue

Phase 1 is entitled 'instability of the container'. This is the point when the group of individuals with diverse opinions gets together and begins the communication. If the group can live with the chaos and conflict that this communication causes then they will move into phase two. This phase is labelled 'Instability in the container'. At this point the group vacillates between suspending views and discussing them. This is a difficult phase as the fragmented thoughts and incoherence become apparent and disruptive. It can become extremely heated and may require skilled facilitation. Participants need to listen and inquire.
Phase three, 'Inquiry in the container', is where the conversations begin. This is the phase of dialogue and skilful discussion. The dialogue required pays as much attention to the spaces between the words as to the words themselves. In Skilful Discussion the capability of collaborative reflection and inquiry lead members of the group to understand how the situation they find themselves in fits together and what forces are at play between the members themselves. This phase may last some time, as it is the space where old pain surfaces and new insights emerge. Group members may sense their separateness, which can be distressing. To move successfully onto the next level discipline and collective trust must be built. The final phase, 'Creativity in the container', moves the participants into a new way of thinking. The experience may be rather esoteric, where the understanding gained is almost beyond words. There is a richness in the silence as opposed to an emptiness. Isaacs describes it as, “The group does not "have" meaning in its conversation. The group is its meaning.” (Senge et al 1994: 364) This brings the group to a new recognition, a space of profound redefinition - a space, as I understand it, called integration.

After the principle of reciprocal relating Graham moves onto the importance of direct communication between the responsible people. While this sounds logical enough I more often witness the 'ivory tower' type syndrome, which prevents this communication from occurring. The diversity of technical capabilities has resulted in a situation where each manager 'protects his turf'. The benefit of direct communication between those involved is that ideas are shared and multiple perspectives embraced. Notwithstanding the potential for greater efficiency created by the uninhibited sharing information. As with dialogue, the outcome of shared information can be integration.

Graham also declares that starting early and making sure that the process is on going are important principles in effective management. While these elements are not directly attributes of this discussion on communication they are wholly dependent on accurate and valid communication. This principle describes the necessity to stay ahead of competitors in the market place. To set the pace within the industry is a benefit to the organisation. To know what other players are doing is essential. This requires an information search and dissemination, a process requiring effective communication. To ensure that the progress is
ongoing a process must be developed that ensures constant information interchange. To grow and develop as an organisation there must be a strategy in place to ensure accurate monitoring of the internal and external environment. Therefore communication is a critical capability of all the principles that underpin effective management of organisations, of managing diversity and for achieving integration.

4.2.1.3. Systems Thinking

"At its broadest level, systems thinking encompasses a large and fairly amorphous body of methods, tools, and principles, all orientated to looking at the interrelatedness of forces, and seeing them as part of a common process."   Peter Senge and Art Kleiner

C.W. Churchman whose work has influenced the development of Strategic Assumption Surfacing and Testing (SAST) stated that, "the systems approach begins when first you see the world through the eyes of another." The point being that everyone has a very restricted worldview, which may be very resistant to change. This is remedied by using systems approaches that make these views explicit and therefore open to be challenged. Organisations often fail to get to this point as they find it difficult to challenge accepted ways of doing things. "An organisation really begins to learn only when its most cherished assumptions are challenged by counter-assumptions."30 (Flood and Jackson: 122) The limiting factor will be the willingness of participants to express their assumptions.

I used certain concepts of systems thinking to increase my understanding of diversity and integrative management. The practical part of this research paper used the tools of systems thinking extensively. To develop my understanding of integration I built up an AD, ID and several CLD’s (see previous chapter) using words and concepts gleaned from the literature. This enabled me to define the area of interest and the problem that I wanted to focus on in this research paper. With the overall question in mind I used action learning to help me ground the issue. The aim of action research is to empower change. Action learning is described in more detail under the section on research methodology. Suffice to say that the aim of action research is to be a part of the investigation. Working within my
organisation means that I am a part of the system so my objectivity is limited. Action research allows that involvement to be beneficial to both the researcher and the researched in terms of insight and learning.

The methodology used to investigate the problem area and question posed in the paper was soft systems methodology (SSM). This process is also discussed in detail under the research methodology section. I used SSM because of the nature of the problem area. The issue is regarded as a complex and 'messy' one. The attributes of this methodology embrace this situation context efficiently. In the same way, the view of the world through paradigm lenses also aids in the investigation process and aids insight. SSM originates in the interpretive paradigm. The basis of this research is through the interpretive paradigm as that is very much my own paradigm and the lens through which I see the world. In "A Systems Approach to Management" Michael Jackson discusses in depth the different paradigms with their specific attributes and characteristics. He names four paradigms, functional, interpretive, emancipatory and post-modern. What I found beneficial to my understanding was the nature of the different paradigms and how each view offers a distinctly different view and therefore interpretation of the world. In terms of managing diversity the ability to not only understand but also, to some extent, be able to empathetically acknowledge the alternative view. To achieve integration all views need to be expressed, that is not necessarily to agree with it but to give it space to be heard.

4.2.2. Conflict

Part of managing successfully is being able to embrace differences and deal with conflict. Conflict is precipitated by a difference of opinion. Differences of opinion are a fact of life. The Scottish philosopher, David Hume, said, "Truth, springs from argument among friends." Difference is important: it adds richness to our society and our organisations. Follett judges, "conflict as the moment of appearing and focusing on difference may be a sign of health, a prophecy of progress."(Follett 1995: 71) Follett embraces further her view of conflict, "it is equally to be hoped that we shall always have conflict, the kind that leads to invention, to the emergence of new values." (Graham 1991:95)
Naturally, the way we see and interpret conflict will determine how we react to it. There are a number of ways of dealing with conflict. The end result is the test of whether the conflict has been suppressed or resolved. Follett offers that domination and compromise are frequently used to deal with conflict but that the outcome depends on the power each party holds therefore the situation is settled rather than resolved. What Follett advocates, and Graham reinforces is the use of integration to resolve conflict.

Integration occurs when "a solution has been found in which both desires have found a place, that neither side has had to sacrifice anything." (Follett 1995: 69) It is clear that integration is not always possible but as a technique for resolving conflict it must have value. To be able to accommodate the needs and interests of others without sacrificing your own is a skill that requires practice to perfect. Integration requires communication that is open and honest. In many ways this continues to be the limiting factor. As far back as 429BC Pericles stated, "instead of looking on discussion as a stumbling block in the way of action, we think it an indispensable preliminary to any wise action at all." What integration involves is invention. Follett challenges that one must "not let one’s thinking stay within the boundaries of two alternatives which are mutually exclusive." (Follett 1995: 70) So integration involves suspending judgement and inviting a spirit of creativity to inspire innovation. The basis of integration is truth. Each party must bring their differences into the open completely. The issues are then compared in detail. "It is possible by breaking down the whole demand, to go behind the ostensible demand, behind the declared motive, to get at the real demand and the underlying motive." (Graham 1991:89) It can happen that uncovering the underlying motivation, which was completely hidden in the initial process, can put a totally new view on the whole situation. Changing the perspective from which the problem has been viewed can alter the position of the differences entirely. An integrative solution turns each party into a winner.

Ulrich uses his method called critical systems heuristics in some way to the same effect. The origin of this methodology was for use in the planning of social systems where decisions were made for people, by people that were not affected by those decisions. Ulrich says, "The basic ethical point is that planning, except perhaps in a world of perfect harmony,
invariably implies conflicts of needs and values." (Ulrich:1996:9) People are fundamentally different so there is always going to be a conflict of values and interests. Here Ulrich differs in his approach from Follett because his point is that the decisions need to be justified. He believes that critical systems heuristics serves as a tool that forces a rationality of the system by allowing different voices, most importantly the voices of the affected, to be heard even if they are regarded, by those involved, as inexpert. His view of conflict resolution is more cynical that Follett's. Ulrich has developed a methodology that protects the affected especially if it seems that they lack the necessary power to act.

Critical systems heuristics offers a solution for coercive situations where the powerful are seeking to impose a decision on the participants. Integration seems to require a more level playing field. Integration works on a basis of trust and honesty. In situations where the power differential is extremely different this situation could be difficult if not impossible to attain.

More in line with the idea of integration is a systems methodology called strategic assumption surfacing and testing (SAST.) This methodology owes much of its development to the work of Churchman, Mason and Mitroff. In 'Creative Problem Solving' the authors state that, "organisations are arenas of conflict between groups expressing alternative world views." What SAST tries to do is bring any tacit conflict to the surface and manage that conflict as being the only way to achieve genuine synthesis. This synthesis is the same as Follett's integration. Integration must be viewed realistically. It offers stability to conflict scenarios but it does not decrease conflict. What integration offers is a way to deal with conflict better. Put succinctly, "the understanding and practice we gain from resolving our disagreements today makes it easier to integrate our differences tomorrow." (Graham 1991:94)

4.2.3. Change

Research implies investigation and action research implies change through investigation. In his book "Age of Unreason", Charles Handy says of Action Learning, "the best learning happens in real life with real problems and real people." Handy believes that man was born to
learn. He uses his ‘wheel of learning’ (see Figure 3) to illustrate the cycle that needs to occur for learning to happen, that being question - theory - test - reflect. If the wheel stops turning then learning stops and so it seems resistance to change grows. He asks the question, "why does it (the wheel) slow down?" He goes on to say that if we knew what slowed the turning we would better understand the proportional reluctance to change and the need for calamity to force activity. Theory must be tested. A change will be permanent only if its purpose is fully understood.

To help the change process Handy discusses the importance of having lubricants of change. These lubricants, he says, make change easier. The lubricants he discusses are

- **A proper selfishness** - Handy suggests that many of us work for what we want rather than for what we need. He terms the qualities of a proper selfishness as being the ability to take responsibility for oneself, to have a clear view of one’s desired future and to make sure this future happens all the while knowing that it can be created.

- **A way of reframing** - this is the vital skill of using multiple perspectives. Encouraging different points of view will enrich understanding. A problem seen from a different perspective may inspire a completely different and possibly better solution.

- **A negative capability** - this is about being able to make mistakes. Handy quotes from Keats who describes negative capability as "when a man is capable of being in uncertainties, mysteries and doubts." We do learn from our mistakes and yet there is a pathological fear that seems to pervade this concept.

As there are lubricants of change so too are there blocks to change that need to be identified. Handy discusses four blocks to change:

- **No personal responsibility** - this is the "they" syndrome where people delegate their lives to something or someone outside of themselves.

- **Belief in oneself** - self-doubt can paralyse progress. It is important to have a sense of humility but it is futile to be trapped by a fear of failure or of learning.
• **Theft of purpose** - motivation will turn the wheel of learning but if this sense of purpose is lost then learning stops. Goals are important and a proper selfishness will ensure that the boundaries of these goals do not inhibit or destroy the overall purpose.

• **The missing forgiveness** - one of the biggest blocks to change is forgiveness. Ironically it is more difficult to forgive ourselves than it is to forgive others. Handy says, “evidence is quite consistent, if you reward the good and ignore or forgive the bad, the good will occur more frequently and the bad will gradually disappear.”

To change and to learn we have to turn the wheel. This is a conscious exercise that has to be practised. The point is to become aware of these issues and then to create a system in which the wheel can turn freely.

Looking at the larger system the learning wheel of the world seems to be spinning. The advances in technology and transport mean that access is almost instantaneous. In the past access to information was a competitive advantage. Today information is very much more accessible so the use of this information to create knowledge is what becomes the differentiating factor between competitors. Peter Senge\(^\text{19}\) describes a major driver of significant change as “unprecedented growth of total material throughput due to all industrial activity on a global scale, the consequent stress on natural systems, and increasing complexity and interdependence.” The point that he makes is that much of the advancement that we see in the world today has not fundamentally changed how we do things or the attitudes that we harbour about things. We now simply do the same things but more quickly. This is the point. It is this very issue that has led me to investigate organisations as societal bodies with beliefs, values and feelings. Would it be inflammatory to suggest that in real terms we are not much further ahead than we were a century ago? Peter Senge\(^\text{19}\) echoes this, “The really big issues facing mankind concern our inability to understand and manage our complex human systems.” To be able to embrace fully the diversity of our world seems constantly to elude us.
Is it possible that technology has exacerbated our current status because now "we are out of control, driving down a dark road with little or no light, and most technological progress amounts to speeding it up." (Senge 1997: 2). I do not see technology as a negative. It is an invaluable aid to our progress. What it seems to me is that we, as society, have allowed ourselves to be distracted by the facilities that technology offers us. In some ways we have almost assigned a power and personality to this equipment. It dictates the terms of our existence. Does this not come back to the concept of personal responsibility that Charles Handy advocates? If we give up our lives and decisions to an outside "they" then the wheel of learning stops. At the base of it all I see human nature. We come back to Jung's personality theory. His theory suggests that people are searching for integration, trying to reacquaint the social self with the authentic self. The idea being that as we grow and interact with society we embrace parts of our nature that appear 'acceptable' and reject and hide those parts that we deem unacceptable. The journey in life, it seems, is to integrate these two parts. The labels of acceptability, or otherwise, are merely perceptions held by deeply ingrained mental models.

In the same way that people need to address this fundamental aspect of their lives so too do organisations need to embrace their own completeness. For organisations to grow and to thrive in this age a new vision needs to be nurtured. Crisis management only 'plugs the hole in the dyke' until the pressure build up and another hole breaks through. Looking at the layers of life it seems logical to conclude that while individuals need to rethink their sense of purpose and life so too do organisations.

The root of the problem seems to be the resistance to fundamental change. Is the answer to go back to basics? I believe we do not need to discard all that has gone before us but perhaps we need to re-harness the knowledge we now have in a different way. A way that will enrich our personal lives, enhance our organisations and therefore our society. Looking at the situation from a holistic perspective means that a personal change will influence a societal change and vice versa. The interconnectedness of society is a thing to be embraced and nurtured. It is beneficial to our growth and prosperity in the same way that individual growth and prosperity is beneficial to society. The relationship is circular and self-
sustaining if it is allowed to exist. Peter Senge\textsuperscript{19} suggests a somewhat esoteric solution, “that we stop trying to figure out what to do by looking at what we have done. We need to start really looking into our hearts and seeing what we truly believe to be possible.” He calls this a “vision led change process”. This is the journey where personal goals and organisational goals can be aligned. This illustrates the value of creating a common purpose and shared vision.

In his book Principle-Centred Leadership, Stephen Covey\textsuperscript{20} talks about the chronic problems within organisations being a result of several factors, namely, no shared vision and values, no strategic path, poor alignment between structure and values, wrong style, poor skills, low trust and no self integrity. Having discussed many of these issues earlier it brings us back to the concept of single and double-loop learning. A poor alignment between management structure and the values held within that structure will lead to the incongruence, described by Argyris and Schon, between espoused theory and theory-in-use. This leads to a decision to either change the action that threatens the governing variable (single-loop learning) or to change the governing variable itself (double-loop learning.) This also meets Jung's concept of integration, trying to match the persona with the authentic self. While this reflects the personal level, on an organisational level it appears to be the same, “there is a huge gap between the things we value and the way life actually operates in almost all large organisations.” (Senge 1997: 10)\textsuperscript{19}

With all this in mind it is important to balance the philosophical views expressed with a more pragmatic approach. Rosabeth Moss Kanter\textsuperscript{34} does just this in an article entitled, 'The Enduring Skills of Change Leaders.' She points out that real change requires people to adjust their behaviour and this may be beyond the control of top management. Jack Welch would challenge this view; he maintains, "Change doesn't come from a slogan or a speech. It happens because you put the right people in place to make it happen. People first. Strategy and everything else next." (Welch 2001: 135)\textsuperscript{48} This view implies that top management can certainly affect real change. Kanter states that, “Organisational change has become a way of life as a result of three forces: globalisation, technology and industrial consolidation.” This means that organisations need to become more ‘fluid, inclusive and responsive’.
Embracing Diversity through Integration

Everyone affected by change needs to be involved in preparing for and working with the change. This is the stuff of shared vision and discussing the corporate future not individual functional tasks. Kanter\textsuperscript{34} suggests that there are three key attributes required for organisations to become adept to change. These are

- The imagination to innovate
- The professionalism to perform
- The openness to collaborate

These attributes are the keys to effective integration as described by Follett when she says that integration involves invention because “the clever thing is to recognise this, and not let one's thinking stay within the boundaries of two alternatives that are mutually exclusive.” (Follett, 1995:70) To achieve integration it is important to be imaginative. Have ‘kaleidoscope thinking’ as Kanter calls it. This innovation must be supported by the integrity of management and employees and part of this integrity understands the need for multiple perspectives and additional capabilities. The benefit is this that, “integration offers far better prospects for a long term solution that enjoys the understanding of all groups concerned and promotes the kind of learning experience that may well continue to reproduce and sustain itself.” (Follett, 1995:94)

4.3. Circular Organisations

This idea of organisations that is presented by Russell Ackoff is built, as I see it, on very similar core values to Follett’s idea of organisations and integrative management. Ackoff\textsuperscript{23} discusses the firm in terms of being a social system with three purposes, namely:

- Those of its containing system or environment in which the organisation operates,
- Those of the organisation itself
- Those of its parts and subsystems that make up the organisation.

The organisation must be viewed from all these perspectives. Within all these areas are people who in some way or another have an interest or are affected by the existence of the
organisation. These groups are called stakeholders. Acknowledging stakeholders is critical in Ackoff’s view because it directly affects the development of the organisation.

4.3.1. Diversity

The vision Ackoff had for circular organisations was to introduce a more participative and democratic management style to replace the old authoritarian and hierarchical structures. The production of such an organisation is dependent upon acknowledging stakeholder theory. Donaldson and Preston define stakeholders as “persons or groups with legitimate interests in procedural and/or substantive aspects of corporate activity. Their interests in the corporation identify stakeholders whether the corporation has any functional interest in them.” Igor Ans says that according to this the objectives of the organisation should be associated with balancing the conflicting needs of all the stakeholders. In other words, embracing the diversity. Here he is saying that the organisation has a responsibility to all of its stakeholders, while profit is important to the shareholders this cannot be assumed to be the overriding objective for the company. Organisations that are able to grasp this concept of being a social system will then be able to introduce the systemic management ideals recommended for circular organisations. This will contribute to the development of all the stakeholders and the society they are part of. The organisation will then lead that society’s drive to develop and grow a better life for all. The assumption here is that if all the stakeholders feel that they have a voice there is more likelihood of achieving consensus and hopefully the integration of desires.

Ackoff carries his stakeholder theory into the concept of Circular organisations. This is where his work strongly reflects that of Mary Parker-Follett. He emphasises the need to shift our thinking the way we always have about organisations. An organisation is a social system and needs to be viewed as such. Ackoff introduces the idea of democracy, which is also one close to Follett’s heart. He says, “The essence of democracy is the absence of an ultimate authority – what we call circularity of power.” So democracy implies that anyone in authority is subject to the collective authority of those he has authority over. To achieve this Ackoff introduces the concept of the circular organisation. The fundamental essence
being that employees should participate fully in the making of decisions that directly affects them. This statement does assume that employees want to contribute to their environment. In another of my interviews Craig Hollinshead (see Appendix 5) made the point that in his experience there is a clear distinction between 'employer mentality' and 'employee mentality. Employers are motivated to improve the efficiency of the organisation regardless of the additional effort required. This however is not his experience with employees, who constitute the majority of the diversity. They simply work for a monthly paycheque.

In her essay on 'The Individual and the Group', Follett\(^2\) says that the way to true democracy is, "self-respect and respect for the views and the interests of others, always working together in trust and openness for reciprocal understanding and benefit." (Follett 1995: 244) It is poignant to consider the truth of Follett's statement considering the current political regime that currently exists in Zimbabwe. Follett's ideal is echoed in Ulrich's thoughts that the purpose of systems thinking is to inform planning and design so as to encourage a way forward for society. The overall idea being that performance within a system is not the sum of each action but rather the product of the interaction of the parts with each other and with the environment. This is integration.

4.3.2. Conflict

Werner Ulrich develops a similar view in his essay, "A Primer to Critical Systems Heuristics for Action Researchers\(^29\)" Ulrich says, "the aim basically, is to give people a voice in matters that are important to them." (Ulrich; 1996:6) In a discussion on planning Ulrich explains that not all plans are good, therefore it is important for people involved and affected by those plans to be able to challenge them. Ulrich\(^29\) himself summarises the aims of critical systems heuristics as being:

(a) to develop a critical consciousness in people regarding the conditioned nature of any kind of improvement, and thereby subvert people's technocratic notion of planning; and
(b) to give ordinary people that minimal critical competence (self reflective and argumentative skills) which they need to translate such critical consciousness into meaningful and effective participation in the planning process. (Ulrich; 1996:13)

In 'Creative Problem Solving' Flood and Jackson suggest that the philosophy of critical systems heuristics is that no plans are rational which have not been approved by the "affected but not involved". In points taken from an interview, Andrew Walsh, the managing director of our organisation says that "A successful manager will achieve the objective by addressing the many variables in order of his estimation of the variables' importance to achieving a "peaceful", successful result. He will therefore deal with the most serious threat to the success of his task first. He will then work his way through the variables until his result is achieved. The manager will fail if his reading of the importance of the variables is wrong." (See Appendix 5)

The basis of Ulrich's ideas, then, is that unless every affected person is involved in the planning process there is a likelihood that the plans made will not serve the needs of those affected. Ulrich states that, "in a 'purposeful system', the ability to determine the purpose must be spread throughout the system." Everyone must have a voice. Harbermas, who states that all people must be allowed to discuss and debate any decision that affects them, supports Ulrich's opinions on this matter. The point being that each one of us has an extremely restricted worldview and unless this stance is critically challenged it cannot be taken as rational reality within its environment. Walsh would further challenge Ulrich's views by saying that the more complex the objective, the more variables there are to deal with. It is not practical to try to address every variable that exists. It is also not possible to address the individual requirements of each affected person, if for no other reason than you don't (and never will) have all the information.

To summarise Ulrich's view of the value of critical systems heuristics, he says, "it aims to support not only the planners and decision-makers in finding solutions to problems but also to support citizens in emancipating themselves from those solutions." (Ulrich; 1996:48)
4.3.3. Change

The reason behind the need to 'give people a voice' is simply, according to Ackoff, the difference between growth and development. Growth is merely an increase in size. Development is an increase in capacity. Ackoff then goes on to say that the difference between growth and development is the same as the difference between efficiency and effectiveness. The importance being that growth does not necessarily provide and increase in value whereas development does.

"Hierarchical organisations where decisions are made without consulting those affected by the decisions provide limited developmental opportunities for employees. In the absence of developmental opportunities, the satisfaction one can derive from work is also limited."24

In both my interviews with Hollinshead and Walsh they shared their views as experienced in the practice of managing diverse groups of people. Both insisted that hierarchy is fundamental to human nature. Hollinshead proposed that a hierarchy modified into a series of circular modules that communicate with each other relatively efficiently could be a step towards this "utopia of integration."

Stephen Covey31, 'Seven Habits of Highly Effective People', echoes these ideas where he speaks of the principle of production and production capability. The two are distinct and will grow in whichever direction effort is placed. The production is the desired result. The production capacity is the asset that produces the desired result. Effectiveness, Covey says, is when an optimum balance is sought between the two. It will benefit the organisation for both the short term and the long-term. The argument here is that new organisations may grow quickly and succeed initially but if the normative basis on which such an organisation is built is not strong then the future success of the company cannot be guaranteed. This is because organisations are made up of people. People need to be valued and inspired. Covey says, "Always treat your employees exactly as you want them to treat your best customers." (Covey 1992:58) The normative values that these writers are alluding
to are those that support the system of democracy. If you empower your employees then you empower your business.

Profound change is required for this type of organisation to exist and survive. The point made by Covey is pertinent. While a change in attitude may be occurring surrounding employee participation empowerment, this needs to be followed closely by a change in the measures of success. Productivity is always used as a measure of achievement. Therefore finding a group of measures to determine production capability would reflect the principles of circular organisations better. The reason being that what you measure is what you get. Therefore it becomes important to determine what you want to measure.

This is not a new idea. The development of the balanced scorecard as a complimentary measuring system to pure financial measurements went some way in trying to bridge this gap. Kaplan and Norton\textsuperscript{39} who introduced the balanced scorecard approach say, that as companies transform, their ability to exploit their intangible assets has become an important factor in long-term success. They also stress the importance of using the scorecard that accurately tells the story of that organisation's strategy. This is because, as Kaplan and Norton\textsuperscript{40} see it, the scorecard describes the vision for the future. If the vision is wrong what follows becomes immaterial. It then creates shared understanding if all employees understand how they can contribute to the organisation's ultimate success. Misunderstanding can lead to suboptimal performance by employees. The scorecard can focus change efforts. Here it is critical to have the right lead indicators. Finally the balanced scorecard can promote organisational learning. If measures and objectives are explicit they can be tested. This allows a cause and effect viewpoint. A certain outcome observed may result in a new or adapted strategy. This is organisational learning within the principles of integrative management.

4.4. Mental Models

"Our mental models determine not only how we make sense of the world, but how we take action.\textsuperscript{22}"

\textsuperscript{22}
Mental models are attitudes, beliefs or opinions that we hold in our heads. Essentially these are stable and resistant to change. Having discussed the approach of integrative management I am bemused by the knowledge that this information has been available for a very long time and has as yet been extremely under-utilised.

4.4.1. Single and Double-Loop Learning

After reading about single and double-loop learning (See Figure 24) I felt it pertinent to use this theory to broaden the understanding of mental models. Appreciating the impact a mental model or governing variable, as it is referred to in Single and Double Loop learning, can have on the journey to achieve integration is critical. I believe mental models have a well-disguised place in the journey of profound change. Argyris expands on this theme in his research on espoused theory and theory-in-use. The fact is that we all have mental models. The problem arises when we are unaware of what they are.

Change requires active participation. To understand what inspires this participation has to be a key to inciting real change. An article by Liane Anderson entitled ‘Argyris and Schon’s theory on congruence and learning’ makes excellent reading. The article talks about theory-in-use and espoused theory. Theory-in-use being the worldview and values implied by the behaviour exhibited when people take action. Espoused theory is the worldview and values people think that their behaviour is based on. Argyris and Schon suggested that ‘few people are aware that the maps they use to take action are not the theories they explicitly espouse.’ (Anderson 1997:2) They went on further to suggest that people are not aware of the maps and theories that they do use. The question that Argyris posed is this, “if people are unaware of the theories that drive their action (Theories-in-use), then how can they effectively manage their behaviour?” (Anderson 1997:3)
Figure 24 describes theories-in-use where governing variables are the values that dictate certain action. These values are beliefs, feelings and intentions. The action strategy is what the person does to maintain the governing variables, as it seems they should be. The result of this action is a consequence. The consequences will affect others involved. There will be intended consequences and unintended consequences. When the consequences are expected then the intention and the outcome agree to the theory-in-use is confirmed. When the consequences are unintended there is a mismatch. Argyris and Schon present two possible responses to this situation in the form of single or double-loop learning.

Single and Double-Loop Learning

If the action taken has an unintended consequence then another action will be taken to stabilise the governing variable. Reactions leading to unintended consequences that are followed by further action means that single-loop learning is occurring. This is because the over-riding strategy is to stabilise, rather than challenge, the governing variable.
If an unintended consequence has the effect of making the owner critically assess the nature of the governing variable and then change it, then double-loop learning has occurred. "Double-loop learning is seen as the more effective way of making informed decisions about the way we design and implement action." (Argyris 1974)\textsuperscript{15}

With this in mind Argyris and Schon then developed two models, Model I and Model II, which describe features of theories-in-use that either inhibit or promote double-loop learning respectively. (See Figures 26 and 27)

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\textbf{Model I theory-in-use characteristics}

The governing Values of Model I are:

- Achieve the purpose as the actor defines it
- Win, do not lose
- Suppress negative feelings
- Emphasise rationality

Primary Strategies are:

- Control environment and task unilaterally
- Protect self and others unilaterally

Usually operationalised by:

- Unillustrated attributions and evaluations eg. "you seem unmotivated"
- Advocating courses of action, which discourage inquiry eg. "Let's not talk about the past, that's over."
- Treating ones' own views as obviously correct
- Making covert attributions and evaluations
- Face-saving moves such as leaving potentially embarrassing facts unstated

Consequences include:

- Defensive relationships
- Low freedom of choice
- Reduced production of valid information
- Little public testing of ideas

\textsuperscript{15}Taken from Argyris, Putnam & McLain Smith (1985, p85)

Model I is seen as being predominantly defensive and competitive, and therefore less likely to allow an honest evaluation of the actor's motives and strategies, and less likely to lead to growth. (Anderson 1997:9)
Becoming aware of the inherent incongruency within one’s self is challenging but changing that behaviour is even more difficult. Yet perpetuating behaviour that is not beneficial to growth can only be detrimental in the long term. Therefore it can be seen from the characteristics of this model that double-loop learning is inhibited.

Interesting but not surprisingly, Model II has the characteristics of most peoples’ espoused theories.

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**Model II**

The governing values of Model II include:
- “valid” information
- Free and informed choice
- Internal commitment

Strategies include:
- Sharing control
- Participation in design and implementation of action

Operationalised by:
- Attribution and evaluation illustrated with relatively directly observable data
- Surfacing conflicting views
- Encouraging public testing of evaluations

Consequences should include:
- Minimally defensive relationships
- High freedom of choice
- Increased likelihood of double-loop learning

"Every significant Model II action is evaluated in terms of the degree to which it helps the individuals involved generate valid and useful information (including relevant feelings), solve the problem in a way that it remains solved, and do so without reducing the present level of problem solving effectiveness." (Argyris, 1976: p21-22)

From the research it appeared that while most people espoused the Model II actions they were more likely to exhibit Model I actions. This is most probably because of two reasons. Firstly, that the values in Model II are more socially acceptable and therefore desirable. Secondly, there is an element of denial associated with Model I activity. Any suggestion
that denial is occurring may lead to a defensive reaction, which, in itself, confirms the existence of a Model I governing variables.

The reason I have covered this topic in so much detail is because of its relevance to the research topic. For an organisation to survive and thrive it needs to grow. Organisations embody the spirit of those people working within in. If the people are not growing then the organisation will not prosper long term. Anderson\textsuperscript{15} states that, "Being unaware of what is driving one’s behaviour may seriously inhibit the likelihood of increased effectiveness in the long-term."(Anderson 1997:8)

The concept of double-loop learning goes some way to illustrate what needs to happen in the overall process for change to actually occur. The research of Argyris and Schon would lead me to think that any resistance to change is caused by a mismatch between espoused theory and theory-in-use. The default mechanism of most people is to find another action to perform that will keep their governing variable safe and intact. For change to occur this governing variable needs to be changed. In the management of diversity it appears that stereotypical views are strongly held beliefs. Any suggestion that a new approach needs to be sought is met with strong resistance. Looking at this reaction in the light of single and double-loop learning it is easier to understand why the action never changes. It is because the governing variable or mental model that presides over that situation must be protected at all costs. The idea of espoused theory and theory-in-use also adds to the pool of knowledge. If a manager believes that he is behaving in a certain way but his behaviour is inconsistent with his belief he will lose credibility with his staff. The management of diversity can be sensitive and emotive. What is required is a manager who is clear about his belief system and has the respect of his employees. Accepting the validity of mental models and their effect on behaviour is the very thing that challenges successful change management and progress within organisations. If integration is to succeed honesty and transparency are required at a core level.
4.4.2. Critical Thinking

Perhaps understanding the root cause of the problem is not the first step in this journey. The first step in Ian Mitroff’s mind is to ask basic questions and challenging crucial assumptions. Ulrich in his Critical Systems Heuristics echoes this point; his aim is to make people critically conscious and critically competent. This is to enable them to, firstly, understand the situation they are in and, secondly, be able to challenge it effectively. The first step to solving any problem has to be the admittance that there is in fact a problem. This sounds elementary but on reflection I appreciate the emphasis Mitroff places on it. As mentioned previously this can be an extremely threatening admission. Model I (see Figure 26) suggests that a governing variable may be to suppress negative feelings. Any perceived negativity; such as, “there seems to be a problem” will be responded to with an action that does not allow the expression of this negativity. Single-loop learning will result in an action strategy to avoid the expression of “the problem”. This way before any problem solving has begun the situation has been invalidated. Therefore I would suggest that a part of the overall problem has to be finding a way to surface mental models in a way that does not result in defensive denials.

Once the admission of a problem occurs then the issue needs to be formulated. This process requires critical thinking. Mitroff says, “critical thinkers ensure that they are working on the right problem before trying to solve it.” Clearly this is the best place to start. The attributes of critical thinking are, raising questions, declaring doubts about issues, looking at key actions involved and embracing argument. Mary Parker-Follett says, “We have the power through open debate and discussion to examine and reconstitute the assumptions and structures within which we are confined.” It is vital to share ideas and critically assess the impact of the potential decisions on all the stakeholders. Any problem formulation that brings up a strong emotion in us is one that threatens our governing variable, a core value. At this point it is necessary to critically assess the appropriateness of that value in relation to the problem formulation and vice-versa. When a fundamental change is made in the governing variable this results in a change of perspective that leads to a new action strategy. Double-loop learning occurs.
“Reclassifying or re-labelling a phenomenon is one of the most important ways of avoiding an E3.” (Mitroff 1998: 109) The idea of producing different views means that new possible solutions can be found that integrates the various differences in perception. This is the basis of Mary Parker-Follett’s concept of integrative solutions to conflict or change situations. This is when coherence, as described by Bohm, is found in the system

4.4.3. Reflection and Enquiry

Once they are explicit the nature of the relationship between action and assumption can be analysed and observed. Mental models can imprison their owners if they are unaware how these concepts influence their thoughts and actions. Mental models must be managed effectively so that they work in harmony with their owners. Argyris describes the problem of continuing to embrace old ways as single loop learning. The governing variable he describes is reminiscent of a mental model. People consciously or subconsciously select an action strategy based on their view of the world. If this mental model is entrenched and the resultant behaviour is consistent then no real learning occurs. Double loop learning can only happen when the original governing variable is challenged and possibly changed. In the complexity of today’s business world problems occur when mental models have not changed at the same pace as the world around them. The change that we are encountering in the world today requires a shift from static thought to viewing a more dynamic process. The one-way, linear approach of yesterday needs to change to a circular, cause and effect dynamic.

Mental models are personal. Each is constructed according to the owner’s experience this is why two people can have very different reactions to the same event. They are looking at the situation from different points of view. To manage one’s mental models effectively it is important to be aware of what they are. Peter Senge discusses what is required to achieve this. It is reflection because it ‘slows down our thinking processes enough to become aware of how we form our mental models’ and inquiry, ‘holding conversations where we openly share views and develop knowledge about each other’s assumptions’. New mental models can be created. The imagination has to be linked to action to see if your new view of the world is
linked to reality. (Senge 1994:237& 242)\(^3\) Jaworski\(^38\) maintains that change will occur whether we alter our mental models or not. What is important is to be open to ‘fundamental shifts of mind’. Realising that to see a world that is made up of things is inaccurate. The world in which we live is “open and primarily made up of relationships.” (Jaworski 1998: 10) Jaworski believes that this shift of mind releases a shift in identity so the “we begin to accept each other as legitimate human beings.” (Jaworski 1998: 11) This is a central tenet for the effective management of difference and ultimately integration.

A similar point is made by David Bohm in his discussions on dialogue. Bohm says that dialogue means ‘the flow of meaning between or among us.’ William van den Heuvel\(^32\) points out that this flow of meaning can only occur when we listen and respond to each other. He also points out that in dialogue we should place close attention to our personal reactions. If there is a sense of resistance or reluctance, or we feel irritated or defensive, this could indicate the presence of a block. These blocks will prevent the flow of meaning towards coherence. If we cannot find and dissolve these blocks within ourselves we will perpetuate the incoherence within ourselves, which in turn propagates our incoherence in the world. These blocks are mental blocks. We create them consciously by our own thinking or unconsciously as a result of painful memories. Van den Heuvel says that if our thinking creates these blocks then we could dissolve them by reconsidering our thoughts.

Joseph Jaworski\(^38\) has a different name for the blocks that Van den Heuvel speaks of. Jaworski called these mental blocks traps, as meaning anything that caused “regression to old ways of thinking and acting.” (Jaworski 1998: 121) Jaworski names three traps in his book, responsibility, dependency and over activity, but states clearly that they are his own. The implication here being that each person will have traps with different names that grow out of their habitual ways of being. The basic message is that these traps are born out of old habits of thought. The key is to be able to identify them. This is often the first step to their dissolution. The point is that human beings frequently get attached to their assumptions about how things should be done. This distracts us from the focus of what we are trying to create. In times of conflict when a sense of incoherence sets in this is not the time for histrionics and departure. This is the zone of ‘blame assignation’. In the
management of diversity the kind of conflict that can surface can be extremely deep-seated and strong. Instead of saying, "They simply don't get it" Jaworski challenges that anytime a strong emotional response is triggered this is the time to stop and look at what is behind this reaction. He suggests that it is your personal history being evoked and this history may include experiences of "separation, isolation, low self-esteem and feelings of unworthiness." This is the point at which the journey requires, in addition to the outer work, real inner work. Jaworski stresses the need for creating a reflective space in which re-nurturing takes place. For growth and development to occur and be sustained this discipline of reflection is critical. This supports Peter Senge's idea that reflection is a vital activity for surfacing and challenging mental models. This reflection is the process that challenges the governing variable in double loop learning and changes old patterns.

4.5. Conclusion

In the past management has been somewhat fragmented and departmentalised. This has affected communication. The result of this is small pockets of people all functioning independently. The rapid globalisation of the world is challenging this view. The safety of small entities is no longer possible. Efficiency relies on communication. Effective communication relies on relationships between and within areas of organisations that traditionally remained separate. This is the management of diversity. The idea to nurture is the one that everything is interrelated. This is not a new concept, in the 1920's Mary Parker-Follett was advocating a new way of looking at the world when she said, "We cannot departmentalise our thinking. We do not have separate political, economic, scientific, psychological or ethical problems. We have human problems, with psychological, economic, political and as many more aspects as you like. A problem cannot be satisfactorily resolved by attending merely to one of its aspects. This is the purpose of integrative management. A business, which remains confined to the straightjacket of seeing its prime purpose exclusively as economic, is incapable of envisioning its opportunities and its problems in their fullness. It certainly will not be successful over time if, settling an economic aspect, it disclaims responsibility for others by the stance which says: "This is not our problem; it is a social problem; let the government deal with it." (Follett 1995: 24)
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As with Follett's concept of integration so too Churchman's SAST (Strategic Assumption Surfacing and Testing) attempts to offer a process that guides organisations or groups toward 'genuine synthesis'. Pauline Graham speaks of the nature of unity being order. Similarly David Bohm speaks of the natural tendency of meaning to flow toward coherence. To manage an organisation well there needs to be a sense of unity and coherence. What is clear in the literature is how easy it is to corrupt or misinterpret the signals that lead to unity and coherence. Peter Senge\(^9\) echoes these thoughts, “we have to develop a sense of working together as part of a system, where each part of the system is affecting and being affected by the others, and where the whole is greater than the sum of its parts.”

Integrative management principles offer a possible solution to the problem of managing diverse groups of individuals. What prevents the achievement of integration or synthesis seems to be the route. There is no doubt that these methods require old-fashioned honesty and a genuine commitment to process. From my reading I think the actual use of integration has been limited so that little can be said of its success. Little is documented. In some ways Follett presents it in a theoretical and philosophical way. It sounds like a good thing to do but how does one actually achieve it practically. My view is that integration needs to be practised and that is the challenge I have set myself in this research document. It is not a method that is going to suit all circumstances, as certain situations will not lend themselves to the open and honest communication that is fundamental to the success of the approach.

Added to this point the feedback from the people interviewed who lead organisations and in that capacity manage diversity every day illustrates the need to be aware of the complexity of this endeavour. Andrew Walsh says, "In any organisation the structure is a pyramid. The biggest group is at the base and it has very different needs, in general, to the smaller groups at the top." He maintains it would be impossible to gain integration across the board because the needs of the various levels are so different that they could never be dealt with even using an integrative management style. Craig Hollinshead supports this view as in his experience hierarchy is fundamental to human nature. This is the view that says the management of difference has to involve treating people differently. There are many theoretical viewpoints that have been discussed that challenge this completely. It remains
to be seen through the application of the reassert methodology whether the ideals put forward in the literature can be effectively implemented into the organisation as suggested.

Perhaps the issue is not about focusing on difference but rather the fundamentals that support the division of difference. Is focusing on difference about the need to be right and have everyone agree with you? Is the pursuit not for tolerance and acceptance? To achieve this the challenge becomes how to create the necessary understanding. In all this the base requirement seems to be effective communication. Not the communication that tells people what to do but rather the real communication that listens and hears what is being said before responding. Communication that realises that as issues are surfaced so the understanding of these very concepts will change and therefore the communication about that issue will take on new meaning. This is the systems idea. This is also the basis for action learning. Van den Heuvel\textsuperscript{32} puts it like this, "We have an unshakeable faith in our belief that our beliefs are true, and we are convinced that our realities are real. But the deeper question is; how can we be so certain of these certainties." Is it our sense of certainty that in itself is a block.

The literature offers us hope but it is important not to be swept away on the sea of theorising. There are many tools that can be used to increase understanding of the 'messy problems' that dealing with diversity can create. Real communication is critical. This requires skills in listening and reflecting. Open and honest communication is required for true integration. Defining and determining the boundaries and context of the problem is the first step, the next being to ensure continuous dialogue around the issue at hand in order to keep track of the problem and its evolution.
5. Application of the Research Methodology

5.1. Introduction

After an in depth research of the concept of integration, as introduced by Mary Parker-Follett, I believe it to offer a valuable management approach for the use within and between organizations. This research has shown that the idea of integration has been written about and spoken of at length but the term -integration- has not been widely adopted to describe this form of management. As discussed earlier integration seeks to promote a melding of opinions to achieve the initial aspirations of each party. In my own mind I like the word integration and believe it to be a succinct word that describes well what is trying to be achieved in the process.

The problem situation that I am investigating and trying to make sense of is an internal one. It is a 'messy' problem, called such because it involves emotions and historical ways of being. This considered I feel that in my context the choice of integrative management is the right one. Every situation in life is unique as a result of dealing with individuals who create and own those circumstances. Therefore I am not naïve enough to think that a 'one cure for all' situation is possible. I am certain that a limiting factor of integration could be hierarchical positioning. This is not to say that integration cannot be had between two parties holding very different power positions. What I am suggesting is that it could be more difficult to achieve under these circumstances. Traditionally there is a lack of trust between bodies that perceive power differentials, for example, management and trade unions. Also there is the problem in these situations of finding common ground. This is because the two echelons are distinctly diverse and the issues that surround this diversity can be extremely complex. The openness and honesty required for the integration process to succeed in such scenarios would be more difficult to attain.

For my research this will not be a problem as the key people involved are on the same management level. Having spoken to them I can see that we are looking for the 'best-fit
scenario', between stock levels and cash flow, which is the offering of integrative management. In the past the sales and finance departments functioned separately in a sense. This worked while the company was still small and information flows were informal but continuous. Everybody knew what everybody else was doing to a point. What has happened recently is that the company has grown substantially. These informal communications have disappeared and to some extent contact had been lost between departments. More importantly we are facing economic and political crises that has affected the way of doing business enormously. The current climate in Zimbabwe has caused chaos in most businesses. We find ourselves in uncharted waters. The rules change daily and the need to be ‘fluid, inclusive and responsive’\textsuperscript{34} as an organisation is paramount. It has become apparent that what is necessary is communication and understanding. The channels have not been there up to now but my aim is to look at where communication is most necessary and to introduce a system that promotes this interaction. The aim is to achieve integration.

The management structure within the business has tended towards autocratic. We have a very flat management structure with one individual who has consistently taken a leadership role and this historical situation continues. The continuation of this situation seems to be perpetuated by all the staff. It seems to me certain mental models; my own included are very entrenched. Rossbeth Moss Kanter\textsuperscript{34} describes the problems associated with being unaware of the way forward resulting in conflicts and wasted efforts that result in destroying value rather than creating it. There are two issues that we are trying to deal with, these being, organisational changes and external challenges. The organisational change has been in the form of job promotions and changing responsibilities. The formation of new groups, with new directors being appointed and job shuffles occurring, inevitably goes through growing pains. We have experienced this at all levels of the organisation. What has added to this stress is the desperate economic and political situation that Zimbabwe is currently in. We have watched businesses collapse daily. The uncertainty is acute. Long term planning is almost pointless; it is day-to-day survival that has become paramount. While I have experienced my promotion to director level as a stressful experience on reflection
much of this stress has been due to the external pressures that allow no room for mistakes or slow learning. We have to succeed.

In Part one I developed a broad framework to use for any research process (See Fig 1). Using this framework I have superimposed Handy's Wheel of learning elements (seen in red) onto the diagram and I have shown where the stages of the SSM research methodology fit into this framework (written in green). This amended framework (see Figure 28) will guide the application of my research methodology. I amended the framework to illustrate the recursive nature of the research process. It shows that the same actions occur at different levels of the process and understanding this can offer the potential for greater insight.

5.2. Discussion of the Research Methodology Application Process

Research – understanding the problem

The framework in Figure 28 describes the research process as I see it. To begin with it is important to understand the problem. Part One of this paper discusses at length the need
for in depth problem formulation. Following the process illustrated in Figure 28 ensures that the problem situation is in fact the issue that requires investigation. This is done through specific questioning which Handy includes as one of the key elements in his wheel of learning. This questioning and research in Part One determined the problem area as being diversity and its management. In this section that same technique of questioning and research is applied to the specific area that of the relationship between the sales department and the finance department, so that the area of concern is further defined.

The SSM methodology requires a valid data collection to be able to declare the nature of problem situation. The methods of data collection used in this research were interviews and general discussion. This produced the information and data, which was interpreted using a grounded theory approach. In this approach the researcher uses intuition and feel to produce themes or patterns from the data collected. The data collected is qualitative. From this data the themes and patterns surfaced were captured in a Rich Picture that was drawn to illustrate the views represented in the situation.

Learning – creating new ways to look at the problem

In Part one the problem area was questioned from a number of different viewpoints. This is where information becomes knowledge. Information is of no value unless it has meaning. Once the information sought is used to describe the system that is under investigation that situation becomes better understood. This is the phase of investigating the theory that surrounds the issue as described in Handy’s wheel of learning. In Part one there were two parts to the learning cycle. Firstly the question of diversity and what it meant was questioned from a number of different viewpoints. Secondly the idea of integrative management was investigated using brain writing and the systems thinking tools of affinity diagrams, inter-relationship digraphs and causal loop diagrams. This process resulted in formulating the research question. When applying the research methodology to this question the learning is achieved by determining the systems involved. This is done using the CATWOE mnemonic to understand what transformations are occurring within the systems and how these are seen. Once the systems are established then a root definition is produced which describes what the system should be doing. This root definition is then used to develop a conceptual model, which illustrates how the system can achieve what the root
definition describes. What this process achieves is a different way to observe the problem at hand.

**Action – implementing a new way**

This activity in part one would equate to selecting a research methodology and applying it. In this section the action is about implementing the results determined through application of the methodology selected. The conceptual model is debated by those affected as to its realistic potential. Discussion around this model’s applicability determines the action that will be taken. In Handy’s wheel of learning this is the time that ideas are shared as possible solutions are tested for their validity. The conceptual model is then implemented into the system it was designed to improve.

**Reflection**

In Handy’s wheel of learning this is where the researcher looks back on the action taken and considers the impact that it has made. In Part one this reflection was discussed as the implications of the research question. It is a check on the process and the progress being made. In this section the reflection will be on the results of the methodology application. This is done in terms of the usefulness, the relevance, the validity and the appropriateness of the intervention created for the specific problem researched. I would like to point out that in my framework I have put reflection and question either side of the word research. This is because I see research and understanding the problem as being made up of both these activities. Research is about a questioning and reflection process that occurs in a dynamic equilibrium. As I see it neither is valid without the other.

**5.3. Using Soft Systems Methodology**

As discussed in the previous section I have chosen to use the soft systems methodology (SSM) approach for discerning a way forward through the current management problems that are being faced within my organisation. What has emerged as a result of this process is the need for allied methodologies to give clarity to the direction my research is taking. The following chapter follows the characteristic SSM steps illustrated in Figure 22. I have also used knowledge gained through the interactive planning cycle that was presented in Part
one. Systems methodologies utilise ways of surfacing tacit information previously unrealised by all participants until the process surfaces it, this makes action research an ‘emergent process’. This unpredictability is a strength of action research techniques and must not be compromised. The ultimate risk is that nothing significant will emerge. However, from my own experience of action research application, insight is always a by-product. The challenge is being able to adapt to what emerges, particularly if it is very different from any outcomes expected.

SSM is my dominant methodology but I have used information gleaned through an Interactive Planning Process (IPP) that I had concurrently applied. As I investigated the issue, through interviewing and discussion as my methods for collecting the data, I realised that some of the material gathered through the IPP methodology could increase the depth of this research. My reason for not using IPP as my dominant research methodology for this project is because, as Jackson suggests, although IPP resembles a soft systems methodology a little too much emphasis is placed on goal seeking for an idealised design of the future. With SSM there is no one goal or model to strive towards. The methodology works around the premise that the systems under investigation are the mental constructs of those involved. SSM then seeks to look at these various perspectives and decide what reality could be like. This ideal seemed to offer the answer I anticipated for the needs for my research situation.

5.3.1 Identifying the problem situation

Naming the topic and determining the nature of the problem to be researched in this dissertation was decided earlier this year. The current volatility of the Zimbabwean economic climate has meant that the initial problem described has actually changed a number of times over. So in discussing the area of concern I feel it necessary to describe some of the history of this change.

In describing the practical context of our business situation I used Ackoff’s IPP in Part one. Part of this process is a stage entitled formulating the mess. In this stage Ackoff
encourages the development of reference scenarios. This is a particularly helpful activity as it describes the possible future and so facilitates the ends planning exercise. The rationale being that if a certain scenario occurs then I will act according to a plan made around that occurrence. The use of IPP to investigate and help solve the apparent operational problem of the conflict between the stock holding and the cash flow was very successful. IPP helped to create an understanding of the cause and effect relationship between the stock and the cash flow. This understanding was invaluable in August when another political issue caused further economic chaos. I have described the August reference scenario here, as it is an important part of understanding the problem and its ever-increasing complexity.

**August 2001:**

There is a critical shortage of foreign currency. The law of supply and demand dictates that any commodity in short supply is going to cost more if more people than there is availability want it. This has created a 'free fall' scenario where the value of the Zimbabwe dollar is decreasing rapidly. Emergency measures are required. If we allow credit then we will go bankrupt. The devaluation is such that the current terms of credit are too long with the margins that are currently made on the products. To continue with this behaviour would result in us not being able to repurchase the stock we are currently selling. This is because by the time I have collected my debt what I paid for the product will differ considerably from what I paid for it. This situation is hyperinflation. What needs to be implemented is a cash system or very short credit terms, i.e. 7 days. The Reference scenario causal loop diagram seen in Figure 5 is now changed by the effect of inflation. The shortage of cash is as a result of a loss in value of the money. (See Figure 29) Previously the shortage of money had been an internal problem. Cash had been tied up in stock when the threat of no forex had arisen in May. Now the problem was a rapidly devaluing currency. Unless action is taken quickly business can become bankrupt. This is because your profit becomes your cost of sales less your *replacement value*. During this time in August allowing 30 days of credit would have meant that in selling our product we would have had to introduce large profit margins to protect us from inflation or change the credit terms to cash or extremely limited credit, as we did.
When the situation became as volatile as it did at this point we had a brainstorming session. We needed instant action as our business could have gone bankrupt very quickly in this type of inflationary circumstance. We agreed on what needed to be done immediately:

- Collect any outstanding debt as quickly as possible.
- Concentrate on core competencies.

5.3.2. Rich Pictures

Two rich Pictures were drawn out to describe the area of concern. They are not that different from each other. The first picture (Figure 30) shows an overview of the whole business and the areas that interact. During the discussion that followed the drawing of the picture it became clear that certain areas of the business were within our direct control and others were external to the business and not controllable. Isolating those areas that were not within our control gave us a new clarity of the problem situation. There was a great deal of stress and emotion surrounding the clash between the departments. It could be seen through the Rich Picture that certainly some of this stress was due to factors over which we had no influence. In “The Mind of a Fox” the authors put it clearly, “if you want to be truly in charge of your destiny, you first require to know your limitations and be humbler than you think.” (Illbury and Sunter 2001: 37) The point is that there are ‘rules of the game’ that are beyond our control therefore it is unproductive to challenge them. The second Rich
Picture (See Figure 31) separates the systems so that those which are internal and within our control are clearly seen and the focus of this research.

One of the key areas highlighted within both Rich Pictures was that of communication. All the possible lines of necessary communication were illustrated. This issue was key to the alienation between departments. During the IPP exercise discussed in Part One communication had been seen to be lacking and the cause of the fundamental operational problem. The 'implementation conversation' had been integrated into the workplace but on investigation it was seen that it had been implemented within my department only. The necessary inter-department communication was happening on one level but the directors of these departments did not subscribe to the need for this activity.

After the discussion and debate that lead to the formulation of the Rich picture I then interviewed key members of staff. I focused these interviews on the CATWOE mnemonic. Summaries of these interviews can be found in Appendix 4. My aim in interviewing these staff from the sales and the finance divisions was to determine most specifically what they understood the key output of their activity to be and how they viewed that activity within the whole business. This gave me the transformation activities and worldviews held by these members of staff, which in turn provided an insight into how each individual saw their role within the organisation.

With this in mind we discussed which system we felt warranted the most attention. This took us to the next step, which determines the root definition that will define this system.
1.5. Deriving the Root Definition

The creation of root definitions is done with the help of an acronym, CATWOE:

*C* - customers
*A* - actors
*T* - Transformation process
*W* - weltanschauung (worldview)
*O* - owners
*E* - environmental constraints

Isolating the elements of the CATWOE helps to reveal the stakeholders of the organisation and the problem at hand. Most importantly though, it illustrates the input and output of the system under scrutiny and the worldview of those involved in that system. This is the *T* - transformation and *W* - weltanschauung of the CATWOE and it is essential to the process of creating a root definition.

To determine the root definition it is important not to forget the system that you are working within. In any situation there will be a number of possible root definitions. The problem area will define the context and the research problem creates the focus for this root definition. As mentioned previously, in order to create a context, part of my data collection involved interviewing relevant people within the organisation. I decided to generate a CATWOE and root definition for each individual. The reason being that in my research I am trying to develop a system that encourages integration to occur as a solution to certain management problems. In order to have integration it is necessary to be absolutely aware of every party's agenda. It is important that they too understand what it is that they are trying to achieve and why.

From this I was able to look at the responses and determine the areas that I am specifically dealing with. It revealed the systems involved which the Rich Picture had also surfaced. I used what I called mini 'Catwoe' interviews to introduce the staff to the methodology. I
wanted to familiarise them with what I was trying to achieve. Once they had all participated in individual interviews we then had a group think to refine the system. The individual interviews also gave us a clearer view of what we are all trying to achieve independently within our own sphere of expertise.

The insight gleaned in Part one, into the nature of integration, was the importance of discerning the 'law of situation'. Therefore the overall premise that I am working from is that of the 'law of situation', which Follett says is derived from the demands of the circumstances at hand. This creates the context of the problem. To obtain an integrative solution to a particular problem is obviously going to require input from all those affected and involved in that situation. The diagram below (Figure 32) is the CLD taken from the problem formulation stage to illustrate the influence and affect the 'law of situation' has in terms of achieving integration. The 'law of situation' will be dictated by the transformation and the weltanschauung. This illustrates the inter-relatedness of the whole process and the importance of acknowledging the main activities and how they affect each other.

![Situation CLD](Figure 32)

The aim of this stage of SSM is to move out of the real world situation and create a root definition for the systems in question. From the interviews and a group discussion we created a general CATWOE and from a root definition of the problem area.
CATWOE:

C - sales department

A - accounts staff, buyers, warehouse staff, suppliers, customers

T - to create a system that illustrates the situation clearly to the players so that they are able to make decisions based on the context of that situation.

W - each individual has a unique perspective of what is trying to evolve in situations, which is why there are so many opinions and solutions to a single problem.

O - stakeholders

E - stress of political upheaval, economic chaos and personal threat

ROOT DEFINITION:

To create a system that encourages individuals involved to seek an interpretation of 'the law of situation' in order to understand clearer what is trying to be achieved. Having this knowledge then will lead to the formulation and integration of a solution to the problem.

5.3.4. Developing the Conceptual Model

The gap identified during discussions around the root definition was that of communication. The conversations were missing. So it was determined that the need in the business was to develop a framework that would encourage conversation. The diagram created for means planning (see figure 7) in Part One illustrated the overall system. Computer inventory details provide information required by those that procure the stock and those that sell it. The elements of cash flow, ordering and sale all require conversations to occur for optimum efficiency. The participants of this research decided that if all these conversations occurred then we would not have had the misunderstandings that arose initially.

Having identified that conversations are missing within the organization it was important not to get lost in too many conversations. The problem at hand was the one between the sales department and the finance department. This illustrated the importance of identifying the 'law of situation'. Simply speaking, what is the situation demanding?
The research has shown that there are myriad conversations that need to be initiated. Within the organization my aim is to instill empathetic understanding of the intertwined destinies of all departments. We are all a part of a larger system. Any decision taken will have an impact on an area outside of that in which each individual functions. To be aware of that is the beginning.

5.3.5. Suitability of the Initial Conceptual Model

The resource planning section of the IPP exercise established what resources are available for our use (See Figure 8.) This information has helped to determine the validity of the original conceptual model discussed. It is all very well to decide that conversations are needed but the question then becomes, what type of conversations should we have and with whom should we have them? This becomes a critical point. The conversations must add value. Identifying the resources available to use enabled us to assess whether these were valuable to us especially in terms of solving the internal problems.

During this debate the team felt that the conceptual model was useful but they wanted more direction. There was complete acknowledgment that communication was the major problem. The issue was how to structure this - how to make these conversations valid and valuable. I also noticed that it is easy at times to identify what needs to be done in order to improve circumstances. The step that is the hardest is that one that bridges the knowing-doing gap. The culture of our particular organization has never embraced this concept of communication easily. This is partly due to the autocratic leadership style in place and also due to individual preferences. In a series of personality tests done recently it was shown that only two of the six directors show strengths in the area of communication. So it is not surprising that identifying the need for conversations was easy, the hard part was having those conversations.

We debated at length how explicit this activity needed to be made. I believe that each step needs to be spelt out. The general feeling was less emphatic. The advance in attitude up to this point had already been significant for all the individuals involved. These discussions lead
us on to talk about the implementation of this process. Since the output of the Interactive Planning Process has been the "implementation conversation" (see Figure 9) we discussed the value of this model used in the added value domain. Re-looking at this model it still offered a practical approach to the problem at hand. So the model was adopted for framing the conversations that needed to take place and the conceptual model seen in Figure 33 is the result of this process.

The conversation that needed to happen was identified first. The 'law of situation' dictated that the conversation be around the issue of stock procurement and stock holding and the cash flow. Could the sales and finance departments implement a conversation that allowed 'the law of situation' to take precedence?
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Figure 33
5.3.6. The 'Implementation Conversation'

The implementation conversation is discussed in some depth in Part One. In the conceptual model the blue arrows indicate the interaction between the four quadrants. The blue boxes illustrate the activities associated with the central elements of communication, structure, plan and objectives. The purple arrows indicate the relationship between each of these elements. They are discussed within the overall description of the conceptual model designed for the system described by the root definition in this research project.

The first element in that model (Figure 9) is the TEAM. The members selected were the financial director, the sales director, the buyer, a representative from the accounts department and an independent party. These individuals were considered both involved and affected by the activities within and between the departments. The key activity for this quadrant is that of communication. A meeting was called to determine the nature of the issue. The 'law of situation' dictated that the issue at hand was the conflict between the ordering and payment functions. Due to the present economic situation the payment structure of many companies has changed and this caused an immediate drain on the cash flow, which resulted in this crisis. While it was a crisis that forced this communication, it was admitted that this meeting between departments was long overdue. Animosity had been simmering and the volatile environment ignited the tacit distrust that has existed for a long time.

Once the issue is decided then the solution to the problem at hand is debated. The consensus of this debate is then used to DESIGN a way forward. In this case it was to work out what parameters were in our control. These turned out to be the ordering function particularly with respect to the size of orders. The collaboration between the departments was essential to determine whether the best choice was smaller orders more regularly or a large order for a sizable discount. Communication is essential in this activity. The design phase included defining certain aspects of the communication. If an order is considered urgent what does this mean? Does urgent mean that the accounts department must drop everything and write a cheque? Or is it reasonable for the accounts people to request a
warning be it at very short notice? An idealized design (See Figure 34) was drawn to illustrate the best scenario for the company. Buy the product, sell it and have it paid for before the debt is due. This created a view that forced the participants to aim high however the structure of the design phase also concentrated on setting realistic time frames and investigating the pattern of ordering.

1. Sell product Collect money

Purchase product Pay for purchase

2. Sell Product Collect debt

FREE MONEY

Purchase product Pay for product

Figure 34

With the design in place ACTION could be taken. This involved setting up operating procedures and facilities for effective communication about this issue and to enable targets to be met. Email was installed on all the machines. A payment described as urgent would warrant a meeting and discussion of key individuals, namely, the decision-makers. If a payment was considered less urgent an email warning was considered adequate. Any order that required no special attention was dealt with in the usual manner. This simple action was implemented and the emotional edge that had dogged the entire issue was abated.
The penultimate step of the process is the monitoring function. This is the CONTROL phase. The challenge was to set objectives for the structure of the design and then measure the attainment of these objectives. Obviously the best situation is the ideal one, that is, to have been paid for the product sold before the debt becomes due. The sales department set up a system to monitor the sales and try to determine any obvious trends. This system also alerted the sales team to any products that would require re-ordering sooner than anticipated. The accounts department was given a monthly projection for sales by the sales team. The aim of the structure set up was to avoid the potential for conflict and crisis. While the situation may sound benign in its retelling there were days when the tension was so high and the power differentials so strong that not only was efficiency drastically affected so too the staff morale plummeted.

If implementation is successful then it must become a routine. The effect of the system set up in this situation did dissipate the contention within the environment. Communicating proactively helped to increase efficiency and decrease stress. In the economic and political climate in which all this dissention was occurring anything to decrease stress was welcomed. This conversation idea has developed into an interdepartmental meeting where every single department is represented and discussions are held on pertinent issues. These meetings occur monthly and have become the ROUTINE intervention of the implementation conversation.

The conceptual model was designed to encourage interpretation of the 'law of situation'. In this case it was that product needed to be maintained and cash was required to pay for its purchase. The challenge of the conceptual model was to create a system where the conversation and communication required to achieve this purpose, as dictated by the situation, was practical and acceptable to both departments. This was the moment of reckoning, the point at which integration needed to occur.
5.4. Conclusion

The journey through this research methodology has been arduous. I struggled to write it up, as I was concerned to find a balance between supporting the theory and also making the exercise practical. The most challenging thing of all is the reinvention of the problem. The initial issue was a complex internal problem. The problem was the stock holding and the cash flow. A criticism directed at the sales department had thrown me into turmoil, as I believed the situation to be under control. What resulted was a series of conversations that illustrated the problems at hand, each individual experiencing his or her problems uniquely. Each of us was well aware of our personal ‘law of situation’ and on reflection we were all concentrating in that area. What we had failed to acknowledge was the presence of multiple perspectives. This had been causing more and more problems but nothing big enough to demand a major change. The impetus came when the external environment became extremely chaotic. It highlighted our issues and for survival demanded that a new way be sought.

In fact the external environment, which continues to be turbulent and totally unpredictable, has changed a number of times since the inception of the original problem. If the description of the issue in this section seems disjointed that is exactly what it is. The volatility of the external environment was so intense that at one point in August we stopped selling product for ten days. The problem of stock and cash flow that had been so acute at the end of July was now not the issue anymore. This meant that the focus on this particular problem was gone but I still believe that the problem at hand was a symptom of a larger problem. The stock and cash flow issue became the prototype in a way because a whole lot of issues surrounding the management and structure of our organisation became apparent. Despite the change in circumstances and focus I still believe a great deal was learnt from this exercise. For a time judgement was suspended and a new way forward was found.

What I have tried to illustrate is the validity of the methodology used. The SSM gave me a framework in which to surface extremely sensitive issues. In fact in retrospect I can see that the issues are not so much sensitive as they had become personal battles. Being able to
get people together discussing and sharing ideas was beneficial from the point of view that it created a cohesion between the departments and the people involved. This cohesion is what I interpret as integration. Perhaps this circumstance was not a good example as we clearly had common ground to start with. What has been amazing for me is the change in the relationships that has occurred as a result of this implementation. We still find it difficult to have certain conversations but from my perspective each day less becomes 'undiscussable'. For my purpose identifying the need for a conversation is a step in the right direction. Under the original patriarchal set up there was little discussion, we did what we were told. There are still a lot of entrenched patterns of behaviour and ways of being, however, instead of being distracted by the problems I am focusing on the changes and appreciating the value they have brought. The more that the individuals within the organisation adopt these principles the less the old ways will prevail.

5.4.1. Further Insight

The conversation framework has proved very beneficial because it makes the process less personal. On reflection I can see that the problem stemmed from the fact that criticism and commands through the old leadership style were all given in a very personal way. What this created was a defensive and disjointed group of directors. This behaviour subsequently lead to the same type of behaviour occurring within the departments they managed. This realisation has led me to conclude that a deeper diversity issue exists within the organisation and that is the diversity of leadership styles. Initially it was not apparent that the dominant leadership style of autocracy was affecting the relationships within and between departments. The journey through this methodology has revealed this tacit layer of difference. The reason it had become apparent was through the implementation of interdepartmental conversation. The autocratic culture dealt with communication on a need to know basis. The conversation ideal introduced a framework, which encouraged participation from all members of the team. This meant that stakeholders who were more affected than involved could state inexpert opinions. This sharing often brought unexpected solutions to issues under discussion and it also introduced a level of transparency that had never existed. This caused a clash with the original patriarchal approach. We were now a
company in deep transition with all the chaos and conflict that surrounds change only now we were better equipped because we had learnt how to hold better conversations.
We shall not cease from exploration
And the end of all our exploring
Will be to arrive where we started
And know that place for the first time

Taken from The Four Quartets by T.S. Eliot
6. Theory Construction and Critical Reflection

1. Introduction

The aim of this part of the dissertation is to use any valuable information generated through the application of the research methodology to the problem area to develop a management theory that can be applied to improve management practice. A framework of the process of theory construction is illustrated in Appendix 6. Part of this process involves the elements of critical reflection. The reflection process is made up of three key elements, namely, insight, critique and transformative redefinition. Since these three activities are key to the process of theory construction I have woven the processes of theory construction and critical reflection together. The first step of theory construction is re-framing the initial problem. Recognizing any key insights gained during the research process offers new perspectives, which are then used to re-structure the original problem. Therefore the first step to re-framing the problem is determining the insight gained during the research process. The elements of insight, critique and transformative re-definition are discussed at length in this section drawing out, where possible, the salient characteristics of each element. Once I developed an understanding of what aspects make up the critical reflection process I created a framework for critical reflection that I will use as a lens to critically reflect on my dissertation. The process of theory construction uses the elements as they are discussed and the theory discussed is then evaluated in terms of its relevance, validity, utility and ethics in the workplace.

6.2. The Development of Insight

Insight is a process of seeing something in a different way to that originally conceived. As I look back on the research project that I have completed this is the part of the process where I reflect what I have written and understood. Then I look deeper to understand what it means. This is the process of insight. In reality it is impossible to separate the process of insight from the overall project. As I understand it insight occurs constantly and affects
the next step that is taken. Ralph Stacey\(^1\) explains this when he says that 'any action produces a response and that response produces the next action.' This means that activity is an ongoing interactive experience that has almost no beginning and no end.

The process of insight needs to be participative which will require the input of various stakeholders. An interpretation that does not have multiple perspectives is merely a point of view. The warning of "subjectivity masked as objectivity"\(^{42}\) is likely to occur with less participation, which will decrease the possibility of real insight occurring.

One of the other dangers that can affect the quality of insight is taking for granted a hermeneutic meaning. It is necessary to allow and encourage insight. Without it stakeholders will remain "victims of meaning structures that were developed in response to past situations and perpetuated in their talk and actions." (Alvesson, Deetz: 142)\(^{42}\) Ralph Stacey\(^1\) highlights this when he says that 'we need to REFLECT on HOW we are thinking.'

What I understand by this is that we often take for granted how we think. Our actions reflect our thinking. While considering our actions may be helpful, if we do not understand the thinking that leads to the resultant action, then the likelihood of a repetitive cycle is high. What we want to achieve is a better understanding of what we are doing. The next logical step is to determine whether we need to be doing what we are doing. The strategic choice should be to ask better questions in order to develop new conversations.

The main point is to understand that insight is a process. Alvesson and Deetz put it like this, "insight is both the process of producing a unity of interest in the data - of knowing what data to collect and how it fits together - and understanding the conditions for such unity." (Alvesson, Deetz: 18)\(^{42}\) So it is necessary to have the right approach to data collection. In the same chapter Alvesson and Deetz state that "we do not collect data that we then interpret. Data is an outcome of interpretation and construction." (Alvesson, Deetz:21)\(^{42}\)

From the various readings I have compiled an idea of what the process of insight might look like in the form of a causal loop diagram. (See Figure 36.) As illustrated this process is continuous, with no true beginning or ending. If we begin at the point of gathering of data,
this is a critical part of the overall process. Data must be meaningful. The data collected need not be prolific; rather it should highlight the different ways in which knowledge is constructed. Simply put, this makes the researcher aware of individual interpretations of the data. People use their own experiences and knowledge base to receive and interpret information. Once a mutual understanding of these different constructions of knowledge is gained the meaning attached to that construct will emerge. It is necessary to appreciate the meaning behind that particular knowledge structure, as this will indicate to the researcher the boundaries of this meaning. Theories have qualifications. This means that the data can only hold true provided certain conditions prevail. Understanding what these conditions are and how they affect the meaning will lead to further insight. As all researchers have found this insight may have introduced new concerns for which more data is required and a recursive process continues. What also results from this experience is the postmodern idea of competing discourses. Insight may reveal that there are different narratives each of which has relevance and purpose. The complexity comes in trying to determine the discourse that describes and plots the direction to take.

The Development of INSIGHT

![Diagram showing the process of INSIGHT]

**Figure 36**
6.2.1. A Critical Reflection of Embracing Diversity through Integration

**Introduction**

The question that began it all was whether the management technique of integration was a valuable tool in the workplace for dealing with diversity. This project has taken us through a journey of investigation. To start with it was important to understand the concepts that I was intending to introduce. The initial section of this paper examined the work of Mary Parker-Follett and the application of her ideas by Pauline Graham. I concentrated on discussing their ideas in relation to other management tools. Some of the language used by Follett could be termed old fashioned. Her writing in the 1920’s uses a language that would have been understood in as much as her revolutionary writings were accepted. Today, while meanings are similar the language can be a barrier to understanding. I have kept true to Follett’s language as I found it meaningful to me so I have tried as far as possible to define words or concepts that are not self-explanatory.

This project has focussed extensively on the concept of integration using the ‘law of situation’ as a guiding principle. When I set out to examine this issue I used the principles and tools of systems thinking to guide my thoughts and frame my journey. It was through the casual loop diagrams developed during the problem formulation stage that I was lead to examine the concept of “the law of situation” closely with integration. The CLD’s showed me relationships between the management ideas of Follett that I had not originally discerned. This is the strength and innovative potential of systems thinking. It was this same thinking coupled with debate and challenge that has resulted in my revisiting my insights during the problem formulation. The journey of this paper has lead me back to where I began only I understand the issues a little differently now and from my perspective, more deeply.

This paper was carried out as an action research project. Action research demands the participation. From my brief experience with this form of research I have become aware of its merits. The key here is for “action to inform understanding, and understanding to assist action.” I am also reminded of the point Bob Dick made about fuzzy questions and fuzzy answers that I mentioned briefly in the opening chapters. He says, “In action research your
initial research question is likely to be fuzzy. This is mainly because of the nature of social systems.” (Dick 2001: 11) The point is this that this fuzziness must lead to a refining of the question and methods used. The aim of action research being to get to a situation where an understanding of the social system in question is gained and the best course of action for change occur at the same time. The critical part of this form of research is the ‘deliberate and conscious reflection’. This is where the learning occurs. The layout of this paper has followed the premise of Handy’s wheel of learning, the steps of the wheel being question, theory, test and reflection. The project begins with formulating the problem. From there an extensive search of the theory was carried out. The ideas and thoughts were tested using soft systems methodology and this section looks back on all that has happened up until now and why.

6.2.2. The Emerging Insight

This part of the dissertation will illustrate the insights that I have gained. These illustrations are in the form of casual loop diagrams with associated discussions on the relationship revealed in these diagrams. The aim of this paper was to illustrate the value of diversity and to offer some way of tapping it as a beneficial resource. The final discussion looks at the transformative re-definition that has occurred and the meaning to my organisation and myself.

6.2.2.1. Understanding Diversity

The reason that I have redrawn a number of the causal loops is because my research has shown that there is much more to the story than I originally thought. I have chosen new titles for all my CLD’s which depict more fully the insight I have gained during this process of seeking to embrace diversity. The primary loop, which I called “the law of situation” loop is still the starting point of the story. What became apparent was that there were stories within stories that emerged as I was writing up the various sections. I have redrawn eight loops and given them different names that indicate the new focus that I have discovered. The original "law of situation" loop I have entitled 'Understanding diversity'. This is because this is where it all began and this thread has continued throughout the project. I have come
to appreciate that the relationships between the elements in this loop have led to understanding and being able to identify the presence of diversity and the effect that it has on decision-making. The 'law of situation' is not an easy concept to appreciate. It has been of practical valuable help to me in my work as a manager. Using it I have also realised how separated theory can be from practice at times. Basically the 'law of situation' is open to individual interpretation, which brings us back to the beginning where everyone is determined that their perspective is the right one. That is why it drives integration. Agreement is required on what the situation at hand actually is and how it needs to be addressed. This is where integration is required.

The insight from this causal loop enabled us to begin to solve our management problem. Follett says clearly that 'One person should not give orders to another person, but both should agree to take their orders from the situation.' The point that Follett stresses is that each situation has its own inherent order and logic. So by examining any situation we will find that there are 'significant facts that speak for themselves and determine action'. (Graham 1991: 144) So the management practice introduced is to find the law of situation. This is the first step. It is a difficult step, as it does not follow the usual rules of management where the boss decides what is wrong and dictates solutions.
Determining the law of situation takes the personal element out of problem solving. This investigation has shown me that so often the emotions inherent in the participants are the primary and largest of the stumbling blocks. By sitting down and discussing the stock and cash flow situation without assigning blame was the start. Integration occurred when the two departments were able to agree that our agendas while different, were both important and were ultimately leading to the same end goal. Another important step was to determine that all of the roles played were important and needed to be recognised as such. It was agreed that decisions about either stock or cash flow would be discussed with all the parties affected. This was quite a breakthrough in the impasse that had existed. The approach was certainly novel for us. By trying to integrate our positions it led us all to appreciate the other points of view and plot a better way forward. This new conversation has brought the management team closer and the staff closer to the management. A new type of community is forming within the organisation. Because we have a conversation going now the common purpose is made explicit and is agreed on by the parties concerned. The breakthrough is significant and remarkable and it began with understanding the law of situation. Pauline Graham summarises it this way, "The final outcome of seeing the situation as it is, as it should be and of the work to be done to get there thus becomes the common enterprise." (Graham 1991: 145)
6.2.2.2. **Leading Diversity**

The second loop I have called 'Leading Diversity'. This is a balancing loop labelled B- *Causes of Conflict*. It begins with the element of the organisation. In using the term the organisation I am talking about the community of people that make up the organisation.

![Diagram: LEADING DIVERSITY]

The insight gained in this loop was the presence of group dynamics. The nature of any organisation is such that numerous people are employed and this means that diversity is inherent. There are differences in gender and race, background, education and social echelon. This diverse group of people each has opinions and goals, values and belief systems. The relationships that exist between each one are dynamic. As Ralph Stacey says, 'all organisations are processes of relating.' The nature of this relating determines the type of leadership style used. In our organisation the style has been essentially autocratic. It is in the process of changing which is why we have had the emotional and chaotic circumstances leading up to the problem formulation.

Leadership styles will determine the power dynamics that exist. The power relations within our organisation revealed that the largest shareholder was the decision-maker. This power
differential meant that the style of leadership chosen could, and most likely would be, his decision. He uses a dominant management style that is strongly autocratic. This style has certainly been effective in launching the business. The leader is strong and talented and his vision and quick action have helped the survival of this business in extremely trying economic times. What is also clear is that this style of management has lead to a great deal of conflict. Initially this conflict was avoided at all costs by all staff. Now as the dynamics are slowly changing and conversations are encouraged this conflict is not as pathological as it has been in the past. A re-framing has occurred whereby the conflict is seen merely as a difference of opinion. In essence the old style of leadership is giving way to a more participative form but it is important to realise that the major shareholder allows this form of leadership. It becomes an economic decision. If this new way works and still protects his shareholding then it is acceptable.

This participative style has allowed different perspectives to be aired. Multiple perspectives create the opportunity for innovation. This is the point where difference can enhance the richness of decision-making. This is embracing diversity.

6.2.2.3. Embracing Diversity

The third loop I have called 'Embracing Diversity'. This loop is a reinforcing loop labelled R1-Shared vision begins with the element of common purpose. This term is what Follett uses to describe shared vision.

The relationships displayed in this CLD were always there only they were implicit at the time of drawing the initial loop. The first loop drawn simply showed the organisation driving the common purpose. What was tacit knowledge at that time was the background of these elements. What were the drivers and relationships that held these elements within the loop I had drawn? The shared vision begins with the common purpose. The common purpose will affect the way in which groups within the organisation interact. In our case the common purpose had not been made explicit. The dynamics that resulted was an inter-departmental rift. Each department was convinced of its own validity to the total exclusion of others.
This statement sounds strong but I cannot emphasise how entrenched the culture of poor communication was. There was literally no inter-departmental communication.

This group dynamic served the autocratic leadership style. We did what we were told and looked to this individual for direction. Since we have pushed back the boundaries and begun communicating between ourselves a discussion is now had around the strategy to take. No longer do we behave like lemmings. We make decisions about our future. Once a strategy is decided we then frame the pursuit of it. This element I have called the ground rules. These are boundaries that we determine necessary to achieve the goal. These rules will include elements of etiquette, who needs to be informed by who, time frames, when is this going to happen and those accountable for the various stages of the process. This has lead to a better team spirit. We have established that while we all have distinctly different strengths and competencies we are all important in our own way to accomplishing the overall
goal. By working together and more importantly conversing together we have a better idea of the common purpose.

6.2.2.4. Valuing Diversity

The fourth loop is entitled 'Valuing Diversity'. The relationships within this loop are balancing; the loop is labelled B1-*myths, symbols and narratives*. This description gives a distinctly post-modern feel to this loop. The post-modern approach helped me to see many of the diversity issues differently. When I was explaining the concept of meaning to the participants it helped when I used the words myths and symbols, which is why I adopted them in the description of this cycle. The elements in this loop connect the relationship between integrative management styles and the law of situation. Acknowledging the presence of these elements deepens the understanding of both integration and law of situation.

In our organisation the conversations that lead to integration also created a platform for better understanding. I have called this element managing meaning. Meaning is something that I attach to a situation, circumstance or item for a reason. The reason for meaning being associated to anything is purely personal. Meaning can be derived from your upbringing, education, religion, basically anything. In the experience that we had it was clear that the situation at hand meant different things to each of us. What was important was to appreciate the existence of myriad meanings and use these to our advantage. Differing interpretations of a situation can lead to conflict and an impasse. It can also be thought of as a giant pool of ideas that creates a previously untapped richness of experience. This idea was radical but exciting. We began to see our colleagues as sources of alternative ideas and expertise. If we had a difficult problem bouncing it off a particular person could give a completely new slant to the issue and help in determining what the situation actually demanded. By surfacing and discussing these ideas we were managing meaning. If meaning is managed effectively then valuing diverse opinions becomes the natural progression of that step. Diverse perspectives allow for a more balanced view of a situation and this is why this element leads into the law of situation. The better you understand diversity the better you can determine what the situation is really demanding.
The insight at this point was the value of difference. It was a profound insight and has led us to a space of better appreciation instead of intolerance. Tolerance and acceptance create value. This is the strategy of all organisations seeking longevity.

6.2.2.5. Managing Diversity
The fifth loop is entitled Managing diversity. This loop also displays a reinforcing relationship between the elements. It is labelled R2 - Communication. Again as compared to the original loop which connected the organisation to the law of situation through common purpose there were plenty activities that needed to be made explicit for the story to be meaningful.
This loop is a large and complex one. This is not surprising as it is the ‘communication’ loop and this element has proved more difficult to achieve and understand within our organisation than any other. Communication is the key to efficiency and effectiveness. I will not discuss the relationships between the elements that have already been discussed. I will begin with the element of leadership styles. As we slowly challenged and changed to leadership style in question this drove the process of dialogue. Once the speaking had begun it became clear that we all thought we had not considered the presence of alternative points of view. To be able to move forward in this communication process it was necessary to drop any judgements or preconceived ideas that we held. By letting go of these mental models we could then begin to find out what was behind each individual's position.
process of advocacy and inquiry allowed us to gain access to the ideals and values held by our colleagues. When these were aired a sense of trust became apparent. The initial meetings were fraught and people felt defensive. As the process of suspending judgement and inquiry began so a 'container' or 'safe place' was built. The 'container' is metaphorical. It merely describes an environment in which people feel free to air their views. Once this safety is assured then the problem situation can be dealt with. This is the point where the law of situation is discussed and determined rationally and unemotionally.

2.1.2.6. Creating Diversity

![Diagram of creating diversity](Figure 42)
The sixth loop is called 'Creating diversity'. This loop is also large and reinforcing, which is not surprising given the nature of the relationships. It is labelled R3 - the role of power. The addition of this element of power was unexpected for me. As I realised the action of power relations in the loop it would have been shortsighted of me to ignore it. From reading the literature especially the work of Follett, in focussing on integration I ignored the other possibilities she speaks of those being compromise and domination.

Most of the relationships that exist in this CLD have been discussed as they belong to other CLDS. I will discuss the relationship that struck me as being very pertinent to my whole project. This is the relationship between power dynamics and compromising management styles. There are times when the power relationship leads to compromise. I saw this with my own management style. I had not considered this point valid and yet in debates it became clear that at times this style was required for resolution to a problem. The resolution however was dependent upon the compromise driving a suspension of judgement. If this style of management was true to the situation that demanded it and suspension of judgement occurred then the cycle continued into advocacy and inquiry and so on.

Power differentials create diversity. How they are managed is what determines the success or failure of this creation. That is why it is pertinent to note that the R3 (creating diversity) loop joins the R2 (managing diversity) loop. If these loops interact the likelihood of integration occurring is strong.
6.2.2.7. Governing Diversity

The seventh loop is called 'Governing Diversity'. This loop is also reinforcing. It is labelled \textit{R4 - the impact of principles}. In fact this loop has not changed a great deal from its original, which was called the Followers CLD. The relationships in the original CLD illustrated the importance of followers. The focus in the 'Governing Diversity' CLD has moved 'upstream' to the element of governing principles -this term, governing principles, is used by Follett to indicate the inherent normative framework. It refers to the values and beliefs that underpin behaviour in individuals or within organisations.
The power dynamics determine the governing principles. That is to say that the values expressed are likely to be those of the most powerful. The importance of those governing principles held to the individual affected will determine the expression of that person's individuality. It is clear that if everyone were to do exactly as they pleased then the likelihood of chaos is high. The aim should be to achieve a situation of efficiency without compromising essential values. Here I am drawn to the utilitarian approach discussed in ethics, which dictates the greatest good for the greatest number. What is important though is to recognise individuality. If the individual believes that the set of governing principles within the organisations is in step with his or her own then synchronised movement can occur. It is at this point that the individual will agree to be a follower. This has been my experience within my organisation. During the debates I found participants agreeing more easily to an action plan if they had stated an opinion and felt heard. It was important to allow everyone, who wished to, to contribute. My belief is that choosing to follow is an easy step provided each individual's dignity is intact. In fact the reality is that many of the participants are quite happy being followers. I was promoting followership as a choice and responsibility. Some of the participants embraced this but others liked the autocracy of the old way. Choosing to be a follower led naturally into the next step of creating a common purpose. Once the team had formed, achieving the common purpose was almost academic.

6.2.2.8. Authorising Diversity

It was difficult to name this loop, as it is very much about the process and the inherent authority. I have called it 'Authorising diversity'. This relationship is balancing, the loop is labelled B2 - authority dictates.

This loop is also very similar to the original 'process CLD' that was originally derived. An integrative management style is a useful approach when power differentials are not insurmountable. The hierarchy that exits in this instance is a relational one rather than directional. So the individual perceptions are integrated and the process becomes the focus. Once the process is in action then the authority inherent within that process becomes clear.
Follett labours the notion that authority comes from the task at hand. So it is the task being carried out that dictates what needs to be done. This means that the person carrying out the process at that time has the power to exercise that authority. How well this occurs depends on the attitude and skill of the person carrying out the task. If there is integrity and responsibility within the system the common purpose will be achieved.

Follett's idea of authority is not an easy one to grasp. I experienced some difficulty in implementing it, as the idea, certainly for our organisation, is radical. The system that exists is hierarchical. Many of the staff are used to taking orders from those in more
senior positions. In fact many of them seem to prefer this system. I think this has something to do with responsibility. The transfer of authority takes with it the transfer of responsibility. Therefore the doer of the task has not only the authority that goes with that task but also the responsibility. Some of my staff were reluctant to alter the status quo. My experience showed me that not everyone would embrace these ideas as I had. It has also shown me the opposite of my own approach. A part of me had set out to prove that dictatorial leadership does not work. What I am slowly learning is that having a balance in attitude makes a better leader than one that purports only one way of doing things. I am allowing the change to come in small steps.

6.2.3. Using the Insight to Reframe the Problem

Practically speaking the insight gained was significant for my practice as a manager and a leader. The CLD's in Part one illustrated my understanding from the literature about the nature of integration. In this section, Part three; I revisited that understanding from a different perspective after having applied the research methodology to my problem area. The view that I have of both diversity and integration is different.

The original problem was looking at understanding the benefits and problems associated with diversity in the workplace and the value of integrative management as a useful tool for effectively managing this difference. Each causal loop diagram illustrated in this section signifies insight into the various areas of this research topic. What is also apparent is the constant overlapping of information and insight throughout this section. This indicates the inter-relatedness of all the areas discussed. The major insight for me involved the areas of leadership styles, power dynamics and embracing diversity.

Leadership styles
The new CLD's have illustrated the change in my understanding of this subject. What has occurred concomitantly is the understanding of the deeper issues at play. The most pertinent issue is that of leadership styles. As mentioned the original approach was distinctly autocratic. This way was beneficial and efficient in the past. A new way is
precipitating as the company grows and that reflects my own more participative leadership style. This is a core diversity issue within the organisation. As I reflect I see that the issue of differing technical abilities was the precursor that started a far larger investigation of diversity than I originally imagined. I still believe this was a diversity issue and it was this research problem that showed the presence of a larger one at play, that of clashing leadership styles.

**Power dynamics**
Closely allied to leadership is the issue of the power dynamics that exist within organisations. By appreciating that all relating is across a power differential helped me to view the interactions within organisations differently. It is impossible to remove the power issue so therefore it must be managed. Added to that I realise that this power differential is not necessarily bad unless it is abused.

**Embracing Diversity**
Embracing diversity is where this research report began only now my approach to this activity is different. Embracing does not mean getting everyone on your side or agreeing with you. Embracing diversity is about identifying the group dynamics that exist, choosing productive leadership styles, articulating the strategy and developing teams with ground rules and a clear purpose. The insight here is the complexity that diversity introduces into the workplace. Group dynamics will always be inherent but if it can be made explicit then the best leadership style for this situation can be discerned. It is this point that I feel is most pertinent. That there is a place for a number of different styles of leadership and being able to discern the appropriate way will give any organisation a competitive advantage.

So understanding that there will always be differences of opinion and power differentials I propose the theory that:

*Any organisation that embraces diversity with active monitoring and support will drive integration or the building of alliances, which will improve the power relations that exist between diverse groups.*
6.2.4. Boundaries and Assumptions

The main assumption made is that people automatically want to build alliances. Alliance building while not as prescriptive an end as described by integration still requires a level of communication that will demand openness and honesty. The point I am making is that if the elements of diversity can be effectively tapped and alliances formed between these groups then the chance of increased productivity within and between organisations is higher. My experience of the management of diversity in my own organisation has been one that highlighted inefficiency. Many management hours have been utilised by employees trying to prove why a situation is as it is and why the fault does not lie with that particular person.

If the organisation has an explicit policy of embracing diversity this will make staff more comfortable with, and even value their difference. The logic for me is that if I value my difference then I will be less threatened by alternate points of view. This will alter the power differentials that currently exist. If I am not threatened then it is more likely that I will be able to build stronger alliances between groups. Healthy alliances are created because each party sees a benefit in the difference offered by the other.

The key point to the success of managing effectively is active monitoring and support. This applies to diversity as it does to any other form of management. If the process is measured appropriately then it will succeed. If employees become aware of management support they will be more inclined to work within the parameters dictated.

Diversity is not an easy subject to entertain. The tools for its management are as diverse as the groups they are developed to aid. Each diversity issue is likely to have its own specific set of constraints. The point is to ensure that the problem is interpreted as objectively as possible and not glossed over. This will instil a sense of trust in the participants and make the building of alliances more possible. Alliances that tap resources from the strengths of individual parties to the benefit of the whole are more likely to succeed and thrive.
6.3. The Nature of Critique

Critique could be described as a form of knowledge deconstruction.

"Deconstruction denies the univocal products of the intellectual, the result of methods and procedures, and common sense to the public; instead it opens the movements in and between them." (Alvesson, Deetz:143)⁴²

The part of this statement that I want to hold on to is that 'it opens the movements in and between them', the point being that we do not want to get stuck in a world of dogma and defence. The process of critique serves to challenge the status quo. This way, better questions are asked and different ideas are shared. Alvesson and Deetz talk about critique being a part of a participative communicative act.

I have illustrated the nature of critique, as I understand it in a causal loop diagram. Critique is naturally a part of insight. As I see it the two relationships are inseparable on some level.

I have shown the relationship interplay in Figure 45. The discussion in the section will be around the second loop, as the first one was discussed above under insight.

Insight will naturally lead to new ways of thinking and new ideas. These ideas I have entitled competing discourses in the diagram. What I mean by this is that insight will introduce new perspectives. These perspectives will introduce different interpretations and descriptions that may compete with each other for significance. In the cycle of theory construction I have labelled these elements the supporting and opposing discourses. What determines which discourse gets expressed are the power relations. Stacey⁴¹ sees life as a process of relating. The setting of this relating will determine the power relations. Relating will also occur within a set of constraints that need to be acknowledged. Once the power relationship and constraints are identified a position will be taken. Choice involves sacrifice therefore there will be defenders of that position and opposers. This situation will drive the process of critique.
Each individual views the world through a certain 'lens' or paradigm. Jackson\textsuperscript{36} describes a set of four paradigms, namely, functionalist, interpretive, emancipatory and post-modernist, which have been discussed at length under the research methodology section. The nature of the critique will alter depending on the paradigm view that is taken. The point of critique being, "to undo the more structural and ideological roots of frozen meanings and the frequency with which certain discourses are circulated, others are marginalized and still other ways of describing and prescribing the social world almost never appear." (Alvesson, Deetz:144)\textsuperscript{42} The purpose of critique, as I see it, is to challenge assumptions and ask new questions. By uncovering the 'frozen meanings' new definitions and descriptions can be found. This is probably the most difficult process of all because the 'frozen meaning' may exist in the form of mental models, governing variables and deeply held beliefs. To challenge these may be to challenge the bedrock of an individual's identity. Depending on this circumstance challenging the issue may lead to a great deal of resistance. If the participants can move through this situation successfully and find alternative ways of describing the world the there will have been insight. This is where the circle closes on itself and the process continues.
6.3.1 In Retrospect: Managing Diversity through Integration:

My critique challenges my ability to answer the questions raised about the nature and management of diversity as well as the use of integration in this process. This project has concentrated specifically on an area of the business, namely, the clash between departments. This focus was necessary to create the practical context for a theoretical management issue. The overall aim was to look at the subjects of diversity and integration, discuss them in my context and then discuss them again in a more global context. This part of the reflection is where I look at what the insight gained for me means locally and globally.
Following the critique causal loop diagram it shows that insight leads to competing discourses. The increase in knowledge at this point can lead to a certain amount of chaos. In our organisation this insight lead to new ideas being shared and this lead to some chaos. Some people got rather defensive and expressed a resistance to change by suggesting that nothing had been amiss in the first place. This experience showed me that the power relations at play dominate the use of any insight. This describes the next element of the process, which discusses identifying the conditions of power and constraint. The discourse that will prevail will be the 'stronger' one. The constraints and power differentials in any organisations are related to so many things. The leadership style exhibited is an important aspect but so too is the culture of the organisation and the nature of communication within that environment. This drives the nature of the critique.

I have chosen to express and critique my understanding of the subject of diversity and integrative management through the lenses of communication, culture and power. In other words I have tried to illustrate my understanding better by describing my insight through these three elements. By critically assessing the nature of the insight gained so assumptions made and 'frozen' meanings are surfaced. Mitroff uses this idea when he impresses the point that all issues must be questioned from a number of points of view. This deepens and challenges the insight. In exposing assumptions made we can then start to see how narrow our own view of the world is. Appreciating various points of view allows us to find new descriptions for the same world. This will drive new understanding and insight.

6.3.2. Communication

In my literature review I discussed understanding the idea of integrative management through the lens of communication. Here I intend to discuss what I have learned and understood about both diversity and integration through communication. I have used the communication vehicles of dialogue, conversation and language to debate this insight.
6.3.2.1. Dialogue

"Interchange and discussion of ideas, esp. when open and frank, as in seeking mutual understanding or harmony." Webster's Dictionary

The nature of dialogue was discussed extensively in the literature review. Dialogue is an extremely powerful tool. From my experience it is not easily understood and I believe this to be because it is never adequately taught. To practice dialogue effectively takes an incredible amount of discipline. The nature of man seems to be to control. The nature of dialogue is precisely the opposite. So in practicing and perfecting this art we need in many cases to challenge the very nature that we have learned. In some way the results of dialogue are a double-edged sword. It is all very well to listen and participate as the subject evolves. What becomes difficult is when what emerges is profoundly different to our own worldview. This creates a space of resistance. This is the challenge of the process. To be able to sit in this space of discomfort and to learn to trust those around you is not easy to achieve it is also time consuming.

The trust issue has been particularly difficult for the autocratic leader. Being the largest shareholder he has a significant investment in the business. In the past he has used his dictatorial approach to safeguard his investment. On reflection it is easy to see how hard it might be for him to trust a new approach that is singularly different from his own. Initially I did not include him in dialogue sessions, as I feared ridicule. Clearly this undermines the whole process of integration. What I realised was that much of this resistance was fear on his part. If this new approach that we were trying to initiate failed his livelihood was threatened. Understanding this made a significant change in the communication that occurred between the directors. Through a number of heated dialogue sessions we have established the kind of information he requires to make him feel satisfied that we are capable of not only safeguarding, but also growing his investment. This information is communicated to him regularly. Through dialogue we have been able to establish a need and act on this request.
Dialogue requires space and time to be effective. The time issue can become a problem. Initially I would encourage the space for these sessions only to be told that there was not enough time. If I am honest this was a relief to me on occasions. I wanted to be true to the process but the discomfort was difficult to manage. What I have realised is that it takes time and discipline to engage in fruitful dialogue. The benefits are evident from the time spent so far, so this must be the beacon that guides us on. There are often times when it is less successful but practice will lessen these moments. I firmly believe that dialogue is one of the key communication tools for effectively managing diversity and achieving integration.

6.3.2.2. Conversation

"The act or an instant of talking together, specif. an informal conference on a problem or area of interest by representatives." Webster's Dictionary

The idea of conversation has worked extremely well for us. All our meetings now take the form of a conversation. The idea is that meetings are not a forum for "do this" and "do that", rather a space is made for problems to be discussed and ideas for solutions to be pooled. I have introduced this extensively in my organisation and the benefits are huge. The original motivation behind this practice was the problem between departments, where communication had broken down extensively, each side impressing their problem and not entertaining other points of view. The problem was essentially created by a lack of understanding and no communication. Each party was only seeing the problem from their point of view and by not fully appreciating the requirements of the other participants a 'crisis of diversity' occurred. It is incredible how quickly a situation becomes toxic. Suddenly there is complete animosity where working relations had not been a problem before. The focus on difference and the assignment of blame became a common practice. The problem with this situation is that it decreases efficiency and creates a negative impression to your customers. Our business is totally dependent on both of these qualities for prosperity.

By introducing the concept of a conversation people were more open to sharing. We did not focus on whose fault it was or what had happened. The focus was looking forward together at how to solve the particular problems that were occurring. Using the word conversation
somehow takes away some of the negative energy sometimes associated with meetings. We meet regularly but if there is an emergency we call an emergency conversation. My experience is that I have participants that are not defensive; rather they are looking for a forum to air the particular issue and see if some resolution can be found. Conversation has aided in the appreciation of diversity and the achievement of integration. Calling a meeting a conversation is an example of how language affects meaning.

6.3.2.3. Language

Any means of expressing or communicating thoughts and feelings by means of gestures, signs, sounds or combinations to which meaning is attributed.

Adapted from Webster’s Dictionary

Language is the key to effective communication. In terms of managing diversity appropriate use of language is very important. English is the language of our business but for over half our employees it is their second language. This is the point at which diversity becomes an issue. Looking at the critique CLD; insight drives competing discourses. Competing discourses are different ways of describing reality. Each individual will bring with them an interpretative stance that affects how they see things. This lens is made up of myriad factors; this is the experience of diversity. To realise the richness in viewpoint that diversity offers, it is helpful to understand the background to that opinion. This is the role of language. The signs and symbols that have a certain meaning to one person may have a completely different impact on another. This is why it is necessary to communicate the meaning that is assumed to be associated with such signs and symbols. These assumptions can be challenged and meanings altered if necessary. This is communicating the nature of diversity and embracing the richness.

6.3.3. Culture

I have chosen to critique my learning through the lens of culture because this was a key element in the journey of understanding and managing diversity. Culture is insidious. Perhaps this is the problem. It lies quietly in the background, almost faceless but dangerously
powerful when attacked. Reading through the literature it is clear that culture is a widely discussed and investigated topic. There are myriad definitions and opinions around this subject. Alvesson suggests that it is not properly understood because the word culture has become a description too broad for its definition. The word is used to describe too many phenomena.

"Culture is rather like a black hole: the closer you get to it the less light is thrown upon the topic and the less chance you have of surviving the experience."

(Palmer and Hardy 2000: 116) 37

I think this view is slightly cynical but I quote it for impact. I think that understanding diversity may be wrapped in the same blanket. Perhaps the point here is that what these subjects offer is an insight into the very nature of difference. The fact that academic world cannot agree on a definition for culture gives me comfort as a manager who struggles to achieve opinion consensus daily. The question that I ask is "Am I an ineffective manager because I cannot achieve this consensus?" Having sat with this at length I am in a space now where I understand that I cannot ever get total agreement but what I need to be able to do is to manage the disagreement. Palmer and Hardy support this when they say that, "National cultures are not easily reduced to similarities across a small number of dimensions and differences may be more important that similarities."(Palmer and Hardy 2000: 123) 37

There are some large cultural differences inherent in our organisation. It is a challenge to embrace this difference and manage it effectively. This is important because it is necessary to get people to work successfully together towards a common purpose in this space for any organisation to have a chance at longevity.

My investigation has led me to understand two sides of culture - personal culture and social culture. By personal culture I mean the individuals' expressions of their values and belief systems which frame all that they do and are within the world. By social culture I am talking about the culture that we can attribute to groups of people like organisations. To illustrate a certain point the following quote is a definition of culture as stated by Schein (1985: 9)
"A pattern of basic assumptions that a given group has invented, discovered or developed in learning to cope with its problems of external adaption or internal integration, and that have worked well enough to be considered valid, and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to these problems."
(Palmer and Hardy 2000: 118)  

To me this definition goes some way to illustrating how entrenched culture can become. It is based on assumptions. This is the core to the work I investigated on single and double loop learning. How often is the response to "Why?" simply, "Because that's the way we've always done it." I am not suggesting that all the assumptions to a particular culture need to be unearthed and made explicit. What I do think is important is creating an awareness about these assumptions. If I want to change the consequences of any action then I need to change the action. Being able to change the action requires that an understanding of why this reaction occurred. It is the assumptions that govern our culture which determine how we behave.

In my own context the organisational culture is not explicit. The diversity of the staff is enormous and each of those individuals brings their personal culture to the work place. Palmer and Hardy suggest that at a unit level social interaction determines the culture of that unit. This points to the origin of traditional animosities between various departmental bodies within organisations. On a deep level a set of assumptions is made, as suggested by Schein, these assumptions are then used to create the desired environment. If this situation benefits those who hold the power the value base created can become entrenched as it is supported by a critical number of participants. If any of the dynamics change or are challenged then this status quo can be altered as has happened within my own organisation where regular conversations are held between various departments.

Another point about culture that Palmer and Hardy make is the importance of understanding "the porous nature of organisational boundaries." (Palmer and Hardy 2000: 120) This means that its contextual environment must influence the internal culture. This creates the view that culture is not a static issue but rather an evolving, dynamic situation. So instead
of expecting to manage a culture, the challenge becomes managing the movement and change. The following quote in Palmer and Hardy taken from Abrahamson and Fombrum illustrates the complexity of managing culture that I am trying to illustrate in my idea of managing movement and change:

"In an ocean of micro-cultural heterogeneity, islands of greater macro-cultural homogeneity tend to emerge and persist along vertical, horizontal, and diagonal dimensions of value-added networks." (Palmer and Hardy 2000: 122) 37

If this is true then it makes sense of the way in which certain organisations do exhibit a unified culture strongly. In these days of globalisation the inter-mixing of cultures increases and needs to be managed effectively. Employees within organisations are part of society therefore they will reflect those societal values and norms. Incorporating teachings and ideas from other cultures is all very well provided there is a conscious awareness of this fact. Just because ideas have been successfully implemented in other parts of the world does not make those ideas valid in alternate environments. I stress this point because I believe Africa to be a fairly unique environment. There is a history of deep division where diversity in race was prejudiced. The social and political environment has changed and this leads to a cultural revolution of sorts. So the culture and norms of the society change enormously and this has an impact on organisations that may not have adopted the new norms as quickly. The point that Palmer and Hardy make is this, "a lack of attention to differences in language and meaning in different cultural contexts can have potentially disastrous effects on developing new product markets." It is necessary to pay 'careful attention to societal culture in order to create an organisational culture that is in harmony with societal culture.' In countries like Zimbabwe or South Africa, where there is enormous diversity, the aim must be to achieve a "'transcendent' organisational culture that draws on multiple cultures." (Palmer and Hardy 2000: 123) 37

Culture will affect the management of diversity. So my research has led me to acknowledge the importance of culture in this field of management. Hofstede as quoted by Palmer and Hardy suggests that acknowledging the following can assess culture:
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- **Power distance** - the extent of inequality
- **Individualism** - the extent to which individual rather than groups dominate action
- **Masculinity/femininity** - the extent to which 'male' or 'female' values predominate
- **Uncertainty avoidance** - the extent to which rules govern behaviour compared to a more flexible, less structured society
- **Long/short term orientation** - the extent to which values are orientated towards the future or the past/present.

Taken from Palmer and Hardy 2000: 123

There are a number of arguments against this model as a definitive check for culture. What I found valuable in this model are the elements Hofstede indicates as being important. As I see it Hofstede is trying to introduce a way of looking at culture that deepens the insight. In my own context it made me reassess how I was addressing the issue of diversity. I looked at each element.

**Power distance** - IHC is not a typical hierarchical organisation but there are significant power differentials within the organisation. Added to that are deeper perceptions of power differentials that are so entrenched by history that they are considered acceptable. Many of the staff do not even question the authority of orders. If a senior manager requests a task then it is done with unquestioning obedience. The ramifications of this action is a lack of responsibility by the person carrying out the task. This attitude has lead to a number of conflicts within the organisation, which is why I had cause to look into the power framework that existed.

**Individualism** - this is an important factor when discerning cultural bias. In Zimbabwe there is the mixing of two traditions. The community orientated black Zimbabwean and the more individualistic white Zimbabwean. This leads to misunderstanding and unrealised expectations within the organisations.

**Masculinity/femininity** - This was an important point for my context. The Zimbabwean culture is patriarchal and chauvinist. Males definitely predominate or at least expect to. In IHC there are 4 female directors, which have brought a different view to our organisation, and the culture we have instilled. There has been a time of chaos and conflict as a result of
this situation. There have been male managers and subordinates that find it difficult to take orders from or discuss problems with female colleagues and bosses. The deeply ingrained historical attitude takes a long time to challenge and change.

**Uncertainty avoidance** - In the current political environment in Zimbabwe we are living day to day. Uncertainty about the future is endemic in our society after two years of political tyranny. What is interesting is watching those who cannot cope with the uncertainty in the environment. Businesses have collapsed as a result of peoples' inflexibility and inability to respond quickly to prevailing circumstances. Inappropriate governance has lead to informality about the way business is done, for example accessing foreign exchange. It is simply an adapt or die scenario. The result has been mass migration of people to countries that they deem to offer a more certain future if you live by the rules.

**Long/short term orientation** - This was an interesting point to consider. It was difficult to determine what caused a short term or long term view. Initially it seemed to occur along the racial divide but then it was more apparent as a societal divide. Those people in the lower earning bracket tended to have a very short-term focus. The businessmen and women had far longer-term viewpoints and ideals. Having both elements within our organisation makes for an interesting 'culture'.

The reason I looked into these factors, be it briefly, was because of the realisation that as an organisation we had an implicit culture even if it was not obvious. In a sense the prevailing culture was taken for granted and considered 'normal'. Gareth Morgan points out that by, "becoming aware of the stranger's point of view, we can see our own in a refreshingly new perspective." (Morgan 1998: 121) Viewing the cultural set-up of a company as if one were an outsider will illuminate those activities that are considered culturally acceptable. This enables us to better understand the basis from which the organisation conducts its business. From my research I can now see how culture influences our behaviour and success, so I felt it important to inspect my own context with these points in mind. The warning to me was that by not acknowledging the potential impact of culture in managing diversity I was ignoring an invisible but smouldering force. I was in search of the 'IHC culture'. Despite asking all these questions I came no closer to a definitive answer. Considering my knowledge on the subject this is hardly surprising but it took the words of Hofstede, the very man who
created this model, to remind me. “Culture is a construct that is not directly accessible to observation but inferable from verbal statements and other behaviours and useful in predicting still other observable and measurable verbal and non-verbal behaviour.” (Palmer and Hardy 2000: 125)  

The awakening was that I was trying to determine the very thing that I knew was undeterminable. The point to realise is that factors like power differentials need to be acknowledged. Creating awareness of the principles behind activity is the challenge. Once the assumptions are surfaced the work of change can be gradually implemented. The first and hardest step in to understand what needs to be changed.

In ‘Thinking about Management’ Palmer and Hardy discuss three perspectives of culture. They call these the perspectives of integration, differentiation and ambiguity. In my research to discover the value of Follett’s concept of integration in managing diversity so many other questions have arisen around the topic.

“The integration perspective sees culture as unified and monolithic, something that binds individuals into a coherent organization. There is strong emphasis on the ‘sharedness’ of organisational culture.” (Palmer and Hardy 2000: 126)  The emphasis of this form of culture is cohesion and agreement. The authors do not write positively about an organisational culture of this type. I believe they are restricting the definition of integration. In Webster’s Dictionary 46 integration is defined as “making whole or complete by adding or bringing together parts, unify.” This was certainly Follett’s interpretation of the word. She emphasized that to achieve true integration it was often necessary to drop ideals for solutions and to search together for a new way. In many ways the nature of life in Zimbabwean society has demanded this. A colonial past of authorised separation is no longer appropriate. One of the problems with true integration has been the perceived and real power differentials that have historically existed. We are still on that journey of discovering how to do this effectively. It is an emotive issue. For the country to progress and prosper integration must occur. We have read frequently in the literature that
organisations reflect society. This means that to be effective and prosperous organisations also need to achieve a level of integration.

I don’t see integration as requiring parties to hide issues. What is required for true integration is understanding. Different cultures must be appreciated. Gareth Morgan says, "By understanding these (cultural) differences we are able to get a much better appreciation of foreign practice. At the same time, we are able to gain a much better appreciation of our own (culture)." (Morgan 1998: 121) Understanding gives way to tolerance and from a space of tolerance shared meaning and vision can be created. This is the essence of integration.

The differentiation perspective emphasises inconsistency, a lack of consensus and contradictory values and beliefs. Organisations are thought of as fragmented subcultures – 'islands of clarity' in a 'sea of ambiguity'. (Palmer and Hardy 2000: 127) The focus from this cultural perspective is on difference and complexity. As I see it any discussions on culture must discuss difference and will be complex. "In any organisation there may be different and competing value systems that create a mosaic of organisational realities rather than a uniform corporate culture." (Morgan 1998: 130) This cannot be the end of the story. The challenge is to make sense of the melee of issues that create the complexity. To focus on difference I do not believe is helpful. It is important to acknowledge different ways of being but the way forward must be to create a space where shared meaning, shared beliefs, shared understanding and shared values can be developed and used for the benefit of organisational progress.

The fact is that culture is a dynamic issue, it is "a process of reality construction that allows people to see and understand particular events, actions, objects, utterances, or situations in distinctive ways. These patterns of understanding help us to cope with the situations being encountered and also provide a basis for making our own behaviour sensible and meaningful." (Morgan 1998: 132) I would not discuss the perspective of differentiation in isolation to integration. As I see these two perspectives they go hand in hand. To achieve integration it is first necessary to perceive difference. I would suggest that in researching
culture one would first need to understand the differentiation of the environment. This way the issues associated with difference can be aired and discussed in the process of achieving an integrative solution.

The *ambiguity* perspective views organisations as composed of differing interpretations, inherent paradoxes and irresolvable differences. Ambiguity is a permanent state of affairs. (Palmer and Hardy 2000: 127) This idea brings a decidedly postmodernist view to the concept of culture. Although I doubt a postmodernist would accept the possibility of 'a culture'. I am not convinced this perspective is entirely different from the differentiation point of view. The essence of life is difference. The reason we are driven to accept and tolerate difference is because it improves efficiency. The suggestion of this ambiguity perspective is that this can never be achieved because disagreement is inherent. I would agree with the fact that differing views will always be held. The key to managing competing discourses it is to allow these views a space in which to be seen and heard. Morgan suggests that culture 'develops during the course of social interaction'. (Morgan 1998: 130) I would suggest that by allowing this interaction a shared space is created in which ambiguity is recognised and accepted, differentiation is valued and integration is achieved. I don't think I could summarise my thoughts on culture any better than Palmer and Hardy in 'Thinking about Management':

"Understanding culture may not offer trite answers but it does provide a way to understand integration and harmony: at the same time as developing a sensitivity for differentiation, inconsistency, confusion, conflict and contradiction". (Palmer and Hardy 2000: 136)

6.3.4. Power

"Power is one of the most significant factors in the lives of individuals, groups and nations."

(Pauline Graham 1991: 98)

In my research, as with culture, awareness arose around the influence of power in the management of diversity particularly in using integration as a tool for conflict resolution. Integration is dependent on the power differential being manageable or negotiable. Since integration requires honest and open communication a level of trust must be perceived by
both parties. The problem with relationships that are deemed unequal in power terms developing trust between the parties is extremely difficult.

Ralph Stacey\(^4\) introduces organisations as ‘patterns of power relating’. He suggests that all relations have constraints and these constraints are defined by power differentials. Mary Parker Follett\(^2\) discusses the issue of power at length. She suggests that power might be defined as the ability to make things happen. She goes on to say that control could be considered the exercise of that power and authority as vested control. Pauline Graham\(^2\) differentiates between power and authority by saying that authority belongs to the task at hand whereas the individual carrying out that task is the one who holds the power, so power belongs to the individual. Graham agrees with Stacey that power is always relational. Comparison is always implied even if it is a statement of fact. The statement “he is strong” has to be relative to something. Power is relational. Gareth Morgan declares power to be “the medium through which conflicts of interests are ultimately resolved. Power influences who gets what, when, and how.” (Morgan 1998: 162) This is an important point in considering the possibility of achieving integration, as integration cannot accommodate a power struggle to reach resolution. This relational aspect affects our view of circumstances, “we recognise ourselves and others not in any objective way but because of systems of classification and categorisation that teach us to see and experience particular things.” (Palmer and Hardy 2000: 81)\(^7\) This means that the experience of power is perceptual at its very core.

Follett suggests that power is a ‘self-developing capacity’. The point she is making is not to confuse power with authority because how often have we witnessed instances where authority is conferred, both in government and business, and the power capacity has not been developed, the results are disastrous. Power can be achieved through coercion, reward, persuasion or by convincing participants. Clearly there are more productive and permanent ways to achieve power than others. Convincing participants indicates that there is not a big power differential at play; both sides are on a fairly equal footing. Any action that is manipulative, like coercion, rewarding or persuading, is less likely to succeed long term.
'Power-with'\(^2\) is a concept that Follett discusses as capable of achieving a win-win scenario as compared to the 'power-over' situation. "The more genuine power there is, in terms of capacity to do, in a team or organisation, the greater is its effective productivity, when individual powers are put to work and channelled into joint power. Although managers cannot give their own power away, they can help others develop and grow their own." (Graham 1991: 117)\(^1\) This is the important point in considering the management of diversity. Follett says that 'power-over' can be reduced through integration, by recognizing the law of situation and by creating functional unity within businesses.

So understanding the nature of power is critical to the management of difference because the very origin of diversity conflict stems from power differentials. It is important to have a balance view of this issue. "Power is both a source of oppression in its abuse and the source of emancipation in its use." (Palmer and Hardy 2000: 89)\(^3\) As I see it what needs to be embraced is the existence of power. In itself it is not a bad thing, it only becomes a problem when it is misused. It is valuable because it is the ability to get things done. Therefore change and progress is dependent on the power capacity of the individuals within the situation.

Follett discusses integration as a tool for resolving conflict as opposed to domination or compromise. Follett says that domination is clearly a decision in which the strongest power wins. In compromise the power differential cause a 'giving in' by one party. Follett says "if both sides obey the law of situation, no person has power over another." (Follett 1995: 107)\(^2\) So the management of diversity requires addressing the power issues that exist. One way of doing this is through integration.

6.3.5. The Opposing Discourse

A point to note about integration is that it is not always possible. Follett points out that there are obstacles to integration like the fact that some people prefer to fight which achieves either 'the thrill of winning or the despair of losing'. The intellectualisation of disputes will prevent integration occurring. The actors are one step away from the problem.
Here it is easy to discuss the issue at length and proposals made but that’s where it ends. True integration requires action. The language used in discussing problem and proposing solutions is critical to integration being achieved. This form of management relies on open and honest communication. If this communication is misrepresented then solutions may be found for the wrong problem. It is very easy to make assumptions about what people are trying to say. A concerted effort is needed by all parties to check these assumptions. The achievement of integration can be hindered by the influence of the leaders. This point may be linked to the first issue, that of welcoming the opportunity to dispute. Probably the most important obstacle of all to integration is that of experience. The ability to participate in cooperative thinking is required. This is not something, which is taught in business schools, or university programmes so it may not be a well-developed skill. As Follett says to master the art of integration one must have "just as great a respect for your own view as for that of others, and a firm upholding of it until you are convinced." (Follett 1995: 85)

6.3.6. The Supporting Discourse

The existence of the conflict as a result of differing opinions is a constant management challenge. Diversity is an ever changing face within organisations simply because it reflects the people who are a part of that institution. People are dynamic as is the world in which they exist. The point of management in any capacity is to understand that the environment in which we work is never static. So we need to be able to work within this dynamic while being able to identify what our role is within that situation. It seems to me that integration or alliance building facilitates this perception. A 'space' is created for differences to be declared and this then helps the participants to move more easily into another 'space' with a new perspective. New thought is encouraged. Integration or alliance building will be successful or not depending on the power relations. "Jointly developing power means the possibility of creating new values, a wholly different process from the sterile one of balancing. Not to rearrange existing values, but to bring more into existence is the high mission of enlightened human interaction." (Follett 1995: 116)
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So recognising and managing the presence of diversity in the workplace is vital in the process of alliance building. Before integration can occur the power relationships will need to be made explicit in order to determine the probability of a successful outcome. I believe that by supporting and monitoring this move to embrace diversity managers will be able to aid the outcome of integration.

6.4. The Meaning of Transformative Re-definition

Transformative re-definition is the last element of the process before it begins again with insight and critique. It is an important part of the process because it introduces action. It changes the way things have always been. Insight describes what is actually occurring and what this means. Critique questions whether this status quo is the desired state and transformative re-definition plots a new path.

The causal loop diagram drawn to describe this process is seen in Figure 46. This causal loop diagram not only shows the process that transformative re-definition goes through but it illustrates how this process is indistinguishable from the other processes of insight and critique. Each element is intrinsically part of the other. Each leads towards one and guides the advent of the next phase. Without one all would cease to exist in their entirety.

In discussing Figure 46 I begin the process with the element of insight. Insight drives the understanding of situations, particularly the day-to-day occurrences. It is necessary to understand the daily practices of business. If we know why we do certain things then this establishes the validity of those practices. I would assert that many activities are merely habit; their presence is tacitly accepted and never challenged. Being able to understand what is actually happening and why, may change the relationship of the elements that create the dynamic this relationship has previously held. In Lewin's Force Field Analysis he discusses the presence of driving and restraining forces. "The equilibrium, or present level of productivity, can be raised or lowered by changes in the relationship between the driving and restraining forces." Transformative re-definition mirrors the process of critique in this area. What occurs is the challenging of the status quo. This always introduces defence
and resistance. If these barriers give way to insight and allow movement there will be a change in the equilibrium, which can lead to transformative re-definition. From the space of understanding the micro-practices of everyday life transformative re-definition drives a change in these practices. This will drive further insight since new ways of doing things will draw attention to different aspects of the current situation.

I have also drawn up an 'inner circle' of transformative re-definition. This circle is part of the critique cycle. Transformative re-definition will drive new conversations, competing discourses, conflict and participation in decision-making. Checkland points this out in his discussion on Soft Systems Methodology, he says that taking action to improve a problem situation will produce a new problem situation that requires resolution and so the cycle continues. Which is why Jackson warns, "learning is never ending and should be sought in the heroic mood." (Jackson 2000: 260) If this is managed effectively then this new perspective can lead to describing the situation in a different way. New descriptions will lead to the formation of new concepts and practices, which will increase the understanding of life as it is currently viewed. This is transformative re-definition. Alvesson and Deetz suggest that this process is a "participative conception of communication." This idea is supported earlier in the same reading, quoted in the words of Freire, "It is not our role to speak to the people about our own view of the world, nor to attempt to impose that view on them, but rather to dialogue with the people about their view and ours." (Alvesson, Deetz:145) This is where the process of integration is born.
The thing about transformative re-definition is that it is the action after a great deal of theorising. This element is the glue between the knowing and the doing. For me this biggest insight into understanding what was meant by transformative re-definition was the idea of challenging and changing micro-practices. I would suggest that much of what we do day to day is so automatic that we rarely stop to think about what it actually means or why we carry out activities in such a way. It is only when the status quo is challenged that some thought is applied to the event. Insight feeds the understanding of what it is that we do and why. If we gain an understanding of our behaviours and the belief systems that govern those behaviours we can consciously change the outcome of certain reactions. But the key
to this change is the subtlety of it. It is only in retrospect that I am able to discern the changes that have occurred within my organisation and myself; this is because we attended to the micro-practices. What has happened has been a slow development and growth in understanding. As we changed how we saw things we changed how we responded to them. All this has happened gradually over an extended period of time. The result of this is permanent and profound change that has been owned by each person involved. We have not tried to implement a grand master plan we are growing into it slowly. This way, as the organisation and employees evolve so too does the plan. This has been important in our case, as a chaotic external environment has resulted in a deep feeling of insecurity within the country and therefore within the organisation. Instead of being inflexible we have woven this need to respond quickly to change into the management of the business. This has created valuable business opportunities for us and has strengthened our internal community spirit.

In his Force Field Analysis Lewin44 discusses the presence of the driving and restraining forces that create a dynamic equilibrium in circumstances. For movement to occur the strength of these forces needs to be altered. But, as I see it, before any of this can occur there needs to be a discernment about what those forces actually are and what they do. Once this is established then the choice of how to alter the equilibrium can be made. The systems tools that I have used throughout this dissertation have been very useful in this regard. To say glibly, ‘identify the forces’ takes away from the difficulty this task may present. What systems thinking creates is a space where relationships can be determined. The key to using ADs, IDs and CLDs is not to force the process. Allow the insight to emerge. This can be extremely stressful but once one learns to trust the process it is difficult to imagine a better way. My experience has led me to uncover interactions that I had never considered as important. It has led me to challenge many of the assumptions I held as a manager. It has already been seen in the insight section that the original CLDs drawn up in the problem formulation phase of this project were limited in their insight. As I put the methodology into practice I began to realise that there was much more to the situation that I had initially thought. This was one of my reasons for using both sets of CLDs. This illustrates the growth that has occurred over the past year.
It is not easy to write up a project of this nature as so much change occurs from the beginning to the end. If there is anything I want to impress on the reader it must be the value of transformational re-definition. My own journey has been profound. My initial take on diversity was simplistic. I now have a much richer definition of its complexity at hand. Diversity is akin to individuality. To expect people to behave in a certain way is somewhat short-sighted as each individual is an unpredictable autonomous being. This is the essence of diversity. The difference in colour, culture or gender is obvious. It is also easier to find support for your ideas, as there will be a several others within that grouping that are likely to support ideas around the issue if it affects them directly. The challenge of diversity lies in the individuality of the human race. No two people are alike and yet we are driven to seek similarity. Somehow agreement is seen as a security for acceptability. Personally I was daunted by the topic. I too sought out opinions that ratified my own and felt safer when there was agreement rather than dissention. Once this occurred I felt safer trying to impress my thoughts on others.

"The lack of diversity tends to reinforce the status quo and promote resistance to change as important stakeholders, inside and outside the organisation, are frozen out." (Palmer and Hardy 2000: 102) 37

My thinking has radically changed about the nature of this subject of diversity. I began by initially investigating what diversity actually was, then sought to find a way in which the potential negativity surrounding the topic could be seen in a different light. Diversity increases the requisite variety of an organisation. This means that by employing people with different competencies and backgrounds this will ensure the representation of a number of alternate viewpoints. When situations challenge the organisation there are a number of possible solutions to choose from and a range of experience that can guide the choice and management of the solution. What I have noticed is that as my own view has changed and I have shared this with my colleagues and subordinates so to have their views been affected. A slow transformation starts to occur from that initial conversation. The subsequent conversations that have occurred have further refined these new ideas and behaviours. We have renamed meetings ‘conversations’. Within our organisation the historical experiences
of various directors outlawed meetings as bureaucratic and unnecessary. When I joined the organisation I adopted this idea easily as I had the perception of meetings as being conflictual and therefore scary. By changing the word we used to describe this communication we have arrived in a space of much clearer and effective communication. The experience of this conversation idea has changed the views of the directors who were so opposed to formalised communication. The development of the model to construct conversations developed in the application of soft systems methodology, in Part two of this research document, has guided this transformation. My point is that by changing the language used to describe an event we have re-defined the process. We now understand the idea of meetings differently and therefore we practice them differently. This exercise has led us to new insights about the way we conduct and perform our daily tasks as individuals and as a co-ordinated organisation.

Part of this re-definition has been the embracing of the conflict that diversity incites. My attitude is now one that encourages competing discourses because from this comes more information. With information I can make a better judgement call and knowledge can be created as a result of this activity. If I am not open to alternative viewpoints I cannot be progressing, I will stifle innovation and the organisation cannot develop. Also within the current context of the Zimbabwean business environment it is essential to be alert and innovative. The political instability means that the situation can change daily. This makes planning difficult, in fact impossible, but we have a business that employs a number of people. We do not want to suffer the fate of many other businesses in this country. That is why we need to strive for integration to resolve internal conflict. The external context is pathological enough to sink us without worrying about the internal issues. Integration requires innovation for its resolution. This is because conventional ways have not offered a resolution and a novel way forward is needed. In this business environment we need to see and describe the world differently and we need to change the way we do business, as the environment demands it. To achieve all this and continue to grow as a company we need a sound way of resolving internal issues that can distract us from the very area that needs our undivided attention, the contextual environment. 'A rapidly changing world demands
'aggressively creative approaches to business, and it is through diversity that much of that creativity can be found.' (Palmer and Hardy 2000: 103)\textsuperscript{37}

From this research I can visibly see the benefit of small changes. Somehow altering micro-practices is less difficult than implementing huge change. Perhaps this is because in some ways the participants are unaware of the changes they are effecting. In fact the changes are often self-motivated as a result of discussions within the workplace. It is difficult to illustrate how powerful the effect of micro-practices is. It reminds me again of the concept of the 'butterfly effect'\textsuperscript{45} in Chaos theory. This illustrates the effect that small changes in weather in one country can compound to become a large problem somewhere else. The point to note here is that the result of that change may have huge ramifications down the line that are impossible to see at the point of change. This can be a good thing as well as a bad thing. Again the systems diagrams serve a useful purpose in this arena. By identifying relationships between elements the likely impact of a change in one area on a number of other areas can be visually determined. This is the strength of using this way of thinking and researching. By identifying the leverage points in my CLD I am able to some extent to predict effects. That is not to say I can tell the magnitude of the impact but rather I become aware that there is a high likelihood of a change in an area affecting other elements, which are linked to the original element.

So the benefit of transformative re-definition is that it creates knowledge because information is put into action. The focus on micro-practices makes this form of change more subtle and from what I have experienced more permanent. Transformative re-definition has gently introduced a culture shift within the organisation. We allow competing discourses to surface and speak. We see that diversity brings conflict but the bigger and more beneficial part is the multiple perspectives. This challenges the way in which we have always described the world. It offers new descriptions and viewpoints. This leads to a change in activity. A new understanding brings change. The changes have been subtle but the retrospective view is of a big shift. We have learnt to manage the meaning that we associate with various practices. If the practice is valid and useful it stays, if not a new way forward is discerned.
To achieve transformative re-definition good leadership is required. Prescribing the style of leadership would become another dissertation in itself. Any leader that can define reality and persuade their followers to embark on this journey they describe can achieve a level of transformation. My natural tendency is towards the democratic style of leadership, where the leaders encourage definitions to evolve from the followers they lead. Morgan describes the attributes of such a leader, "He or she spends time listening, summarising, integrating, and guiding what is being said, making key interventions and summoning images, ideas and values that help those involved to make sense of the situation with which they are dealing. In managing the meanings and interpretations assigned to the situation, the leader in effect wields a symbolic power that exerts a decisive influence on how people perceive their realities and hence on the way they act." (Morgan 1998: 171)

This point of leadership is an important one. The leader drives the management of meaning. This meaning encompasses the individual goals, values, desires and expectations held by the followers. If the management of these issues is dismissive then deep conflicts can arise within the individual that will be reflected in the workforce. I am not suggesting that every leader needs to sit each member of staff down, ascertain their particular goals and expectations and then factor these into the overall goal of the business. A sense of empathy and inclusion may be all that is required. Morgan points out that too often the message is, "People must collaborate in pursuit of a common task, yet they are often pitted against each other in competition for limited resources, status and career advancement." (Morgan 1998: 159) Every individual's life is a balancing between the task required, career aspiration and personal interests. To benefit the organisation the leader must look to managing and coordinating this balance effectively. To disregard this need is to introduce "disintegrative strains and tensions that stem from the diverse sets of interests on which organisation builds." (Morgan 1998: 176) The point is if leaders and managers manage meaning effectively then this activity will oversee the depth of transformative re-definition.
6.5. A Perspective of The Composite Picture

When the intersecting relationships between insight, critique and transformative re-definition are illustrated together in a composite causal loop the result is seen in Figure 4. Here I have illustrated the character of the various interactive loops. The insight loop is labelled R. As discussed in the research methodology the R means that the relationships that form this loop reinforce each other, the relationships enhance and build on each other. As data is gathered and meaning determined so the possibility of insight increases. These relationships increase the potential for more insight and so on.

The critique loop I have labelled R1. Although this loop is in itself a reinforcing loop it I see the critique process as a balancing activity. This means that the critique process itself consists of reinforcing relationship but the nature of these activities are such that they check the insight for relevance and validity. It ratifies the appropriate insight and rejects any ideas that are not consistent with the paradigm view being communicated. The critique process initially exposes the contradictions or conflicts apparent within the situation. The power dynamic that exists within this relationship is identified. It is at this point that critique determines the next step. Assumptions are stated and clarified which drives a better description of the situation under scrutiny.

The loop where critique and transformative re-definition interact is labelled B. This relationship is balancing. If the ideas that from the insight do not survive the critique process then no transformative re-definition will be initiated. This means that the status quo is appropriate for the circumstances or that the insight defined is not relevant to the systems under scrutiny. If new descriptions of the world lead to the new ideas and ways of approaching situations then transformative re-definition will be prompted. So the critique process reinforces the declaration of insight and balances the implementation of transformative re-definition.

The loop labelled R2 illustrates the relationship between transformative re-definition and insight. This process is a reinforcing process. Insight precipitates the understanding of
everyday activities that are inevitably over-looked. Having an insight into these practices enables the participants to identify any driving and restraining forces. Changing the equilibrium between these forces will drive transformative re-definition. This re-definition inspires the implementation of new practices for these everyday activities. This relationship is balancing because essentially I see insight as being theoretical and transformative re-definition as practical. The value of the insight will be determined by the practical application possible in transformative re-definition. The important point in the R2 loop is that the activities are not large processes but rather, as said, everyday micro practices. Profound and permanent change is most likely to come from changing the small actions that get over-looked day to day but are critical to the momentum of the activity under review.
6.5.1 A Framework for Critical thinking

From discussing the three elements, insight, critique and transformative re-definition separately I developed a framework that would illustrate the dynamic interaction of their relationships with each other. These interactions have been mentioned throughout the discourse and have been illustrated to some extent in the causal loop diagrams. The final diagram is that of an equilateral triangle. I used an equilateral triangle to illustrate the fact that no one element is superior to the other. If one element is missing it no longer forms a
triangle so the relationship between each part is vital to the maintenance of the character of the whole.

In the final framework I have added some extra narrations. In the process of insight I have included the words, better questions and new conversations. Any insight will be a different way of seeing something or a more profound way of understanding an issue or event. This new perspective must change the questions asked about the validity or importance of the issue at hand. Asking different questions must change the understanding of the observer. Asking better questions will improve the quality of the insight. Indistinguishable from this situation of being able to ask better questions is the ideal that critique is best created as a participative communicative act. It follows that from this rich form of discussion can come the ability to see a number of differing points of view, which can enhance the ability of the participants to ask better questions. Thus insight and critique cannot be separated.

In "Thinking about Management"37, Palmer and Hardy discuss the importance of debate. They highlight the benefit of debate for managers because it will “enhance their understanding of and ability to deal with organisational complexity.” (Palmer, Hardy: 5) This describes the process of insight, as I understand it. They then continue, “Managers can use debates to take stock of the competing logics and arguments, the assumptions behind them, and the different directions they suggest for practice.” (Palmer, Hardy: 5) This is the process of critique. Here the authors are purporting the practice of debate to achieve both these ends, namely, insight and critique. The end of each of these elements is attained differently but the process used is the rich communicative act of debate. Insight enhances understanding and critique challenges that understanding.

This interaction of insight and critique is valuable and necessary but the story in incomplete if the status quo goes unchanged. What is the point of challenging and questioning when what has happened in the past is set to continue? The vital link in this chain is transformative re-definition. This element brings about permanent change. It does not introduce radical reforms; rather it concentrates itself at the ‘coal face’. The questions that emerge in the cycle of insight and critique are now discussed and decisions are made.
What daily practices are being used that no longer serve the purpose of the situation? What daily practices are still useful but require some adjusting? The narration for transformative re-definition used in the framework is 'a participative conception of communication'. This describes the next step in this cycle. Once the insight has been gained and critiqued, how do we move forward? As I understand it, the process of transformative re-definition requires a practical solution. The point being to conceive of a way forward that is useful and attainable. Palmer and Hardy put it this way, "debates must be translated in particular ways - they must be presented in context, relate to experience, make connections, make sense and accommodate ambiguity." (Palmer, Hardy: 5) The translation that they speak of is, in my mind, the process of transformative re-definition. The point being that high powered theories and ideas for change in organisations is all very well but if the translation of the theory into practice is not relevant then it has little value in that context. Relevance is critical.

If the conception of some new ideas or practice comes into being then transformative re-definition has occurred. The introduction of a new way of doing things is going to lead to new conversations in the future and this is the birthing ground of insight. On the diagram I have put the narration, new conversations, on the side of the triangle where transformative re-definition meets insight but equally it could be that of, better questions. Critique leads to new conversations and better questions equally and inseparably from transformative re-definition.
6.6. Summarising the Critical Reflection Process

The essence of critical reflection should be, that it is not only theoretically rich but that it adds value in a practical sense. There is little point in identifying potential problems if
solutions to these issues are not going to be sought and implemented. Another possible
stumbling block is the danger of revisiting "old prescriptions in new jargon." Basically there
is no magic 'silver bullet' solution to the majority of management problems. Individuals act
autonomously; making choices that can be neither predicted nor controlled. While this
circumstance may rile the manager who wants a job done mechanistically, it may be of major
benefit in a situation where creativity and novelty are required. I would suggest that
organisations require a balance between the two. Palmer and Hardy speak of having "a
positive relationship between formalisation and innovation, when rules formalise lessons
learned from the past, facilitate large scale co-ordination of projects, or free up individuals
from having to concentrate on the 'routine' aspects of their jobs." This would imply that
structure is needed but it must be the right structure. Rules that constrain creativity and
change will destroy the growth potential of organisations. This echoes the point that
Lewin describes in his Force Field Analysis. Identifying the driving and restraining forces
within a certain situation is useful as it can help to highlight areas where the growth
potential is stifled by the existing structure and inherent rules.

It seems that the basic tenet of research is that it is personal and every interpretation will
be unique. The benefit of this is the richness and depth that can be provided by multiple
perspectives. What I have learned is the importance of understanding my own perspective.
It is vital to be familiar with my own paradigm view and to be able to communicate that
convincingly and consistently. Within this communication it is also essential to be aware of
the limitations of this view, to be able to see how each paradigm description alienates
myriad alternative interpretations. It is necessary to introduce these as valid qualifications
to give context and credibility to the point of view that is being discussed. The benefit of
the critical thinking framework is that it serves as a tool to aid research communication. It
will guide me in the analysis and interpretation of my subject. This way I hope to be able to
communicate my research in an academically acceptable way without losing the interest of
and accessibility to the very people that inspired the investigation in the first place,
management and employees.
6.7. Evaluation

Relevance

The situation in Zimbabwe continues to be a challenging and changing one. The pervading uncertainty of life is unchanging. It is no different anywhere for anybody. What makes Zimbabwe different is that we cannot distract ourselves from this reality by focusing on the indicators of stability because there are none. If our inflation were in single figures as opposed to treble figures we would have a different business approach. The problem of balancing stock procurement and cash flow was exacerbated by the political and economic turmoil. What is interesting though is that this situation has bought us to a place of deep critique. The original issue was one of internal management and conflict within department of our organisation. The continuing variance in our external circumstances has changed the context of the original situation. Here the uncertainty of the external environment is impacting on all of us physically and emotionally. While we do not want to blame our situation on bad country governance there is an element of influence that cannot be denied.

The concern originated with balancing stock and credit. This circumstance drove me to investigate this particular area of the business. The concern surrounded internal management issues, which played a critical role in our business, and its survival. In retrospect the pathology of the external environment certainly impacted heavily on this problem. The room for error became very small. The loss of money value due to hyperinflation created a potentially bankrupt business if the stock and payments issue was not radically addressed. This was where the project began.

My interest was in diversity and the management of this capability potential. In my original research I had not expected to focus on the diversity of skills within an organisation. The start of the research was in creating an understanding of the nature of diversity. I had a very restricted view of this concept initially. In fact my research and what was occurring practically day-to-day were separate in my mind. When the problem became critical after some heated arguments and excessive emotionalism within the workplace I realised that this was an ideal testing ground for my research.
Utility

The stock and cash flow was a serious concern that needed to be attended to urgently and thoroughly. The question we asked was to establish what the actual problem was and then how to address it. I realised in my assessment of the conflict that it was a diversity issue, as I had come to understand what this term meant. The finance and sales people saw themselves as inherently different. This is not a problem in itself, it became an issue through the activities of each department that did not consider the impact on each other. This has occurred historically but the reason it became a major problem was the external economic chaos within the country. Focussing on our difference just creates ivory towers. We needed to embrace the skills between us and use them for the betterment of the whole organisation.

The initial action taken was information gathering and testing of the waters. The need for larger group conversations was suggested. The aim was to achieve integration. So agendas needed to be made explicit and goals discussed. This was not as difficult as originally thought. The most challenging issue was getting together and speaking to each other. This was the turning point. The result was the creation of an understanding that we were all different but that this in fact was our strength in the environment. We realised very quickly that we did have a common purpose and we could work far more efficiently using better channels for communication.

The actual problem was addressed using two soft systems methodologies SSM and IPP. The choice of these problem-solving tools was because of the nature of the problem at hand. In its beginning stages it was extremely messy because several egos were tied to various outcomes and it was a volatile and emotive scenario. The practice of the SSM methodology was remarkable. The nature of the approach helped to reduce the defensiveness of the participants. The Rich Picture is a powerful tool to create understanding particularly in areas where there is a big difference in the capability of the staff involved. The pictures close the gap and my experience was people genuinely felt that they has something to offer and were not too intimidated to make suggestions. Very quickly the impact of the external political and economic environment became clear. We were able to communicate about our
vulnerabilities as a company. Once there was an understanding about how this scenario affected each person a sense of community developed and I can say that on a profound level a degree of integration was achieved. Management spoke more openly about the way forward and how it was going to affect all of us. The main point being that no one was going to be treated differently. This meant that no one would be retrenched. If we needed to work fewer days then we all worked fewer days each week, whatever it took to get over this difficult time. The message was that we were all in the same boat together and that was paramount. To me, this was embracing diversity.

Practically the methodologies helped us to resolve the problem we were focussing on. We ended up looking at the overall business and what impact the environment would be likely to have on us. The interactive planning portion of the research application attended to this in depth. In the Ends Planning area we simplified everything and decided that the only rationale was to get back to basics and do what we are good at doing. There is a higher level of certainty that exists in times of stability; we have no stability to rely on so we needed to change our plans radically. The other point raised that highlighted the value of diversity was the fact that this environment requires very quick decisions. The focus of a business can change overnight. This can create chaos or it can be an opportunity. Employees, to remain valuable to the company, need to be versatile and adaptable.

**Validity**

The result of the communication and participation effort demanded by the research methodologies resolved the issue rapidly. It was remarkable how different everything became once we put aside blame and decided to work together. There were so many factors that affected the integration that occurred. The initial problem area was resolved but the inadequacies of our communication process throughout the company became more obvious. The problem issue that was researched of the balance between having the optimum stock and having the cash to pay for it has totally been resolved. The effectiveness of the resolution to the stock and cash flow issue was that in three weeks the GP was up, the stock value was accurate and the cash flow was under control. There is now regular communication between the departments and an easy alliance has been built.
Within the company we are now in the process of building this thinking into part of our decision-making. We have shared our individual insights. There has been a great deal of change within the company, particularly in the area of communication. The day-to-day micro practices are different. Since identifying the need to communicate better in all instances this is our mission. It is certainly my recommendation. This is because in terms of the critical reflection process the journey began with asking questions that had never been asked before. Using the SSM methodology a participative communication came into being. What that has ultimately resulted in is a different perception of the need for communication. The issue seemed to be a physical problem initially but it became evident that in fact it was not only that. The issue between the stock and cash flow was merely a symptom of communication breakdown within the organisation. What has developed subsequently is a greater awareness of the importance of communication. We have discussed the various forms of communication. It has not been possible to discuss all the forms of communication available within the scope of this project but awareness has been created for this potential in the future.

Today I look on my organisation with a sense of pride for embracing the change as openly as was done. It is a testament to every individual's commitment. This does not meant to say that we are now all excellent communicators. Far from it. While we know that it is important and at times critical to communicate well, it is through this project and my observation of human nature that I am fully aware that resistance will always exist. The old style of communication was on a 'need to know' basis. It takes time to adjust one's thinking. What has changed is our response to this resistance. The awareness has been created of the need to speak rather than sit on issues. Every member of staff is aware that they can request a participative communication at any time if they feel the situation warrants it. That management supports this has been an important motivator. The governing variables are slowly changing. The result of this is a change in action strategy that leads to new outcomes. Jack Welch\textsuperscript{48} describes strategy as being the evolution of a central idea through continually changing circumstances. That strategy has to evolve has been our experience and our strength at IHC.
The process of critical reflection is a rigorous one. It challenges the assumptions made and tests the practicality of the insights. This step is important because it grounds the material covered during the research. I now use the critical thinking framework to construct and challenge my own thought processes. The insight gained on this journey was profound. I can see that when I began the way in which I interpreted the information gleaned was at times simplistic and lacked richness. Learning to challenge my assumptions and test my theories has lead to a space of more rigour in terms of decision-making. Probably the greatest insight of all has been appreciating the effect of transformative re-definition in terms of micro practices. So many small changes have a big impact in the end. This has been my experience. I had discounted so many of the little things that I began to question the entire focus and nature of the project. In consultation with my peers I was made aware of all the changes that have occurred for the better of the company. This is the transformative re-definition.

Perhaps in the confusion and frustration of every day life we have failed to recognise some fundamental truths. The basic tools of communication, conversation and dialogue are critical to this journey. The perceptions we conceive and the action that we take create the reality in which we exist. What I envision for this journey of research is to revisit forgotten spaces and to create an awareness that will allow recognition of possibilities, until now, sequestered.

Ethics
Benjamin Disraeli once said,

“No Government can be long secure without a formidable Opposition.”

This is a poignant thought during this time of political and economic upheaval in Zimbabwe, however, Disraeli’s words seem pertinent to the situation within the organisation. This organisation began with an unchallenged autocracy. What has developed over the past two years is a significant alternative to that way of managing. Introducing a more participative style initially created an uneasy alliance however that has grown into a healthy respect. I have experienced these two styles as opposite polarities. The understanding developed
through my research has left me more tolerant to the role of autocracy while campaigning the mode of democracy. The pendulum has come back to rest at centre. This is a better, more balanced place to be.

6.8. Epilogue - personal reflections

A large portion of this project describes personal experience and impressions. I have questioned the nature of my approach several times. When I moved away from my context the writing was more theoretical and drier, yet the subject matter is intensely personal in so many ways that I am constantly questioning the rigour. The question that recurs for me is one that we visited several times in the Impact in Management Skills programme - “Is the soft stuff really hard stuff?”

This is a key question and I am not convinced that I have an answer to it. What I do know is that the soft stuff is certainly not soft in its impact. My experience is that the 'soft stuff' is relegated to the backbench and condemned but I believe it to be because it can be tough facing your own soft issues let alone managing them in your staff. There are very few definitive guidelines. Much research has been done in people management and there are some broad things that have been defined in 'maps' for managing but as we all know 'the map is not the territory' so in many ways it remains uncharted territory.

In many ways this dissertation journey has been like a distillation process. The original material is heated and separated. This is the sense-making phase where the constituent parts are separated to an extent and hopefully identified. This is done through research. Discovering the meaning of words and processes. Understanding other people’s opinion about the same or similar issues. Applying methodologies like SSM to aid in the retrieval of more information about the circumstance in question.

After the first distillation the distillate is then tested for purity. In the laboratory one would find the melting point of the product and other indicative measures as a means of identification. For this more intangible issue that I am relating the process to this is the
phase where feedback from the participants is valuable. Discussions must occur around the proposed inferences. Does the rich picture really reflect the processes at play? Are we investigating the right situation? If the distillate is considered to be impure then a re-distillation occurs to purify it further. This represents the recursive learning process. Understanding is changed and refined in this phase.

Once the distillate has been collected and proven to be pure it is then used for its properties in any area it serves a purpose, for example as a reagent in other chemical reactions or to test the presence of other chemical compounds present in complex molecules. As I see it this is the testing time. Has all the work done proved anything? Is there insight gained on a local level that can be valuable in a larger context? Was the distillation process successful? If these insights are reusable in other contexts then the distillation process is successful. If the only value has been in achieving a deeper understanding of our present context then even so the process has been worth it.

In this context the organisation that I am a part of has grown and changed as a result of this research project. It is so much a part of what we do and what we are trying to achieve that I hope I have been able to illustrate the impact of this learning adequately. The business has had its best year financially ever this year and it has certainly been the worst year politically and economically that Zimbabwe has ever known. This is not solely due to the research project but what I have observed is the changes that inspire changes. We have all grown and developed. We have all been through a ‘distillation process’ of sorts and the end is not now. The process of refinement continues. What this represents is a pause in the process, a reflection. The benefit of this reflection is that it gives space in which to see and celebrate the movement. This year in Zimbabwe promises to be more challenging and difficult than all that has gone before, but we are ready and strong. We have survived and grown in circumstances that defy understanding at times. We have made sense of the reality as we see it and we have made informed decisions about the future we desire. We do not enter 2002 unprepared. We are stronger now and hungry to learn and grow more.
This distillation has created a level of awareness that was not present before. We now realise that it is the subtle small changes that are as important as the larger changes. To discount them is to discount a large portion of the overall growth process. To acknowledge them is to be present to the dynamic nature of change and the subtlety of it. There is much to celebrate and look forward to. We can create a better future for ourselves now that we understand better what has past.
7. Glossary for Acronyms

**Systems Thinking**

AD  - Affinity Diagram
ID  - Inter-relationship Digraph
CLD - Causal Loop Diagram
R   - Reinforcing behaviour within the Causal Loop Diagram
B   - Balancing behaviour within the Causal Loop Diagram

**Problem Solving with Mitroff**

E3  - A type III error that refers to solving the WRONG problem

**Soft Systems Methodologies**

CSH - Critical Systems Heuristics
IPP - Interactive Planning Process
SAST - Strategic Assumption Surfacing and Testing
SSM - Soft Systems Methodology
VSM - Viable Systems Model

**Management Terms**

FD   - Financial Director
Forex - Foreign Exchange
MD   - Managing Director

**The Organisation**

IHC  - Independent Health Care (Pvt) Ltd.
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The Development of Research Questions

**TOPIC**
What are you writing about?

**QUESTION**
What you don’t know about it?

**RATIONALE**
Why you want to know about it?

Select an area of interest

Find a topic in this area

Potential Claim

Question the topic from different points of view


In order to understand how? why? or whether?

Define the rationale for your project

Practical Problems

Research Problems

Name your topic

Develop a question into a problem and communicate its significance.

State you indirect question

Say why it is important

Understanding
Discovering

Explaining and Convincing
Showing

Appendix I
Embracing Diversity through Integration

An Affinity Diagram: Grouping all the elements of a Brain-Writing dump on Integrative Management

**Cause of Conflict**
- Difference
- Domination
- Compromise
- Collaboration

**Individuality**
- Intelligence
- Linear-response
- Self-development
- Knowledge
- Skills
- Experience

**Authority**
- The giving of orders
- Control
- Power-over
- Decision Making

**Leadership**
- Cumulative authority
- Cumulative control
- Position
- Personality
- Fact-control
- Man-control

**Integrative Management Style**
- Co-ordination
- Interdependence
- Power-with
- Circular behaviour
- Holistic
- Reciprocal Services
- Interdisciplinary approach
- Circular response
- Cross-functioning
- Collective responsibility

**Education**
- Language
- Training

**Process-Orientation**
- Interactions
- Production capacity
- Observation
- Recording
- Organising
- Synthesis

**Common Purpose**
- Soul of the work

**Innovation**
- Pioneer spirit
- Courage

**Governing Principles**
- Ethics
- Judgement
- Spiritual Values

**The Law of the Situation**

**Followers**

Appendix II
Embracing Diversity through Integration

An Interrelationship Digraph showing the interactive elements of Integrative Management

Causes of Conflict

Authority

Leadership

Individuality

Education

The Organisation

Governing principles

Followers

The Common Purpose

Integrative Management styles

The process

Innovation

The Law of the Situation

Appendix II
Appendix 4 - CATWOE Interviews

Richard’s Interview: (The buyer)

Responsibilities
- To ensure that the stock needed is there
- The create a continuos flow - not overstocked and not under-stocked
- Create awareness especially with new products - communication
- Restore under-stocks by ordering them
- Remove overstocks by selling them

CATWOE
C - telesales, sales reps, branches
A - accounts department (paying suppliers and collecting debts), suppliers, Richard, Alex
T - Ordering the right products to achieve optimum stock levels
W - Having the right product keeps the customer happy and ensures the growth of the company
O - shareholders
E - Economic situation
   - customers ability to pay is decreased
   - fuel shortages decrease service levels
   - tight cash flow decreasing ability to pay creditors
   - supplier product availability
   - unstable social environment affects spending capacity

Root definition:
We are trying to develop a system where the best stock is always in stock and the dead stock is quickly removed continuously.

Major problems
Communication - stock is ordered on the basis of history. One off orders, tenders and closed accounts can affect the usual usage pattern of stocks.
Appendix 4 - CATWOE Interviews

Helen Interview:

Responsibilities
Financial director
- Money feasibility
- Cash Flow - the cost of money
- Value - are we using our money efficiently, creating value.
- Forex - affected by availability, cash flow to buy it

CATWOE
C - sales department
A - accounts department - credit control (customers) and payments (suppliers)
T - creating wealth through the efficient use of funds
W - By being efficient and reliable we can ensure the best use of money
O - shareholders
E - Political and economic situation
- Forex short and expensive
- Inflation

Root definition
To create a system where the working capital is being efficiently invested for the best return on investment.

Major Problems

Inflation is having a major impact on the value of money in that the replacement value of stock has to be carefully considered in terms of costing the products.
Appendix 4 - CATWOE Interviews

Alex's Perspective:

Responsibilities
Sales and Marketing director
- Stock availability
- Sales team
- Monitoring the stock mix - creating optimum stock
- Customer issues and requests

CATWOE
C - Sales team, warehouse staff, accounts staff, branches
A - Alex, Richard, Petros, Helen, Shirley, Ruth
T - Transferring knowledge of products used into optimum stock levels
W - By holding the right stock we achieve optimum sales
O - shareholders
E - Political and economic situation
- availability of cash
- Inflation
- ability of customers to pay

Root definition
To create a system where the stock that make us the most gross profit, what we call "Top Stock" is never out of stock so that we can maximise and grow our portfolio.

Major Problems

Inflation has meant that the replacement value of stock has to be carefully considered in terms of costing the products. Margins need to be high in order to protect the company against the limitations of inflation.

The cost of imported products is affecting the usage of them, which means that past history usage is not very accurate. This makes determining what the best products are for sale extremely difficult.

A quick change of focus has been the key to survival but it has its problems as the time taken to import products means that a change in strategy can take at minimum 10 days to implement and often longer.
Appendix 4 - CATWOE Interviews

Petros’s Interview:

Responsibilities
Imports manager
• Co-ordinating and Costing Foreign Orders
• Supplying the branches with stock they require
• Supplying information about orders to all involved.

CATWOE
C - sales department, branches, Alex
A - Alfred (freight forwarder), suppliers, customs
T - Making sure that orders once placed are attended to and delivered with as little problem as possible.
W - If everything is in order then orders proceed extremely simply from start to finish
O - shareholders
E - Bureaucracy and legislation
  - registration of products
  - Efficiency of suppliers
  - Capability of freight forwarders

Root definition
To create a system where the importation and delivery of products from outside of the country is efficient and cost effective.

Major Problems

Much of the activity of this portfolio requires liaising with bureaucratic institutions. Added to that the area of importing medication is highly regulated. This means that all transactions require a very specific system in order to be acceptable. The times that breakdowns occur are when there are exceptions to the rules.
Appendix 4 - CATWOE Interviews

Hussein's Interview:

Responsibilities
Sales Representative
• Selling products
• Keeping customers informed and happy.

CATWOE
C - pharmacies, hospitals, clinics
A - Alex, Petros, Richard, Telesales, Ruth, other sales reps.
T - To take what is in stock and be able to sell it to the customers.
W - If the products that the customer requires are in stock then sales are no problem
O - shareholders
E - Economic situation
   - availability of stock
   - efficiency of suppliers
   - ability of customers to pay

Root definition
To create a system that provides the product that the customer requires in the time frame that the customer desires.

Major Problems
Availability of product is the biggest factor. Sales have increased as a result of opposition companies being out of stock. This is an ideal opportunity for an increase in sales.
Appendix 5

Comments on Literature Review -
From Andrew Walsh (Managing Director of Independent Healthcare)

Managing conflict situations in a work place filled with diverse people and groups.

On the face of it the objective of any manager would be to achieve a predetermined result as quickly and efficiently as possible with the least amount of upheaval, stress, trauma, emotion. (This is what every manager, in every organization on earth, is trying to do.)

Whether and when the objective can be achieved depends on a million variables.
How many people are involved
Where are the people from in the organization?
What’s their mood / attitude towards this kind of thing
What experience have they had with these things before (good ones, bad ones)
How dramatic are the results intended to be.
Who is going to get hurt / affected / benefit.
What will this do to the existing balance of things in terms of each affected individuals’ millions of varying agenda’s, aspirations, perceptions, insecurities status etc.

A successful manager will achieve the objective by addressing the many variables in order of his estimation of the variables’ importance to achieving a “peaceful”, successful result. He will therefore deal with the most serious threat to the success of his task first. He will then work his way through the variables until his result is achieved. The manager will fail if his reading of the importance of the variables is wrong.

The more complex the objective, the more variables there are to deal with. It is not practical to try to address every variable that exists. It is also not possible to address the individual requirements of each affected person, if for no other reason than you don’t (and never will) have all the information. Therefore the only practical way of dealing with the myriad of Action/Consequence variables is to stratify the people that you are dealing with. If the resulting groups are large then address their communal variables by what they have most in common rather than treat them as individuals. Only small groups can be treated as individuals. In any organization the structure is a pyramid. The biggest group is at the base and it has very different needs, in general, to the smaller groups at the top.

The groups are natural groups that have their own (not management imposed) rules, culture and rank structure. They feed on themselves and they develop largely in isolation to the other groups. You’ve seen this in the warehouse, in telesales and in accounts. You can’t stop this “ghettoisation” and nor should you. A by-product is team spirit, identity and a sense of belonging which all people need. The secret is to manage it to produce only positive by products not gangs. The only way of achieving this is knowing what’s going on inside the group and communicating with it, as a group. (Also being able to break up the group or change internal power balances if need be.)
I don't think that you have taken into enough account the range of diversity that exists in a bigger organization. It is likely that any managerial approach that a manager chose would fail somewhere within the range of diversity in the organization. Each group has to be managed and treated very differently and individually.

You have lots key management “have to’s” all of which have their basis in democracy.
Dialogue, discussion, debate, deliberation,
Seeing the world through another's eyes.
Seeking solutions “in which neither side has had to sacrifice anything” (How are you ever going to know that?)
Allowing “the voices of the affected to be heard even if they are regarded, by those involved as inexpert”
“Self respect and respect for the views and interests of others, always working together in trust and openness for reciprocal understanding and benefit” On Mars?
“...to give people a voice in matters that are important to them”. “To be able to challenge plans”
“... no plans are rational which have not been approved by the affected but not involved.”
“...every one must have a voice”
Openness, transparency and honesty.

I think you have a good chance, not a certainty, of successfully applying all these principals to the directors of a smallish organization like ours. I don't think you have a hope of getting it to work in our warehouse, unless you are prepared to offer partial honesty. Too much democracy, openness, transparency, at the base of the pyramid fails for two main reasons:

People at this level have very strong, very personal, very immediate needs. These needs quickly override, and diverge from, those of the company. In fact these needs are insatiable from a company point of view. No amount of democracy or participation will ever provide for these needs. The needs have been created by the society that we live in.

Arriving at a democratic solution, that caters for the varying needs of the mass of individuals forming the base of the pyramid, as well as achieving the predetermined objective, is so laborious that you risk not achieving the objective and irritating half of the people that make up the group. In other words it is impractical. Also, once you start this democracy you cannot go back without being dishonest and risking serious mistrust.

I think that your management style will work well with a small group of people at the top of the pyramid but would become less and less effective as you encounter bigger groups and more basic life needs.
Appendix 5

Comments on Literature Review - Craig Hollinshead

First question:
"- Your opinion of the ideas (both mine and the academic viewpoints) discussed for new ways of understanding and managing diversity."

As I think you know by now, I am a bit of a cynic when it comes to pure theory in day-to-day management so please take the comments from within my paradigm. There is a huge volume of first world theory that I believe becomes mostly redundant when applied to a third world business - agreed third world does not have to mean third rate, but the boundaries of diversity are a lot further apart and there are deeper fundamental cultural differences that are ignored.

I believe that a circular organization may work in a first world economy however there are just too many barriers to its success in our context. There are always extremes (Russia - Communist and USA - Capitalist, neither of which I believe managed diversity effectively) however you have moved to one extreme of the spectrum for the sake of academic presentation - I would be interested to read the application of the literature in the body of your thesis. It is my opinion that the theory is Utopia for students of the Management Discipline however at the coal face trade offs have to be made. The hierarchy will always exist, as it is fundamental to human nature - the corporate food chain! The fact that the hierarchy may be modified into a series of circular modules that communicate with one another relatively efficiently may be a step towards this Utopia, has to be recognized.

I have a problem with the fact that there is an assumption that employees want to contribute to their environment. I felt that the paper was being written with a distinct "employer mentality" that being one motivated to improve the efficiency of the whole organization regardless of the additional effort that would be required. The majority of people that are involved in the diversity of the organization have "employee mentality" that usually revolves around getting a pay cheque at the end of the month and doing only as much as is necessary to retain employment (a bit extreme but necessary to illustrate the point). This is a major pitfall of many management theories and hence the necessity for a bit of Dictatorial behaviour. There are degrees of motivation but few employees ever display the motivation and thought of employers!

Second Question
"- Your view of their application in a real organization context. If not these ideas then what?"

Communication is the greatest weakness of most organizations. This leads to the prevalence of Model 1 governing values. This can only mean that your model for Managing has a strong role to play, but it has to be moderated for third world Africa and structured to cater for the corporate food chain. i.e. retain the hierarchy in some form while promoting the openness required for the 'relatively' efficient management of diversity. Possibly allowing divisions in the organization, but promoting the values of the system with overlapping divisions to allow for the free flow of the views and opinions into other areas of the business. You also have to take cognizance of the fact that there is very little known about
the real differences between our racial groups. Where I have previously alluded to first world nations being stratified by class structure, we are still defined racially and there are real differences that need to be built into any framework that hopes to succeed here, covering the fundamentals of education, religion, communication methods, logic patterns etc. there is quite a bit of research on the subject however it is very taboo! Yet fundamentally important. The illustration of this was Willowvale introducing the Japanese Kaizan method that had the work force doing "stretching exercises" in the morning. Meant absolutely nothing but had the same effect as the Hawthorne Study - increased productivity just because employees thought they were finally being paid some attention. It soon wore off though and there can be backlash from these things. udcG had that problem with so many programmes started and not finished that there was a resistance to new ideas entrenching itself.

The culture of the organisation is not, in my opinion, a reflection of all of the stakeholders, but is in majority a reflection of the hands on head (CEO / MD etc) of the organization.
Appendix 6

**Theory Construction**

- Original research question

- Reframing the problem

- Discussing assumptions and setting boundaries

**CRITIQUE**

- Opposing discourses
- Supporting arguments

**TRANSFORMATIVE RE-DEFINITION**

- Evaluation

**Key INSIGHTS from the research process**

Further questions

Relevance
Utility
Validity
Ethics

Evaluation

Relevant inquiries

Relevant insights