Charles Handy

MGMT 426

The Meaning of Work

First book: Understanding Organizations
- Published 1976
- Followed six years of teaching at the London Business School
- Sought to discover laws governing behavior and organizations that would be “as sure and immutable as the laws of physical sciences.”
- Found seven main schools of organizational thought incomplete

Looking at Motivation
- Role problems such as ambiguity and conflict lead to low morale and poor communication
- Remedies for role stress:
  - Compartmentalize work/family roles
  - Prepare for role transition
  - Encourage a second career
  - Clarify role expectations
• The Leading Role
  – Skeptical about how participative management could succeed through persuasion and internalization
  – Problems with management groups:

<table>
<thead>
<tr>
<th>Task inappropriate</th>
<th>Wrong people</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constraints are impossible</td>
<td>Too many people</td>
</tr>
<tr>
<td>Group is badly led</td>
<td>Too little power</td>
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<tr>
<td>Inefficient procedures</td>
<td>Infrequent meetings</td>
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</tbody>
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• Four types of organizational culture:
  – The power culture (Zeus—father of the gods)
    • Revolves around one dominant person
      – Father-figure from whom all authority flows
  – The role culture (Apollo—god of reason)
    • Characteristic of bureaucracy
      – Works through use of logic and rationality

• Four types of organizational culture:
  – The task culture (Athena—god of wisdom)
    • Metaphor of a net
      – People brought together to perform specific tasks
  – The individual culture (Dionysius)
    • Introduces the element of disorganization within an organization
• Advice for escaping Apollonian structure:
  – Organize your business to fit real-life circumstances, not some ideal model
  – Many organizational problems stem from role difficulty
  – Set the proper culture
  – Rely on task-force members, making room for individuals
  – Opportunity for alternative work structures

• Apollo methods are good for:
  – Steady-state task, about 80% of all work
• Athena methods are good for:
  – Develop solutions to situations or problems
• “Asterisk” methods are good for:
  – Rulebook offers no solutions
  • Instinct and speed rather than logic or problem-solving are required

• Once a business reaches a certain size, its founder (Zeus) brings in its professional managers (Apollonians) and introduces Athenians to develop the business
  – The wrong mix can breed inefficiency
Charles Handy: Gods of Management

- Organizational Hijack
  - Dichotomy between organizational logic and individual's feelings
    - Unit withholds labor or talent

- Lessons:
  - Adopt academic work-style
    - Command operates by consent
  - Prepare for exceptions and emergencies
  - Combine four basic types of culture
  - Continuously review the organization
  - Give individuals rights and independence
  - Keep organizational design flexible and loose
  - Spread ownership as widely as possible

Charles Handy: The Age of Unreason

- The structure of the shamrock
  - Professional core of qualified professionals, technicians and managers
    - Most valuable in an organization
  - People outside the organization who work as subcontractors
    - Non-essential
  - Flexible labor force of part-time workers and temporary workers
    - Fastest growing
Charles Handy: The Age of Unreason

- Lessons:
  - Contract out everything which can be done better or cheaper by others
  - Exercise control through specifying results
  - Ensure consensual decisions are made
  - Make vision different, and live it
  - Flatter organizational structures
  - Employ skilled and thinking people
  - Manage by persuasion and consent

Charles Handy: The Empty Raincoat

- Nine paradoxes
  - Work: specialization has resulted in too high a price being paid for work
  - Time: reductions in workforce coupled with people agreeing to work longer
  - Individual: greater individualism yet organizations which stifle individualism
  - Justice: capitalism seems to foster injustice

Charles Handy: The Empty Raincoat

- The Portfolio Career
  - Individuals benefit from a variety of challenges within the organization
  - Alternative to rigid stratification of the organization that boxes people in within their specified job descriptions
- The Donut Organization
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