

A managerial orthodoxy dominates organisational life since the Thatcher/Reagan era



As organisation consultants, we have met many people, in many different fields, who are bewildered and oppressed by the apparent insanity of much of what goes on in large organisations. There are seemingly endless reorganisations and restructurings. Leaders seem to feel bound to disturb people and organisations. People are sometimes not sure what unit they are part of, or who their boss is. They seem to serve computer systems rather than the other way round; and spend inordinate amounts of time ticking boxes and preparing plans and policies that don't make a difference, as well as sitting in unproductive meetings. The time to do real work is squeezed, organisations are hollowed out; there are lots of controls but little trust. Culture is seen as a problem, a barrier to much-needed change, and we are asked to put our faith in abstract ideas that bear little relationship to reality.

Our view is that a *managerial* orthodoxy has come to dominate organisational life since the Thatcher/Reagan revolution in the late 1970s and the 1980s. The orthodoxy is that, in a period of unprecedented upheaval, the job of leaders is to drive through change. The orthodoxy assumes that business knows best, and was promoted by many business schools and consultancies, used first in the private sector, and then extended to the public sector. The approach is credited with many of the remarkable achievements of modern organisations.

However, every way of seeing is also a way of *not* seeing. Every way of doing is a way of *not* doing. Many of the costs and frustrations of organisational life today stem from being tied to just one way of thinking about (and working with) organisations and people. The top-down managerial efforts at change that come with the orthodoxy, however well intentioned, keep producing unintended consequences.

The managerial approach is all around us. It is so much the orthodoxy that many managers and leaders take it for granted. It is the sea we swim in and cannot see. Faced by this orthodoxy, we each have a choice about how to respond. Do we keep our heads down and go into survival mode? Do we revolt? Or can we recover the capacity in our working lives to think, feel and act for ourselves? That's the path we suggest.

People who work productively and lead well, *despite* the orthodoxy, have broken free. They know (often intuitively) from their experience what makes sense:

- They recognize that good management is essential but effective leading comes first.
- They trust their own experience, feelings and intuition as much as their intellect.
- They focus on connecting with the people around them and not just on the task.
- They reach out to others and focus on 'we' not 'I', recognising that liberating the collective intelligence of groups and organisations is more important than any one person's contribution.

- They work with the grain of what they have. They are respectful of what exists and what has gone before, and do not throw it all up in the air.
- They see the potential in every situation and interaction to make a difference; they don't postpone effective action to some glittering future that never arrives.

It seems to us essential to restore some old insights. We are much more than rational, economic animals. We are social beings shaped by history and culture. Organisations are communities (not economists' models or machines) which have grown up over a period of time, from many influences; they are not the result of any overall design. They deserve respect. We need to start with curiosity about the specific history and context of each organisation, and pay close attention to purpose, meaning and social attachment.

We should apply to business and organisations the same principles of pluralism that should apply (in liberal democratic countries) in society as a whole – that there is no one answer to all problems and we should consider issues from a range of perspectives; that there should be checks and balances (and that no one person or group should have too much power); and that open debate and the free exchange of ideas and information are essential to progress.

We are under no illusions. With such a dominant and complete orthodoxy that purports to explain all organisational life, it is difficult to make space for an alternative view. But, there are different ways of working and leading. We know from our work the potential for people in organisations to be very different; to recover their wits and be potent. We encourage you to take your experience seriously; to restore judgement and value intuition. We have seen again and again how individuals, groups and organisations can come alive when they are freed from the managerial orthodoxy and are more able to be themselves, as part of some wider entity. The benefits in terms of happier, more effective people, and more successful organisations, are huge.



Notes:

- This blog post is based on the authors' book [Breaking Free of Bonkers: How to Lead in Today's Crazy World of Organizations](#) (Nicholas Brealey, 2017).
- The post gives the views of its authors, not the position of LSE Business Review or the London School of Economics.
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