‘Organization Design as Governance’s Achilles’ Heel

Gilles Paquet

www.gouvernance.ca

December 31, 2007

Gilles Paquet is Professor Emeritus at the Telfer School of Management, and Senior Research Fellow in the Graduate School of Public and International Affairs, at the University of Ottawa. He was President of the Royal Society of Canada (2003-05) and has been the Editor of www.optimumonline.ca, a journal of governance and public management, since 1994.
"… bringing people together to make something different happen…"

Harlan Cleveland

**Introduction**

Organization design is to governance what engineering is to science: the essential process of operationalization without which much of the good reflective work on governance is bound to remain fruitless. Yet, this design work is poorly understood, quite difficult to execute, and therefore not well done. It is the Achilles’s heel of governance: the weak point not very carefully attended to, and likely to be the source of governance failures and poor performance.

This weakness is more important nowadays than it used to be for various reasons.

Forty years ago, it was merrily asserted that ‘structure follows strategy’ – structure was seen as a mechanism through which strategy would be realized (Chandler 1962). This may have been the case in the more relatively placid environments of earlier times, but, in turbulent environments, such as the ones the world is experiencing these days, it is no longer true.

In nowadays contexts, *ex ante* strategizing (in a wide range of instances) is quickly made obsolete by transformations in the context. Making the highest and best use of the existing organization’s properties and capacities is often the best strategists can do. Consequently, the nature of the organization has come to play a more determining role in the decisions that are made, and the strategies chosen.

In the short run, ideally, the designer must try to shape the more relatively ‘inert’ dimensions of the organization in such a way that they will tend to provide the greatest leverage and the widest margin of maneuverability at strategic decision time. If this is not done, an organization may be trapped by its flawed design into drifting into very unpromising directions. In the longer run, organization design must be adjusted, through social learning, to remain somewhat in keeping with new missions and contexts.

In fact, this does not necessarily occur.

Organization design is often inherited from tradition and history or is the result of improvisation by imperial newcomers eager to inflict their footprint on the organization they have just recently joined. In both cases, there is often not a good fit between the design, the mission and the context. But because the myth that strategy should determine structure remains in good currency, back-of-envelope strategies are often hastily drafted, and the ensuing job of carpentering the appropriate organization (regarded as part of routine management) is delegated to junior executives as part of the implementation of the willed strategy. It is hardly surprising that what ensues is not of great significance.
It is only when catastrophes hit the organization that redesign takes a front seat. But in such critical times, again, panic strikes, improvisation prevails, and what is presented as organization design is nothing more than trite tinkering with the organization chart on the basis of something too often napkinly sketched in a most amateurish way.

A second reason why the design function is performed so badly is that it is not understood that organizations are not static fixtures but living entities. Very much like buildings, they evolve (despite their constraining structure) as their occupants take hold of them, and transform their functions and missions in ways that were never planned. The only difference is that evolution occurs in organizations at a much faster pace, and often in more dramatic ways, as a result of unintended consequences of all sorts of planned and unplanned interactions.

Consequently, organizations suffer from various forms of fibrillation, high pressure, arterio-sclerosis, or the like that signal that the old organizational form is no longer adjusted to the challenges of the day. As a result of these tensions, the organization evolves, but often in ways that go undetected, so a chasm develops between the formal shape of the on-paper organization and its real-life counterpart, and a new quite different ‘real’ organization emerges under the veneer of the formally acknowledged one.

A third reason why effective organization design fails to materialize is because this sort of architectural work requires a different way of thinking. It is not (and cannot be) guided by the sole sort of logic that dominates science (the search for general knowledge and the subsequent test of its validity) but by an inquiry into systems that do not yet exist, where the logic is that of disclosing and crafting a new ‘world’, with the sole purpose of ascertaining if it works, and to ensure that it does (Romme 2003:558).

For all those reasons, the significant role of organization design and redesign plays in the governance work is not as fully appreciated as it should, and it is my view that it will not acquire the refurbished status it deserves unless the design function is better understood, the epistemological difficulties it creates better gauged, and the requisite outillage mental to do the job is better developed and used.

In a first stab at these issues, organization will be defined as an assemblage ignoring merrily the notion of scale. Consequently, it connotes anything from the usual private, public or social concerns, to cities or issue domains (health, education), to governments, to nation states, to trans-national regimes. Obviously the nature of the actors, of the relationships and ligatures, of the procedures and of the norms are different in those different assemblages, but there are fundamental commonalities in their design.

Designing a living organization

An organization may be X-rayed as a mix of people (stakeholders of all sorts with their skills, talents, and responsibilities), architecture (relationships of all sorts defined by the organization charts and the like), routines (process, policies and procedures), and culture (shared values, beliefs, language, norms and mindsets) (Roberts 2004).
At any time, these components (PARC) are assembled within organizations in various ways – bound together by ligatures making them into a more or less coherent whole. Any shock disturbing any of these components (whether they originate within or without the organization, whether they modify a physical or a symbolic dimension) obviously triggers some re-alignment in all the other dimensions. So the organization continually evolves.

Organizations are therefore assemblages constantly undermined (over ground and underground) as a result of the action of new or transformed stakeholders, new emerging relationships, new procedures or changes in the material or symbolic order. The role of the organization designer is to intervene in real time in an existing assemblage to improve the four-dimensional configuration of the organization in a manner that generates better dynamic performance and resilience, given the nature of the environment in which the organization operates, but also taking into account its turbulence and its evolution. These four dimensions have to be tweaked in a creative way to provide effective dynamic coordination.

This sort of work requires:

(1) a new vocabulary because critical description is crucial at the diagnostic phase;
(2) a new form of knowledge, a new type of exploratory activity and a new process of experimentalism-based creative thinking; and
(3) a new type of competencies to do this work.

Moreover it requires (4) windows of opportunity to ‘tinker’ with the organization with a modicum of chances of success (i.e., at a time and in a way that prevents these efforts from being neutralized by the dynamic conservatism of those who benefit from the existing order). This often calls for exceptional circumstances. Otherwise the pressures of those confronted with real and substantial losses in the short term will trump the timid actions of those hoping for uncertain future benefits from a new order.

However, this process will lead to nothing substantial unless one has been able to develop (5) a mental tool box of levers capable of guiding the work of crafting new organizations and useable in such design work. But, because organization design is akin to creating a new world, none of the above will suffice unless the design process (6) truly discloses a coherent world (a body) and contributes to impart it with a style (a soul) that provides it with a sextant, focal points that underpin its being able to sustain effective coordination and change.

Given these conditions for successful design, it is hardly surprising that such work is eschewed and that so many organizations are so poorly designed. It is much easier for governors and managers to focus one’s attention on less daunting tasks, and to allow poorly-designed organizations to survive, even though organization design may be the most important determinant of success of an organization.
These six basic elements are probed in a provisional way in the next sections. But, before we proceed, two caveats are in order.

First, it should be clear that it is difficult to capture the full flavour of organization *design as process in action* with a simple reductive focus on only one aspect of design – the *architecture* of the organization – as it is done too often. The design process cannot be meaningfully reduced to tinkering with an organization chart – that is nothing but a glimpse at a temporary quasi-equilibrium that results from tensions between strategy and structure, accountability and adaptability, vertical hierarchy and horizontal networks, self interest and mission success, among others) pulling and pushing the organization in different directions (Simons 2005: 8ff).

Only unrepentant utopians believe that if a structure is imposed, the other dimensions will merrily adjust (Boguslaw 1965). In fact organization design has to be concerned with all the dimensions of PARC if it is to succeed. Yet, the temptation to focus on structure only is omnipresent: people and routines being perceived as matters that can be handled by management, while culture is too often regarded as an elusive and treacherous terrain where so-called pragmatists do not dare to go.¹

Second, it should also be clear that the design process deploys itself in historical time. As a result, it is shaped by a significant amount of multifaceted interaction with the environment, it is fraught with accidents along the way, and the design process is bound to suffer from the forces of emergence and unintended consequences. One would need to get a film of this interactive process to gain a sense of its dynamics: the interaction between a plan that cannot be fully spelled out because it is evolving, and a context that cannot be fully described because it is also continuously changing.

Organization design connotes the capacity to reflect systematically, rigorously and cumulatively *in action* as the inquiry proceeds, and as one experiments by trial and error in crafting an organization form involving all the components of PARC in order to ensure dynamic performance and resilience.

**Preconditions for successful design work**

The preconditions for successful design may be examined under two headings: description and epistemology, and competencies and opportunities.

i. description and epistemology

In order to intervene effectively in the design of organizations in real time, one needs to have some basic vocabulary that enables one to describe the context and the texture of the

---

¹ Two recent files in which I was personally involved - the mandate reviews of the National Capital Commission of Canada (NCC) and of the Royal Canadian Mounted Police (RCMP) - are examples of occasions of critical organizational redesign where these other dimensions were dutifully avoided either by the government (in the former case) or by the mandate review board (in the latter case).
organization. And since both context and texture evolve, one needs a vocabulary that can adequately keep track of such change and of its dynamic.

But such descriptive work is built on a theory of knowledge or an epistemology. Knowledge is justified true belief and epistemology is dealing with the criteria that make such belief justified and counting as knowledge (Hardin 2002). Without a sound epistemology, many unjustified beliefs come to be regarded as knowledge, and the vocabulary to describe what we know is deficient.

A crippled epistemology (as a result of ideology, ignorance or incompetence) is bound to generate an inadequate vocabulary to describe the new realities, and to produce massively distorted knowledge and information. Both these weaknesses – the poverty of the art of description and the dangers of crippled epistemology – are rarely acknowledged, even though they are fundamentally important (Sen 1999; Hardin 2002).

Organizations and institutions are meso-phenomena too often poorly described and apprehended because observers insist on looking at them through micro-perspectives that focus exclusively on individuals as absolutes, and deny the importance of relationships between entities. They are equally poorly understood by approaches focusing exclusively on macro-systems and totalities as absolutes. Organization design requires a vocabulary and an approach that focuses at the meso-level.

Manuel DeLanda has provided such a perspective based on the notion of assemblage (DeLanda 2006). Assemblages are populations of entities none of which being seen as the fundamental building block. Any assemblage has properties and capacities: properties are what an assemblage brings to a context or another; while capacities refer to potentialities to affect or to be affected by other entities in other contexts; capacities are as real as the properties of an assemblage, but that one cannot identify them except as they come into play in particular cases, circumstances, interactions (11). The identity of any assemblage is the result of its properties and capacities as they come to life in different territorial or other arrangements or processes, but it remains precarious since such processes may easily be destabilized (28).

An example of assemblage might be an ecosystem, but also an organization, a city, a government, a nation. And these, in turn, can be part of broader assemblages, but may be also decomposed in smaller assemblages defined by mechanisms which involve complex mixtures of causes, reasons and motives. The fact that these assemblages are in a continual process of change has led some to compare them to the notion of “publics” (in John Dewey’s parlance), and to suggest that budding social movements, for instance, may be regarded as akin to ‘emergent assemblages’ (Dewey 1927; Angus 2001).

This language is well adapted to the realities of organization design but it also highlights its difficulty. One may tinker with the various mechanisms (causes, reasons, motives) at any level, but such tinkering does not have only linear causality impacts - the same cause does not trigger the same effect always.
Tinkering may mix properties, but it also modifies and catalyzes the capacities of the different entities it plays with, thereby triggering (wittingly or not) changes in the world of reasons and motives. The results may be surprising unintended consequences.

The importance of culture and identity in the design of an organizational world cannot easily be overemphasized. They represent subtle ways in which coordination is effected in much more complex ways that the simple Skinnerian stimulus-response mechanisms. Unfortunately, these dimensions are underemphasized and therefore underplayed in the design process because of the richer epistemology it requires.

Group identity in the military, for instance, and cultural bonds in solidarity organizations, play a crucial role in generating effective coordination but identity and culture are more difficult to craft than Skinnerian mechanisms, so unfortunately they tend to be discarded by hurried reformers as a result of a crippled epistemology, a lack of vocabulary to describe gaps at that level, and a certain ignorance about what might be effective ways to craft these elusive dimensions of organizations (Kreps 1990; Akerlof and Kranton 2005).

This underlines the daunting challenge of designing flawless assemblages.

Charles E. Lindblom (1990: 39) is rather pessimistic and has suggested that such attempts to arrange or re-arrange volitions in various coherent and well-performing assemblages are unlikely to succeed. Others, like Schön and Rein (1994), are more hopeful that coherence may emerge through a process of conversation with the situation, and with the multiple actors who have different frames of reference that can be reconciled. From these interfaces emerges, in their view, a process of inquiry, discovery and learning that reduce contention and elicit a pragmatic resolution in situ.

ii. competencies and opportunities

Donald N. Michael (1980, 1993) has suggested that such work can only be done if new competencies are acquired. Michael groups these new competencies under three rubrics:

- developing ways to deal with organizations as learning systems (seeking resilience rather than control, embracing error, spanning boundaries);
- learning interpersonal skills (active communication, open communication, intuition and feeling as data and valued information); and
- creating an effective corporate climate (dedication to partnership, inspiring mutual responsibility).

As we have indicated (Paquet 2006), these competencies and skills have much to do with savoir-faire and savoir-être, and learning by doing. Such competencies based on practical knowledge have tended to be greatly underrated in a world where technical rationality has become hegemonic: presuming that knowledge flows from underlying disciplines to applied science to actual performance of services to clients and society. Schön (1983, 1987).
Substituting for this one-way street a two-way approach emphasizing knowing-in-action, reflection-in-action (where knowledge emerges equally well from groping with situations and from surprises leading to on-the-spot experiments and knowledge creation) is (at least ideally) the way professionals are educated (Simon 1981: ch. 5).

It emphasizes the development of skills and a capacity for a conversation with the situation through reflective practicum (residency, articling, etc.). It is seen to be the only way to impart practical knowledge in a manner that aims at nothing less than transformation and behavior modification, for some of those skills are literally *embodied*: savoir-faire in the sense of *tour de main* cannot be learned and developed without a change in savoir-être, in identity.

It has proved extremely difficult to ensure the requisite training and coaching in these new competencies, for they require the development of perception skills, diagnostic skills, and the like. This explains the explosion of parallel training ventures dealing with those areas neglected dramatically by the formal education enterprise.

But, however effective one might become in developing this sort of Delta knowledge and related skills (Gilles and Paquet 1989), and however the mechanisms to ensure the requisite practica are available, it cannot suffice. Much opportunism is also required.

Hirschman suggests that none of the efforts to make use of this type of knowledge will work unless the right opportunity to intervene emerges: a moment when the forces of dynamic conservatism will be taken by surprise and somewhat neutralized “for change can only happen as a result of surprise, otherwise it could not occur at all, for it would be suppressed by the forces in favour of the status quo” (Hirschman 1995: 136).

Such windows of opportunities exist in moments of transition between governments, on the occasion of external shocks that threaten the survival of organizations, etc. but these are often moments when organizations turn out to be particularly ill-equipped to take advantage of them.

**Organization de sign as process**

The design process is difficult and elusive like the pragmatic inquiry of professionals, but it must be anchored at the very least in a loose protocol if it is to serve as a launching pad for experiments and serious play as basic components of the social learning process.

1. the Simons-type model as a possible template

A loose protocol or analytical framework is nothing more than the sort preliminary arrangement of the objects of the inquiry. It does not provide a theory of design, but only a set of questions that underpin the appreciation of the situation and helps in the structuring of the process of construction of performing and resilient organizations.
Robert Simons (2005) has proposed a template based on four basic questions that one might reformulate in the following way:

- **Stakeholder definition**
  what are the best possible assemblages (those that are the most effective and resilient, and likely to serve best the organization partners, clients, etc.)?

- **Performance variables**
  what are the most effective diagnostic control systems (the various mechanisms likely to best monitor the organization and to suggest ways to excite them)?

- **Creative tension resolution**
  what are the best mechanisms to resolve the creative tensions between the frames of mind of the different layers and rings of partners in the organization and likely to catalyze interactive networks?

- **Commitment to others**
  what are the mechanisms of shared responsibilities and commitment to others that will ensure some coherence for the organization and the requisite mix of reliability and innovation?

The answers to these questions are meant to help define the four basic dimensions of the Simons framework: (1) the span of control (who should decide?), (2) the span of accountability (tradeoffs in performance measures when it comes to rendering of accounts), (3) the span of influence (the full nature of the interactions and the degree of mobilization they entail), and (4) the span of support (the full range of shared responsibilities).

Simons suggests that proper alignment for the organization requires that the spans of control (hard) and support (soft) – on the supply side of resources - be adequate to meet the obligations imposed by the spans of accountability (hard) and influence (soft) – on the demand side of resources.

Finally, Simons suggests that in order to avoid indulging in what he calls “endless permutations and combinations of design variables” (28) one should focus on certain basic patterns or archetypes of good organization design (e.g., patterns focused on specific pivotal values or focal points like low price, service relationship, expert knowledge, etc.) that would appear to have proved successful in wide range of situations.

This latter point may be unduly reductive. While it may provide shortcuts in the case of standard private, public or social organizations, there is obviously a danger in limiting in this way the quest for the right sort of assemblages that are regarded as worthy of attention in issue domains like education nor health where no single focal point or pivotal values can be identified *ex ante*. 
A more useful, creative and pragmatic (if more adventurous) way may be to recognize that the right organization design is unlikely to be available ready-made off the shelf or off a paradigm. It must be invented, creatively etched on the basis of the properties and capabilities available but also keeping into account context and circumstances.

The organization must be designed in the way a good architect designs a house in keeping with the wishes of the users, the constraints of the environment, and the material available to work with. It is obviously easier to limit the number of models when dealing with a house than when dealing with an arrondissement or borough.

In the case of organization design, the designer is obviously constrained by the PARC dimensions. It would be unreasonable to pay no attention to any of these four dimensions. Often, one must build the architecture around indispensable or tenured people, around routines that are essential to ensure reliability, and taking into account cultural factors that cannot be easily transformed in the very short run. An arrondissement may have to be built around an escarpment.

The central challenge is to find the right balance of reliability and innovation. This may need to take different forms and may entail different balances in different sub-segments of an organization. Audit and marketing may require different balances. But whatever the constraints may be, the focus needs to be on the design of business and on the recognition that this requires nothing less than a new way of thinking (Martin 2004, 2007).

ii. experimentalism and serious play in a dynamic world

A promising way to develop the requisite organizational form may not be to impose it cold on any assemblage but to allow it to emerge once the nature of relevant prototypes is ascertained on the basis of the non-negotiable constraints.

The key to this evolution on the basis of prototypes is:

- a drift toward open source governance (i.e., a form of governance that enables as much as possible each partner to have access to the “code” and to “tinker” freely with the way the system works within certain well-accepted constraints) (Sabel 2001); and

- a priority to “serious play” (i.e., a premium on experimentation with imperfect prototypes one might be able to improve by retooling, restructuring and reframing innovatively and productively) (Schrage 2000).

By partitioning the overall terrain into issues domains and communities of meaning or communities of fate (i.e., assemblages of people united in their common concern for shared problems or a shared passion for a topic or set of issues), it is possible to identify a vast number of sub-games that each requires specific treatment. Each issue-domain (health, education, environment, etc.) is multifaceted, and dealt with on an ad hoc basis with the view of allowing the design of its own stewardship to emerge.
This open system takes into accounts the people with a substantial stake in the issue domain, the resources available and the culture in place, and allows experiments to shape the required mix of principles and norms, of rules and decision-making procedures likely to promote the preferred mix of efficiency, resilience and learning. A template likely to be of use across the board may not be available yet, but it does not mean that a workable one cannot be elicited *hic et nunc* (Sabel 2004).

However, it is not sufficient to ensure open access, one must also ensure that the appropriate motivations are nurtured so that all citizens are willing and able to engage in “serious play” (i.e., become truly producers of governance through tinkering with the governance apparatus within certain limits).

This in turn requires that a requisite amount of collaboration and trust prevails, and calls for a reconfiguration of governance – taking communities of meaning seriously. Such an approach may not only suggest that very different arrangements are likely to emerge from place to place, but would underline the importance of regarding any such arrangement as essentially temporary: the ground is in motion and diversity is likely to acquire new faces, so different patterns of organization designs are likely to emerge.

Consequently, governance would not only rely on a much more flexible toolbox, but would require that any formal or binding arrangement be revisited, played with, and adjusted to take into account the evolving diversity of circumstances. It would open the door to the design of more complex and innovative arrangements likely to deal more effectively with deep diversity.

Prototyping would appear to be the main activity underpinning serious play:

- identifying as quickly as possible some top requirements,
- put in place a quick-and-dirty provisional medium of co-development,
- allowing as many interested parties to get involved as partners in improving the arrangement,
- encouraging iterative prototyping, and
- thereby encouraging all, through playing with prototypes, to get a better understanding of the problems, of their priorities and of themselves (Schrage 2000: 199ff).

The purpose of the exercise is to create a dialogue (creative interaction) between people and prototypes. This may be more important than creating dialogue between people alone. It is predicated on a culture of active participation that would need to be nurtured.

The sort of democratization of design that ensues, and the sort of playfulness and adventure that is required for “serious play” with prototypes, are essential for the process to succeed, and they apply equally well to narrow or broad organizational concerns.
Organization design outcomes

Organization design uses a variety of mechanisms to help institute a living organization that has the capacity to be reliable and innovative, to be resilient but to learn. It aims at coherence but mainly at dynamism.

This cannot be accomplished by tinkering only with the hard dimensions of organizations (architecture and routines), it must also modify behavior and culture. Moreover, depending on circumstances, this sort of interventions may have to be sequenced carefully if it is to be successful.

i. back to PARC

The four dimensions mentioned in the sub-title are crucial in achieving a good fit and in reducing agency costs: two are more in the nature of plumbing (architecture and routine) while the other two are dealing with softer dimensions (motivation and culture).

The sort of assemblages likely to succeed will differ widely depending on the context but also on the general nature and thrust of the organization. Yet, the style of organization design likely to succeed will call for dis-aggregation (Roberts 2004: 180ff): a choice of architecture and routines underpinned by wise incentive-reward systems and supported by cultural changes.

The main challenge is rooted in the fact that such dis-aggregation involves of necessity a growth of multi-tasking, and it is difficult to resolve the motivation problem in such circumstances: it is not easy to induce the partners to allocate attention, time and effort in appropriate and timely ways among tasks when they differ significantly and are not equally well metered.

This is an especially daunting task in the case of the exploration/exploitation split that is underpinning the innovation/reliability challenge (March 1991). Very often, it is impossible to tackle this challenge without explicit efforts to transform the culture of the organization: simple partitioning of tasks or efforts is unlikely to work.

Some principles and mechanisms have proved useful in this sort of work (Paquet 2005: ch. 8):

- maximum participation to ensure the tapping of all the relevant knowledge and more collaboration;
- subsidiarity or the delegation of decision-making to the most local level possible;
- some competition to squeeze out organizational slack and promote innovation; and
- multistability, i.e., the partitioning of the organization in sub-systems so as to be able to delegate to the one most able to handle a shock or perturbation the task of doing so without the other sub-systems being forced to transform.
As for the most useful mechanisms, they have been

- the setting up of ever more inclusive forums for effective multilogue,
- the negotiation of moral contracts defining well yet informally the mutual expectations of the different partners,
- the design of learning loops enabling the partners to revise their choices of means as the experience unfolds but also to revise the very ends pursued through reframing the organization when it proves necessary, and
- the invention of fail-safe mechanisms to ensure that the multilogue does not degenerate in meaningless consensuses and to prevent saboteurs to derail the collective effort.

But there is no simple recipe or cookie-cutter approach to organization design. Each case presents a particular and singular challenge: what is involved is a process of quasi-disintegration or partitioning, followed by a process of quasi-re-integration based on the principle of loose coupling with the help of particular ligatures in order to allow the organization to emerge and evolve smoothly.

The only basis of operation is a protocol to ensure that rich enough vocabulary and epistemology are in use, that relevant competencies have been developed, that key questions are answered, that the right conditions for prototyping serious play are in place, and that the whole range of PARC levers and ligatures are kept in mind.

ii. getting the right fit and sequence

This may seem too much like a Guide Michelin the day before one is to embark on a long voyald: too rich in details, daunting, discouraging for the interested traveler. Any design task may require a guide to the guide, the modicum of a plan – nothing more than what a good interviewer has on a piece of paper in front of him as he/she is to start an interview with an eminent persona.

The designer must be ready to prototype and to tinker as the process unfolds, but nobody will allow an organization to be played with, unless some action plan is providing some sense of the nature of the experiment so as to provide the partners with a sense of security.

Nadler and Tushman (1997) have suggested a blueprint and sequence for design that might serve as security blanket. Their work might be stylized as follows taking much liberty with their own sequencing and taking into account our earlier analyses:

- organizational assessment: functioning, performance gaps
- design criteria: what the new design should accomplish
- groupings: options for general grouping
- coordination requirements: information-processing needs
- linking: linking mechanisms (formal and informal)
properties and capabilities of the ensuing assemblages
provisional analysis of impacts
simulation of the way in which the design would play out in different circumstances: prototyping and serious play
operational design required
detailed planning of implementation: support of key power groups, reward desired behavior, monitor transition
organizational culture (values, beliefs and norms) as means and ends
social learning loops mechanisms as a way to adapt

The process of organization design is not linear, but rather an iterative inquiry, a trial and error experiment, a search process. It is in the nature of the sort of reflection-in-action that Donald Schön has so aptly described (Schön 1983, 1987) – a conversation with the situation that leads to discovery.

At the core of this process is the inquiring mind, the designer paying attention to the evolving environment, double-looped learning through which ends and means are continually revised as the experiment proceeds: just like the Inuit scraping away at a reindeer antler with his knife, examining it now from angle and now from another until he cries out “Ah, seal!” (Schön and Rein 1994: 166-7).

In this inquiry, it has often proved easier to tinker with the technology than with the structure, and easier to tinker with the structure than with the culture of the organization (Schön 1971). But it would be unwise to presume that any sequence will always work.

**Disclosing new worlds and imparting style**

The core task of organizational design is to disclose new worlds. For organizations are worlds: they are a totality of interrelated pieces of *equipment* to carry out a specific task (such hammering in a nail); these tasks are undertaken for some *purposes* (like building a house); and these activities bestow those accomplishing them with *identities* (like being a carpenter) (Spinosa et al 1997: 17). This is the sense in which one speaks of the world of medicine, business or academe.

However, there is more to organizations than the interconnection of equipment, purposes and identities. Spinosa et al use the word *style* to refer to the ways in which all the practices are coordinated and fit together in an organization. Style is what coordinates action, what makes certain kinds of activities and things matter. In a way, style is an echo of culture: it pertains not only to the way coordination is effected but also to the way we effect change.

In their study, Spinosa et al (but also Max Boisot (1995) and many others) show how economic, social and political entrepreneurs are those who spot disharmonies between what seems to be the *rules* in good currency and what would appear to be the sort of *practice* likely to be effective. They detect anomalies. Those anomalies create puzzles.
The reaction to puzzles is often to ignore them and pursue the on-going tasks as usual, instead of recognizing that the anomalies are creating mysteries, and that what is called for is ways of understanding mysteries, the search for "guidelines for solving a mystery by organized exploration of possibilities" (Martin 2004:7).

This is where sensitive individuals become more aware of marginal practices (or alternative ways to re-tool, re-structure and reframe their activities according to principles heretofore not regarded necessarily as of central interest) and tend to become involved in lateral thinking: articulating the problem differently, cross-appropriating ways of doing things elsewhere and adjusting them to the task at hand, reframing the very notion of the business one is in along different lines.

This is the world of prototyping, of experimentation, of serious play, of organization design. Innovative persons in all areas (economic, political, social) become organization designers and redefine the style of their organization.

The difficulty is that this type of world disclosing activity or inquiry – based on empathy (for one designs always for somebody else), on holistic problem-solving (solution focused strategies, looking for what works), and prototyping (not waiting until one has the best solution, but starting with anything promising, prototype it, get feedback, plays with it, and learn in that way) – Tim Brown quoted in Martin 2004:11) – is not what higher education is organized to foster, and, as a result, the skills required are not necessarily cultivated (Paquet 2006).

This explains why the design work is done so poorly.

**Conclusion**

Whether this failure is ascribable mainly to the way higher education has stunted the learning process, or to the criminal neglect of Delta knowledge and design rationality, or to the organizational culture in good currency, or to a simple underdevelopment of organization design studies, remains unclear.

In all likelihood all these forces have played a role in the crystallization of this crippling epistemology.

It is difficult however to underestimate the toxic effect of positivism and scientism on the social sciences (including management). These forces denounced by Hayek (1952) have proved even more toxic than he had anticipated. Much of the research in management and governance has been vitiated by this virus (Paquet 1987), and most importantly alternative ways to strengthen the governance education have been grossly neglected.

Management and governance studies have for decades been trapped in the doldrums of technical rationality, and it is only in the 1980s with the work of Donald Schön that alternative trails have been opened.
Yet these trails have not been as fully explored yet as they should have, and much of what one may call *pathologies of governance* must be properly ascribed to these foundational flaws.

Bemoaning such derailment may appear ill inspired, and caricatured as strictly an academic concern of no interest for those living outside the higher education enterprise. In a way, this is true. On the ground, the situation is quite a bit different. Reflective practitioners have succeeded, despite the higher education establishment, to provide a momentum in generating and cultivating entrepreneurship, creative democratic action, and solidarity.

But scientism still inhabits the corridors of academe, and the tolerance for this perversion will continue to inflict much damage on future generations unless some radical transformation is engineered in governance studies.

One should not however assume that all is rotten in the kingdom of Denmark.

Governance, ethics, organizational culture, organizational design, etc. have begun to permeate the management schools curricula. Such subversive studies are beginning to show signs of being a source of rejuvenation in administrative studies: asking different and open questions, underlining forcefully the *professional* nature of management, recognizing that there is more to governance than has heretofore been recognized.

Yet, with few exceptions in the academic community, design inquiry is left to practitioners and management consultants, and, as a result, “the body of design knowledge appears to be fragmented and dispersed” – much more so than in other bodies of knowledge (Romme 2003: 569).

The time may be ripe for a revolution! As Chalmers Johnson (1964:22) would put it: “multiple dysfunctions plus elite intransigence cause revolution”.

References


