Leading into the Future II: A Tale of Three Societies

William Bergquist, Ph.D.

Organizations of the new millennium are faced with the transition to a new postmodern era, requiring clear mission to match diffuse boundaries and greater thoughtfulness about growth and measurement to match the new challenges of fragmentation and inconsistency. The effective postmodern leader will help people through the transition into a new century, just as modern leaders did at the turn of the 20th Century.

Many societies in our world are in the midst of major transformation. Some are shifting from agriculture and crafts to an industrial base, and from life in small towns and villages to life in cities and suburbs. This shift from a premodern to modern social structure is being replicated in the shift of other societies from a modern to postmodern social structure. Instead of an industrial base, these postmodern societies are founded in technology and information. Instead of people moving into cities and suburbs, smaller and more intimate neighborhoods and communities are being established (or reestablished) with shared interests, commitments and history. Many contemporary organizations are going through comparable transformations, becoming increasingly complex and variable systems that must respond to an unpredictable and turbulent environment and economy.

The challenge for leaders of contemporary organizations is one of understanding and fully appreciating both the problems and potentials associated with shifts from both premodern to modern and modern to postmodern in our communities, nation and world.

The Premodern World: Simplicity and Tradition

We may be entering a postmodern era, but our sight is as much backward as it is forward. Everything seems to be in flux in our organizations. We look back with a distorted and often nostalgic perspective on a world that we assume to be simpler and conducive to strong leaders who could decisively solve straightforward problems. It was a world in which employees found gratification in the work they performed and found community in the people with whom they affiliated. Typically, our organizations

were founded in communities that had an identity or at least homogeneity regarding values, culture or social-economic status. Even in urban settings, our organizations were often founded to serve a distinct community group or need.

Is our yearning for a simpler place and time nothing more than an attempt to escape from the vagaries of contemporary life? Given the pressures under which we live in our postmodern world, it is quite understandable that we might wish for a simpler place and time. Yet, there is also realism in our search for the premodern world. First, the premodern still exists in our society. As a world community, we are only a moment away from the premodern. Most societies were predominantly premodern less than one hundred years ago. The premodern world is still prevalent in many American communities. A thin veneer of modernism covers the fundamental and deeply rooted premodernism of virtually all societies. Organizations are still concerned with shared values and play a central role in the creation or maintenance of a vital and caring community. This is a central message in postmodernism: a successful postmodern organization will inevitably incorporate diverse elements from many times and places.

The premodern world is also of great relevance because it holds at least partial answers for our emerging postmodern world. The premodern world can help us set the agenda for our organizations, with regard to re-emerging values. It also provides us with important insights about the human enterprise. Virtually all transformations in social systems begin with the bashing of the previous, dominant era. “We are no longer going to use the old horse and buggy” “Let me show you the *modern* way in which we build houses [or grow peas or serve members of our church].” Many of the contemporary advocates for *new paradigm* thinking similarly begin with an analysis of modern world failure. This is quite understandable, given the desire to present something that is new and different. However, in the long run it is foolish to leave behind the rich traditions of the past and knowledge gained from years of practical experience. Organizations situated in an emerging postmodern world are likely to be successful, in part, if they borrow from both the premodern and modern worlds, while also inventing new forms and formulating new perspectives that are neither premodern nor modern.

The Modern World: Giants and Managers

Large organizations represent the pinnacle of modernism in most societies. We know that we have become modern the first time a high-rise building is constructed in our community, and when men and

women are being trained in our organizations and universities to fill technical and managerial positions in large organizations. Modern organizations speak a common language. They look alike and operate in the same manner. The languages of nations may differ, but the language of modern organizations is universal. Instead of the distinctive, vernacular (ritual, stories, customs) of premodern organizations, we live with the universality of modernism.

The primary objective of modern organizations is to become and stay large. While premodern organizations concentrated on organizational continuity and tradition (which usually required very gradual growth), modern organizations emphasize rapid growth. As modern organizations expand in size and add more units and levels of organizational structure to accommodate its growth, the organization becomes more difficult to control. While the premodern culture of an organization provides some integration through its customs, dress, ritual and stories of great triumphs (and defeats), this premodern glue is often disparaged in most modern organizations. Furthermore, this culture does not offer sufficient integration for very large organizations.

As organizations grow more complex in the modern world, increasing attention must be given to those activities that enhance coordination and cooperation among the differentiated functions of the organization. As organizations become larger (or older), they also require clearer boundaries so leaders can maintain control. Financial monitoring and auditing functions are added. Personnel offices ensure uniformity of hiring practices as well as coordinate training efforts. Newsletters proliferate, as do office managers, purchasing agents, and departmental administrators. These offices, roles and management functions are devoted to the integrative functions of the organization. As the organization grows larger and older an increasingly large proportion of the resources of the organization must be devoted to these integrative functions. As a result, modern organizations that are large (or old) are likely to become less efficient. Unless they control the market place, these larger or older organizations may be unable to compete with those that are smaller or younger.

Both personal and organizational boundaries are clearly drawn in the modern world. While family and work are closely related in the premodern world, modern organizations tend to discourage the mixing of family life and work. While family connections form the base for many premodern organizations, modern societies have made it illegal for anyone in an organization to hire a relative (laws of

"nepotism"). Paternalistic concerns are considered inappropriate in modern organizations. Modern leaders are not allowed to regulate the lives of their workers when not on the job, although they have much greater control over the lives of their employees when they are at work.

When it comes to mission and purpose in the modern world, there is much less clarity and consistency. In general, mission statements have been created primarily for public image and marketing or (in the case of private institutions) the mission is directed simply to the "bottom line." In contrast with their visible and clear boundaries, the mission statements of most modern organizations do not provide much clarity or guidance for those who work in or evaluate these institutions. While the premodern world is built on land and reputation (with a strong parallel emphasis on service and community), the modern world is built on a different form of capital: money. In a modern world that values democratic ideals and fosters the expectation (or myth) of upward social mobility, new wealth and a more transient bourgeoisie are dominant.

In essence, the modern world has produced a shift from direct sources of personal meaning in life (through one's work, family and church) to indirect sources (wealth and consumption). The premodern man or woman takes pride in the cultivation of crops or production of crafts, and in the raising of a family and provision of food and shelter to members of the family. By contrast, modern workers are often alienated from the products of their work and from ownership for the means of production. Alienation from the direct sources of meaning in our work is joined with the alienation that comes from the loss of personal voice and influence, and with the loss of interdependency among people who once worked together in premodern communities.

This dual form of alienation often produces a profound (and at times isolating) individualism. We have to look inward for guidance and a sense of purpose rather than looking, as we do in a premodern world, to an external authority or community. Modern organizations emphasize individual rights and look to individuals with specialized and technical expertise to solve complex organizational problems. Most of the modern perspectives on motivation to work similarly focus on personal rewards and individual achievements. We no longer derive meaning in the modern world from shared societal beliefs or from institutions that sustain and interpret these beliefs (such as organizations, extended families or governments). Meaning comes instead from the individualistic pursuit of wealth and the acquisition of

goods that convey our personal identities and offer a (usually unfulfilled) promise of happiness and self esteem.

The Postmodern World: Fragmentation and Complexity

As we enter the postmodern era, it appears that integrative services of the modern era—even if they are extensive—often are not sufficient to hold the organization together. Even with greater attention being given to organizational culture and to creating a strong feeling of solidarity, contemporary organizations are experiencing pervasive fragmentation, chaos and inconsistency. One part of the organization does not know or care what the other parts are doing. Growing frustration is founded on frequent and counterproductive reorganizations, conglomerations of differing structures that always seem to be "in planning," the failure of many divisions to coordinate their efforts with other divisions, the lack of clearly established organization-wide priorities, and a general sense of foreboding or panic (postmodern edginess).

Increasingly, two major questions must be asked by leaders with regard to these postmodern conditions. First, what is the right size for this particular organization or this particular unit of the organization? We have learned in our postmodern world that we cannot solve the problem of integration simply by devoting more resources to integrative processes as we grow larger. The integration of functions in large organizations may no longer be possible or if it is possible, it requires much too large a proportion of the total resources of the organization for this organization to survive. Administrative costs tend to rise not fall with expansion in the size and complexity of organizations. Effective postmodern leaders speak about appropriate size rather than indiscriminate growth.

The second major question that postmodern leaders must ask concerns the nature of the integration that does occur. Traditionally, integration has been equated with control. We keep organizations from flying apart by ensuring that all operations of the organization are tightly controlled. In the modern world, this means that organizations will be structured hierarchically, with each person receiving orders from someone situated immediately above them on this hierarchy. This emphasis on line-based authority and an accompanying emphasis on uniformity of practice supposedly keep the organization fully integrated. An alternative way to think of integration emphasizes influence instead of control. Rather than using the formal hierarchy of the organization, successful postmodern leaders use more informal and powerful

channels of communication and leadership-by-example. Rather than looking to the hierarchy to gain control, they look to the network and the web to exert influence. Key people and groups who are located at nodal points in the network can be highly influential and often play a much greater role in bringing about integration than do those at the top of the organization.

Contemporary organizations often are both complex and fragmented. Postmodern organizations are typified by the intermingling of premodern, modern and postmodern structures, processes and procedures. We find premodern elements in the celebrations, ceremonies, and retreats that bring members of an organization together for recognition and reflection. Examples of the intermingling of modern and postmodern are even more prevalent. We find that many organizations exist as both independent, autonomous institutions that are very modern, and as interdependent collaborating members of complex consortia, partnerships and alliances that are very postmodern.

As a result of the widespread fragmentation and complexity in our personal lives and organizations, mission has suddenly become very important. *Bottom line* and continuing growth are no longer adequate criteria of performance for either organizations or secular institutions. Postmodern organizations need clear direction, given the ambiguity of their boundaries and the turbulence of the environments in which they operate. Postmodern organizations are usually the inverse of modern organizations with regard to mission and boundaries. They may have unclear or changing boundaries—but must have a clear and consistent mission. Such an inversion tends to counter our normal way of thinking: we are more often inclined to construct firm boundaries when the world around us (as in our current postmodern era) is turbulent and unpredictable.

Some established organizations will be able to live off their substantial resources and reputation in the near future. Most, however, will only survive if they operate from clearly articulated statements of mission that relate directly to the impact which the institution has on the life of its parishioners and other key stakeholders. An organization that defines a specific set of values and service as something needed by a specific constituency is likely to be successful in our chaotic, postmodern world. An organization that tries to appeal to a much broader audience with a variety of different services that do not hold together in a coherent fashion is much less likely to be successful. Furthermore, organizations that have clearly defined and enacted missions, coupled with a compelling, shared vision, will tend to attract

attention and commitment. The resources and energy of people working inside the organization are focused—as are the resources and energy of those who support the organization.

Any contemporary organization may choose to work from its mission and foster both learning and continuous improvement as a central feature of its organizational culture. In adopting this strategy, a contemporary organization is positioning itself for a postmodern world in which organizations must become increasingly flexible regarding boundaries. These postmodern organizations can shift with the changing nature of their constituencies, while preserving a distinctive identity and purpose. They are likely to be much more open to changes in clientele and to moving across previously restrictive boundaries (such as product or service area, or even regional or national boundaries). In dropping their boundaries, postmodern organizations are likely to be more fully responsive to changing technologies, and changing customer and community needs.

Concluding Comments

The challenges for contemporary organizations operating in these postmodern times are exceptional. On the one hand, change and newness can be a motivator. New conditions force people to think in new ways and break out of old thought patterns. On the other hand, change and newness are frightening. Postmodern conditions require that we listen to the "other"—those who have long lived outside the comfortable confines of our Western institutions. With the collapse of a dominant meta-narrative that has been created and sustained by Euro-American males we are faced with many competing narratives, none of which can claim foundational credibility.

We long for the past when things were simpler and less demanding in our organizations. This often leads us to a new conservatism and to a form of nostalgia that fails to take into account the new realities of our religious institutions. Given that our organizations are deeply embedded in the values, structures and vocabulary of modern life, we are particularly vulnerable to the critiques of postmodernism and to the threats of radical change in an emerging postmodern world. We become frightened when the old structures fall away and we are left standing alone, without a sustaining tradition and without predictability. The challenge for any contemporary leader is to confront the newness with wisdom, courage and vision. We must be able to understand, appreciate and live with the troubling ambiguity of our emerging condition if our organizations are to thrive in the new postmodern era.