

DEVELOPMENT

Stages of Development

By Dennis Emberling



Perspectivist-stage

*Troubleshooting, Skill-coaching, & Assistance
on Planning, Collaboration, & Structure*

Your comments and questions would be most welcome. We'd be very interested to hear how you liked this paper, whether you found it to be valuable, or any other reactions. We'd also be happy to answer any questions you might have or discuss the ideas in this paper or how they apply to your management or organizational interests. Please e-mail us at info@developmentalconsulting.com or call (303) 468-1510. This paper is from our website, www.developmentalconsulting.com.

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Introduction

(Please read the previous section, “A Model of Development,” before reading this section. Of special importance is its chapter 6, “Using the Developmental Model.” Understanding this chapter is very helpful in putting the ideas in this section, “Stages of Development,” into use successfully.)

This section of the website describes in some detail each of the five developmental stages as they apply to managers, groups, and organizations. No effort is made to be anywhere near comprehensive in the treatment of each stage. Such a treatment would be book-length, at least. Still, from these brief descriptions, one can form a fair picture of the stages and begin to differentiate the less-effective from the more-effective in many management and organizational areas.

In this section, a single chapter is dedicated to each developmental stage. Within each of the first four chapters (the fifth chapter is a special case), the way various features of management and organizations appear and function are described in this order:

- In General (Introduction)
- Organizations
- Management and Managing
- Employee Issues
- Collaboration, Communication, and Information
- Planning: Goals, Problems, and Decisions

The less-developed stages are treated in less depth than the more advanced stages, because they are simpler and easier to understand. This means that some topics (headings) are skipped in the earlier stages.

It would be nice if a brief overview of these stages sufficed for managers. It is very useful for managers to be able to recognize what developmental stage is being employed by themselves and the individuals and groups they manage. Recognition is also the essential first step in facilitating more advanced development in themselves and these individuals and groups.

However, years of experience have taught us that such recognition and facilitation is a learned skill, and not an easy one at that. This is probably because the developmental-stage model and its applications are inherently Perspectivist-stage cognitive maps. As such, while they may seem easy enough at first glance, using them correctly and effectively requires some Perspectivist development and skill on the part of managers.

It is all too easy for this developmental model to degenerate into a mere typology—a flattened scheme of five types of management and organizational functioning or “styles,” all laid out along a continuum, with no holonarchic relationships such as inclusion or differences of logical class among them. This can easily lead to a literal, overly-simplified understanding of developmental stages, erroneous identification of stages, and rationalization of the worst kinds of organizational behavior.

The way to avoid these pitfalls is to be cautious about applying what you read here. This material is only a very brief introduction to learning how to use developmental cognitive-maps. When we work with our clients, we guide them in further learning and skill-building in this area and help them avoid these pitfalls.

Stage 1: Coercive

In General

The Coercive stage of managing and organizational functioning is the least-developed, least-effective stage found in organizational life. In the personal development of children, this stage is discovered by infants usually between one and two years old. It is their main stage of functioning until about five or six.

The stage is called Coercive because it is characterized by its means of getting what one wants: coercion. Power, force, strength, demands, threats, rage, and tantrums are common tactics employed in this stage. “Might makes right” could be its war cry.

Piaget calls this stage “Pre-operational,” meaning pre-cognitive or prior to the development of anything that deserves to be called “reason.” Maslow identifies this stage with one’s needs for security.

Organizational Structure

There is usually a significant “informal organization”—a kind of underground or hidden “organization within the organization.” This informal organization is the way the organization really works. The formal organization is often merely on paper. The informal organization usually opposes the agendas of the formal one, setting up a clash between the way the organization pretends to operate and the way it actually does.

Management

Likert called this first management stage “Authoritarian-Exploitive,” because it is very controlling, and the attitude towards employees is to exploit them—use them up and discard them. Such management tends to be very demanding and unreasonable. Managers try to control employees by the use of fear, threats, punishments, criticism, blame, and raw power. They are often perceived to be tyrannical or dictatorial.

Coercive-stage management is usually not concerned with employee welfare, nor does it see any point in soliciting ideas from employees. It typically regards employees as lazy, incompetent, untrustworthy, and only interested in doing as little as possible for their paychecks. With this attitude towards employees, managers naturally think they have to watch them constantly and with suspicion, and try to control everything they do. If anything goes right, managers think they deserve all the credit. When things go wrong, employees deserve all the blame.

Employee Reactions

To their employees, Coercive-stage management decisions often appear to be based on mere whim, rather than on fairness, precedent, policy, practical considerations, or rationality. Employees rarely interact with their managers. The little training available is often mechanized and ill-suited to employees’ needs.

Employees in Coercive-stage workgroups and organizations mainly try to stay out of trouble. They try various subterfuges to escape their manager’s onerous control. They are often hostile (usually disguised). There is little trust. They tend to be, to varying degrees, frightened, confused, discouraged, or apathetic.

Teams do not really exist in such environments. People work in isolation, without information about what’s really going on in the organization. Cooperation and collaboration are rare. Conflicts are frequent and rarely resolved.

In Coercive-stage organizations and work groups, communication is sparse and of poor quality. People are afraid to be candid, especially with their manager. What little communication there is tends to be in the form of directions from manager

to employee, which is viewed with great suspicion. What little information employees give their managers is usually distorted or deceptive.

Goals, Problems, & Decisions

Managers using this stage tend to retain all power and control. They set everyone's goals without regard to the effect on those required to accomplish them. They also decide how these goals are to be achieved. To their employees, these goals often seem arbitrary, unrealistic, and poorly suited to the capabilities of the employees ordered to achieve them. Employees are often ignorant of the goals they are expected to achieve. When they are told what their goals are, they often overtly support the goals but covertly subvert them.

Similarly, managers jump on whatever problems happen to bother them personally and choose whatever solutions suit them. They then order employees to carry out these solutions, while the manager tries to monitor implementation. Employees become very skillful at dodging such attempts at scrutiny.

All decisions are made by the manager or a higher manager, with little or no discussion or consideration of employee's input or the consequences for employees. Managers see no need for explanation, and do not feel limited by any need for consistency. Such decisions are often ill-informed, and this authoritarian way of making decisions has a negative influence on the likelihood that the decisions will be carried out.

* * * * *

This description of the Coercive stage is brief, because it will be evident to readers that recognizing this stage in practice suffices. No one will deliberately manage in this way, and no managers will want any part of their organizations to function in this stage.

Stage 2: Rules & Roles

In General

The Rules-and-Roles stage of managing and organizational functioning is just the normal, bureaucratic, by-the-book kind of management and organization. It is the most common stage to be found in organizational life. Research suggests that it is the main stage of management and organizational functioning used by 85% of organizations. This is a shame, because it is a very ineffective way of managing and operating.

In the personal development of children, this stage is discovered usually between five and six years old. It remains their main stage of functioning until they reach about twelve.

The stage is called Rules-and-Roles because it is characterized by following rules and acting out one's designated roles. The way to succeed in this stage is to be "good," which means to obey the rules laid down by authorities, and to stick to the roles they assign. "Good girls are always polite." "Children should be seen and not heard." Of course, people often rebel against the rules or deviate from their assigned roles, but such people are labeled "bad" in this stage. This can lead to being ostracized, which for an eight-year old could be a death sentence.

Piaget calls this stage "Concrete-Operational," meaning that cognition in this stage is very concrete, as opposed to the ability to think abstractly. Maslow identifies this stage with one's needs for belonging (relationships).

Management

Likert called this stage “Authoritarian-Benevolent,” because although managers employing this stage still operate in an authoritarian fashion, their attitude towards their employees is somewhat kindly and caring, rather than exploitive. Unlike Coercive-stage management, Rules-and-Roles management does care about employees’ welfare, and usually tries to consider their needs in making decisions that affect them.

In the Rules-and-Roles stage, managers believe their employees are usually well-intentioned, but not very competent, whereas in the Coercive stage, managers see their employees as not caring, lazy, or actively trying to sabotage things. Viewing their employees as quasi-children, Rules-and-Roles management sees little reason to consult them before making decisions.

Managers employing a Rules-and-Roles stage are very concerned with following the rules, policies, precedents, procedures, guidelines, employee manuals, job descriptions, and other mandates from the organization. They see their jobs as mainly ensuring compliance with all these rules and roles by the people they manage. At the same time, managers themselves are constrained by the need to obey the rules. They cannot just do whatever they want.

Managing in a Rules-and-Roles stage means trying to run things, setting the goals, solving the problems, making the decisions, giving employees instructions, and holding them responsible and accountable for compliance with rules and roles. In this stage, managers tend to take most of the credit for their work group’s accomplishments (if any), while assigning most of the blame to employees.

Rules-and-Roles management is aptly called “supervision,” literally meaning “over-looking” employees and their work. However, supervision tends to be less invasive than the full control of the Coercive stage, because managers rely on employee’s semi-voluntary compliance with rules and roles to keep them in line.

Praise and blame, rewards as well as punishments, economic incentives, status, power, and recognition are typically used to “motivate” employees (literally, overcoming their inertia and getting them to move). Such means of

influence tend to foster employee dependence on managers. Employees often feel worried and learn to depend heavily on their manager's approval.

Employee Reactions

In contrast to the Coercive stage, Rules-and-Roles-stage organizations are usually perceived by employees as somewhat fair, consistent, and predictable. This is a major improvement.

On the positive side, Rules-and-Roles management usually views the work-group, department, or organization as somewhat analogous to a family. Managers try to prevent serious dissatisfaction from disrupting the good order of the organization. Employees look to their managers to take care of them.

On the other hand, managers' attitudes and behaviors are usually perceived by employees as patronizing, paternalistic, parental, and condescending. Employees, after all, are not really children, and usually don't appreciate being treated as such.

Succeeding as an employee means following the rules and carrying out the job description (the defined role), rather than accomplishing results. For this reason (among others), employees show little interest in improving their own skills, except perhaps a few skills that are highly specific to their job. Although employees can sometimes defend themselves by recourse to the policy manual, the only way they can usually influence a manager or the organization is via a union or use of the informal organization.

Relationships Between Managers & Employees

Relationships between managers and their employees are usually distant and cautious, with considerable condescension on the part of managers. Employees may develop a limited degree of loyalty to their manager, group, or organization.

There tends to be considerable perceived difference in rank and status between managers and their employees. Interactions across this status-gap are few and far between. Perceptions of each other are often erroneous.

Collaboration

As in the Coercive Stage, real teams rarely exist in Rules-and-Roles organizations. People focus on doing their own jobs, with little collaboration in evidence among members of a work group. Meetings are just lectures that managers give to mainly bored, captive audiences of employees.

While employees may have a few good friends in the organization, they usually compete with their peers for status and perks. Conflicts are often papered over, leaving many resentments behind.

Communication & Information

Communication in Rules-and-Roles groups is usually guarded and suspicious. It occurs mainly downward, from manager to employee. Upward communication, from employee to manager, is usually just what the employee thinks the manager wants to hear, and is therefore often dishonest. Peer competition restricts the quantity and quality of lateral communication among employees.

Managers tend to communicate with their employees one at a time, rather than with groups in meetings. Managers give their employees only the information the managers think they need, without asking what they want to know.

Information gets around the organization only slowly. There tends to be great reliance on written forms of communication, rather than oral. Typical examples include policies, procedures, employee manuals, HR documents, rules, and job descriptions. These tend to be rigid, literal, and restrictive, but usually trying to be fair and somewhat reasonable. Whether they are appropriate to the organization's goals, adequately flexible, or all necessary is often dubious.

Goals, Problems, & Decisions

This stage does not seriously address problem solving, goals, or the decision-making process, because results are not the point. Compliance is what it's all about.

Goals are usually set as low as managers think they can get away with. They are sometimes, but not always, communicated to their employees, who often ignore them, and sometimes resist them covertly. The “informal organization” partially resists the goals of the formal organization.

Rules-and-Roles management usually focuses on those end-results required from above. It also follows the processes and procedures specified from above. Innovation is right out. (“We’ve always done it that way around here.”) There is little appreciation of the correlation between causal or intermediate variables and end-results. Managers believe that their end-results must look good continuously, as opposed to accepting temporary setbacks in these areas as investments in better long-term results.

Problems are usually discovered too late, poorly solved, with solutions only partially or slowly implemented, because people have little enthusiasm for working on things they don’t understand the need for and don’t really care about.

Decisions are often ill-informed, and the method of decision-making (by managers acting alone) does not encourage employees to carry them out. Like goals and problems, employees have little stake in the decision or the means of implementing it.

Stage 3: Pragmatic

In General

The Pragmatic stage of managing and organizational functioning is not uncommon, though neither is it the norm. As a stage in the development of children, it is discovered somewhere around twelve years of age. It is, therefore, pre-eminently a teenage way of functioning. However, some research suggests that 25% of people never reach this stage at all. Of those who do, many never develop beyond it. Those who go on to the next stage, which represents what we normally call mature adulthood, often do so in their twenties.

The stage is called “Pragmatic” because of its emphasis on practicality and results. It tends to focus single-mindedly on ends, often at the expense of means. Its approach can often be quick and dirty, trial and error, or “just do it.” The attitude is that the ends justify the means.

Piaget calls this stage “Formal-Operational,” meaning that people have developed the ability to reason formally or abstractly. Maslow identifies this stage with one’s needs for high self-esteem.

Nearly all the work done by management consultants to try to improve organizational effectiveness over the decades has fundamentally been an attempt to get organizations and the groups within them to shift from the Rules-and-Roles stage to the Pragmatic stage. The same can be said of most efforts of management coaches, trainers, seminars, courses, and books, with regard to managers and their skills and “styles.” That is to say, these efforts have been to get managers and organizations to shift from compliance to taking effectiveness, accomplishments, and success seriously.

Pragmatic-Stage Groups & Organizations

By comparison with the Rules-and-Roles stage, the Pragmatic stage offers a real leap in effectiveness. Rules-and-Roles organizations are not usually really dedicated to achieving results (despite what they claim), focusing instead on compliance with policies. Pragmatic organizations, on the other hand, want to succeed. They can become quite successful in achieving things, although often with unintended negative side-effects.

In keeping with the Inclusion Property for holonarchies, the Pragmatic stage does not entirely discard the rules of the previous stage. It is just that rules are fewer, more flexible, less restrictive, more consistent, and more reasonably applied than in Rules-and-Roles organizations.

The main modes of Pragmatic functioning are problem-solving and planning. Everything tends to be looked at as either a problem or a goal. If seen as a problem, Pragmatic organizations work (sometimes skillfully) to find solutions and implement them, often having the implementers monitor progress along with managers. For goals, Pragmatic organizations plan, prioritize, make action plans, implement these plans, and often monitor progress.

Pragmatic organizations strive mainly for efficiency (of time, money, and other resources). They are usually not very concerned with the other two categories of end-results: quality and satisfaction (of the members of the organization, its customers and suppliers, and other stakeholders). Project management, for instance, is usually done in the Pragmatic stage. The main emphasis is on schedule and budget.

Pragmatic organizations often display quite an interest in improving the organization itself, because they want to become more effective. They are highly competitive (a famously teenage trait), and often try to offer lower prices than their competitors. They tend to take and retain the initiative in their relationships, whether with customers, suppliers, competitors, or other stakeholders. In situations of conflict, they try to find practical solutions or compromises that parties will agree to.

Management

Unlike less-developed management, Pragmatic management has to justify its actions by results. Managers can't get away with doing whatever strikes their fancy, just because they're "the boss." Nor can they excuse failure by holding up the policy manual and saying they just followed the rules.

Likert called this stage "Consultive," because it is characterized by managers' consulting with their teams before setting goals, solving problems, or making decisions, among other things. This is a radical departure from the Rules-and-Roles way of managing, in which the employees are treated rather like children and rarely consulted about anything.

Pragmatic-stage management regards team members a bit the way parents regard teenagers: nearly adult, but not quite. Managers are not yet ready to relinquish authority to their teams. On the other hand, they realize the benefits of getting the views of team members and consulting with them on most aspects of team operations.

Leadership

In the Pragmatic stage, managers are often called "leaders" or "team leaders," which is a more apt description of the way they function than the word "manager," much less "boss." They see themselves as leading, planning, guiding, or advising their teams and employees. The team members are expected to follow their lead, but this requires more initiative on members' part than merely complying with rules.

All the books on "Leadership" and the big distinctions made between "leading" and "managing" make more sense (for the most part) when they are recognized as fundamentally comparisons between two stages: Pragmatic and Rules-and-Roles.

Managers' Attitudes Toward Employees

The attitude of Pragmatic-stage managers towards the teams or employees they manage is often a mixture of appreciation and anxiety. On the one hand, managers appreciate the input, suggestions, brainstorming ideas, and other contributions of the members of their team. At the same time, they feel a special responsibility for team performance in their role as leader. As such, they tend to be worried about team progress towards goals, current or upcoming problems, and decisions they feel obliged to make.

There is a slight condescension towards team members, because leaders do not usually feel themselves entirely equal to followers. They often regard the team members as capable of good work, so long as they are well led. They show considerable concern for the welfare and job satisfaction of their employees, and see some connection between employee satisfaction and job performance.

Methods of Influence

In attempting to influence employees to perform well, Pragmatic managers rely heavily on team meetings. These are usually led or run by the manager, but attendees are strongly encouraged to participate and make their views known.

Managers make use of both extrinsic and intrinsic controls in trying to influence their employees. They use some economic incentives and often express encouragement or appreciation for employees' contributions. Credit for successes, as well as blame for failures, is usually shared between managers and their teams.

Employee Reactions

Pragmatic-stage organizations are usually perceived by employees as open to their suggestions and to innovation. This is a major improvement over the staid, bureaucratic mind-set of Rules-and-Roles. Employees usually appreciate being consulted and having a chance to know more about what they're doing and why.

Pragmatic management usually views the work-group, department, or organization as analogous to a sports team. Employees usually respond by behaving like members of a real team. The essential prerequisite to be a team is members' willingness to sacrifice some of their individual desires and goals for the sake of accomplishing the team's goals. Everyone cannot carry the ball on every play; some have to block. This membership in real teams is often a source of genuine satisfaction to employees and managers alike.

Most employees usually step up to the greater degree of challenge in Pragmatic groups by taking some responsibility for the success of the group. As a result, the group's performance is usually way beyond that of a Rules-and-Roles "team." Employees find they can influence their manager and the organization by making a convincing argument for their ideas. They usually don't need to resort to the wiles of the "informal organization," much less a union, to get management to listen to them.

Succeeding as an employee in a Pragmatic-stage organization or group requires skill and accomplishment. Achieving goals, solving problems, and carrying out decisions successfully count in such organizations.

One consequence of this is that employees are much more eager to improve their skills than they are in less-developed organizations. They also take pride in their accomplishments. Since they must collaborate effectively with other members of their team (as well as with other teams), they begin to appreciate the value of general skills, in addition to job-specific ones. They see that communicating skillfully, for instance, pays off handsomely in achieving results.

On the negative side, the manager still has the final say in everything. This can be a source of frustration to employees and generate resentment at times. While consulting with employees can tap into their creativity, it is still easy to leave the real responsibility up to the manager. Just throw out any old ideas, and let the manager choose whatever he/she likes best.

Relationships Between Managers & Employees

The relationships between managers and their teams are usually of much higher quality than those in Rules-and-Roles organizations. There is a considerably higher degree of cooperation and trust, openness and candor, and friendliness between managers and team members, as well as among employees. Perceptions of each other tend to be moderately accurate, and managers and team members interact regularly.

The result of these relationships being of higher quality than in Rules-and-Roles organizations is a moderate level of influence and cooperation throughout the team or organization at all levels. Another way of putting it is that the organization has a moderate capacity to exert influence internally, or that the sum of the influence in the organization is moderate.

At the same time, there remains a significant perceived difference in status, rank, or importance between managers and employees.

Collaboration

The Pragmatic stage organization is noteworthy in the Holonarchy of Development for the emergence of teams. Rules-and-Roles organizations may call some of their work-groups “teams,” but they are not true teams. Real teams engage in teamwork, collaboration, coordination, and the subordination of individual aims to the group’s aims (sports teams, for example). Rules-and-Roles “teams” are usually just a group of people who happen to work in the same department or report to the same manager. They tend to work in parallel, rather than as an integrated unit. In the Pragmatic stage, however, true teams appear for the first time in the developmental progression.

The quantity and quality of teamwork in Pragmatic teams is usually moderate, as evidenced by the degree of cooperation, collaboration, involvement, participation, exchange of ideas, and effectiveness of team meetings. There is sometimes a moderate degree of “peer leadership,” meaning that peers taking turns leading each other and providing suggestions, guidance, and feedback.

Pragmatic teams are very interested in excelling, especially when competing with other teams. They want to do good work, do the things they do best, and improve their skills. They usually like to be well led and insist on being consulted on matters that affect them significantly. They show considerable commitment to their team and its goals, as well as to their team leader.

The typical tone of a Pragmatic team is a mixture of anxiety about success or failure, coupled with a sense of satisfaction arising from accomplishments, especially their team's accomplishments. People feel respected, valued, and encouraged by their manager. They exhibit a fair degree of independence and moderate trust of each other and their manager. They combine competitiveness with cooperativeness towards their peers. They tend to stick together as a group, sometimes shutting non-team-members out. Conflicts are sometimes adequately resolved, but usually with some difficulty.

Communication & Information

Communication is more valued in Pragmatic organizations than in Rules-and-Roles ones. While there is more communication going on, it remains somewhat cautious, especially from employee to manager. Lateral communication, from employee to employee, is sometimes impaired by competition among peers.

Managers tend to communicate with several of their employees or their whole team, as opposed to Rules-and-Roles managers' strong preference for one-to-one interactions only. Managers still take the lead in initiating most communications, as in soliciting information from their team.

Managers using the Pragmatic stage usually make good use of information they receive from their team. They often take the initiative in soliciting such input from team members, rather than trust that the information they need will come to them without their having to ask.

Planning & Achieving Goals

Managers take various opportunities for collaboration to let the team discuss problems, issues, goals, or decisions thoroughly. Managers realize that when employees have a good understanding of the situation and why a solution or goal was selected or a decision reached, the employees are much more likely to support that solution, goal, or decision wholeheartedly. Managers are very focused on making sure everyone who is to work towards a goal or implement a solution or decision is aware of what they are doing and why.

Goals are often arrived at through a team-discussion process. Managers usually take the lead in such discussions, and often exert a great deal of influence on the process of setting and prioritizing goals, planning how to accomplish them, and tracking progress. Team members often defer to the team leader, whether they really agree or not.

The level of difficulty of goals can be challenging for individuals and teams, leading to considerable pride of accomplishment when they are achieved. There is little of the Rules-and-Roles tendency to set the bar as low as you can get away with. On the other hand, the selection and definition of goals is often given short shrift. It's considered more important to have a goal at all and for everyone to be committed to it, than to be sure the goal is the right one.

Team members are usually aware of the goals for their team, since they were consulted about them, usually in team meetings. As a result of this process, support for goals is much higher than in Rules-and-Roles organizations. The “informal organization” sometimes supports and sometimes resists the formal organization's goals.

Problem-Solving

Problems are also handled in a consultive way. Group problem-solving is the normal way of approaching problems. Consequently, problems are usually recognized and solved sooner than in Rules-and-Roles organizations, and the

quality of solutions is higher, because managers draw on the collective wisdom of the entire team.

Solutions are also much more likely to be implemented, because those who have to implement them have been involved in the identification and clarification of the problem and the brainstorming leading to the selection of a solution.

Decision-Making

Similarly, before making a decision, managers consult with their team, their direct reports, or the people who will be affected by that decision. They elicit suggestions and other input from the people who will have to implement the decision. Managers tend to do the tracking and monitoring of progress themselves, rather than have the team monitor its own performance.

Decisions tend to be reached on the basis of practicality—“whatever works”—following procedures or practices that have been successful in the past or elsewhere.

Stage 4: Principled

In General

The Principled stage is used less often by managers and is found more rarely in groups and organizations than the preceding three stages. This is because it requires more development on the part of managers, groups, and organizations. It certainly is used, at least at times, by the most effective managers and groups.

Sometimes one finds a team that functions consistently in the Principled stage within a department or organization that is mainly Pragmatic-stage. Sometimes an entire project is performed in the Principled stage. Sometimes one finds a whole organization—although usually a small one—that operates mainly in the Principled stage. Such teams, projects, and organizations tend to be unusually successful in their fields, due to their advanced ways of operating. They are often the innovators and leaders within their specialties.

As a stage of personal development, it is usually discovered in the twenties, although it can be earlier, later, or never. This is the stage most people would intuitively call mature adulthood. It is the stage that is held up by society as the final goal for personal development. It is what higher education sometimes aspires to inculcate in students.

Piaget seemed to include this stage along with the Pragmatic stage in what he called “Formal-Operational.” The formal properties of holonarchies, rigor, and practical considerations strongly suggest treating these two stages as separate. They actually have little in common with each other. Maslow identifies this stage with one’s need for self-actualization, transcending self-esteem.

This stage is called “Principled” by virtue of its reliance on principles both of reason and of conduct—that is, of epistemology and of ethics. In its cognitive aspect, it means being reasonable, rational, logical, and sensible. It strongly values Occam’s Razor (the Rule of Parsimony), consistency, clarity, accuracy, rigor, deductive reason, and high-quality critical-thinking. In its behavioral aspect, it means ethical, honorable, and with integrity.

While the Pragmatic stage tends to see everything as either a problem or a goal, the Principled stage is more likely to view things as puzzles, confusions, questions, or intriguing ideas. As such, it is more likely to try to understand what is going on or desired, analyze the situation, or get a wider view, as opposed to just charging ahead in an attempt at a solution. If the Pragmatic motto is “Just Do It,” the Principled-stage motto might be “Think Before You Act.”

People who have developed this stage in various aspects of their lives, whether personal or professional, tend to be interested in ideas for their own sake, as opposed to only for the sake of their practical utility. Development of this stage usually goes with a leap in creativity and innovation. Such people tend to be independent thinkers, and they usually rely heavily on intrinsic satisfactions or fulfillment for their rewards, rather than solely on extrinsic rewards.

The management-consulting field has not been very aware of the difference between Principled-stage management/organizations and Pragmatic-stage ones. Therefore, it has not made much effort to help managers and their groups develop beyond Pragmatic-stage ways of functioning. The same is true of management coaches, trainers, seminars, courses, and books. We regard this as an important, missed opportunity for managers and their organizations.

Principled-Stage Groups & Organizations

The effectiveness of Principled-stage management and organizational operations is at least as much of a leap beyond the Pragmatic stage as Pragmatic is beyond Rules-and-Roles. For example, research on a great many organizations showed a leap in annual bottom-line profits of 20% to 40% when an organization shifted from Rules-and-Roles to Principled-stage operation and management.

Principled-stage managers are usually very interested in building crack teams. Similarly, management of Principled-stage organizations is usually very interested in building star organizations—ones that are the leaders in their field, the most innovative, and capable of a wide variety of achievements.

For this reason, interest in developing the organization, the department, the team, and the individual manager or employee is very high and sincere in Principled-stage companies. Principled-stage organizations take improvement and development very seriously, measuring their progress regularly and giving their managers and nonmanagers the training and coaching needed to improve and develop. They realize that this is an extremely cost-effective investment in the quality of the organization, which will pay off handsomely for years to come in increased performance.

Even in highly Principled organizations, there are bound to be areas and people who are not employing the Principled stage consistently or skillfully in every way, so there is nearly always room for further development. Principled-stage skills also vary widely in degree, so there is also room for improvement in skills within that stage.

Principled-stage organizations work on continuous improvement and development, on being a “learning organization,” on increasing their people’s skills of all relevant kinds, on innovation, and on being on the cutting edge of their fields. They want to have the kind of organization that is capable of responding quickly to changes in their markets, the financial climate, emerging opportunities, and other factors that influence their success.

These organizations encourage full participation by their employees. They strive to be of help to their customers in solving their customers’ problems (without always taking the lead in the customer-supplier relationship). They work to be equal partners with their own suppliers, and take a collegial approach to their competitors where possible. They try to turn regulators and other sources of constraint into collaborative partners in their endeavors.

Organizational Structure

A Principled-stage organization is structured as an interconnecting network of fully participative linking-pin groups. Teams are linked laterally to other teams at their level, and vertically to teams above and below them, by means of overlapping membership. One or more members of a team will also be a member of a subordinate or superior team, and various kinds of overlapping groups are used to connect teams to their peers: cross-functional work groups, project teams, and many others as appropriate to the situation. The organizational hierarchy is as flat as possible, consistent with span-of-control and other requirements.

Management

The Principled stage in management is Likert's Stage 4, which he called "Fully Participative" management and organizations. It is distinguished from Pragmatic-stage management by having the "leader" become a "coordinator" or "facilitator" of the group or organization.

Instead of leading the way and having the final say in everything, Principled-stage managers bring up the rear. They do things to help the group succeed, but without calling attention to themselves, much less taking the credit. They see members who report to them as colleagues or associates, rather than subordinates.

Instead of merely consulting with team members to get the benefit of their input before making a decision, for example, Principled-stage management involves fully-participatory activities, including everyone affected by the goal, problem, or decision. The group makes its own decisions by consensus (not requiring unanimity), rather than the leader deciding for it.

Principled-stage management results in individuals and teams that perform up to their full potential, unencumbered by unnecessary constraints imposed by managers or their organizations. They require little guidance or motivation, they innovate regularly, and they enjoy and get value out of their work lives.

The Aims of Principled-Stage Management

The highest aim of Principled-stage management is building and maintaining a human organization as a highly effective interaction-influence system, through which all else is accomplished. The idea is that, of all the aims of management, managing the human component is the most important, because all else depends upon how well it is done.

The main aims of Principled-stage management are to

1. Provide the right people for the group, through skillful hiring, retention, and termination practices.
2. See that group members become skillful in communication, group-interaction processes, problem-solving, and decision-making, as well as in the technical aspects of their work.
3. Be an important source of technical knowledge.
4. Supply group members with what they need to work happily and effectively: equipment, supplies, information, and support.
5. See that the principle of supportive relationships is everywhere applied, including ensuring good team spirit and timely resolution of conflicts.
6. See that the group is effectively organized.
7. Ensure effective communication and timely and accurate flow of information within the group, and between the group and the rest of the organization and its stakeholders.
8. See that planning and execution is done well, including choosing the right goals or aims, prioritizing them, devising effective means to achieve them, working efficiently towards them, tracking progress, and revising goals/aims as soon as needed.

9. See that problems are identified quickly and correctly, that good solutions are found, with effective specific ways to implement them, that solutions are implemented efficiently, and monitored and revised in a timely way.
10. Help each member set high and realistic goals, in individual and group processes, and help members reach them
11. Be a source of restless dissatisfaction with present accomplishments, and be a stimulus to innovation.

Skills Managers Need

Competence as a Principled-stage manager is measured differently at different levels of the organization. At low levels of management, the supervisor needs to be competent in the technology of the operation being supervised.

At higher levels of management, the manager needs very little of this kind of competence. The concentration on minutiae by upper levels of management is an indication that the organization lacks a sufficiently effective interaction-influence network to supply information and technical help where and when they are needed. At higher levels, the manager needs the skills required to build highly effective interaction-influence networks capable of efficient problem solving, planning, and decision making.

Managers' Aims for Their Teams

The aim of Principled-stage managers for their teams is to build a cohesive team of independent members who will take responsibility for the team's goals and means of achieving them. Such managers have confidence that their team members are mature, responsible, competent, self-sufficient, and eager to take advantage of their manager's offer to relinquish control of the team. They step up to the challenge and carry the ball on their own.

If managers see that certain team members are not up to this challenge, even after being given the coaching and assistance needed to develop to this Principled

stage of functioning, they either work with those team members in a less demanding stage (say, Pragmatic) or help them find a different job inside or outside the organization that suits them better.

Managers' Attitudes Towards Employees

Principled-stage managers trust their teams, accept them as who they are without personal judgment (although they must evaluate their success in their jobs), and are grateful for their contributions to the team. There is a high degree of mutual understanding between managers and their teams. Managers are concerned with their team members' satisfaction and fulfillment in their work. They encourage members to take effective actions to improve their own satisfaction, and offer help if that doesn't suffice.

Methods of Influence

A key difference between Principled-stage and Pragmatic-stage management is the methods used to try to influence team members. Pragmatic managers try to lead by example. Principled-stage managers try to encourage members to be independent, to take initiative, to think things through for themselves, and to understand what they are doing and why (what principles are involved). They encourage their teams to be guided by the situation rather than look to the manager for guidance.

And "influence" is the right word for this in the Principled stage. An old saying in the business world is that "influence is inversely proportional to power." That means that the more influence, the less power; the more power, the less influence. People resist attempts to force them to do things by the use of power; hence, attempts to use power result in lower influence. In order to influence people effectively, you need to appeal to their reason, not their fears; hence, effective influence shuns the use of power.

Another way of explaining Principled-stage influence is "intrinsic control." As managers and organizations develop from the Coercive to the Principled stage,

there is less and less use made of extrinsic controls (attempts to control people by means of factors outside their own control) and more and more use made of intrinsic controls (people's use of internal factors under their own control). For example, the threat of being fired is an extrinsic control, while one's sense of fulfillment in one's job is intrinsic control.

Principled-stage managers rely almost entirely on intrinsic controls to motivate their teams. They do not resort to rewards or punishments, although teams or organizations may collaboratively develop sophisticated ways to tie economic incentives to genuinely valuable contributions. The consequence is that the teams motivate themselves, and the managers don't have to keep supplying motivation all the time.

Managers do not need to pump up their teams, inspire them, or praise them (the typical approaches in the Pragmatic stage), since they assume their team members are adults who don't need this kind of encouragement. Instead, when honest and appropriate, they express their personal appreciation for members' contributions and admiration of their achievements, whether towards the team's goals or their own individual ones. This has the effect of conveying sincere positive feelings without implying that the manager is of higher status than the member, or is the adult in the relationship.

Principled-stage managers are extremely loathe to take credit for their team's accomplishments. They regularly give the credit to the team or its individual members. On the other hand, when things go wrong, they often (but not always) step up to take the blame, since they are extremely loyal to their team and do not want its reputation to suffer.

Employee Reactions

Employees developed enough to participate in Principled-stage teams nearly always react very positively to being given a chance to act like adults and make the best contribution they can. They step forward and assume as much responsibility as possible for the success of their team, department, and organization.

Team members are very eager to know what's going on, not only in their own areas, but in the organization as a whole. Innovation and creativity are highly prized. As individuals, they are very interested in learning, growing, developing, pursuing their interests, independence, and fulfillment. They view their organizations as supportive of these individual goals. Continuous learning, improvement, and development of themselves, their teams, and the organization as a whole are core values.

People value variety in their work and the chance to accomplish something worthwhile. Whereas Pragmatic stage is often content with reaching the goal, regardless of the value of the goal itself, the Principled stage is, in addition to desiring to achieve, very concerned with the value of the goal itself. It's not enough just to succeed. You want to succeed at something important to you.

They are therefore interested in contributing to the missions and visions of their team, department, and organization. They often want to make worthwhile contributions to their discipline and to society as a whole.

Employees aim at satisfying their customers' needs, without necessarily taking the lead in these relationships. They also try to find win-win solutions to problems, including those of their own suppliers and often even their competitors. They endeavor to establish collaborative relationships with regulators, and often go beyond the letter of the regulation to perform in accordance with their own higher ethical standards.

If you visit a Principled-stage organization or team, you see people who are usually relaxed, confident, glad to be there, appreciative of the opportunities afforded them, and usually feeling fulfilled about what they are doing. They are treated like mature, responsible, competent, intelligent adults by their managers. They feel supported, trusted, and appreciated.

Relationships Between Managers & Employees

The relationships between Principled-stage managers and Principled-stage teams are usually of much higher quality than those in less-developed organizations. As compared to the Pragmatic-stage, there is an even higher degree of

cooperation and trust, openness and candor, and friendliness between managers and team members, as well as among employees. Perceptions of each other tend to be accurate, and managers and team members interact frequently.

The result of these relationships being of higher quality than in Pragmatic-stage organizations is a high level of influence and cooperation throughout the team or organization at all levels. Another way of putting it is that the organization has a great capacity to exert influence internally, or that the sum of the influence in the organization is high.

There is little, if any, perceived difference in status between Principled-stage managers and their direct-reports. Team members feel very comfortable around their managers, treat them as equals, and speak their minds candidly.

Collaboration & Commitment

Teams take on a new significance in Principled-stage organizations. Instead of existing for the sake of some project, goal, or short-term collaborative need, teams are the building blocks of the organization itself.

Teamwork is recognized as essential for achieving the kinds of innovation and performance the members and the organization strive for. As a result of this realization, people learn to work very effectively together and usually find such ways of working highly satisfying and enjoyable. There is a very high degree of cooperation, participation, and exchange of ideas within and among teams.

Members of Principled-stage teams usually exhibit a high degree of individual initiative and independence. They rarely leave things up to the manager, but think ahead about what's coming up and take action on their own initiative (where appropriate) or bring the issue to the team's attention. Their relationships with their peers are usually open, trusting, and friendly, without dividing teams into cliques. Conflicts are usually resolved promptly and amicably.

There is a much higher degree of commitment to the organization's mission, vision, and objectives than in the Pragmatic stage, as there is much greater commitment to the team and its goals. This is partly the result of having fully

participated in the creation of these aims, and partly the result of seeing the aims as personally important and worthwhile.

Principled-stage team meetings, when done well, are the central activity around which all the work of the team is done. They are regular (usually weekly). They are self-facilitated (once the team learns how): no one need be the facilitator, or even take turns being the facilitator, although members may take turns working the flip chart or projector. The group tracks the quality of the meeting as it goes on, and everyone takes responsibility for correcting slip ups as they occur and keeping the meeting quality high by intervening when necessary.

Communication is skillful, discussions are clear, decisions reached are of high quality, time is efficiently used, participation is high, people are candid, and the atmosphere is lively. The result is highly effective, enjoyable, valuable meetings.

Communication & Information

In a Principled-stage organization, communication is recognized as its life blood. This is because the Principled stage depends on a high degree of involvement and participation among members of the organization. This, in turn, requires more skillful communication and better use of information.

The quality, quantity, timeliness, accuracy, inoffensiveness, candor, understandability, usefulness, and consistency of information and communication in an organization are critical to its effectiveness. They enable the organization to guide and coordinate itself. They permit and support effective collaboration among its members. They supply the data needed to understand its environment and how it is interacting with significant other organizations in that environment. They are the basis for making good decisions, recognizing and solving problems in a timely and effective way, setting appropriate goals, and monitoring performance. Good communication is the core skill for managers. It is essential for effective teams.

For all these reasons, Principled-stage organizations take communication and the way information flows throughout the organization very seriously. They regularly assess how they are doing in these areas. They coach their members on improving their communication skills.

As a result of the high priority placed on communication skills and quality of information, Principled-stage organizations enjoy high quantity and quality of effective communication. This communication tends to be highly open, candid, and trusting. Information flows equally up, down, and laterally.

Initiative to communicate usually comes from nonmanagers, rather than managers. For this reason, information tends to be considerably more timely than in other stages of organizations. Communication from managers is usually accepted by nonmanagers as accurate and candid. If not, it is openly questioned. Information tends to be mostly oral, with the minimum necessary reliance on written form. People in the organization receive whatever information they request and is relevant to them. They usually feel very well informed about what is going on in their teams, departments, and the entire organization.

Goals, Problems, & Decisions

While most organizations at least go through the motions of working out mission, vision, objectives, goals, and action plans, the more strategic of these aims are often given short shrift in non-Principled-stage organizations. When their development reaches Principled, however, mission, vision, and broad objectives begin to be meaningful and effective. People understand them, refer to them for guidance, and put them to use in their daily work. Such organizations often are serious about the contribution they are making to their field, their communities, or society as a whole. They want to be good corporate citizens: it is not just a slogan for them.

The way goals are set, problems solved, and decisions made in Principled-stage teams and organizations is fundamentally different than in Pragmatic-stage organizations. Instead of the manager leading the way, requesting input from team members, and then setting the goal, solving the problem, or making the decision unilaterally, teams set and track their own goals, solve their own problems, and make their own decisions by consensus.

It is very important when explaining the Principled-stage way of handling goals, problems, and decisions not to fall into several common misunderstandings.

The first is the idea that everyone has to be involved in every goal, problem, and decision. This also is unworkable and leads to a huge waste of time and sometimes gridlock. The Principled-stage guideline here is that only those who are directly affected by a decision, or will be called on to work towards a goal or implement a solution to a problem, need to be involved in the discussion of that decision, goal, or problem. This guideline ensures that those participating in the discussion are the people who care about it and have some reason to participate in the discussion.

A second misunderstanding about Principled-stage teams is about the meaning of consensus. Many people and organizations misconstrue consensus as unanimity. This is completely unworkable. It causes gridlock. If a team must unanimously agree on every decision, goal, and solution, they are very likely frequently to get stuck. At best, they are doomed to waste large amounts of time persuading a single holdout to go along with the majority view. It effectively gives each team member a veto, leading to a highly frustrating process and a diminishing of team morale.

Instead of this distortion of the consensus process, the Principled-stage way of arriving at decisions, solutions, and goals is practical, realistic, and effective. Each team-member participates in the discussion of the issue. Everyone is given a fair chance to make their views clear, be understood, and influence the group.

At some point in the discussion—but without requiring unanimity—it gets clear to the group that a consensus is emerging, even though a few members may disagree. At this point, someone in the team (perhaps the facilitator) articulates this emerging consensus view. At the same time, this person also expresses the minority views in play. He/she then asks the group whether this summary of where they are is correct. If not, they correct the statement of their current status. If correct, someone suggests that they go with the consensus view expressed.

Almost always, the group will be content to go along with this consensus view, even though a few people still disagree. Those who disagree realize they have been fairly heard, and that usually they will be in the majority, so they go along with the group for the sake of preserving their relationships with the other team members

and the solidarity of the team. After all, there will be many more goals, problems, and decisions to deal with as a team.

Above all, never take a vote. This only serves to polarize the team and harden positions. By the time the discussion reaches the decision point, everyone knows what everyone else thinks about the issue, so there is no need to vote.

Decision-Making

Decisions are based on agreed-on principles. They are judged by how rational, reasonable, and logical the decision-making process has been. Consideration of ramifications, side-benefits, unintended consequences, precedents being set, and the like are necessary to include in the discussion leading to the decision.

Were the appropriate people involved in the process? Were relevant principles invoked and used? Was the reasoning sophisticated? Was the analysis thorough? If the process is seen to be of high quality, the resulting decision is thought to have a high probability of being sound. As in many things in the Principled stage, the focus is on the input (decision-making process) as well as the output (the resulting decision itself).

Ends and Means

One can trace an interesting “thread” through the Rules-and-Roles, Pragmatic, and Principled stages, seeing how the issue is viewed differently in each stage. This thread is the shifting emphasis on means versus ends. Rules-and-Roles focuses almost entirely on means: complying with rules, policies, procedures, etc. Pragmatic focuses almost entirely on ends: goals, solutions, implementations, decisions. Principled stage focuses on both means and ends, because it does not take a merely short-term view of aims.

By comparison with the Pragmatic stage, the Principled stage tends to take a much wider view when considering problems, goals, or decisions. It does not focus narrowly on a specific end result. Instead, it often widens the view to

include broader ramifications, precedents being set, side effects, unintended consequences, and other peripheral issues.

Improving the quality of means can be seen as a prudent investment that may help achieve many more results in the future. These may, in the medium to long term, turn out to be of equal or greater significance than the end result itself. Ethically, the ends most certainly no longer justify the means, partly because of this wider view of things. Means must satisfy principles as much as ends must.

Teambuilding is a good example of this difference. Pragmatic management may build a team for the sake of some short-term or medium-term project, then disband the team forever. Principled-stage managers would never make this mistake, because they regard a fine team as a precious resource to be used over and over again. Hence they are more likely than Pragmatic managers to put effort up front into training, developing, and honing a team into a fine instrument that can be used again and again.

Stage 5: Perspectivist

The most effective organizational skills come from the Perspectivist stage. Although not the last stage in the Developmental Holonarchy, it is the final stage directly relevant to organizations. Therefore, it is highly worth knowing about for managers and other members of organizations, so they can set their sights on it. In addition, the stage is referenced repeatedly on this website, so we owe readers an adequate introduction to it. Finally, since our claim to fame is the consistent use of Perspectivist-stage maps, methods, and tools in our consulting and coaching work, it would be unreasonable not to explain how these differ from Pragmatic-stage or Principled-stage ones and still expect readers to credit our claim.

Few readers of this paper are likely to have encountered the Perspectivist stage before. This is not a sign of lack of education or limited experience in the management and organizational sciences. Most readers will have had many chances—at home, in school, and in books, for example—to learn about, acquire skill in, and use the previous four stages in many areas of their lives. Even the Principled stage, which is not widespread in organizational life, is familiar to many people through their academic studies. But where would they have come across anything about the Perspectivist stage? To answer this question, it will be helpful to explain briefly where this stage is found and why.

Where the Perspectivist Stage Is Found

The ideas and skills of each developmental stage are capable of handling greater difficulty and complexity than the ideas and skills of the preceding stage. This is true of all stages. Hence, when problems or systems reach a level of complexity so high that they can no longer be understood or addressed in one

stage, people turn to (or often have to invent) approaches, models, and tools in the next stage to deal with them.

A famous instance of this is in physics. Around the beginning of the twentieth century, physicists began trying to solve problems that simply would not yield to the approaches and tools of Newtonian mechanics—the standard repertoire of classical physics and part of the Principled stage. The theory of relativity and quantum mechanics were Perspectivist-stage responses to this challenge.

Some of the fields that now use Perspectivism in working on their most difficult problems are mathematics, ecology, some branches of philosophy (notably language philosophy), and some of the cognitive sciences (especially general systems theory, information theory, cybernetics, communication theory, and developmental-stage theory). Also, it has always been in widespread use throughout the arts, including literature, poetry, the visual arts, and music. And although it is rarely used by managers and not often found in organizations, it is much needed in these areas and can greatly increase the probability and degree of success. This will be discussed later in this paper.

Therefore, most of the people likely to have encountered Perspectivism are serious artists and those scholars and professionals who work on very complex problems. (Few of them will be familiar with Perspectivism explicitly as a developmental stage, or recognize that their work is in this stage.)

Outside these fields, the only sources of Perspectivist-stage ideas that we know of are a small number of books by Gregory Bateson, Hermann Hesse (only *Magister Ludi*), Paul Watzlawick, Ludwig von Bertalanffy, Heinz von Foerster, Francisco Varela, Humberto Maturana, Lancelot Law Whyte, and Kenneth Boulding, to mention authors who are somewhat better-known. And even their books do not always stay consistently within the Perspectivist stage. Therefore, familiarity with the stage is needed to identify which stage various ideas come from.

Problems of Explaining Perspectivism

The problems presented by the Perspectivist stage for author and reader are very different from those of previous stages. Most readers will have had many

experiences—both personal and organizational—in the four preceding stages. This makes explaining those stages relatively easy. All that is needed is to group examples by stage and show why they belong to the same stage. An example can also be contrasted with its precursor from the preceding stage and its successor from the next stage, thereby constructing a “thread” through the Developmental Holonarchy. In this context, the developmental progression is made clear, and the benefits of the more developed example are manifest.

However, because few readers are likely to have had experience with Perspectivist-stage perceptions, ideas, emotions/evaluations, aims, or ways of acting in any part of their personal or professional lives, it may not be clear why a particular Perspectivist-stage idea belongs to that stage. It may also not be clear why this idea is the next developmental leap from its Principled-stage precursor.

Further, since this paper ends with the Perspectivist stage, we cannot compare a Perspectivist-stage idea to its developmental successor. Therefore, we cannot show how the idea is related to both its precursor and its successor and display it as part of a developmental thread.

An additional problem arises from the type of development involved. As explained in Chapter 4 of “A Model of Development” (Section One of this website), there are three distinct types of development. The type we are up against in this paper is the most difficult: an initial leap to a new stage. Here the reader cannot draw on analogies from previous shifts to this stage in other domains or skills, but is exploring the new stage without previous experience.

There is also the pitfall of the pre-trans fallacy, which pervades the Developmental Holonarchy. This fallacy is explained in “Formal Properties of Holonarchies” in Chapter 6 of “A Model of Development” (Section One of this website). Because it is easy to make this mistake, confusing the prior (pre) stage with the succeeding (trans) stage, Perspectivist-stage ideas can look like Pragmatic-stage ideas when viewed from a Principled-stage stance, which is the most natural stage for readers of this paper to adopt. Hence, an unfamiliar idea that really represents an advance on a Principled idea can erroneously appear to be a retreat to one that is familiar but actually less developed.

Finally, there is a big difference between learning *about* an unfamiliar developmental stage and actually acquiring its skills. Many of these new skills will be cognitive, such as facility in thinking within the new stage, or using models and ideas radically different from those of the preceding stage. And cognitive skills are just the beginning. The full transition to a new stage comes when, within some domain of life (however narrow), one can perceive, think, evaluate/feel, aim, and act using that stage's skills. Only then has a full developmental shift occurred, even if limited to a single domain.

For this reason, it is difficult to shift from one stage to the next just by reading, although reading may be helpful as an introduction. Like acquiring or improving any skill, some kind of coaching is usually necessary. When the new skill is part of a different stage, a special kind of coaching is called for. Perhaps an apt name for it would be “developmental facilitation.”

As a consequence of these problems, any brief introduction to the Perspectivist stage may be difficult to grasp. Worse, it could produce serious misunderstandings. It might sound crazy or utopian, or it might seem like old hat—nothing new at all (probably the pre-trans fallacy at work).

However, in teaching the Perspectivist stage to groups and coaching managers in its skills over the years, we have discovered some ways to help people avoid most of these traps and learn the stage more quickly and easily.

Points to Keep in Mind

The following points are worth keeping in mind when reading about the Perspectivist stage:

- For any element of the Perspectivist stage, place it in a developmental context as part of a thread, starting from the Pragmatic stage or earlier.
- See how the difference between the Pragmatic-stage and Principled-stage versions of this element is similar to the difference between the Principled-stage and Perspectivist-stage versions.

- There may be, for example, a kind of 180° flip from stage to stage. From a Principled-stage standpoint (180°), the Perspectivist-stage version (360°) can look like a return to the Pragmatic-stage version (0°) But it can't be, because it includes and goes beyond the versions from both previous stages. (The pre-trans fallacy is thinking the Pragmatic-stage and Perspectivist-stage versions of the element are the same.)
- Give these new ideas a fair chance. Don't make snap judgments, even if the ideas seem crazy at first blush. Sometimes coming back to them after a period of time puts them in an entirely new light.
- If you get a chance, try them out. Remember that they are not matters of true or false, but only suggestions for more effective ways of functioning. Their value is revealed mainly through their use. (This includes cognitive use, which means using one idea to help shed light on another.)

In General

In Management and Organizations

Perspectivist-stage management and organizational science has been studied only infrequently since the 1950s, and that study has primarily been theoretical and rarely explicitly set in a developmental context. How and why this came to be is explained in “Our Contributions to the Development of Our Profession & Its Underlying Disciplines” in the About Us section of this website.

Of all five stages, the Perspectivist stage is the least used by managers and the least often found in groups and organizations. As explained earlier in this paper, a prime reason is that few opportunities exist to learn how to manage or function organizationally in this stage.

Not that Perspectivist-stage skills are unnecessary for success in organizational settings. On the contrary, many organizational problems are of a high degree of complexity and cannot be solved without using Perspectivist-stage maps. The surprisingly high degree of complexity of organizational issues becomes apparent

when organizations are compared to simpler systems such as physical systems, chemical systems, or biological systems. Organizations involve orders of magnitude more intelligence, information, relationships, and possibilities.

To illustrate this, we could consider that one simple measure of the complexity of a system is how many ways it can be organized: how many organizational structures could be designed to arrange or relate its members to each other in a meaningful way. Obviously, the more members a system has, the greater the number of possible structures. However, for simple systems, most of these arrangements would be meaningless. For example, a house (a physical system) is made up of many elements, but in order to be a house at all, most arrangements of those elements are ruled out. The walls cannot be above the roof, for example.

In the case of the people comprising an organization, every arrangement is at least meaningful. Anyone can do anything; anyone can report to anyone. While some arrangements will work better than others, none is utterly impossible. Therefore, a group only needs to be as large as 17 people in order to be organizable into more distinct structures than there are atoms in the universe—quite a large number (10^{87}). And this is merely a rudimentary measure of complexity. Other factors dramatically increase its degree of complexity, such as quality of relationships and types of transactions among members. (Again, please see “Our Contributions” in About Us for more on the complexity of management and organizational problems.)

A few managers and groups do use some Perspectivist-stage skills in their work. Some discover these skills on their own, working them out by experience, simply because they are attracted to them intellectually and find them to be even more effective than their Principled-stage methods. In a few niches (for example, some e-business firms) the rapid pace of change in their field has forced them to acquire certain Perspectivist-stage skills.

Some managers take Perspectivist-stage ideas from other fields or books about Perspectivism in general (as listed above) and adapt them to their organizational work. Others try out ideas from the small collection of books and articles about Perspectivist-stage management and organizations. These include Rensis Likert’s final work on “System 5,” some work by Heinz von Foerster, papers that apply

General Systems Theory to organizational issues, and a collection of such papers in *The General Systems Theory of Systems Applied to Management and Organization*, edited by Jamieson, et al. Finally, some managers and groups have developed Perspectivist-stage skills and methods through our consulting and coaching work.

In Personal Life

As a stage of personal development, this stage is also rather rare. Piaget, for example, did not address it at all. As explained above, few people encounter Perspectivist-stage ideas or skills in any domain of life due to scarcity of opportunities. Some use it in their work but do not extend the stage into the rest of their lives. This is natural, since few think of their advanced professional work as being part of a particular developmental stage. It would not occur to them, therefore, to translate their skills in other domains into the Perspectivist stage.

How Did the Stage Get Its Name

The stage is called “Perspectivist” because its skills usually begin with choosing a certain point of view about something or approach to doing something, carefully selected as optimal to illuminate it or accomplish some aim. This requires having a wide repertoire of choices of perspective, being flexible, and having a keen sense of what will best fit the situation. The person who chooses (often called “the observer”) is highly aware of the many important ramifications of this choice of perspective. It functions as the context or frame for what is being considered, shapes how it will be thought about, and determines the process to accomplish the purpose. All this goes far beyond the familiar idea that people have differing perspectives about things.

A Sample Thread

The differences in Stages 2 through 5 can be illustrated by a key thread that runs through the Developmental Holonarchy. This thread might be called “How

Do You Know?” or “Why Do You Think It Is True?” It is the part of epistemology about the basis of knowledge. The answers in each of four stages can be considered elements of a developmental thread.

- Rules & Roles stage: you rely on Authority. You know it or think it is true because your parents, teachers, church, or boss say so.
- Pragmatic stage: you progress to Subjectivity—to each his/her own. That is, you know it or think it is true because of your experience. It worked for you or somebody you know. You accomplished some result. Subjectivity includes the appeal to Authority from the Rules-and-Roles stage, but goes beyond it. You can choose to take something on Authority, or you can put it to the test yourself. If your test confirms what they say, you will not change what you thought before. But if your test contradicts what they told you or leads to a different conclusion, you will abandon Authority and go with your own experience. In this sense, Subjectivity represents a developmental leap beyond Authority. By comparison with Subjectivity, reliance on Authority seems like blind faith.
- Principled stage: you discover Objectivity. You know it or think it is true because you have used evidence and reason to reach this conclusion. You are confident that reasonable people would agree with it. You try not to be influenced by your personal preferences. Objectivity incorporates Subjectivity by setting aside certain domains (chiefly matters of taste) and excluding them from Objective treatment. Also, instead of naive reliance on your own experience, you consider it to be merely *part* of the data you consider objectively. Principled-stage Objectivity tries to cancel Subjective differences among observers by using methods such as careful experimental design in order to arrive at reliably Objective results. By comparison with Objectivity, Subjectivity seems like mere, unsubstantiated opinion.
- Perspectivist stage: you develop what could be called “Perspectivity.” You do not know it or think it is true in the sense of the one, absolute, objective, correct understanding. Instead, you deliberately adopt that point

of view because, according to your Perspectivist-stage “cognitive connoisseurship,” it seems to be a good, appropriate, fitting way to look at the thing, given both the situation and your reason for thinking about it. You are confident that others with Perspectivist-stage skills in this area will agree it is a good point of view to adopt, although they may find another one that is even better. You do not adopt the perspective just because you prefer it (that would be Subjectivity), but out of a comprehensive consideration of the relevant factors, with an eye toward which perspective is most likely to help you understand the situation well and achieve the desired result. Perspectivity includes Objectivity, because it also employs reason and evidence. But it goes beyond Objectivity by recognizing that no experimental design can totally eliminate the effect of observers and their perspective on the resulting observation. (See Heisenberg’s Uncertainty Principle, for example.) By comparison Objectivity seems like inflexible, simplistic over-generalization.

Characteristic Ways of Thinking

The next topic in the four preceding chapters is a short descriptions of some of the ways of thinking and functioning that are key characteristics of that stage. However, for the Perspectivist stage, since there are so many key stances, approaches, methods, and heuristics, and since explanations of them would be lengthy, it might be more practical just to provide a list of some important ones.

This list is not intended to be self-explanatory; it is mainly for reference. Most items are contrasted with their Principled-stage counterpart. It may be useful to come back to this list after reading the examples that form the rest of the chapter. Uncommon terms are defined in the Glossary.

1. Perspectives
 - a. Takes the observer, stance, & approach into account; versus Objectivity
 - b. Cultivates flexibility of perspective, versus adhering to absolutes
 - c. Consciously tries to adopt the most fruitful perspective for the purpose

2. Differences and processes versus things
 - a. Thinks in terms of processes or differences, not only of things
 - b. Focuses on similarities and differences; not precise definition
3. Interdependence
 - a. *Interdependence* of things; rather than dependence & independence
 - b. Optimizes interdependent variables vs. maximizing independent ones
4. Information
 - a. Can be viewed as a “thing,” in the sense of content
 - b. Or as the process of informing and being informed (communicating)
5. Reasoning
 - a. Contingent, provisional, probabilistic, relativistic reasoning; vs. absolutes
 - b. Dialectic, synthesis, and dialogue; as opposed to argument and proof
 - c. “Fuzzy” set theory and logic; versus classical, Aristotelian logic
 - d. Cognitive connoisseurship: developing a “nose” for the right map to use
 - e. Abduction; instead of induction and deduction
6. Evaluating
 - a. Appropriateness, consonance, coherence, fit, quality criteria; versus truth
7. Problems
 - a. Resolves problems by reframing or dissolving them, versus solving them
8. Organizing
 - a. Holonarchies (structures of nested parts & wholes); not hierarchies
 - b. Differences of logical class, type, and category; versus category errors
9. Systems
 - a. Construes situations as a system within an environment
 - b. Thinks in terms of “open” or living systems; not “closed,” static, or mechanical systems. (“Open” means purposeful and communicative.)

People Who Use Perspectivist-Stage Skills

Professionals who use Perspectivist-stage skills may be seen as a bit eccentric by some of their colleagues. A department in a university may have one or two such people, with few others in their field quite understanding their work. Their colleagues may agree that they get exceptional results, but not be quite clear how.

These people tend to be even more creative than those using the Principled stage, but not intellectuals in the strict sense of the word. That is, they are not usually interested in ideas for their own sake, but are clear about and focused on some purpose, which they are trying to find a good way to approach. This may entail locating a suitable cognitive map to use, adapting one to the need at hand, or inventing an entirely new one. (Cognitive maps are to the Perspectivist stage what theories are to the Principled stage. They are critically important elements of Perspectivist functioning and can only be created, understood, and used without distortion in a Perspectivist-stage context. Please see the Cognitive Maps section of this website for examples and a short paper explaining what they are and how they are used.)

Perspectivist-Stage Consulting

Perspectivist-stage consulting employs a wide range of flexible cognitive-maps that yield quick and accurate insight into management and organizational issues. Instead of relying on a theory of management or of organizations, a map is selected to give the best result in the given situation. Such maps are not, however, at all like Pragmatic-stage consulting programs. They are rigorous, coherent ways of framing a problem that point the way to methods that will be highly effective.

Our own experience involves over twenty-five years developing Perspectivist-stage cognitive maps in a wide variety of fields, including management science. They form the largest collection of Perspectivist-stage maps we are aware of. Some are described on this website. In particular, see the sections on Cognitive Maps, Consulting Services, and the Library. There is also a list of our maps at the end of “Our Contributions” in the About Us section. We have applied these maps to many

fields and have taught them to other consultants, individuals, and groups from many fields.

This website contains a good deal of material describing Perspectivist-stage approaches to management and organizations. We will not duplicate it in this chapter by taking up each subject treated in previous chapters. Also, because of the major shift in the role of manager in the Perspectivist stage, many of the topics in previous chapters don't apply to this stage. We will just highlight a few of the key areas that illustrate the difference between the Principled-stage and Perspectivist-stage approaches to management and organizational functions.

Perspectivist-Stage Groups & Organizations

A small group operating in the Perspectivist stage does not have a fixed leader, as in the Pragmatic stage, or even a single facilitator/coordinator, as in the Principled stage. Instead, it either has a number of people facilitating and coordinating, or has different people taking turns doing these functions.

This is the real form of what is sometimes called a “self-directed group.” Unfortunately, in practice, so-called “self-directed groups” are usually just undirected groups, because the functions usually done by a manager are neglected. As a result, such groups often degenerate into individuals doing their own thing, with little or no coordination or even clear, common purposes.

As explained in the Library article entitled “The Root Dilemma for Managers and How to Resolve It,” the need for designated managers at whatever developmental stage—bosses, leaders, or coordinators—arises from the inability of groups to perform their own management functions. Therefore, once a group possesses the organizational, communication, planning, problem-solving, and decision-making skills needed to coordinate its individual efforts and accomplish its group purposes, no one needs to be assigned the job of management. However, the functions that are usually left to the group's manager still need to be looked after and performed.

In addition to being able to manage themselves, the members must want to take on the extra work and responsibility of getting the group to succeed by

accomplishing its common purposes. Finally, the individuals and the group as a whole must employ these skills in Perspectivist-stage fashion for this difficult dance to come off successfully.

A Perspectivist-stage organization has to be made up of Perspectivist-stage groups. It has to be a small organization, because it is difficult to find enough individuals who either already have Perspectivist-stage collaboration skills or could learn such skills in a reasonable length of time.

Over the years, we have provided many Perspectivist-stage tools and methods for our clients and helped them learn to use them successfully. We have also helped individuals develop Perspectivist-stage skills in management and other areas. We have even developed Perspectivist-stage teams, when we were given sufficient time to coach them. However, we have not yet had the opportunity to develop an entire organization to the Perspectivist stage. We are eager to try, because it would almost certainly become a leading organization with outstanding innovation, personal satisfaction, morale, relationships, and results, due to taking advantage of the most developed—and therefore the most effective—mode of operating that groups and organizations can achieve.

Organizational Structure

The goal of organizational design is to set up a structure that maps the organization's purposes onto its people in order to make collaboration easy and effective. Because both purposes and people keep changing, even a Principled-stage structure (which takes the form of an interconnecting network of fully-participative, linking-pin groups) is sub-optimal most of the time. What would be optimal is a highly flexible, extensive repertoire of ways of collaborating that does not require any fixed structure to support it.

If the people in the organization have sufficient collaborative skills, they can easily modify who they are working with and how they coordinate their work, as plans change and new goals arise. They still have to take into account structural factors that affect organizational success, such as good fit between teams and their goals and between individuals and their work. But they can find many ways to

communicate and coordinate their work flexibly and informally, instead of having to set up a structure with fixed levels of responsibility, span of control, and linking pins. This makes for far greater efficiency and leads to higher quality results.

Management

Toward the end of his life, Rensis Likert started to work on Perspectivist-stage management and organizational ideas. Following his nomenclature for the previous four stages, he called this stage “System 5.” Unfortunately, he did not have time to get very far with this work.

From the description of Perspectivist-stage groups above, it is clear that no one in a Perspectivist-stage organization is permanently designated as a manager. Management functions just become a different kind of work to be done by members of the organization. Some of this work is done by small groups, other parts by whoever is best qualified and is available. Certain people do certain tasks for a considerable period of time. Other tasks rotate frequently.

Collaboration & Commitment

Collaboration works best when the collaborators themselves—rather than their manager—take full responsibility for both the collaborative process and its results. They are the most knowledgeable people about the work being done and what they think, feel, and want. No one else can be more flexible or adjust more speedily. Therefore, if their skills and development are up to the challenge, this Perspectivist-stage way of collaborating offers the greatest potential.

It also produces the greatest degree of commitment, because the work belongs entirely to the people doing it. There isn’t even a facilitator involved to lean on. It is also the most satisfying for the individuals involved and the most conducive to learning and development for both the individuals and the group as a whole. Finally, it is the most productive of good relationships among individuals involved in the work.

Communication & Information

In the Principled stage, communication is regarded as an organization's life blood. In Perspectivist-stage organizations, it is seen as a key part of the very definition of what it means to be an organization. Members of Perspectivist-stage organizations regard organizations and their groups as "open systems"—a core idea from General Systems Theory. An open system differs from a closed system by virtue of achieving its purposes through informing and being informed by significant systems in its environment. Where the organization is a company, these systems are its groups of stakeholders.

The many cognitive maps, methods, and tools pertaining to information and communication found on this website are all from the Perspectivist stage. While they can be understood and used up to a point in their Principled-stage incarnations (and are even of some value in their Pragmatic-stage versions), they only reach their full potential when employed in the Perspectivist stage. For an introduction to these ideas, please see especially "Foundations of Interpersonal Communication" in the Library, "Eight Factors of Information Quality" in the Cognitive Maps section, and the "Information and Communication AuditSM" in the Consulting Services section.

Dispensing with designated managers and fixed organizational structures actually encourages better communication within an organization, so long as its individuals and groups are operating in the Perspectivist stage. This is because it gives members wide functional latitude in any given situation, enabling them to use their Perspectivist-stage communication skills to the greatest effect. For all these reasons, the quality of information and communication in Perspectivist-stage groups and organizations is bound to be higher than in Principled-stage ones.

Once more, your comments and questions would be most welcome. We'd be very interested to hear how you liked this paper, whether you found it to be valuable, or any other reactions. We'd also be happy to answer any questions you might have or discuss the ideas in this paper or how they apply to your management or organizational interests. Please e-mail us at info@developmentalconsulting.com or call (303) 468-1510. This paper is from our website, www.developmentalconsulting.com.

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