

# Why Most Work Isn't Meaningful, Why Companies Can't Attract and Retain Talented People and How It Can All Change

by  
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In Chapter One of "22 Keys to Creating a Meaningful Workplace", Tom Terez reports a McKinsey study of 77 companies and 6,000 managers and executives that concluded

People are now the prime source of competitive advantage. (That's right, not capital, not technology, not strategy - *people*.) It emphasized that the demand for talented people will continue to soar while the supply steadily dwindles, all of which will stoke a war for talent.....

According to Ed Michaels, a McKinsey director who helped lead the study 'Only 60 percent of the corporate officers...said they were able to pursue most of the growth opportunities. They have good ideas, they have money - they just don't have enough talented people to pursue those ideas.... Of the executives we surveyed, 75 percent said that their companies either don't have enough talent sometimes or are chronically short of talent.

Do you agree? Do you believe the management challenge of the 21st century is to create companies that attract and retain talented people? Do you plan to pursue this? If you answered "yes" to these questions, you've just bitten off what is arguably the biggest challenge now facing businesses worldwide. Most companies, despite their rhetoric and good intentions, tend to drive away talent. Why? In a word, because they're "normative". Any human social system, from the relationship between two people to an organization, an institution or an entire society, has three potential phases of existence - formative, normative and integrative. Most only realize the first two, because the second one kills them.

We'll explore all three of these phases in detail. But first, let's agree on what "meaningful work" means. If you're not sure, ask one of your kids which classes he or she enjoys, which ones he or she hates, and why. Or just think back to your own school days. You'll find that "meaningful work" is the kind which engages the person. It demands that he or she bring creative problem solving to bear - the kind of work whose success depends on the ability of the individual doing it. Passively memorizing "truths" that are already known for the purpose of accurately and efficiently repeating them, doesn't acknowledge or engage the individual. It's "boring". It's meaningless. It's "check your brain at the door". *Talented people demand meaningful work. Deny it, they leave.* This is why so many kids drop out of school. It's also why talented people leave established companies.

## **A System's Formative Phase**

In the very beginning, that is, in the "formative" phase, any human social system is completely intangible. It originates as a purpose, a concept, an idea, a philosophy, a solution to a problem in someone's mind. People then move to manifest it - give it form and processes that accomplish its purpose. This gives it a

material state. We call the material state "reality", even though it's only the material portion of reality, because our physical senses - sight, hearing, touch, taste, smell - can detect it.

In the formative phase, decision making criteria are highly *qualitative*. They focus on outcomes. The key questions are "What are we trying to do, and why?". The formative phase is about "making it up as you go along". It's constant, creative problem-solving. It's engaging. It's meaningful. It attracts and holds talented people.

Creating a new business, for example, requires not only creating the product or service, it also demands creating all the abilities to get it into the marketplace. When an organization creates a system that delivers a product or service that's valued and purchased by a market of users, and when the producer earns a profit, the organization is deemed "successful". That's when most organizations shift into the "normative" phase. And it typically marks the beginning of the end for that organization.

### **The Normative Phase**

The normative phase of *all* systems has the same purpose, which is completely independent from the originating purpose of any specific system. The goal of the formative phase was to figure out how to materialize the system's intent. The goal of the normative phase is to maximize the *efficiency* of the forms and processes it created to do that, whatever they were.

To maximize efficiency, the people in charge accept, uncritically, whatever already exists. "What we do around here" is cast in stone. The driving concerns are to do it more efficiently and to maximize predictability. This means eliminating diversity and variance. The question is always "Are we doing things right?" It is never "Are we doing the right things?" The normative phase is about control and conformity. Its dominant criteria are *quantitative*. Rather than ask "What? and why?" it just asks "how much?".

A normative system is built for repetition - doing the same things, pretty much the same way, under the same conditions, day after day after day. It overtly punishes creativity, because creativity produces variance and decreases predictability. That's okay up to the point of establishing a stable platform to work from. But beyond that point, the drive for predictability becomes a prison of conformity that drives out the diversity needed for vitality. The system weakens and eventually dies.

The Japanese were able to capture over 30% of the American car market because of normalizing. In *Iacocca*, there's an account of Lee Iacocca trying to convince Henry Ford III that Americans wanted more fuel efficient cars. Mr. Ford's response was, in effect, "Americans want big powerful gas guzzlers and that's what we're going to give them". This is the man in charge of a normative system doing his job - demanding adherence to the established rules in the face of powerful evidence they no longer apply. This is how normative systems destroy themselves.

As any system grows, its functions become more developed. They specialize. But Nature doesn't normalize. Living things - open, adaptive systems - go directly from their formative phase to an integrative phase. They refine their operating subsystems in accord with their primary purpose. Thus,

their subsystems evolve interdependently. One does not develop in isolation from or in conflict with another because that would weaken the larger system's chances of survival.

Specialization takes a very different form in human social systems - companies for example. Subsystems and components specialize independently. People concentrate on refining and standardizing the forms and processes of their function, ignorant of the reason it exists in the first place - its purpose and meaning. People focus more and more on pieces rather than wholes. The "big picture" gets progressively fragmented. This is bureaucracy - attention to form and process. People remain oblivious to cause - the "why" behind the action. It's "monkey see, monkey do" - and endless loop of unexamined imitation. By definition, it's meaningless.

Remember the old story of the little girl who asked her mother why she always cut the end off a ham before she baked it? Mother answered "Because my mother did". The girl then asked her grandmother why she cut the end off the ham before she baked it. Her grandmother answered "Because my mother did". Great-grandmother was still alive, so the little girl asked her why she did it. "Because my roasting pan was too small for the average sized ham" replied great-grandma.

One of my friends has a favorite rhetorical question - "Have you had twenty-five years experience or one year of experience twenty-five times?" A normative person in the normative phase of a system has "one year of experience twenty-five times". It's doing the same things, the same way, over and over and over again. Those who refuse this kind of life are labeled "non-conformists" or "crazies". Socrates referred to the normative existence as "An unexamined life [that] isn't worth living". Talented people refuse to live unexamined lives - or jobs. They ask the forbidden question - "Why?"

Exclusive focus on forms and processes heightens complexity, which becomes increasingly incomprehensible without a conceptual framework to keep all that detail organized and integrated. As a result, the "meaningless factor" - the "nonsense quotient" - increases as the system ages. That's why Scott Adams has an endless supply of material for *Dilbert*.

The normative phase confines thinking to linear, analytical processing - acquiring data and learning from authority, "This is how we do things around here." Here's an example of how mindless it gets:

The US Standard railroad gauge - the distance between the rails - is 4 feet, 8.5 inches - clearly not a "nice round number". Where did it come from? That was the gauge of English railroads. English expatriates built the first US Railroads. The people who built tramways - predecessors to railroads - built the first railroads in England. They used the same specifications they used for building wagons - 4 feet, 8.5 inches between the wheels. The wagons used that odd spacing because the wheel ruts on the old long distance roads had that spacing. Who built those roads? The Romans. Roman war chariots made the ruts. The military spec for the wheel spacing on a Roman war chariot was..... 4 feet, 8.5 inches, of course. Why? Because that was just enough space to accommodate the rear end of two war horses. Therefore, US Railroads, today, are built to accommodate two, nineteen hundred year old horses' asses from Rome.

*Dualism* is the mechanism normative social institutions use to specialize - to increase predictability. It is the practice of viewing the principal complements of *any* system or sub-system as enemies rather than as partners in a larger whole. As such, it progressively divides systems into smaller, isolated antagonistic pieces until they become battlefields of tiny soldiers, each fighting for themselves. Think of Dualism as a slow fission reaction in human social systems.

Dualism gives normative systems their either-or character: "Either you're with us or against us." Because they focus on form and process, normative systems say, "Either you look like us, you act like us, you do what we do, or you don't. If you do, you're in. If you don't, you're out." When the system's objective is to reduce variance and increase predictability, deviance and diversity are "out" - very, very out. Therefore, talented, creative, original thinkers, seeking meaningful work, are "out" - very, very out. They refuse to "check their brain at the door", to mindlessly abide by unexamined assumptions.

The movie "Pirates of Silicon Valley" is a concentrated case study of "normalizing". Xerox failed to recognize the unique usefulness of the graphic user interface technology it had developed and the company essentially gave it to Apple. Hewlett-Packard failed to recognize the unique usefulness of the personal computer Steve Wozniak had developed. Steve Jobs failed to recognize the strength of his competitive advantage in the marketplace and effectively gave it to Bill Gates. Every instance is an effect of normalizing. Bill Gates proved one thing: that a modicum of vision in a highly normative institution can produce mind-boggling results. Since then, of course, we've watched Microsoft become more normative and obsessed with control, which is the root cause of its current problems.

In the Foreword of "22 Keys to Creating a Meaningful Workplace", Peter Scholtes writes:

I am troubled by what might be called the 're-dehumanization' of the workplace. During the mid-1980s, there appeared to be a rethinking of the American workplace. Fostered by W. Edward Deming's philosophy and other contributors, we rediscovered such values as honesty and integrity. There seemed to be a return to workplace civility and decency. And then it seemed to go away. The quality movement has been reduced to a fad, or so it appears. Many reprehensible practices of American management - such things as quotas, MBO, performance appraisals, creating competition among workers - have crept back into practice. (Indeed, many had never stopped doing these things, but it was commonplace to at least question their usefulness).

Actually, TQM and its inevitable consequence, re-engineering the corporation, as adopted by American business (and not in keeping with Deming's original intent) became tools to intensify normalizing. The final outcome was "maximizing worker productivity" as defined by accounting terms. Contrary to its original intent, the determining criteria of TQM became *quantitative*, not *qualitative*. It became "normalized", which is precisely what Peter Scholtes is lamenting.

So, if you really want to create a company that attracts and holds talented people, your challenge boils down to creating an "integrative" system - that is, transforming the company or business unit into an entirely different state of being.

## **The Integrative Phase**

The integrative phase unifies the fragments of the normative by recognizing the system's original *intent* or *purpose*. It doesn't mean throwing away what exists. It means discovering *why* it exists and then redesigning the system, based on current conditions, to accomplish that original intent.

An "integrative" system is an *open* system. It acknowledges that its originating purpose was to provide some unique benefit to a principal *external* partner. Figuring out the two principal partners is pretty straightforward. In personal relationships, it's the two people. In education, it's the provider of the information and those who use it. Typically, that's the teacher and the students. In business, the two principal complements are the producer of the product or service and its user. In organized religion, it's the source of theological doctrine and the receivers of that doctrine.

Every system is a transaction between its principal partners. In a monetary system of business, it's the exchange of a good or service for money. In a barter system, it's the exchange of goods or a good for a service. In education, it's the transfer of information from teacher to student - or the development of the student's thinking abilities through exercises the teacher provides.

The critical question is: "For what *purpose* does this transaction occur?" The answer to this question tells you why the system exists in the first place. *Everything else in the system is defined by the answer to this question.*

*An originating purpose must meet one very strict qualification. It must be equally beneficial to both principal partners.*

People in integrative systems understand the basis of unity between the principal partners, even after the system has become large and materially complex. Therefore, they can see the *meaning* behind its forms and processes. They can see the relationships between causes and effects. They know *why* things do or don't make sense. They know what to change and when to change it. Unlike a normative system, whose complexity is incomprehensible, people can comfortably function in the complexity of an integrative system because they have the foundation of *purpose* for organizing all the details.

In an integrative, open, adaptive system, people practice *inclusion* of diversity rather than *exclusion*. They transcend dualism. That keeps the system integrated even after it is concretely complex. People care about both function and form because they focus on how things are complementary, how they "fit together". They remember that their goal is to accomplish the system's original intent. Subsystems evolve interdependently rather than independently.

Within the realm of human experience, there are examples of systems that *began* as open systems in business and in government. Democracy, the founding philosophy of government in the United States of America focuses on "the people", government's principle partner. But an integrative system remains open and adaptive after it is fully operational. We have no examples of that.

In order to remain open and adaptive, an integrative system cannot be composed of "normal" people. It requires "integrative" people who:

- have a sense of purpose for their own lives.
- are grounded in the originating purpose of whatever system they work in.
- are keenly focused on "the other" principal partner.
- work toward the reconciliation of antagonistic separation, the re-unification of parts into wholes. (They live to unify.)

This is "talent". The opportunity to use it is "meaningful work".

To create integrative systems in business, we have to return to the originating purpose of "business" itself. The vast majority of people would say that the purpose of business is "to make money". That's a normative, closed system definition which can't *possibly* be the original purpose of business. Why not? Because it considers only the producer's well-being, not the user's. It's not *mutually beneficial*. It's not a *unifying* purpose.

The original purpose of business was "to exchange usefulness for mutual benefit". This is easy to see in a barter system. For the exchange to take place, both parties must feel they will be better off with what they will get, than they would be by keeping what they have to give. In a monetary system, the producer provides usefulness in the form of a product or service; the user, who is the potential beneficiary of the product or service, reciprocates with a promissory note of usefulness, money. *Making money is the reciprocal of providing unique usefulness*. How many companies know this is the root cause of their success? Recognizing and living it is the first and most essential prerequisite for creating an integrative system that attracts and retains talented people - a culture that provides meaningful work.

The concept of an integrative system isn't new. Ever since Eric Trist developed socio-technical systems in the early 1960s, Organization Development professionals have recognized it, or something like it. In recent years, new organizational concepts have been introduced with mixed results - the learning organization, the self-organizing system, the horizontal organization, and the High Performance Work Organization. In virtually all cases, they've met resistance. In some cases, the people promoting them were simply fired to end the threat. Others failed outright. The most successful attempts improved communications and work flow. They increased *efficiency* because that was the highest achievement possible. They couldn't improve performance beyond this. Do you know why?

The practice of Organization Development, in any normative environment, is confined to group work processes, by definition. These systems don't allow *what* they do to be challenged, only how it's done. Therefore organizational structure is confined to the limits set by the normative rules of the parent system, the institution of business. That's why new organizational structures raise false hopes. Employees

know that the things that don't work are largely due to *what* the organization does, not how it does it. But they want to believe a new structure will make things work a *lot* better. Their hopes are dashed when things work only a little better, if at all. Without changing the parent system, the best that OD can do is improve efficiency. In many cases, the new structure enables the organization to do the wrong things faster and cheaper. At best, it makes negatives less negative.

Any transformation into an integrative reality begins with people. Individually, they become open, adaptive, integrative systems. Then comes associations of these people - open, adaptive organizations. All businesses, companies, social organizations and institutions are nothing more than agreements between people. The difference between normative and integrative organizations is simply what the people agree *on*. In a normative system, it's a set of rules, based on form and process, that control thoughts and actions. In an integrative organization, it's original purpose - making up whatever forms and processes are most appropriate for achieving it. This is largely what "22 Keys to Creating a Meaningful Workplace" is about. It provides specific how-to guidance for a fully operational, integrative system. It shows what to do once the decision has been made to ground the system in its original purpose.

Creating meaningful work, the kind that attracts and retains talented people, requires nothing less than creating integrative systems. Anything less simply won't work.

This article is based on Cliff Havener's new book *Meaning -- The Secret of Being Alive*. By looking at our "human condition" in the context of General Systems, it provides the root cause explanation of why so many things don't work, don't make sense, are meaningless. It also provides the ultimate and only real solution to this problem - transforming from a "normative" to an "integrative" view of life and reality.

If you'd like to know more about this book, visit its website - <http://www.forseekers.com>. There, you can overview it, check out reader reviews, even download its Introduction and first three chapters. You can buy the book from the website or at the Trinity Western University Bookstore,