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Towards a theory of immanent cultural change in organizations



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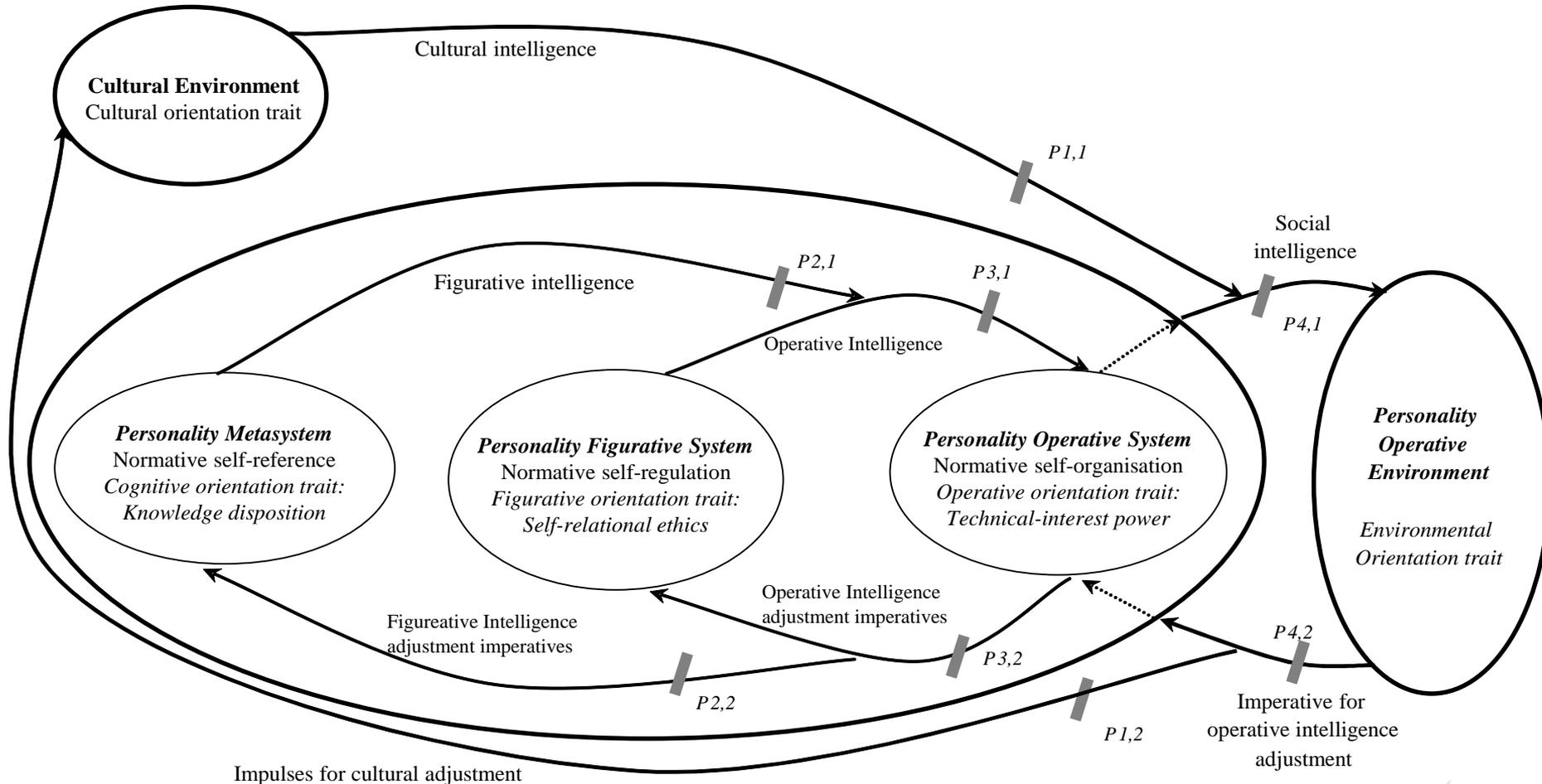
The cultural agency

- Cultural agency is a living system that creates anchors of viability through its stable culture.
- The Agency Model consists of three distinct systems: the cognitive, the figurative and the operative system. These are connected by figurative and operative intelligence.
- An agency maintains self-reflective, self-regulative, and self-organisational processes.
- An agency is interactively connected with an environment.

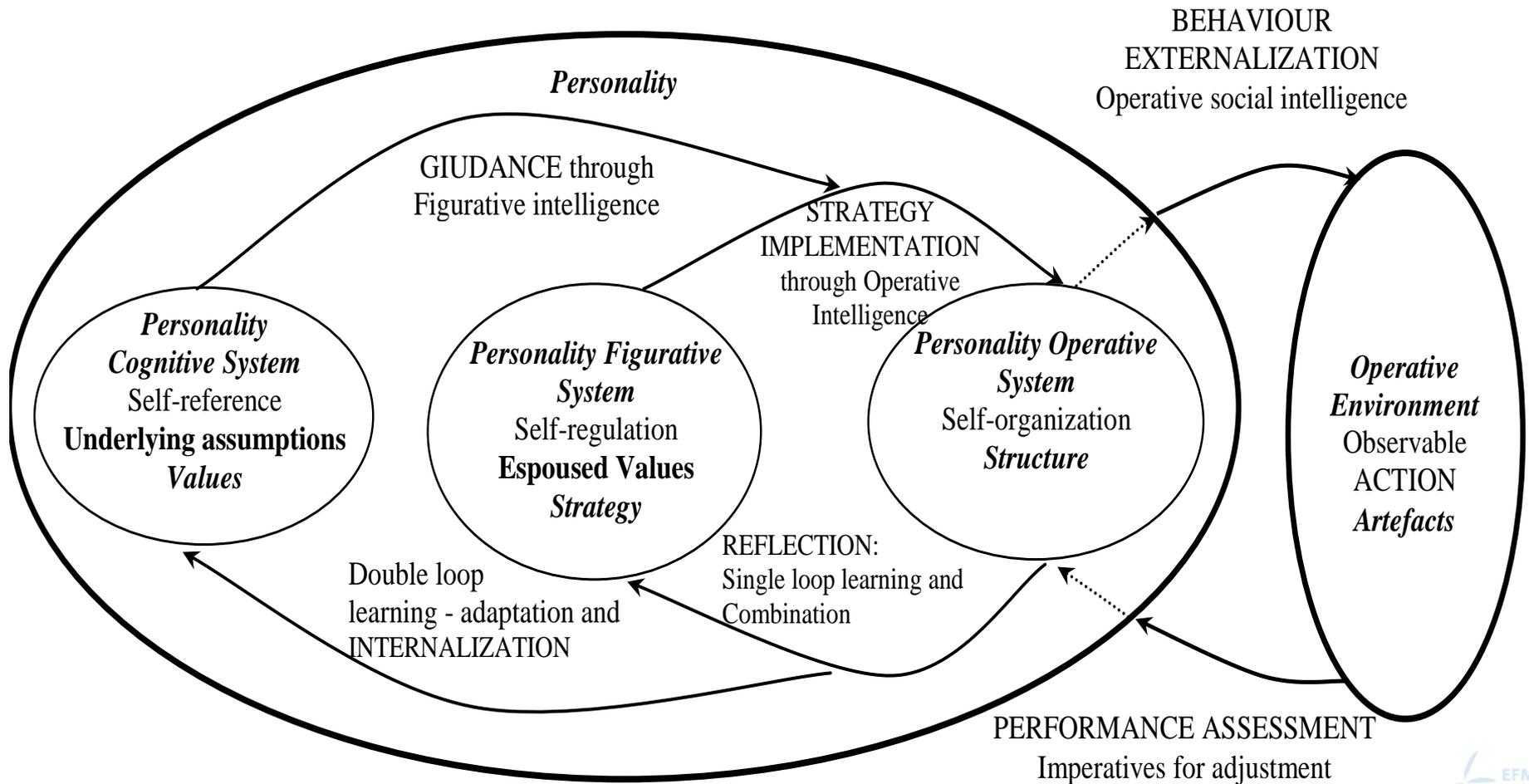
Definition of intelligence

- Intelligence is the ability of an agent to appreciate and harness its own knowledge as information about its environment, to construct new knowledge converted from information about its experiences, and based on the information to pursue its goals effectively and efficiently.

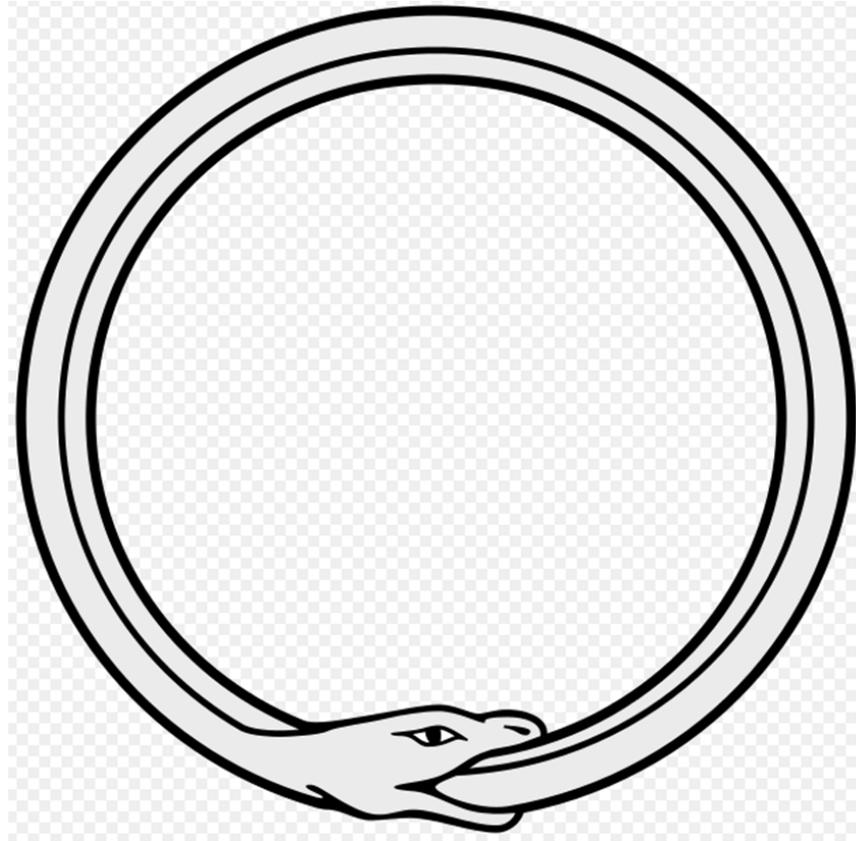
The agency model



Normative Personality

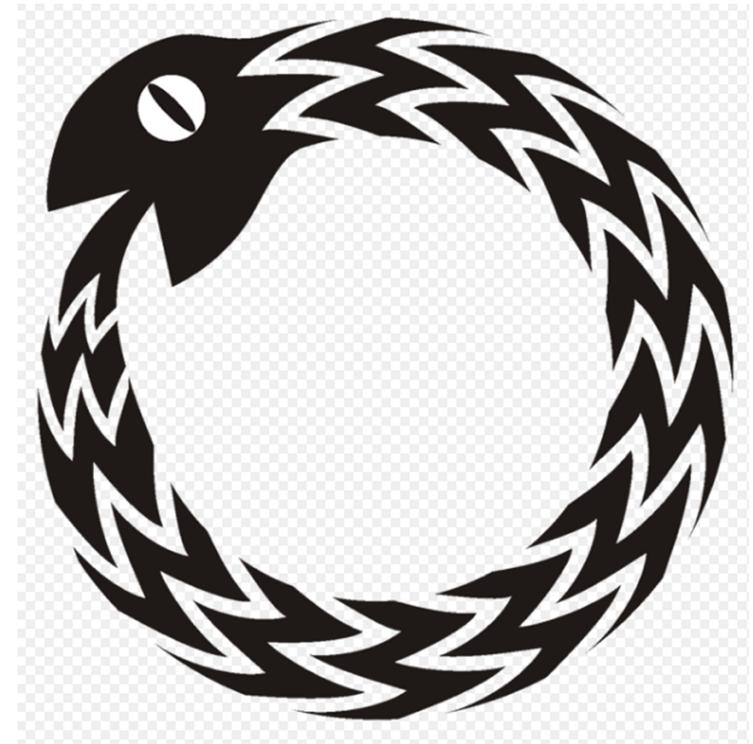


The Ouroboros is a symbol for self-reproduction



<https://commons.wikimedia.org/wiki/File:Ouroboros-simple.svg>

More drawings of Ouroboros



Left: <https://upload.wikimedia.org/wikipedia/commons/4/46/Ouroboros.jpg>

Right: „Ouroboros-Zanaq“. Lizenziert unter CC BY-SA 2.5 über Wikimedia Commons - <https://commons.wikimedia.org/wiki/File:Ouroboros-Zanaq.png#/media/File:Ouroboros-Zanaq.png>

The Ouroboros equation

An Ouroboros is the ultimate self-referential system, which can be expressed by equation

$$f(f) = f \dots$$

[where] f (supposedly a function) applies to itself, as an argument, the result being again f . So f plays simultaneously the roles of argument, function and value.

The idea suggests, organizational invariance can be understood as an ultimate case of self-recursion or self-reference.

(cf. Soto-Andrade, Jaramillo, Gutierrez & Letelier; 2015, p.1 and 7)

A Marxian re-production scheme

	Workers	Capital owners	Government	Total of Rows	Available goods
Income from goods production	70	30		100	100
Taxes and Social Insurance	-35	-6	41	0	
Expenditure for					
Consumption	-35	0	-35	-70	Total demand
Investment	0	-24	-6	-30	-100
Balancs (external balance)	0	0	0	0	0

Self-reproduction is tied to the condition of constant self-reference, i.e. values, interests and capabilities do not change.

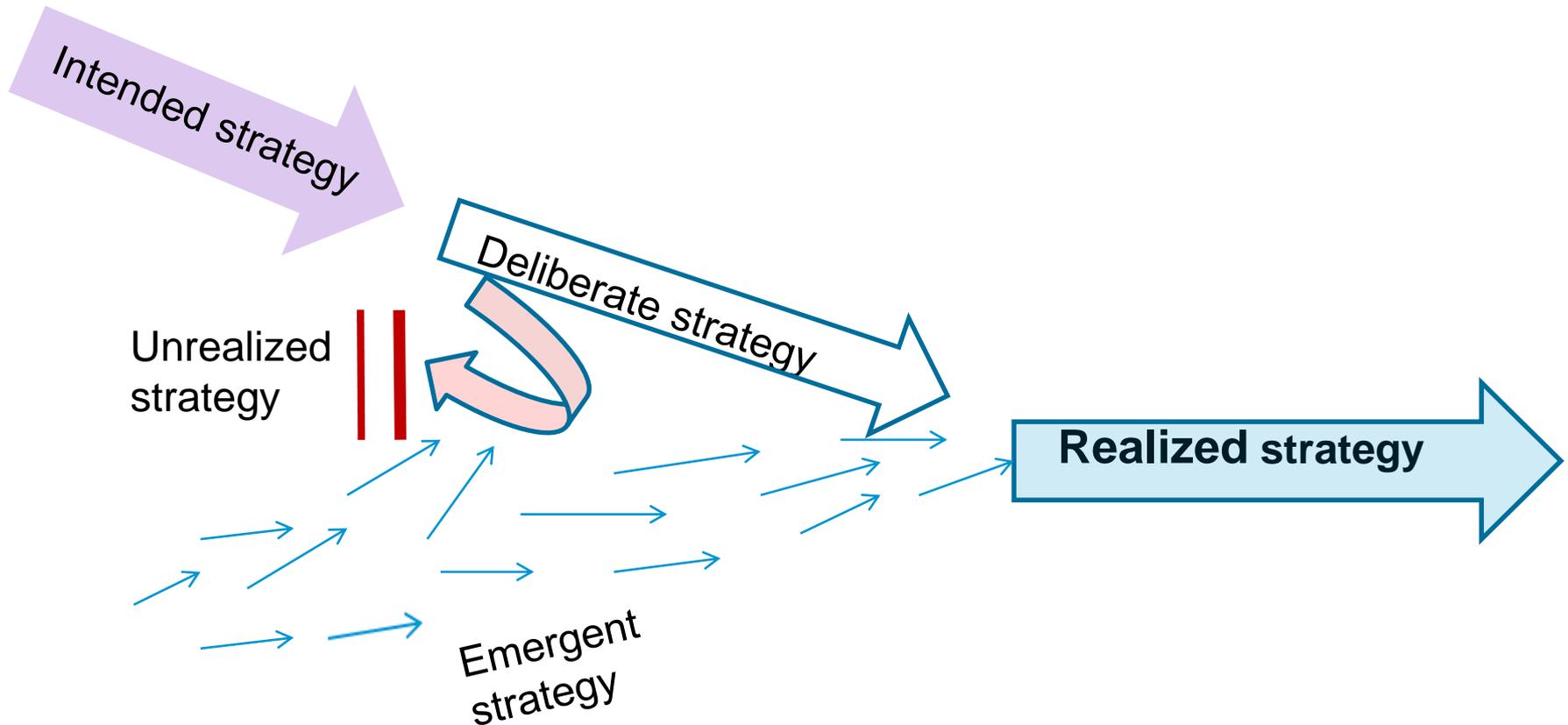
Sources of organizational change

Larry Greiner (1972,1998)

Phase	Sources of growth	Emergent crises
1	Creativity and innovation	Incoherence of action and need for leadership.
2	Leadership: direction and hierarchy	Rigid hierarchical decisions and need for delegation.
3	Decentralization (delegation)	Parochial attitudes and need for coordination.
4	Formalization of coordination	Precedence of procedures and need for collaboration.
5	Collaboration and social control	Exhausting teamwork procedures and social pressures, no internal solution found.
6	Seeking extra-organizational solutions	Crises of cultural conformity (only mentioned as typical for service firms)

Emergent and Realized strategy

Mintzberg et al. 2007



- Mintzberg; H., Ahlstrand, B., & Lampel, J. 2007. Strategy Safari. Eine Reise durch die Wildnis des strategischen Managements (2nd ed.) Redline Wirtschaft, Heidelberg, Germany. p.21

Immanent change: Hegelian Dialectics

Georg Wilhelm Friedrich Hegel 1770-1831 (German philosopher)

Hegelian dialectics comprises three dialectical stages of development:

a thesis, giving rise to a reaction, i.e.

an antithesis, which contradicts or negates the thesis, and

synthesis, i.e. the tension between the two being resolved.

Immanent change: Pitrim Sorokin

Cultures shift through their own internal dynamics (referred to as immanent change) between two states of being: Sensate and Ideational.

Ideational cultures are ideas led, while sensate cultures are led by the senses.

Sorokin, P.A., 1937-1942 (reprint 1962), *Social and Cultural Dynamics*, in 4 volumes, Bedminster Press, New York, Originally published in 1937-1942 by the Amer, Book, Co, New York, USA.

Self-reproduction

It important to stress that self-production is not the same as self-reproduction, and reflection is not the same as self-reflection.

In cybernetic agency theory, self-production is put into effect through guidance, strategy implementation and behavior externalization. As a more narrow view, self-reproduction constitutes a process of self-duplication or self-repetition. It implies that underlying assumptions, espoused values, strategies and operation are recreated in the same way as they existed before.

Self-reflection is about assessment of situations with respect to survival (viability) , achievement of desired goals and alternative goals of the personality.

Self-reflection is concerned with the consequences of the values, the agency adheres to, the strategic options it might have if changing the dominant paradigm, and the operative capabilities it might have to realize different options.

In a way the personality struggles with itself, i.e. it's alter ego.

The metaphor of self-negotiation as a tool of self-reflection

- Value self-creation and self-value claiming.
- Set-up: identification of conditions which are negotiable/changeable and which not? Ethical limitations of the alter ego.
- Figurative manifestation of current self-goals and perceived alternative goals.
- Operative intelligence capabilities, delivering relevant context sensitive options, conditioned by self-audit, i.e. self-assessment.
- Decisions about options and tactics are determined that may be modified under recurring intelligence feedback.

Since, on the one hand, personality, as the smallest of viable systems, is necessarily nested into larger social systems, and on the other hand, no larger social system can set action without personality. Thus, the reflection processes of personality are decisive for stability and change of organizations, i.e. for emergent causation of immanent change.