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Systems Psychodynamics in the Service of Political Organizational Change

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Comprehensive organizational changes normally touch employees' emotional and political concerns. Employees who lead and implement such changes cope with challenges to their interests by engaging in political activities. Typically, they enact psychological dynamics in the service of overt and covert aims. These dynamics, inherent in social systems change, can be both functional and dysfunctional. However, in particularly messy and confusing situations, psychological dynamics may be so severe that valid political concerns cannot be addressed effectively.

POLITICAL ORGANIZATIONAL CHANGE

Comprehensive changes evoke strong political and psychological dynamics because so many aspects of organization are implicated. Such changes involve multiple, simultaneous, and sequential initiatives. Aiming for increased performance, executives usually target alterations to work organization, asserting new norms for behavior and thought. They anticipate or react to technological and economic changes that create requirements or possibilities for different approaches to work. The language and character of such developments follow trends particular to a period and sector.

At the time of writing, several illustrations readily can be offered. Many UK public enterprises and government offices have been carved into smaller units called 'units' and 'agencies'; with income-generating demands and alterations in how they purchase and supply services. Deregulation of markets and the availability of sophisticated information technology motivate financial services firms to shrink their work-force, redefine 'front office' and 'back office' jobs,

decrease or increase the products they offer, and 'subcontract' with brokers and agents. Globalization of shipping and privatization of railways result in 'outsourcing' maintenance jobs and replacing full-time employees with those on temporary 'contracts'.

Manufacturing research suggests that such fundamental organizational changes require several, interconnected systems to be aligned (Neumann, Holl, and Standing 1995). In moving from individual jobs to group working, for example, five aspects of organization must be altered:

- business and organizational strategy;
- work design and related training developments;
- quality, manufacturing, and engineering systems;
- business planning and accounting systems;
- industrial relations and personnel practices (ibid.: 15).

Significant changes to one organizational aspect always affect others. It is this quality of interconnection which makes comprehensive organizational change so political. Changes acceptable to those people concerned with one aspect of organization may challenge the interests of people who are concerned with another aspect.

For example, a typical change to business and organizational strategy would cancel one product and introduce another. The implicated departments might need to be restructured and the annual bonus minimized in favor of an extensive advertising campaign. Changes to work design, possibly due to computerized technology, might eliminate less-skilled jobs and lead to the promoting and training of workers for elite positions. Payment systems, including grading structures, might need to be altered to reward the new work. Indeed, changes in operational systems frequently cannot be made due to limitations from existing working practices and employee competence. Business planning and accounting systems commonly follow on from changes to strategy and operating systems, although strategic changes can be driven by new ways to measure company and sub-unit performance.

Employees (including executives and managers) view such changes through the filter of their own emotional and political concerns. They can be negatively affected by being made redundant or having their unit dissolved or they might benefit positively through promotion, more satisfying work, or higher pay. Usually, comprehensive organizational changes have an impact on different groups in different ways, thus fueling political activity.

Proposition One: During confusing and messy comprehensive organizational change, employees will express overt political goals related to those particular changes in an organizational system that concern them.

Organizational leaders often have goals in mind while lacking clear directions for the many detailed alterations necessary to achieve their 'vision'. State-of-the-art methods for organizational development and change involve

employees in extensive planning and implementation (e.g. Bunker and Alban 1996; Bushe and Shani 1993; Mohman and Cummings 1995). Thus, uncertainty of direction can combine with participative methods of change to create at the same time both anxiety and mechanisms for political activity.

POLITICS AS NECESSARY TO ORGANIZATIONAL CHANGE

Political activities include debating, negotiating, or taking some other action. During comprehensive organizational change, political actors attempt to achieve a set of ideas, principles, and commitments relevant to organizational structures and processes. Political changes are those that affect deeply held beliefs, especially those related to authority, status, power, and resources.

Miles defines organizational politics as: 'the processes whereby different and but interdependent individuals or interest groups exercise whatever power they can amass to influence goals, criteria, or processes used in organizational decision making to advance their own interests' (R. H. Miles 1980: 154). Periods of transition tend to be periods of intensive politics since so many aspects of organization are under consideration. Politically oriented employees intentionally adopt means for carrying out a plan or achieving ends.

'Political' behaviour, however, usually carries the connotation of being illegitimate, especially for people who are not in the dominant coalition. Therefore people will use tactics which tend to be unobtrusive or to be seemingly legitimate, as, for example with the selective use of objective criteria, the use of legitimate decision procedures, and secrecy (Pfeffer 1977: 241). Employees argue for decision-making criteria that reflect their interests and against criteria that do not. They use existing decision-making mechanisms to debate, negotiate, or take some other action. During comprehensive change, additional committees and task forces create more opportunities to influence outcomes. Those political actors who have access to information may withhold or selectively release information as a power tactic.

Proposition Two: During comprehensive organizational change, employees will use conscious political tactics designed to communicate their cooperation while, simultaneously, working towards the achievement of covert goals.

Part of the purpose of using particular tactics is to create 'the impression that both the decision-making process and outcome are congruent with objective, universalistic standards' (R. H. Miles 1980: 162). Overt co-operation during changes is often supplemented with covert activities designed to achieve goals that might not be considered acceptable to the 'dominant coalition' (March 1982). Typically, covert goals have to do with retaining or increasing sub-unit differentiation and power and with retaining or increasing the status and rewards of individuals or groups (R. H. Miles 1980: 157-81).

HOLDING BLOCKS OF SYSTEMS PSYCHODYNAMICS

During political organizational changes, employees have to cope with uncomfortable situations and disturbing possibilities. They feel upset about a particular change, feel threatened by a known or possible outcome, and find participative decision-making meetings with bosses awkward and difficult. Employees often deal with their feelings and thoughts by moving closer to those people with whom they have something in common and by distancing themselves from those with whom they disagree. Also, they tend to hold certain positions and opinions related to the change programme, colluding with others to take up complementary positions and opinions.

These behaviours, less conscious than political goals and tactics, are motivated by forces usefully understood as psychological dynamics. Employees engaging in political activities during organizational change tend to do so in groups or on behalf of groups or sub-units. These motivational forces, therefore, operate in collectives, that is, pairs, groups, between groups, and at the level of the organization as whole. A term used to refer to collective psychological behaviour is 'systems psychodynamics'.

The word 'psychodynamics' is borrowed from individual psychology where it is used to describe the energizing or motivating forces resulting from the interconnection between various parts of the individual's personality or character structure. 'System', in this conceptual framework, draws attention to the current parts of a complex organizational whole. Systems psychodynamics, therefore, provides a way of thinking about the energizing or motivating forces resulting from the interconnection between various groups and sub-units of a social system (E. J. Miller and Rice 1967; Trist and Murray 1990).

In organizations, the concept of a 'boundary' can include territorial differentiation as well as other ways of marking the inside and outside of a group or sub-unit of the larger system, such as time and task (E. J. Miller 1969). Being able to draw a (metaphorical) boundary around employee groups by shift, grade, or hierarchical level, gender or racial identity, and occupational identity (L. D. Brown 1983) can be important. Boundaries matter because it is across these literal and sentimental lines that emotions, opinions, perceptions, and fantasies travel.

During political organizational change, employees move closer in to whichever group identity feels most relevant for the outcome they desire. From inside a particular group, they react 'backstage' to what is going on, evaluate the change initiatives that affect them collectively, plot their 'frontstage' political tactics, and assess the effectiveness of enacted tactics (Goffman 1959). They interact with other groups and sub-units politically, supported by a few basic psychological mechanisms. Three such mechanisms—projection, introjection, and dissociation—can be understood as building blocks for the dynamics described below.

Proposition Three: During comprehensive organizational change, employees will unconsciously use systems psychodynamics as a useful and powerful element of their political tactics.

In individual development, introjection and projection have been identified as some of the earliest activities of the ego' (Klein 1959: 8). Miller and Rice state that 'the ego is the equivalent of the boundary control region that mediates between the inner world and the environment' (1967: 16). Much research into group and intergroup behaviour demonstrates that these psychological mechanisms can operate collectively as well (see, for example, L. D. Brown 1975; Kreeger 1975; like 1989).

Introjection is the unconscious incorporation of external ideas and feelings into an individual's mind or the group's way of thinking. Instead of experiencing the outer world as external, the individual or group takes it into the self or group as a part of their inner life (Klein 1959: 8). During comprehensive organizational change, a group or sub-unit will enact introjection when ideas and emotions held by organizational leaders or outside reference groups are accepted mindlessly. Introjection can help minimize lengthy debates and resistance, assist employees to tolerate slow implementation, and encourage them to learn new roles. However, introjection can also create difficulties, for example when directors announce a policy from headquarters without customizing it for the local site, or when employee representatives resist plans for change based solely on inconvenience to their occupational group.

Projection is the unconscious transfer of one's own or a group's impressions and feelings to external objects or persons. This capacity to attribute certain mental contents from one person or group on to another can alter the behaviour of the person or group (Horowitz 1985: 21). Termed 'projective identification', this dynamic involves projection from Group A to Group B, to which Group B responds by undergoing introjection or 'identification or fusion with the projected content and its unconscious meanings and thus [having] the experience of being manipulated into a particular role' (ibid.: 23).

Projection and projective identification can, like introjection, be helpful dynamics. Uncomfortable, even intolerable thoughts and feelings, such as fear of redundancy or of organizational violence or destruction, can be projected on to another group, thus releasing feelings of co-operation in the unburdened group. Similarly, it is not unusual for employees to project knowledge about a clear, confident outcome on to organizational leaders, thus making actual uncertainty tolerable.

During especially difficult change programmes, however, it is the negative aspects of projection that preoccupy change managers. Some employee groups become stuck in an inflexible position, seemingly unable to move forward regardless of efforts to address their political concerns. Environmental figures, such as consultants or executives from headquarters, become figures of hate and untrustworthiness; ideas offered by them are rejected automatically.

Thus, projection can be joined with dissociation. At its mildest, a group denies the possibility of a particular outcome even though it is blatantly going to happen. Under the stress of fundamental change, employees may engage in mild dissociation by denying the connection of particular facts to themselves. Once a group or individual is caught up in a serious dissociative state, however, it can be difficult to know what to do.

In an individual, a serious dissociative state may indicate that 'a certain function of the mind becomes isolated from the remainder of an individual's experience' (Reichard, Stewers, and Rodenhauer 1992: 19). A group isolated during a change can become seriously dissociative. Zander describes this state as 'gross psychological distortion... a specific breakdown in perceptual and/or sensory/motor behaviour' apparent in a group that has been 'robbed of its defences' (1993: 224). Change programmes that remain stuck for a year or more often have a significant actor or powerful group dissociated from participating in the reality of a changing organization.

Roles for change managers

These three psychological mechanisms—introjection, projection, and dissociation—contribute to a group's ability to use systems psychodynamics in the service of political aims. Other individual and group defences may be used as well. These techniques seem especially powerful when combined with political action during comprehensive change. Because of their power, they frustrate even the best change managers.

Proposition Four: During political organizational change, change managers need to take up roles that both contain uncomfortable and disturbing emotions and also address effectively the content of political disagreement.

Managers need to use mechanisms for negotiating political decisions during comprehensive change. Management learn meetings and collective bargaining procedures may exist already for appropriate use. However, only a few people are authorized to participate in them. Change managers usually offer other meetings and forums for consultation and involvement. Although such mechanisms provide legitimate means for working through political disagreements, they also can play an important function in addressing emotional concerns.

The psychodynamic concept of 'containment' suggests a core task for change managers and consultants (Wilkinson 1958). Containment means 'treating emotional problems by non-interference, by the provision of a holding environment in which "natural" growth processes could reassert themselves' (Phillips 1981: 98). In other words, change managers need to accept employees' emotional reactions to fundamental changes, understanding that time and

space need to be provided for employees to work through these reactions. Expressing negative feelings towards executives, change managers, and consultants is often an initial stage in such a process, followed by similar reactions towards other groups.

Many change managers find it difficult to supply a 'holding environment'. They expect to take a political role in a decision-making meeting or to facilitate a change process. They feel unprepared to provide the non-anxious presence necessary for allowing employees to work through emotions. Investment in outcomes and in a particular change process makes non-interference difficult. Indeed, change managers can exacerbate psychological dynamics by failing to establish effective mechanisms that are necessary for resolving political differences. In order to avoid strong emotional expression, they cancel collective meetings. Presenting their concerns as objective and universal, they criticize the so-called private agendas of other groups. Such actions prevent a more effective working through of controversial decisions and emotional disturbances.

Basis of case descriptions

Five cases are described below and briefly analysed according to the descriptive framework reviewed above. Those aspects of organization duplicated in comprehensive change are identified, along with the overpolitical goals employees express. The political tactic used is noted, along with an indication of the covert goal that emerged over time. The building blocks of systems psychodynamics are identified, along with other individual and group defence mechanisms that might be operational. Finally, the role of the change managers and consultants is indicated.

Access to the sites came from working as paid consultants an average of four days each month, for a period of not less than eighteen months nor more than five years. Although the most senior manager paid the fee, explicit and written contracts made it possible and desirable for work to be undertaken with a few-ists of hierarchy, most sub-units, and most groups.

Data were recorded using qualitative sociological and anthropological methods (see, for example, Glaser and Strauss 1975). Notes were made on each site visit, with observations being kept separate from interpretations. Field notes from the ten organizations were scanned for incidents in which systems psychodynamics blocked resolution of political change issues. Each selected incident was studied by carefully reviewing related field notes. As the conceptual framework was developed, a descriptive analysis in the form of a case scenario was written for selected incidents (M. B. Miles and Huberman 1984). Five are offered here.

Routine Irresolution

When hesitancy about taking necessary decisions becomes repeated, then the systems psychodynamic of routine irresolution is being enacted. Such inability to take a decision can be identified as a dynamic precisely because the political actors normally do not prevent it. However, during comprehensive organizational change, one issue stands out routinely as irresolvable. Routine irresolution can help slow down some decisions until interconnected ones are addressed or until difficult issues are worked through. More often, however, this dynamic damages trust between organizational leaders and implicated employees, thus hindering progress.

The pensionless operators

A group of European paper companies emphasizes positive treatment of employees. The Group Board decide to evaluate human resources management (HRM) in all companies. A consultant advises a participative evaluation process. Early on, a problem emerges in one of the smaller companies: twenty older shop-floor employees do not have company pensions, whereas all other employees do. When the consultant raises the issue with the Board, they explain that each company is a profit centre, once the smaller company is non-profitable, it can buy pensions for the twenty. The fact that the other 6,000 employees have pensions is treated as irrelevant.

During its evaluation, the smaller company lists pensions as an HRM priority. The company's director proposes that this issue could be resolved with a small grant from the Board, who are offering money for special HRM projects. The Board refuse to buy company pensions for the twenty, however, feeling that the profit centre concept would become meaningless. They convince the directors that by accepting grant would violate their autonomy.

A year later, a joint meeting between directors and the Board reveals progress and plans for ongoing HRM development. The twenty pensionless operators are discussed. The directors believe that the integrity of the HRM programme is undermined by the symbolic lack of caring demonstrated by the Board. The board offer the same debate, now routine, and the directors give up.

Over the next two years, the consultant confronts the Board three times about the issue. They agree that the situation seems irrational, but they cannot manage to decide otherwise. However, once the Chairman retires, the others give the operators their pensions. The decision took five years.

The case of the pensionless operators illustrates how routine irresolution was used in a political debate about how to fund Group-wide projects within five companies. The Board and directors fought passively about profit centres during legitimate decision-making meetings. They argued the validity of different criteria for evaluating HRM. Concern for people was projected on to the

peniless operators who symbolized this strategic tension, as did, of course, the consultant. Both the directors and the Board dissociated themselves from direct concern for the operators—as people and not as a symbol—compartmentalizing their heads for business from their concerns with people.

Routine irresolution allowed the Board to avoid their anxiety about the uncertain outcome of relaxing the profit centre strategy. The directors took advantage of the Board's HRM project to request funds to support extra costs. Conversely, the directors challenged the need for any common policies, symbolically HRM, in a profit centre structure. The Board insisted on retaining the right to take final decisions 'for the good of the Group'.

Intergroup split

Intergroup splits occur when two or more groups break into parts which hold complementary or necessary elements of a change-related debate. The quality of dialogue degenerates as the groups involved become increasingly hostile and/or increasingly disconnected from the other side of the debate. Typically, each group becomes convinced that it is as good as or better than the other on some dimensions: an attitude that can also run into a belief that the other group is hurt or worse in some way. Such differentiation, especially during comprehensive changes in which new boundaries are drawn around sub-units, can be helpful in forming the identity and focus of a group. However, a more common result is a 'tendency . . . to split good from bad in themselves and to project their resultant feelings onto others', leading to 'major barriers to the understanding and control of the relationships between human resources and the tasks to which they contribute' (R. J. Miller and Rice 1967: 16).

The editorial versus commercial departments

Subscriptions to a small, niche market magazine grow rapidly. The magazine emphasizes high quality of life, particularly positive interpersonal relationships. The owner-editor feels upset, therefore, by an emerging tension between employees who edit the magazine and those who sell advertising. Her attempts to organize both departments for planning for growth fail, so she hires a consultant.

Diagnostic interviews with all employees indicate that tension has moved into hostility. The editorial employees are convinced that the Commercial employees do not care about editorial quality: 'Commercial care about bureaucracy and making money, they are turning into dress-for-success, business types'. The Commercial employees are equally unimpressed with developments in editing: 'They have their heads stuck in the sand' and are trying to hold the magazine back by 'appealing to hippies and drop-outs'; they are seen as refusing to accept ideas from Commercial for articles and behaving in arrogant and elitist ways.

This interdepartmental hostility results in a growing disparity between the types of article published and the types of advertisement included. Initially, two intergroup meetings are held to address the breakdown in relationships, with a view to then involving everyone in thinking about the future. As a result, employees improve some interdepartmental communications and procedures.

It becomes apparent that a larger ongoing means internal restructuring as well as better co-ordination across sub-unit boundaries: each department appoints an assistant manager and divides other aspects of work. The departmental managers take on more strategic tasks along with a new managing editor and a financial controller. This organizational strategy allows the owner-editor to decrease her involvement in daily operations. A new weekly meeting schedule contributes to a proportionate differentiation between Editorial and Commercial while minimizing disruptive intergroup splits.

In this case, an intergroup split was enacted a number of unacknowledged issues related to the magazine's success. Both departments actively projected their ambivalence about rapid growth on to each other. The owner-editor dissociated herself from 'their conflict' by naming the problem an interpersonal issue, even though organizational strategy and operational systems were implicated. The main political tactic was the secrecy of 'backstage' complaining and withholding of cross-departmental information. Once disclosed, information held within each sub-unit eventually contributed to workable solutions.

Division of emotional labour

The division of emotional labour is enacted when different groups take on and/or are given different parts of the emotional and positional workload necessary to a change programme. The division of labour may be permanent, wherein a group, department, or other sub-unit specializes in one psychological stance, ideological opinion, and/or direction for a change initiative. Alternatively, there may be some rotation of division of labour, wherein individuals, groups, and sub-units take on certain attitudes or roles at different stages of the change programme. Resistance versus co-operation and being a scapegoat versus being a champion are typically attitudes and roles that are divided up during comprehensive change. This psychodynamic can be helpful as some proportion of the organizational membership devotes itself to progress. However, many a change programme has been derailed by resistant employees whose co-operation and good will are incomparable with their given role.

The craftsmen's resistance

The UK chemicals manufacturing site of a USA multinational expands from one facility and product to two. Into the new facility, the USA headquarters introduces semi-autonomous work groups for operators who are paid more for working without supervisors. The introduction, assisted by a consultant, goes so well that the UK management team decides all shop-floor workers should work in teams. Operators in the original plant express enthusiasm for learning more skills and earning more money.

The craftsmen, mechanical engineers, and electrical engineers are not pleased. They feel threatened by the potential loss of their wage differentials and specialized skills. The new operators make almost as much as the craftsmen's entry salary, and managers speak of operators doing some routine, low-skill, maintenance tasks. Craftsmen assigned to the new plant resent being given breakdown work by operators, insisting on taking instruction only from a senior engineer or a supervisor from the old plant.

Two years on, the management team establishes participative planning and implementation committees for work and payment design. The craftsmen complain that they have not agreed to work in teams. The operator-dominated and union wants to speed things up and not wait for the craftsmen to make up their minds. The craftsmen vote to send representatives to the committees in order to protect their differential and skills.

Every time significant progress is made, the craftsmen walk out of the committee because their differentials have not been guaranteed. The managing director and personnel manager meet with the craftsmen's trade union and propose solutions which are voted down repeatedly. Engineering senior managers, who fear losing control over maintenance and the power that comes with many subordinates, stir up resistance in their employees. The operators in the new plant fault the craftsmen and try to negotiate more money for themselves in secret.

The craftsmen's resistance continues for three years. Once all the operators are working in groups and gaining additional pay for multiple skills, the craftsmen express interest. This happens shortly after the management team comes up with a new organizational strategy that reassigns the most negative senior engineers to technical specialist positions.

The craftsmen were not the only employees at the UK site who were suspicious and scared about the US item of 'teamwork'. The division of emotional labour, however, meant that they identified with others' projected negativity and got stuck while the operators benefited from making progress. Their resistance to changing industrial relations and personnel practices to be in line with new work designs and related training developments meant that others would dissociate from them and focus on furthering their interests. The management team, mostly manufacturing and not 'engineering men', were happy to leave the 'arrogant bastards out to dry'—something that was blatantly impossible and undesirable for successful 'teamwork'.

Change missionary

When caught up in a change missionary dynamic, organizational leaders manage and facilitate changes with evangelical zeal. Dogmatic comprehensive change is composed of principles basic to its particular school of thought related to both processes and outcomes of change. These must be adhered to rigidly. The change missionary dynamic can take different forms, such as when consultants or change managers over-identify with one group or sub-unit in the organization, thus representing their concerns as central to the change processes; alternatively, external consultants bond with executives and senior change 'champions', thus forming a formidable pair who see it as their job to convert others to their beliefs.

The stake-in-the-ground' consultants

A European site of a USA health care manufacturer struggles to compete with sister factories within the same corporation. European labour costs are high compared to those of Mexican and Korean sites. The director, protecting the survival of his site, seeks to get more productivity at less cost immediately. He hires change consultants to redesign jobs and pay by working with a labour-management committee. In a few months, he suspects the change consultants of not being serious about cutting his labour costs. He hires engineering consultants.

The engineering consultants specialize in a particular school of shop-floor layout and materials handling. Secretly, they work with the director and come up with a plan. Going public together, they convene a series of 'new direction' meetings. At these meetings, the engineering consultants describe how they work: 'We put a firm, stake-in-the-ground and then move the organization to it and then put another stake-in-the-ground and move—it is very simple.' The director indicates his pleasure with this approach by stating that his consultants will take over the labour-management committee and 'make change happen'. He says to the change consultants, 'Either you guarantee that I won't have a higher wage bill or you are against us'. They resign.

Resistance to the 'stake-in-the-ground' consultants is strong and persistent. However, the director gives support and authority to the engineering consultants. He routinely speaks 'backstage' to resistant managers and lends his presence at meetings in which there is trouble with progress. It takes much longer than they had planned, but eighteen months later, they announce a first round of redundancies and introduce the new shop-floor layout with fewer employees.

In this case, change missionaries took over both the approach to and content of a fundamental organizational change. All three political tactics were mobilized, although secrecy and backstage chats played a significant part. Almost all organizational systems were implicated. The change agent pair—the engineering consultants and the director dissociated themselves from

approaches to change without outcomes known in advance. They projected 'tenure of site survival' on to the change consultants, and on to the trade union representatives who expressed fears that the main goal was to decrease staff. All the directors and managers learned to introject some elements of the 'stake-in-the-ground' approach or lose their jobs.

Hidden or displaced agenda

A hidden or displaced agenda is one of the more difficult systems psychodynamics to diagnose precisely because of the often invisible link between that which is observable and its antecedent in a displaced agenda, an issue that is being evaded within one sub-unit or group gets shifted from the place in which it needs to be addressed to another, somehow related, sub-unit or group. For example, suppressed conflict at senior management level often emerges in conflict at lower status levels. With a hidden agenda, something is put or kept out of sight, probably as a political tactic. This hidden something bothers those groups or sub-units trying to address comprehensive change issues. This dynamic may be functional for a short period; for example, withholding information or deflecting attention until a suitable opportunity can be provided to work through reactions. However, hidden or displaced agendas tend to block progress by increasing distrust that cannot be addressed directly.

The retiring owner's share value

A construction management firm expands from three founders to 500 employees in five years. Projects necessary to finance the business get larger and more challenging. Although the founders have the competence necessary to attract these lucrative contracts, they simply do not have the capacity. Some senior staff can negotiate their firm's responsibility to design and build large buildings, but they tend to be assigned for two to three years to manage these projects unacknowledged.

To solve this dilemma the founders try several different organizational and financial structures to motivate senior staff. They pay higher than average salaries and reward top performers with promotion and status. They convene special problem-solving and strategic planning meetings with those middle and senior managers whom they have identified as 'worth developing'.

Pressures to enlarge the business mean that pressures to solve these problems increase. Nevertheless, the various structures and rewards do not seem to help. Over a two-year period, half of the more senior managers leave the company.

A consultant brought in to address the problem, interviews thirty top managers who express serious concerns and doubts. They feel that the business is growing out of control and that too many new employees are being hired who do not share the company ethos. Money needs to be invested in developing an organization to support the business at its existing level. A few suggest that the pressure comes from a hidden agenda—one of the founders 'wants to retire wealthy'.

When asked by the consultant about this, the founders confirm the truth. The founders convene an emergency strategic meeting with a handful of the most trusted senior managers. They agree more realistic financial targets, release money for internal investment, and decide to institute an employee share ownership scheme. These decisions are used to initiate another series of problem-solving and planning meetings more broadly.

In this case, a displaced or hidden agenda motivated rapid and continuous growth. Conflict about strategic direction, operating systems to handle growth, and related financial targets emerged through legitimate decision procedures. However, the political tactics of secrecy and debates about growth versus internal development were aided by psychological mechanisms. The owners projected their desire for growth on to senior managers, dissociating themselves from human resources concerns. The senior managers introjected the goal of growth for several years, but began to resent the pressures.

The founders overtly needed their 'top guys' to take over their business as they aged. However, they were ambivalent about sharing the wealth in general and, more particularly, in investing in a business that would go on without them. They enacted this ambivalence by projecting irresponsibility on to their senior employees and establishing unrealistic financial targets. For their part, the senior employees did not want yet more responsibility without greater reward. They allowed developments with which they did not agree, telling themselves that they were young and highly marketable. They were ambivalent about staying in such a demanding firm.

DISCUSSION AND CONCLUSION

Systems psychodynamics do not exist disembodied from the people in the social systems enacting them. Psychodynamics are always psychodynamics of something and someone. The people involved in these cases are in particular roles within sub-units or groups, with particular identities that contribute to their attitudes, concerns, and political interests. Their emotional and political concerns result from comprehensive changes initiated by their executives and change managers.

During confusing and messy comprehensive organizational change, employees will express overt political goals related to those particular changes in an organizational system that concern them.

Indeed, these five cases demonstrate that overt political goals provide a baseline from which the confusion and messiness begin. Each group in the scenario could express its overt political goal. On the surface, however, the seeming incompatibility of the goals led to increased concerns and escalating

difficulties. In some cases, the impracticability was about the actual change decision itself (for example, the rate and nature of growth in the magazine and in the construction management firm), and how that decision affected aspects of organization closest to the implicated group. In other cases, the sticking points seemed to be the processes of change and the conditions—particularly money and status—under which people co-operate (job and payment design in the chemicals plant, funding for Group-wide projects in the paper companies).

During comprehensive organization change, employees will use conscious political tactics designed to communicate their co-operation whole, simultaneously, working towards the achievement of covert goals.

The cases described and briefly analysed here show that overt co-operation is not always the chosen political tactic. In four cases, some groups argued over criteria and participated in legitimate decision-making meetings to make their points (the directors in the paper company, the department managers in the magazine, the operators in the chemicals plant, and the trade union in the health care manufacturer). But other groups chose secrecy, withdrawal from legitimate meetings, or passive aggressive behaviour (the health care products director and his engineering consultants, the craftsmen in the chemicals plant, and junior staff at the magazine). Further, it appears that work is not always undertaken towards covert goals (for example, the senior staff at the construction management firm, who did not attempt to achieve greater reward for more responsibility).

During comprehensive organizational change, employees will unconsciously use systems psychodynamics as a useful and powerful element of their political tactics.

Interestingly, it is possible to identify the psychodynamics being used by the main groups acting in each case. Such a detailed analysis requires more space than is available here, but it is possible to note that elements of all three building blocks appear in all cases. Projection played an essential role for everyone on all sides of a political issue even when it was not overt (the change consultants projected their frustration with participative methodologies on to the health care director, the paper companies' directors projected their need for autonomy on to the Board, senior staff in the construction management firm projected their ambivalence about taking over on to the founders). In these particular cases, introjection seems to have been enacted with dissociation to remove selected groups or issues from the change project (the craftsmen, the owner-editor, the pension-less operators, the change consultants, and the retiring founder).

During political organizational change, change managers need to take up roles that both contain uncomfortable and disturbing emotions and also address effectively the content of political disagreement.

Most of the change managers in these cases experienced difficulty in com-

biting the tasks of 'containment' with political decision making. They tended to run meetings as if only their political concerns were legitimate (for example, the 'new direction' meetings in the health care manufacturer, the editorial meetings at the magazine, the planning for growth meetings at the construction management firm). Consultants tended to be brought in to provide emotional containment (as with the diagnostic interviews at the magazine and the construction management firm) or to hold the concern for emotions (such as with the pension-less operators, the craftsmen, and the health care manufacturing shop-floor). In three cases resolution of disturbing emotions seemed to come only when managers' anxieties were soothed over time (the Board took five years to give the operators a pension, the craftsmen got their guarantee after all operators worked in rears, the health care products trade union's concerns were ignored until the new shop-floor layout and materials handling system were operational). In the other two cases, managers allowed organizational development methods to be used to work on emotional and political concerns sequentially (the intergroup meetings at the magazine, an emergency meeting in the construction management firm).

Understanding and accepting that employees enact systems psychodynamics in the service of overt and covert political objectives can help managers and consultants cope. Planning and implementing particularly challenging changes always evokes political actions and related systems psychodynamics. It is a mistake to treat such situations as only political or only psychodynamic. Persistent, messy, and confusing change initiatives require appropriate attention to both dimensions.

Change managers often squash political activity as a way to stop severe psychological dynamics. They intend to control messy, often conflictual behaviours through such action. By denying employees a satisfactory solution to political concerns, however, managers force dynamics underground. Such 'get tough' behaviour usually backfires in comprehensive organizational change.

Even when whole groups are 'outsourced' or whole departments dissolved, the unacceptable feelings and thoughts go underground and disrupt or minimize further developments. The resistance moves from the targeted group to another, or one change initiative goes smoothly while another, seemingly straightforward issue defies resolution. As these cases illustrate, many a change programme faces expensive delays in implementation precisely from unresolved emotional and political concerns.

Managers and consultants need to provide containment for the systems psychodynamics, while providing effective mechanisms for controversial decision making. During comprehensive organizational change, these are two related but separate concerns. Containment is not the same as resolving political concerns, although containment can be a result of doing so. However, political concerns that require decisions cannot be addressed through containment alone.