

Working with the shadow side of organisations

William Tate

Question: How do you tell your chief executive that the organisation is toxic? There are several issues here. In what way is the organisation toxic? Is there an antidote you can administer? And is it safe to say so? The answer to the first and second determines the third: a toxic organisation is dangerous for careers.

These questions all point towards the organisation's shadow side — the often disagreeable, messy, crazy and opaque aspects of your organisation's personality. Such facets are not always dark and bad. Crazy and disorder, for example, may provide a creative spur, and grapevines can be a valuable source of information. But what these features have in common is that they are always slippery — easier to feel than to define.

Society depends on organisations. They bring people together to achieve a goal that individuals cannot accomplish alone. In that sense they add value. But most people have also experienced their value-destroying side, either from an inside or outside perspective. Organisations' cultures, hierarchies, rules and routines have a habit of limiting people, if not squashing them altogether.

Few organisations come close to delivering the best possible result for the businesses they are designed to facilitate — for their employees, investors, customers, suppliers and the wider community. Most organisations suffer — to a greater or lesser degree — from being political, disempowering, bureaucratic, hierarchical, secretive, costly, wasteful, exclusive, stressful, inefficient ...

If this judgment sounds unduly harsh, perhaps we've just got used to being short-changed by shadow-dominated organisations. This shadow is like an old pair of shoes: well-worn but comfortable, apparently serviceable to the seasoned insider but clearly holed and

in need of repair if you peer closely underneath. Many people are so used to their organisation's shadow side that they take it for granted, play games with it or use it for their own ends.

Take the BBC. Did it really need 50 newspeople to go to Falmouth to cover Ellen MacArthur's homecoming on her record-breaking, round-the-world, yachting venture? Of course not. So what's going on? Why do such things happen? Can we find the answer by delving into the organisation's shadow side?

THE ENEMY WITHIN

David Liddament, the outgoing ITV boss at the time (August 2002), questioned what the BBC was for. Eddie Mair, a BBC broadcaster, replied as follows:

"The BBC is there to do what it has always done. Take on the common enemy. Each other. You may hear *Today*, and *The World at One* and *PM* all coming out of the radio on the same channel, Radio 4. But make no mistake. Although we all work for the same network, we are in different departments within BBC News — quite deliberately so — to ensure that we have to compete and to keep our journalism sharp.

Because our rivals on *Today* and *The World Tonight* can read *PM*'s running order on the communal computer system, we go out of our way to make the stories look as incomprehensible as possible. Editors often give stories joke names. A brutal assault on a pensioner might become 'Bashed Up Granny' in the running order. A particularly inept policy initiative might become 'Hopeless'. It could be argued that this is merely part of the dark humour that lurks in all newsrooms. It could also be the product of very sick minds. I really don't care.

We don't even put names of guests in the running order any more. If we've secured a Peter Mandelson interview, he simply appears as 'P'. Similarly, Theresa May is 'T', and Dame Judi Dench is 'M'.

When new producers arrive with us from *Today* or *The World Tonight*, they are asked, informally, if they still have computer access to their old contact lists. If they say yes, they are taken to a windowless eight-foot-square room with a table, two chairs and a light bulb and debriefed until they're whimpering. And that's just the job interview.

The point is, though, that rivalry between different departments within the BBC is far greater than that directed towards different broadcasters. We at *World at One* and *PM* are far more interested in what the *Today* programme is doing than what commercial radio is up to."

From Eddie Mair: "The enemy within", *The Guardian*, 21 August 2002 (Extract from *The Organisation Shadow-Side Audit*)

The roots of dysfunction are to be found deep in an organisation's psyche, well below the surface of its façade, not in its public pronouncements, policies or design. Witness, the BBC's Head of News had announced she was clamping down on "stupid duplication". Easier said than done. There is a gap — there always is — between *theory espoused* and *theory-in-use*, between rhetoric and reality. The shadow side accounts for the difference. It is true for individuals too. Everyone has their own shadow side. But, even if they are aware enough to know about it, they may prefer to keep it hidden and undiscussed — the same as for the organisation.

We can laugh at the BBC cameo "The enemy within". And, it must be admitted, where there are negatives there are also



positives (intense competition keeps people on their mettle). So let's take a more serious example. What about Feltham Young Offenders Institution and the inquiry into the tragic death of Zahid Mubarek? Here, it is alleged that prison officers deliberately put together in one cell prisoners who they believed were liable to fight and then placed bets on the outcome. The story isn't new. But who in authority knows what is going on? Who chooses to turn a blind eye? In your own organisation, is the shadow side being managed, or is it being swept under the carpet?

Think of the organisation as a fish tank. The water is less than pure. It starts to smell. It is difficult to see through it clearly. This is because the climate acquires toxins as the natural laws of entropy take effect (the tendency for all things to decay). The tank becomes an unpleasant environment for those inside and needs replenishing. So what do we do? In organisational terms, we take the "fish" out from time to time, give them something to chew on — often called training — and plop them back in again and expect better

things from them. Still they lack lustre. They may decide to lie low or give up altogether. Especially just after having had their eyes opened to just how dirty their environment is.

Although the fish contribute effluent from their bottom, it is usually wrong to blame the fish. It is naïve and unproductive to expect the inhabitants on their own to change their environment. It helps to be outside the tank to do that, certainly to notice that it needs cleansing. So where does that leave managers?

When managers are managing, they are swimming with the fish and can't see the state they are in. But when they are leading, they have stepped outside the tank to see it more clearly and can then do something to improve it.

The trouble is that the fish are usually more visible than the water. We try to see the fish, not the water. The fish are tangible, whereas environments are not. We can spot a bully, for example, and may know what to do, but a bullying culture ... We can recognise a politician, but a deeply political culture ...

And turf disputes, fierce internally directed competition, and so on. So the organisation's shadow side is not easy to discern. The characteristics, manifestations and consequences are rarely discussed, let alone seriously questioned and held up for examination. They are less formal than policies, organisation charts, edicts, standing orders, minutes of meetings, codes of practice and job descriptions. Yet they are equally real for us nevertheless.

Few people have a ready language to understand what is going on in their informal work environment. We need frameworks to help us get our heads around these aspects of the organisation's personality and its dynamics. We need tools to help us identify appropriate levers to pull on to bring about improvements and a better sense of balance.

Drawing on the work of distinguished psychologists, one such tool is *The Organisation Shadow-Side Audit* (www.organisational-leadership.com). The shadow side is examined in areas such as internal politics, reward systems, target setting, change management and organisation culture. The thinking behind this diagnostic aid is that it provides a vehicle for senior managers to get their collective heads around a difficult topic that is not normally discussed, face up to it, reach a consensus about where improvement is needed and decide and commit to appropriate action.

Gerard Egan defines the shadow side as: *All those things that substantially and consistently affect the productivity and quality of the working life of a business, for better or worse, but which are not found on organisation charts, in company manuals, or in the discussions that take place in formal meetings.*

Seen like this, all aspects of organisational life fit an equation, neatly dividing between the rational and non-rational (See Table 1).

Table 1: Elements of the two sides (extract from *The Organisation Shadow-Side Audit*)

Rational elements	Non-rational (shadow side) elements
<ul style="list-style-type: none"> • Directives • Strategic plans • Organisation charts • Job titles • Policies • Training courses • Budgets 	<ul style="list-style-type: none"> • Trust • Friendships • Jealousy • Fear and insecurity • Power struggles • Ambition • Grapevine

It is commonly accepted that the two halves of the human brain perform different functions. The left hemisphere processes rational thinking, numbers, etc, while the right hemisphere handles colour, music, intuition, and so on. Based on this analogy, the audit's author likens the two sides of the model to the left and right brain hemispheres, giving them the broadly differentiated characteristics shown in Table 2.

The rational factors are generally more explicit. They are usually written down, and they tend to deal with "what" issues. By contrast, shadow-side factors are generally implicit and are more likely to concern "who" issues.

A slightly different view is espoused by Trevor Bentley, a Gestalt psychologist. His model is more obviously an organisational model, less about individual personality and behaviour, yet draws more deeply on human

psychology. This model emphasises the wholeness of the two complementary sides: the formal and the informal, or the legitimate and what he calls the *shadow system*. It stresses the shadow's virtues more strongly than does Egan's approach. Bentley's work draws on complexity and chaos theory. This supports the view that the shadow is natural and indeed necessary, while still considering the two sides as "enemies". A definition is:

The set of interactions among members of a legitimate system that fall outside that legitimate system. It comprises all social and political interactions that are outside the rules strictly prescribed by the legitimate system. It is the arena in which members of an organisation pursue their own gain ...

In stark contrast to the legitimate system organised by those in authority, the shadow system is self-organising, obscure, serves people's personal needs, welcomes diversity and supports people in being who they are

Table 2: The character of the two sides (extract from *The Organisation Shadow-Side Audit*)

Rational characteristics (left brain)	Non-rational (shadow side) characteristics (right brain)
<ul style="list-style-type: none"> • Designed to happen • Things • What • Logical/thinking • Overt • Discussed 	<ul style="list-style-type: none"> • What really happens • People • Who • Emotional/feeling • Covert • Undiscussed

rather than how the organisation needs them to be. When it comes to change initiatives, unless supported by the shadow system they are unlikely to succeed.

HALFORDS

In 2000, Halfords was embarking on a period of change. The UK's largest retailer of car parts, cycles and associated leisure products was revamping its 400-plus outlets and introducing new approaches in head office, but staff felt disenfranchised. In the warehouse industrial action had only been narrowly avoided, and the atmosphere was one of control and conformity.

... Instead of getting stuck in the traditional mindset which says that organisations are like machines — so that all that is needed are the right "levers", a plan and a timetable of implementation — Ashridge Consulting prefers an ongoing dialogue.

... The technique [known as "appreciative enquiry"] demands that managers abandon the illusion of executive omnipotence. Traditionally, managers like to give the impression that they are able to control, or steer the cultures of their businesses. But with appreciative enquiry everyone gets involved in the process, and both staff and managers must admit that there is no set goal before setting out on their journey.

... In one workshop event the warehouse team acted on a long-standing issue. They got together over tea and called for the removal of the warehouse's most disliked feature — a buzzer that controlled their breaks. One of the guys stood up and said: "We are going in tomorrow and we are going to rip out the buzzer", [adding a pledge] "we will always be where we need to be when we need to be there".

... the "pull" approach ... of working with conversation, storytelling and relationship has enabled a new culture to start to develop. It is based on the idea of lighting a few small fires (rather than the usual "big bang" type change initiative). Some of them will go out and you assume that they were not supposed to catch in the first place, but the ones that catch alight will spread faster and soon everything is ablaze.

Abridged from "A little more conversation", Management Consultancy Association Awards 2003, *The Guardian*, 6 February 2003

Seen like this, there is clear value in the shadow system. It serves as a natural safety valve where people can take care of themselves against the rigours of their formal roles. Streetwise managers respect this shadow side, understand its nature and maintain it as a kind of semi-legitimate counterweight to the official legitimate system.

Like an organisation's overall culture, the shadow side may be dominant and troubling, or more benign, subdued and quiescent. If the shadow side is too powerful and apart, the organisation may disintegrate. Too close to the legitimate system and too controlled by it, the organisation may ossify. In the Halfords example, the shadow side had enough guts to exert itself but was close enough to the legitimate system to be contained and channelled positively.

The shadow side is especially marked in some sectors of the economy: the armed services, prisons and media, for example, where violence or competition are inherent in the role. And it can take on very different forms, from bullying to dark humour, as we have seen.

To return to where we started: the key question of openness and discussibility. As

Gerard Egan asks, what is never discussed but you think should be? What is currently beyond discussibility? What is too dangerous even to mention without putting your career on the line? To which we might add: what can't we see because we are not looking in the right place — we are too focused on the fish?

Herein lies a simple test of organisational health: how much is taboo — not just hidden from view, but to keep the natives, their chiefs or the status quo firmly in place? It takes courage to talk about what is being swept under the carpet, but at least now we have some psychological theories and some tools to assist us.

References

- Trevor Bentley: "The emerging system: A gestalt approach to organisational interventions", *British Gestalt Journal*, Vol. 10, No. 1, pp 13–19.
- Gerard Egan: *Working the Shadow Side*, San Francisco: Jossey-Bass 1994.
- Linda Holbeche: *Politics in Organisations*, Roffey Park Institute Ltd. 2002.
- William Tate: *The Organisation Shadow-Side Audit* (www.organisational-leadership.com), Cambridge Strategy Publications 2003.

The author of this article and designer of the audit, William Tate of Prometheus Consulting, can be contacted on tel: 01252 792322 and by e-mail at bill.tate@prometheus-consulting.com.

Points to ponder...

How much should HR department seek to influence/shape their organisation's political culture?

Do you have any stories to tell about how the "shadow side" has helped or hindered organisational effectiveness and health?