The Routledge Companion to Reinventing Management Education

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The test of time

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The business man has probably the opportunity today of making one of the largest contributions to society that has ever been made, a demonstration of the possibility of collective creativeness.

Metcalf and Urwick 1940 [Follett 1925]: 94

This chapter attaches the US business school to a specific purpose: to understand and master the co-creative processes enabled by organization. I ground this interpretation in Joseph Wharton’s (1826–1909) pioneering proposal for the business school and in the works of Mary Parker Follett (1868–1933) and Chester Barnard (1883–1961), who dedicated their lives to this purpose. In a series of reforms throughout the twentieth century, US business schools abandoned the founding vision. Follett and Barnard, working outside the academy, recognized that organization enabled unprecedented creativity but was little understood. They used their experience to generate this new knowledge. Follett developed her theory of creative experience and dynamic relating in organizations such as the city, club, and social movement. Barnard grounded his theory of applied social science in the corporation and specifically as a Chief Executive Officer (CEO), a position he held at New Jersey Bell Telephone, a subsidiary of American Telephone and Telegraph, for over 20 years.

My purpose in this chapter is to revisit and revive the original project to build an institution dedicated to understanding collective creativity, including that discovered within the arts and humanities. Follett and Barnard discovered that this focus entails transcending disciplinary and professional boundaries. In fact, collective creativity is a way of life (Hadot 2009). Thus all categories constituting the field of management and organization as we know it must be rethought and reworked. This volume takes a pivotal step in that regard; and this chapter shows how that step moves forward and backward, to the field’s origins, at one and the same time.

I begin by explaining how the business school became institutionalized. Joseph Wharton founded the first school in order to address a crisis in the US economy and society. The college, which educated the nation’s best and brightest, did not and could not teach science. Wharton deemed that this failure threatened the future of society. He wrote a visionary plan that was never fulfilled because business schools eventually came to serve narrow specialist interests. I then turn to Follett and Barnard, who recognized that no institution possessed the necessary knowledge.
They further asserted that the nature of this knowledge was such that it could only be developed by using it. I conclude with findings from the test of time. What we know about collective creativity is grounded in personal practice, but the business school has institutionalized such that it cannot integrate either the findings or the method. The next frontier is to integrate the institutional form and the substantive knowledge.

**The project: higher education for business**

*Joseph Wharton and the collegiate school of business*

Today’s Wharton School of Business bears little comparison to the Wharton School of Finance and Economy (WSFE) of 1881. The latter, described extensively in “The Project” (Wharton 1881), was bold and radical. It reformed the traditional college and its allied institutions, the gentleman and high society, and the society based on tradition. Since colonial times, the college had been a cultural institution. It replicated Oxford and Cambridge, which initiated generations of young gentlemen into their aristocratic society. Wharton’s institution would cultivate a new kind of gentleman for what he saw as a new society.

Throughout his career, Wharton had showed singular appreciation and mastery of these conditions. He amassed great personal wealth by taking advantage of newly won access to vast natural resources through metallurgy, manufacturing, and the creative exploitation of interacting factors that he called business management. Wharton made his fortune four times. He discovered and perfected a process for making zinc, which gave him a 420 percent return on his investment from 1855 to 1862. He rebuilt a bankrupt nickel mine and refinery, and he combined with other industrialists to dictate the price of Bismarck’s new coin. This gave him a 300 percent return on his investment from 1868 to 1871. He invested in iron with perfect timing to exploit demand from the transcontinental railroad and led the traditionally Quaker and pacifist Bethlehem Steel into the lucrative armaments business (Sass 1982).

Wharton had learned by experience. He was self-taught in chemistry, and he apprenticed with local chemists. Philadelphia, his home, was the US’s scientific center at the time (Baltzell 1979; Bridenbaugh and Bridenbaugh 1942). Working with local merchants and in “counting-houses,” Wharton learned accounting, bookkeeping, insurance, banking, foreign exchange, and contracts. Wharton also cultivated political acumen and set policy. To finance the Civil War, the US had imposed a tariff on industrial metals. (An income tax was not passed until 1913.) Wharton organized fellow industrialists and lobbied successfully with members of Congress to extend the tariff. When he founded the WSFE, Wharton had successfully led these campaigns for 15 years. He also wrote, published, and distributed protectionist literature, including an 1875 textbook that he had placed in libraries nationwide (Sass 1982: 15).

A pillar of Wharton’s plan for the WSFE was to inculcate protectionist policies. Wharton co-founded a thought school, led by the political economist Henry Carey, in Philadelphia. Until then, the prestigious New England colleges taught free trade, and so protectionism lacked intellectual clout (O’Connor 1994). Wharton’s WSFE thus advanced a campaign for regional (for example, Pennsylvania’s over New England’s) and US economic and ideological autonomy from other countries, particularly British ideas about free trade.

Wharton researched higher education for two years, particularly “the vocationally oriented university” (Sass 1982: 35). This reference captures what Wharton saw as a crisis between the traditional and the emerging society. The former held to the values of permanence, wealth preservation, and bequeathed inheritance; the latter to the values of the new, scientific discovery, and...
enterprise. Initiates to the new society lacked institutions to cultivate the new values. Wharton’s business school would thus be a cultural as well as an economic institution.

When Wharton founded the WSFE, “the business school” was a small proprietary school teaching bookkeeping and penmanship to lowly clerks. As Wharton explained in his strategic plan, a second-rank business could not properly train apprentices because it was second rank, and the heads of first-rank businesses were too busy to spend time educating. Young clerks learned business from fellow novices, and so they quickly fell into routine work of narrow scope. Traditional society called for young men to attend college; but upon graduation, they were too old for clerical apprenticeships and too educated to condescend to menial work. In drafting his plan, Wharton took inspiration from two new educational institutions: the scientific school and the technical institute. They had integrated science and technology courses into the curriculum (O’Connor 2012: 16–22). They improved upon apprenticeship by basing their instruction on “the broad principles deduced from all human knowledge.” They “ground in science, as well as in art” pupils fit both “to practice what they have learned and to become themselves teachers and discoverers.” Wharton praised these schools’ achievements “in the world of matter.” His WSFE would pursue the analogue of these in the world of industry.

In fact, Wharton glossed over the difficulties. Only one key element of his plan could be executed: the addition of specialized courses such as accounting, taxation, foreign exchange, business law, and transportation. The other elements – the use of science to solve social problems and the ability of college teachers to teach the skills and inculcate the values for the new society – were far more problematic than Wharton assumed. For example, he instructed the professor of taxation to teach “the proper objects and rates of taxation,” “the public ends for which money may properly be raised by taxation,” “the influences exercised upon the morality and prosperity of a community or nation” by taxation, and “the extent to which corporations should be encouraged by the State.” The law professor would teach “the directions in which improvements may be hoped and striven for with regard to ‘harmonizing or unifying’ the diverse legislation of the different states.” The professor of industry, commerce, and transportation would cover “how industries advance in excellence, or decline, and shift from place to place”;

how by intelligent industry nations or communities thrive; how by superior skill and diligence some nations grow rich and powerful and how by idleness or ill-directed industry others become rude and poor; how a great nation should be as far as possible self-sufficient, maintaining a proper balance between agriculture, mining, and manufactures, and supplying its own needs; how mutual advantage results from the reciprocal exchange of commodities natural to one land for the diverse commodities natural to another, but how by craft in commerce one nation may take the substance of a rival and maintain for itself virtual monopoly of the most profitable and civilizing industries; how by suitable tariff legislation a nation may thwart such designs.

Wharton (1881: 8–15) also prescribed that the curriculum inculcate values such as the “immorality and practical inexpediency” of acquiring wealth “by winning it from another rather than by earning it through some sort of service to one’s fellow-men”; the necessity of “system and accuracy in accounts, of thoroughness in whatever is undertaken, and of strict fidelity in trusts”; “caution” in incurring debt and “obligation of any kind” but “punctuality in payment of debt” and in “performance of engagements”; “abhorrence of repudiation of debt” and “commensurate abhorrence of lavish or inconsiderate incurring of public debt”; “the deep
comfort and healthfulness of pecuniary independence” and “the consequent necessity of careful scrutiny of income and outgo . . . and of such management as will cause the first to exceed, even if but slightly the second”; “the necessity of rigorously punishing by legal penalties and by social exclusion those persons who commit frauds, betray trusts, or steal public funds, directly or indirectly”; and “the necessity for each nation to care for its own, and to maintain by all suitable means its industrial and financial independence.” Wharton took for granted that professors subscribed to these values and could teach them and that students would accept and live them.

Even more ambitiously, Wharton instructed the professor of money and currency to teach “the phenomena and causes of panics and money crises.” He stated that the professor of industry should teach “the ‘nature and prevention’ of strikes” and the principles upon which men “combine their energies for the accomplishment of any desirable object.” This last instruction merits elaboration. Wharton wrote his plan for the WSFE from 1880 to 1882 in direct response to an economic and social crisis. From 1873 through 1879, the US had experienced the “Panic of ’73,” which one economist has called “the real Great Depression” (Nelson 2008). In that year, the entire US economy had collapsed when the leading financier of railroads, Jay Cooke and Company, declared bankruptcy. The railroads were the nation’s top non-agricultural employer. The Baltimore and Ohio Railroad, which paid the lowest wages of all railroad lines, asked its workers to take a second pay reduction. This cut their wages in half. They went on strike and workers on other railroad lines joined them, causing the first general strike in US history. It lasted for 45 days and ended only when President Rutherford B. Hayes sent federal troops to the major cities. Estimated revenues lost to each railroad line were US$2 million; estimated wages lost to engineers were US$600,000. Sabotage figures were even higher – approximately US$5 million per line. The country not only suffered for the duration of the strike but the means to recover from it the railroad and facilities, were also destroyed.

The crisis exaggerated the stark contrast between the haves and the have-nots. A few industrialists had enough reserves to withstand the crisis and even benefit from it. They bought out their competitors and grew their businesses. In 1879, the Standard Oil trust was created. Nine people controlled 90 percent of US pipelines and 90 percent of the country’s oil refining businesses. These circumstances explain Wharton’s aspiration to develop individuals “qualifie[d] . . . for the solution of the social problems incident to our civilization.” The business school’s students would know the principles on which men “combine their energies for the accomplishment of any desirable object,” and they had to appreciate “the fundamental fact that the United States is a nation, composed of populations wedded together for life . . . and not a loose bundle of incoherent communities.”

**Business school reforms: 1900 through the twentieth century**

Wharton’s project called for two levels of knowledge: development not only of the ability to creatively engage science in industry but also of the curriculum to train in this process. This knowledge was not at hand, but in the academy it was known as social science. The University of Pennsylvania used Wharton’s money to bring in newly minted social science professors from Germany, the leading provider of PhDs at the time. They were inculcated in a thought school, the Verein für Sozialpolitik, which resonated with social-reform movements in the US (O’Connor 2012: 45). The new faculty was initially well met by progressive Philadelphia high society; but as advocates worked more intensively for more radical industrial reform and as the federal government began taking industrial regulation seriously, university trustees and alumni deemed the social science faculty too activist.
The WSFE split between the German and non-German trained faculty. In particular, the accountants resented the status system based on the PhD, which made them second class. They formed their own business school, the New York School of Commerce, Accounts, and Finance (NYUC) in 1900. This move dovetailed with accountants’ pursuit of professional status through the Certified Public Accountant (CPA). Rejecting the social scientists’ political partisanship and imitating the professionalization of medicine, they formulated higher education for business as a set of specialties. NYUC effectively created a new institution: the Vocational School of Business (VSB). It welcomed those that even Wharton’s WSFE had followed tradition by excluding: adults, working people, women, immigrants, adolescents, and dropouts. In a few months and after-hours, students could earn a certificate leading to a job or promotion. Most faculty were full-time practitioners, promoting their businesses and recruiting desirable employees.

The VSB made business school popular in every sense of the word. Society now had a thriving social elevator, but the VSB ignored the task of managing specialists to work together in organization.

Wallace B. Donham, Dean of the Harvard Graduate School of Business Administration from 1919 to 1948, recognized this void. He focused on the executive function of overseeing specialists and a new knowledge field, administration, to support this function. Like the accountants who founded NYUC, Donham objected to the reliance on social science, particularly economics, in business education; but unlike them, he sought an alternative theoretical foundation for administration. Through his collaboration with Elton Mayo and the Human Relations School (O’Connor 1999), Donham added psychology to the mix. Ironically, this move undermined Donham’s project by making business a hybrid of other disciplines rather than an autonomous field, but Donham pursued psychology not as an end in itself but as a step in differentiating administration from economics.

Donham drew extensively from his education at Harvard Law School (HLS). He had attended HLS just as the institution reached its ambition to become the nation’s leading law school. HLS faculty member Christopher Langdell distinguished the new higher professional education from the old clerical proprietary education. Langdell followed the natural and physical sciences by delineating between basic and applied science. For law to achieve the higher level of professionalization, it needed a basic science. Langdell mined legal decisions for the underlying principles to establish this “basis.” Donham decided to do the same for business. But unlike the law, business lacked the corpus of written opinions and the tradition of decision based on precedent. Donham resolved that his faculty would write the cases and extract the core principles at the same time.

By that time, however, the field had already institutionalized and advanced by specialization. Business professors at Harvard Business School (HBS) earned about one-third of their income from their private consultancies. They used the Harvard case method to cultivate professional relationships that built up their practices. HBS went into the case-publishing business and sold pedagogical content based on specialization to business schools eager for models and curriculum. In the end, Donham’s vision to develop the field of administration not only succumbed to the logic of specialization but also accelerated it.

As the business school became more popular and wealthy, its coexistence with the mainstream academy became more problematic. Vocationalism was not sustainable. The crisis was solved through another reform, the “New Look” or “Business School Revolution,” which outsourced the scientific foundations of business to the disciplines, particularly the social and quantitative sciences (Khurana 2007: 259–78). This move resolved the business school’s vocationalism, but it also confirmed that the business school had no unifying purpose.
Pioneers in collective creativity

Mary Parker Follett: dynamic relating and creative experience

Whereas Wharton remade the college to educate for dynamic industry, Follett saw dynamic industry as one form of dynamic society, which entails a quality of relating that she called consciously creative. This theory may be seen as a social science (Follett 1918), a philosophy (Ansell 2009), and a way of life (Cabot 1934). Drawing from her peer-learning experiences in schools, clubs, and social movements, she posited that collective creativity entails no super-authority or deference but demands more individual responsibility: “I am constantly being acted upon, no one is encouraging me to act . . . Thus am I robbed of my most precious possession – my responsibilities – for only the active process of participation can shape me for the social purpose” (Follett 1918: 235).

Follett came of age in Boston where communities divided along economic, political, and cultural lines. These differences stemmed from immigration, especially the second generation, whose expectations and ambitions exceeded those of their parents. Government, schools, and other institutions did not address the situation, but neither did the youths and their families. Follett studied with the greatest professors at Oxford, such as Henry Sidgwick, and the leading public intellectual at Harvard, Albert Hart Bushnell. She was also educated and inculcated in peer-learning traditions open to women, such as the women’s club and the college women’s settlement house movement. In these domains as well, she trained with the best: Katherine Bowlker and Pauline Agassiz Shaw (O’Connor 2012: 90–4).

The business school and the academy had not worked out the principles for cooperation. Follett had. “The biological law is growth by the continuous integration of simple, specific responses; in the same way do we build up our characters by uniting diverse tendencies into new action patterns; social progress follows exactly the same law” (Follett 1924: 174). She posited four principles of organization, that is, coordinated action: (1) “direct contact of the responsible people concerned”; (2) “in the early stages”; (3) entailing “the reciprocal relating of all the factors in a situation”; as (4) “a continuing process” (Metcalf and Urwick 1940 [Follett 1933]: 297). The first principle set the foundation for the other three. Responsibility is a relation. It cannot be taught, but without it, creative relating cannot begin and dynamic society cannot grow.

Follett’s management training

The document that most extensively probes this difficulty is Follett’s management training. Follett gave this teaching to the leaders and managers who ran her community centers in neighborhoods throughout Boston. Club leaders supervised activity-oriented groups such as sports teams and theater troupes. Center managers oversaw internal operations as well as the center’s relationship with the neighborhood. Follett said that the centers, to be successful, should become a means “by which the people themselves can furnish the satisfaction of their desires” and “get together to express the best in themselves.” She held the managers responsible for achieving this goal.

The center members ranged from 14 to 21 years old. They were not in school and many were unemployed. They often came from neighborhoods that lacked a common language, and so music became “the chief means of stimulating fellowship and making felt the common bond.” Follett instructed the club leaders to use subject teaching in order to teach the more important lesson, “the social spirit,” the “sense which makes us useful members of society”: “how to work and play harmoniously together, and to encourage responsibility.” Clubs held regular meetings where they made business and operating decisions. Follett’s goal was that each club would govern
itself and that eventually, center members would run the center. But when Follett gave her training in 1913, the members were not ready for this. Follett instructed the club leaders to oversee the business meetings and gradually develop members’ ability to govern themselves. She instructed them to begin with small but concrete decisions, such as the amount of club dues. The managers had to forfeit their right to veto, allow the discussion to become heated and prolonged, and gradually turn over greater responsibility as more members participated more fully in making harder decisions.

The seed was the acceptance of responsibility by members, and what looks like transfer of responsibility by supervisors is in fact acceptance of the higher responsibility entailed in developing members’ responsibility. Everything hinged on discerning and giving the right amount of responsibility at the right time.

Follett’s instructions to managers show what is entailed in this higher responsibility. They had to relate to individual members, club leaders, individual clubs, club subjects, club activities, the membership as a whole, the neighborhood as a whole, and the community center movement nationally as well as in Boston. The quality of their relating had to encompass both “surface characteristics” and “underlying forces” that “make for righteousness” and which, if “got hold of and fostered and nurtured,” might “come to their full fruition.” Finally, they had to relate to immediate concrete goals, such as making sure that the centers upheld their contractual agreements, and the long-term vision to make the center integral to neighborhood and city life.

The center had to become a means for people to satisfy their desires – not just any desires but those associated with “the best in themselves” – by definition, an individual and collective orientation. Follett explained that the center held out

the greatest possibility we have ever had in city life for a full expression of the people by themselves, for all to get together to express the best in themselves, not the best in yourself or the best in myself, but the best in themselves.

Follett 1913: 3–20, emphasis in original

Also, “the best” has to be a moving target. Managers must discern both readiness and fruition. “Are [neighborhood residents] ready to take an interest in municipal affairs?”; “Do the men need to be aroused to a greater interest in civic affairs, or do they merely need some way of expressing their civic interest?”

Follett linked responsibility and the satisfaction of natural as well as cultivated desires. Participation in club and center activities would help members get what they want, but – as guided by Follett, center managers, and center leaders – these activities would also shape their wants as regards “the social purpose.” In turn, by participating in the life of the city, the members would shape the social purpose.

Follett’s subsequent writings on management reaffirmed this creative relation between the individual and the collectivity and between want-fulfilling and want-shaping. The growth of specialist knowledge and positions in formal organization called for more personal responsibility and for higher cultivation and satisfaction of desire, even as hierarchical relations encouraged deferring to formal authority (for example, Metcalf and Urwick 1940 [Follett 1925]: 50–70, 146–66, 210–29, 247–69). This dilemma would become Barnard’s central focus.

**Chester I. Barnard’s experiments in organization**

With the exception of Henri Fayol, Barnard is the only Chief Executive who wrote seminal organization and management theory. His work influenced Herbert Simon and the Carnegie
Management education reform in the US

Barnard saw the knowledge crisis not only as a lack of understanding of formal organization but more importantly as a lack of understanding of the human condition as playing out in formal organization. He raised the stakes in what Follett theorized as processes to cultivate and fulfill desire: as formal organization becomes more crystallized and widespread, it opens and closes creative possibilities at the same time. It opens possibilities because many people can do what one person cannot do. It closes possibilities because the human condition in organization is to defer to others or to “the organization.” Barnard experienced this paradox intimately and made it the central focus and thrust of his inquiry.

Barnard was CEO of New Jersey Bell Telephone from 1927 to 1948. He had joined the company in 1909 and had moved laterally and hierarchically in the organization. When he wrote his classic book *The Functions of the Executive* (1968 [1938]), he had been CEO for ten years. Barnard maintained that little was known about organization and that the generally accepted knowledge was not only false but also destructive (Barnard 1968 [1938]: xxviii). Since management was a lever of value creation in organization, the stakes for society were high (1968 [1938]: 282, 289–90). Barnard placed a high premium on experience and a pragmatic relation to experience that he called “intimate, interested, habitual” (1968 [1938]: xxxiv).

Taking his executive practice as an experimental condition, Barnard recognized that organization called for greater personal responsibility whilst diminishing the individual. This dilemma called for “a culture of the individual . . . so that great desires make great effort worthwhile” (Wolf and Iino 1986 [Barnard 1934]: 27). From the organizational viewpoint – a conceptual challenge per se – the task was “to secure the essential degree of coordination of a vast system of activities, while securing the degree of centralization and autonomy essential to initiative and to responsible behavior” (Wolf and Iino 1986 [Barnard 1934]: 17–18). Barnard probed “responsible behavior.” Formal organization required an equal but opposite force strengthening the individual and the forces of individualism. The counterbalancing emphasis on the individual had not advanced in tandem with formal organization. The challenge of formal organization was to develop the individual who could use formal organization to develop himself in order to develop organization.

**The fourth door**

Barnard explained how he came to this view (Wolf and Iino 1986 [Barnard 1934]: 10–11). As a youth, he had cultivated, and been cultivated in, individualism. Due to his father’s bankruptcy, Barnard was “thrown on [his] own resources” in his youth. He earned his own living and was accepted to New England’s finest schools. Enjoying this success, he compared himself to the farmer who credits the harvest to his own efforts, which are trivial compared with “the energy of the sun, the chemistry of the soil, the vital but undefinable processes of life” – the “true sources.” He likewise looked on the family, the “social groups of which I was a part, the schools and universities, the railroads, the organizations of industry, the government, as things made available to me by nature rather than by the deliberate and largely conscious effort of men acting in cooperation.”

Barnard then entered “one of the greatest and most complex collective enterprises ever organized on a commercial basis.” Hundreds of thousands of investors supplied its capital; hundreds of thousands of employees “carefully arranged in a hierarchy of positions and school, which led the partnership between the business school and the academy (see later). Barnard’s less visible but more pioneering contribution is the relationship to experience by which he generated his theory.

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Barnard then entered “one of the greatest and most complex collective enterprises ever organized on a commercial basis.” Hundreds of thousands of investors supplied its capital; hundreds of thousands of employees “carefully arranged in a hierarchy of positions and
authorities” conducted its operations. The “collectivity called the State” authorized its legal existence. Its “conduct, rights, privileges” were governed by laws and customs spanning generations. Even the value of the service depended on the number of people using it. Barnard recognized the “tremendous power” of this “collective operation” that “accomplished many things impossible except by cooperation on a grand scale.” Barnard experienced a stark contrast between his individualistic values and those of the organization. “Constantly expressed phrases” and what he would later call “moral codes” – whose articulation he later theorized to be the most creative executive function (Barnard 1968 [1938]: 272–82) – prescribed what to do. He experienced these instructions as “repression of the individual who was becoming less and less significant.” He also felt this constraint in the “intangible barriers of departments, grades and ranks, policies, appropriations, laws, prejudices and economic limitations of customers.” Barnard turned away from the “rugged individualism” he had embraced. Now, “facts and principles and organizations and collective action were everything, and the individual was and could be nothing.” But this idea was just as destructive as extreme individualism. Also, his supervisors and society continued to treat him as an individual. “I could not eliminate myself from myself.” Barnard described three responses: lethargy due to failure to resolve the dilemma; passivity from being a cog in a wheel; and anarchy from excessive individualism. He credited his supervisors for his escape through the “fourth door”: that of “directing my individual efforts not only in conformance with, but in furtherance of the objectives of the organization.” He “gradually learned that properly understood and with intelligent adjustment the individual can secure from collective organization great expansion of individual opportunity for accomplishment and for self-expression.” However, the tension between “duty to one’s self” and “duty to the ever present collectivities of which one is inescapably a part” was constitutive of organizational life (Wolf and Iino 1986 [Barnard 1934]: 11–12). Barnard called this “moral complexity.”

Underlying this tension was a conscious response toward experience and life itself that Barnard best articulated in his commencement speeches. Finding one commonality in the universe, nature, collectivities, individuals, and himself, Barnard put forth “a helpful view in accordance with reality”: “[T]o consider life essentially a process of attaining a balance between conflicting forces” (Chester I. Barnard Papers [CIPB] Book 8: 1-3257). Therefore “the most important process in developing the capacity to live abundantly is to follow that course under which experience of conflicts of ideas, emotions, and principle successfully resolved, may be richest” (CIPB Book 8: 1-3259). The attitude that conflict is inevitable and normal is “an important personal attribute aiding in the maintenance of balance under conditions of stress which are inescapable and are especially so of those who attempt a life of self-development” (CIPB Book 8: 1-3259).

Barnard cultivated what he called “the feeling mind” (1968 [1938]: 322): the use of the body in living, and the use of the mind in distilling, experience. In the preface to his classic book, he expressed disappointment for failing to convey “the sense of organization, the dramatic and aesthetic feeling” that words cannot capture (1968 [1938]: xxxiv, emphasis in original). Organization science required people who could perceive “the significant elements” – the “structure of the symphony, the art of its composition, and the skill of its execution.” Barnard played piano. In his youth, he led a dance orchestra. He was president of the Bach Society of New Jersey. For Barnard, the metaphor is sensual as well as conceptual.

William Wolf, who conducted the only documented interview with Barnard, asked how he was able to put his experience into words. Barnard said he had to split his personality and he compared himself to Dr Jekyll and Mr Hyde. He did not take notes because writing distracts from “the stream of events in which you are actively concerned.” Barnard wrestled with his ideas. After giving a speech that colleagues encouraged him to publish, he realized whilst
rewriting it that “I was not sure I knew what I meant myself” by organization. He began “a long effort” to define it (Wolf 1974: 21). Wolf’s interview with Barnard, held two months before Barnard’s death, shows him still rethinking (Wolf 1973: 15).

I’m always carrying on an argument with myself. I can’t go to sleep talking about it, and very often the picture that comes up is some other fellow I know very well, and he tackles me . . . . I can’t help it. I’m living in a world all the time – a world of imagination.

Barnard 1946: 26

Barnard avoided intellectualization and other distractions to engage fully in action. Acting in uncertainty creates “a state of tension . . . which greatly expands the scope and increases the sensitivity of the perceptual processes so that partly consciously and much more unconsciously a much larger proportion of the concrete is absorbed” (CIPB Book 6: 1-2016). When verbalizing, however, Barnard exaggerated phenomena. He thus “orchestrated” his relation to the interacting forces in and around him. This shows in his figurative language. He preferred dilemmas, dualities, bipolarities, and juxtaposition: formal versus informal, abstract versus concrete, individualism versus collectivism. But there is no necessary opposition. Opposition is a trope that infuses ideas with feeling – in this case, tension. Positing two extremes summons the most tension and energy, which may be directed to creative purposes.

History repeats itself

Despite the creativity and humanism of Follett and Barnard, business schools did not develop in the direction that they indicated. Instead, based at the Carnegie Graduate School of Industrial Administration (GSIA), George Leland Bach (1915–1994) led the “New Look” reform or “Business School Revolution.” This reform was a direct response to HBS’s failure to develop a theoretical foundation for administration and its resulting perpetuation of what the academy called vocationalism. Bach solved the problem by recruiting a faculty of star researchers from multiple disciplines, but particularly the quantitative and behavior sciences, defined as the “underlying disciplines” or basic sciences of business. But once again, faculty members focused on their own specialties and careers (Khurana 2007: 283–4).

Moving to Stanford, CA in 1962, Bach reflected on the impact of the reform he had led and the future of management education. In 1972, he spoke to the American Association of Collegiate Schools of Business (AACSB). He referenced opinion polls showing that the public did not trust business and its motives. “The decline in trust and esteem has been greater for business than for any other of the major institutions of the past decade,” he noted. Bach also reflected on the Vietnam War. Despite its military power, the US could not do much there “because we didn’t have a sense of legitimacy. The world wouldn’t back us up; we couldn’t do it ourselves.” Likewise, he asserted, the legitimacy of the market and of business “rests on the fundamental proposition that the system is making an important contribution to the welfare of most people in society.” Bach called for business schools to examine their own legitimacy. He also declared the need for “a more basic understanding among businessmen of the complex socio-economic-political interfaces between businesses and all the diverse parts of the public.” He noted “the challenge of ‘equity’” that “may well dominate the ‘efficiency’ arguments.” Finally, he identified the fundamental case as that “for individual freedom and decentralization of decision making and authority, more than just economic efficiency” (Bach 1972).

Bach’s appeals recall Wharton’s pioneering vision for the business school in 1881. After retiring from Stanford, Bach convened a study group on the future of management education.
In 1985, he issued a memo to the group calling for “fundamental knowledge,” which he described as the only knowledge that “will prove to be relatively useful in dealing with a wide variety of unforeseeable problems in the future.” This knowledge would also “clarify what management is, who managers are, and what managers do and are expected to do” (Bach 1984).

Bach’s reform took international as well as national scope (Djelic 2001; Mazza et al. 2005). Supported by the Ford Foundation, the Centers of Excellence programme designated a new category of institution attached to prestigious research universities. The elite business school was a business model and turnkey method. Simply by hiring PhDs from top-ranked programmes in the quantitative and behavioral sciences, a business school could become elite. This policy grew the university’s internal economy as new PhDs obtained jobs in a fast-growing, prestigious new institution – and precisely as transpired with the CSB, VSB, and HBS, these PhDs focused on building their academic reputations in their home disciplines (McGrath 2007).

The university-based business school introduced the idea of an institution devoted to understanding co-creative processes among institutions, between institutions and individuals, among individuals, and within the individual. Joseph Wharton’s business school sought to understand and master creative relating between science and industry and between formal education and society. Follett’s and Barnard’s experiments provided the vision, theory, principles, and methods that Wharton’s school and subsequent business schools lacked and could not develop.

As the Carnegie Report shows (Sullivan, Ehrlich, and Colby, this volume), the test of time has exposed a looming gap between the formal organization of the business school on the one hand and the personal knowledge about collective co-creation on the other. The former serves the specialist disciplines and professions. But the first lesson of organization is that it requires a unifying purpose. The business school’s structure affords no such purpose. The original and pioneering vision, and even the mere idea of vision, remain lost to time.

The persistence and stakes of this gap raise three questions. First, is the academy the appropriate institution to advance the project? Follett worked in the city, club, and social movement; Barnard in the executive office and in formal organization. But personal knowledge is difficult to pass on, and its transmission depends largely on equally personal relationships. The research university holds out the promise of an institution that can codify and disseminate knowledge on a large scale and over a long time. A close partnership between academics and practitioners would be ideal. But this would require three radical concessions by academics. They would have to have the same respect for practitioners that they do for academics, they would have to co-create as well as study, and they would have to make the collaboration more important than their disciplines.

Second, is it even possible to institutionalize creative relating and experience? Is there an inherent gap between what individuals can know and what institutions can teach? Barnard said he had to split himself in two, like Dr Jekyll and Mr Hyde, in order to formalize his experience; however, there are simply too few examples of this research at present. It is premature to answer this question, and it should be part of the agenda that this book addresses.

Third and finally, should this project be called management or organization, and does it belong in the business school? The work transcends disciplinary and conventional thinking. Follett’s work may be considered a politics of desire; Barnard’s a poetics of structure. Again, this volume offers encouragement in this regard. In fact, the word “management” remains vague and the field shows little interest in defining it. If a consensus developed that management and organization studies focus on collective creativity, then this name suits the project. But if the words continue to be associated with a privileged group holding itself apart from the social body that gives it life, and if society continues to associate these words with wealth accumulation for the few, then other names and places must be found.
Notes
1 All citations are from Wharton 1881: 8–15.
2 The following citations are from Follett 1913: 3–20.

References
Chester I. Barnard Papers (CIBP) Private collection of William B. Wolf, Seattle, WA.