



the
betacodex
network

since 2008



THE INVENTION OF MANAGERMENTS

From Follett & Taylor onwards

BetaCodex Network Associates

Niels Pflaeging | Silke Hermann

BetaCodex Network White Paper No. 17 | April 2021 | betacodex.org/white-papers

17

Contents

	Page
The invention of managements: A story of two parallel threads	3
Follett and Taylor: The founders, compared	4-5
The difficulty of placing Mary Follett	6
The long-standing misinterpretation of Follett	7
Follett: Founding mother of the humanist branch of management	8
The role of academia in shaping our view of management science	9-10
The Taylor bathtub and the Follettian renaissance	11
Defining principles of both schools – articulated in Follett’s own words	12
Defining principles of both schools – as articulated in the BetaCodex	13
The evolution of the Taylorist school (Alpha)	14-15
The evolution of the Follettian school (Beta)	16
The Follettian school: Selected members, contributors, movements	17-20
Consciously or not, every organization has always made a choice	21
The BetaCodex Network: Home of the Follettian school	22
Recommendations on Follett	23
Mary Parker Follett: Bibliography	24
Reading recommendations	24-25
About the authors	26
The BetaCodex Network white papers/Related books	27-28

“The most familiar example of integrating as the social process is when two or three people meet to decide on some course of action, and separate with a purpose, a will, which was not possessed by anyone when he came to the meeting but is the result of the interweaving of all. In this true social process there takes place neither absorption nor compromise.”

Mary P. Follett, 1924

“In human relations, as I have said, this is obvious: I never react to you but to you-plus-me; or to be more accurate, it is I-plus-you reacting to you-plus-me. ‘I’ can never influence ‘you’ because you have already influenced me; that is, in the very process of meeting, by the very process of meeting, we both become something different. It begins even before we meet, in the anticipation of meeting.”

Mary P. Follett, 1924

The invention of managements: A story of two parallel threads

The history of management needs to be rewritten. Management science does not, as it is usually depicted, begin with Taylor and Fayol, continuing through the *Human Relations* movement, in the meanwhile coalescing into the *classical school*, and eventually diversifying into different *post-classic* branches. Instead, the history of management is, and has been the story of *two distinct, opposing schools of thought* that emerged side-by-side, at the dawn of the 20th century. Pioneered by two practical philosophers: *Mary Parker Follett* and *Frederick Winslow Taylor*.

The conceptual foundations of these two parallel threads of management science were laid by two iconic, but very distinct trailblazers: *Mary Follett* (1868-1933), on one side, and *Frederick Taylor* (1856-1915) on the other. These two separate varieties of organizational philosophy have co-existed alongside each other, within management science ever since.

Around the beginning of the 20th century, engineer Taylor pioneered his approach of industrial production. In 1909 this approach would be named *Scientific Management*. It would later evolve into *command-and-control*, or the dominant brand of management, which we will also call *Alpha* here. Simultaneously, another, very different pioneer, a social science researcher and practitioner, Follett was fleshing out a *decentralized-democratic*, or *Beta* approach to organizing that was informed by political studies, psychology, philosophy and sociology. While Taylorism, resonated strongly in industries and corporations, early-on, and immediately gained avid followers and enemies, As we will see, Follettian thinking took root somewhat more silently.

“For authority, genuine authority, is the outcome of our common life. It does not come from separating people, from dividing them into two classes, those who command and those who obey. It comes from the intermingling of all, of my work fitting into yours and yours into mine, and from that intermingling of forces a power being created which will control these forces. Authority is a self-generating process. To learn more of that process, the process of control, is what we all think the world today most needs.”

Mary P. Follett, 1925

“I want to show that the basis for understanding the problems of political science is the same as the basis for understanding business administration – it is the understanding of the nature of integrative unities.”

Mary P. Follett, 1925

Follett and Taylor: The founders, compared

The differences in Follett's and Taylor's approaches to organization are well illustrated by their roots and professional backgrounds. Mary Follett and Frederick Taylor both came from US East-Coast Quaker families that were privileged enough to provide for excellent college educations. Follett even spent a year of studies at the University of Cambridge in England. She concluded her doctorate studies at *Radcliffe College* (later part of Harvard), with a *summa cum laude* degree, in 1898. Follett did not earn a PhD title, however, because women were still denied doctorates at the time. She applied to become faculty at Harvard, but was rejected on the same grounds.

Follett was, thus, a social scientist by training, and went on to become a manager and entrepreneur in the social sector, as well as a researcher on politics, sociology and public administration. This background and her intellectuality explain why Follett's conceptual reach is much broader, richer, and more contemporary than Taylor's, who very much specialized in industrial factory production, and only later began to develop an interest in administration outside industry. Taylor's background was in engineering. Before turning to management innovation, he was a manager, an inventor of production technology and a consultant. His focus was on engineering workers' performance, and his philosophy was that of finding the '*one best way*' to get any industrial job done. Taylor developed what became the *command-and-control* strand of management in the 1890s/1900s, publishing his work in two books – *Shop Management* (1900) and *Principles of Scientific Management* (1911). ►

“Industry is the most important field of human activity, and management is the fundamental element in industry ... management is the pivot of business success. It is good management that draws credit, that draws workers, that draws customers. Moreover, whatever changes should come, whether industry is owned by individual capitalists, or by the State, or by the workers, it will always have to be managed. Management is a permanent function of business.”

Mary P. Follett, 1926

“The fundamental reason for the study of group psychology is that no one can give us democracy, we must learn democracy. To be a democrat is not to decide on a certain form of human association, it is to learn how to live with other men.”

Mary P. Follett, 1919

“Taylor fancied himself a radical. He was not.” Robert Kanigel,
Taylor biographer, 1997

Follett and Taylor: The founders, compared (continued)

The scope of Taylor's work, as documented in these books, somewhat pales, in comparison to Follett's. Her key writings are documented in two important books published during her lifetime – *The New State* (1918) and *Creative Experience* (1924), as well as two posthumously published collections of lectures and papers. Taylor's focus on the 'shop floor', and industrial production would make his work relatively easy to grasp for industrial managers and business owners. Not so with Follett's writing: The starting point of her reasoning was the political system, the democratic dynamics and the organization of the democratic state. Her work was far more eclectic and intellectually challenging, and her prose appears more timeless. The themes of her work were informed less by industry, and more by organizations on the fringe of not-for-profit organizations and public administration.

Both Follett and Taylor were optimistic about cooperative relationships between management and workers, and convinced that a 'mental revolution' (Taylor) was required to better prepare organizations for the challenges of industrial-age marketplaces. While Taylor was well aware of the social and political dimension of his work, as is visible from his personal correspondence, he kept these topics largely out of his writing and never quite spelled out (or gained clarity of) his own philosophical assumptions. He never fully explained what, to him, this mental revolution was all about. This limitation would prove decisive for the further evolution of his school. Both founders died at relatively early ages. Taylor in 1915, aged 59. Follett in 1933, aged 65.

"I believe in the individual not trusting to fate or chance or inheritance or environment, but learning how to control his own life. And nowhere do I see such a complete acceptance of this as in business thinking, the thinking of more progressive business men. They are taking the mysticism out of business. They do not believe that there is anything fatalistic about the business cycle that wholly beyond the comprehension of men; they believe that it can be studied and to some extent controlled."

Mary P. Follett, 1926

"This kind of power, power-with, is what democracy should mean in politics or industry, but as we have not taken the means to get a genuine power, pseudo power has leapt into the saddle."

Mary P. Follett, 1924

The difficulty of placing Mary Follett

It has been hard for management studies to place Follett, historically. She was never quite forgotten, but, at the same time, the scope of her work was never fully appreciated. She was a social scientist, a practical philosopher, a lecturer-author-teacher with a surprisingly wide-ranging body of work. She was a woman. She neither focused on corporations, nor on factory production, like her peers, at the height of the industrial age. Instead, she was a long-standing manager-entrepreneur in the not-for-profit sector. She was neither an academic (because academia would not allow her to be one) nor a consultant.

The philosophical and linguistic quality of Follett's writing and speaking has made her work age less than that of probably any other business writer. It seems as though Follett speaks to us today very much within our own language, even after 100 years or so. This characteristic also has likely contributed to the problem of 'placing' her, historically.

Her work has been misplaced chronologically and often flippantly placed into the context of fashions and fads. When management writers tried to grasp major aspects of her work, they often did so by ignoring the chronology of actual events and historical timelines. In effect, Follett's work has been 'lost and found' repeatedly since her death in 1933. This has led to a notorious under-appreciation of her insight and impact. Consequently, Follett seems to appear somewhat like a mirage – an exceptional yet ethereal figure in the history of management studies. The fog only lifts when we accept that Follett marks the beginning of a *full-fledged alternative* to Taylor's concept of management.

“She might have missed the chance to serve her day and generation and to make clearer as she has done the path for many of those who come after her.”

Richard Cabot,
Harvard ethics professor, 1934

“[Follett] was the prophet of management. Management and society in general should welcome her return.”

Peter Drucker,
management philosopher, 1995

“I take mild expectation to Peter Drucker's characterization of Mary Parker Follett as a 'nonperson'. She wasn't to me. Not at all. My mentor Doug McGregor referred to her constantly, and in a 1942 article on collective bargaining, he cited her distinction between 'genuine collaboration and adversarial collective bargaining.'No Mary Parker Follett wasn't a nonperson to me, but she was a cult like figure.”

Warren Bennis,
management philosopher, 1995

The long-standing misinterpretation of Follett

To illustrate the point: With regards to early management science, Follett has been most often wrongly depicted

- as a member of, or contributor to the *Scientific Management* movement, headed by Taylor, or
- as a member of the *Human Relations*, or *social man* movement, strongly associated with behaviorists such as *Elton Mayo*, or
- as something of a link, or bridge between the two, and even other, later ‘schools’ of management thought.

In short, Follett’s was *always positioned as being part of someone else’s school*, or schools, even though, chronologically, her work ran in parallel to that of Taylor, and pre-dates all other schools. The creation of her far-reaching body of work ran in parallel with the foundation of *Scientific Management* and entirely pre-dates all of *Human Relations* movement. On top of that: Follett’s theory and concepts run counter to those other early management schools, and transcend the ideological boundaries of any of those movements.

Until this day, Follett tends to be inappropriately defined *in terms of the work of others*. Even though she was clearly – chronologically and philosophically – not a member of any man’s school. Her ideas were, in fact, quite opposed to the *Taylorist*, or *classic* school, philosophically. Putting her in proximity to behaviorists like Mayo eclipses Follett’s thinking. The existing narratives are testament to historians lack of recognizing the scope, quality and originality of Follett’s work and a failure to grasp her true role in management history.

“Chronologically Follett belonged to the scientific management era, philosophically and intellectually, she was a member of the social man era.”

Daniel A. Wren,
management historian, 1972

“And now? We should all stand on Follett’s shoulders in order to see further into the possibilities for organizational perfectibility – even as we see the limits to a belief in human goodness.”

Rosabeth Moss Kanter,
management researcher, 1995

“Unfortunately, such paternalistic misinterpretations are not limited to those who would critique Follett’s ideas, but extend to some her most staunch supporters. Even some of her greatest proponents fail to understand her fundamental principles.”

Margaret Stout/Jeannine Love,
management researchers, 2015

Follett: Founding mother of the humanist branch of management

Maybe the mistake of constantly sorting Follett into others' schools occurred because, throughout the 20th century, it was still widely inconceivable within the scientific communities that any women could be a *founder of her own 'school of thought'*. Follett is just one example of women who shared this fate. Philosopher *Hannah Arendt* (1906-1975), or physicist/chemist *Marie Curie* (1867-1934), are other notable examples who were denied such recognition by their respective, male-dominated scientific communities.

Follett was neither prophet, nor sage, nor an 'anomaly.' She very much was a successful thinker, scientist, philosopher-practitioner and human in her time. Her managerial and advisory work in and for the not-for-profit sector, as well as for industrial firms, confirms her practical impact. It is fair to think of Follett as the legitimate founder, side-by-side to Taylor, of *the other management*. While acknowledged in history and textbooks, Follett is not described as *founding anything*, even though she is clearly *the founding mother of management's enlightened, humanist branch*. With Follett, an entirely original strand of management science emerges. As we will see, she should be judged as *the ultimate anti-Taylor*. Most of us – practitioners, theorists and academics alike, still have some catching up to do to get on par with the thinking of Mary Follett, founder of the one contemporary school of management.

To overcome the sloppy classifications of the past, we suggest that we speak of the *Follettian school* of organizing, as opposed to the *Taylorist school*, which allows us to put the misleading term *classical school* aside for good.

“Unless we are thinking wholly in terms of [integrative] process, the statements I am making will be meaningless.” Mary P. Follett, 1926

“I hope it will be seen that what I have called legitimate power is produced by that circular behavior described in our first talk. Circular behavior is the basis of integration. If your business is so organized that you can influence a co-manager while he is influencing you, so organized that a workman has an opportunity of influencing you as you have of influencing him; if there is an interactive influence going on all the time between you, power-with may be built up. Throughout history we see that control brings disastrous consequences whenever it outruns integration.” Mary P. Follett, 1925

“Any attempt at arbitrary control sets up antagonisms in the other person or group that will defeat you in the end.”
Mary P. Follett, 1924

The role of academia in shaping our view of management science

When Follett began studying at the *Harvard Annex* in the early 1890s, the Harvard campus had a reputation for uniting some of the most brilliant thinkers and philosophers of the time. In their later years, both Follett and Taylor were in demand as lecturers at the flourishing business schools of the day. Follett lectured at Harvard University, Syracuse University, Oxford University and the London School of Economics. Follett was not allowed to become an academic per sé, but she was a public intellectual. In essence, Follett took management seriously because she lived it: She led the transformation of ‘her’ city, Boston, from a static to a dynamic society that integrated new populations and enterprises into what she called a *functional whole*. This led her to propose a science of *dynamic relating* and *integrative process*. But academics in management science did not use her work because it did not fit into any academic or technical specialty. It even somewhat contradicted mainstream science.

Management as a field is not a specialist field of study, as it relates to many fields. Consequently, as business schools became recognized as the quintessential institutions linking wealth creation and knowledge, various existing disciplines competed to lead it. In doing so, they exaggerated their differences with one another and reinforced polarities, such as *scientific versus lay knowledge* and *scientific versus humanistic knowledge*. Follett herself would have observed that such polarities contributed nothing to solving the underlying problem, which could only be solved through actual *integration*. Sadly, the logic of specialization and rationalist abstraction prevailed, and the industrialization of management education took hold, especially from the late 1950s onwards. ►

“*[Follett's lectures are] a text-book likely to be neglected by those with a taste for authoritarianism.*”

Lyndall Urwick,
management researcher, 1949

[As a PhD student at Harvard] I found her work invaluable, but the truth is that I simply did not know enough about management to appreciate it fully. . . . Thus I must humbly confess that her work was not more recognized by me because I was not that wise. Perhaps it was so with others.”

Paul R. Lawrence,
management researcher, 1995

“She was not handicapped by the theoretical blinders of a single discipline. [...] history has proven that her selection, out of all the management practices of the early 1920s, of what she believed constituted ‘advanced thinking’ was uncannily accurate.”

Paul R. Lawrence,
management researcher, 1995

The role of academia in shaping our view of management science (continued)

After WWII, the rise of business schools propelled a movement that sought to establish management science as a ‘proper science’, much like natural science, and in line with economics. Thinkers and applied researchers such as Follett, or, later, *Chester Barnard (1886-1961)* and *Douglas McGregor (1906-1964)*, whose work tended to transcend the boundary between management and sociology or philosophy, found it harder to establish a foothold. Business schools could only uphold their reputation for what they deemed ‘serious sciences’, if a wall, or fence towards social sciences was maintained.

The Taylorist School leaned more towards (seemingly) objective measures, quantitative optimization, even analysis of physical movement (which explains the popularity of movement studies and the Hawthorne experiments), and behaviorism. These aligned easily with interests in industry and production during the 1940s to 1960s. But they also converged more naturally with the aims of business schools during the 1930s to the 1960s and beyond, given the chosen rationalist theories and quantitative research approaches in academia.

Today, specialists flock to MBA programs to transcend specialization and learn management, only to find more specialist training. From a Taylorist scientific viewpoint, and from a specialist perspective in today’s academia, it is hard to grasp Follett’s theories and impact, even though her line of thinking is more needed in business than ever. To this day, this dilemma persists within business schools and among the management science community.

“I find the thinking of business men to-day in line with the deepest and best thinkers we have ever had. The last word in science – in biology – is the principle of unifying. The most profound philosophers have always given us unifying as the fundamental principle of life. And now business men are finding it is the way to run a successful business. Here the ideal and the practical have joined hands. That is why I am working in business management, because, while I care for the ideal, it is only because I want to help bring it into our everyday affairs.”

Mary P. Follett, 1926

“I find the greatest vitality of thinking today among business men, and I like to do my thinking where it is most alive.”

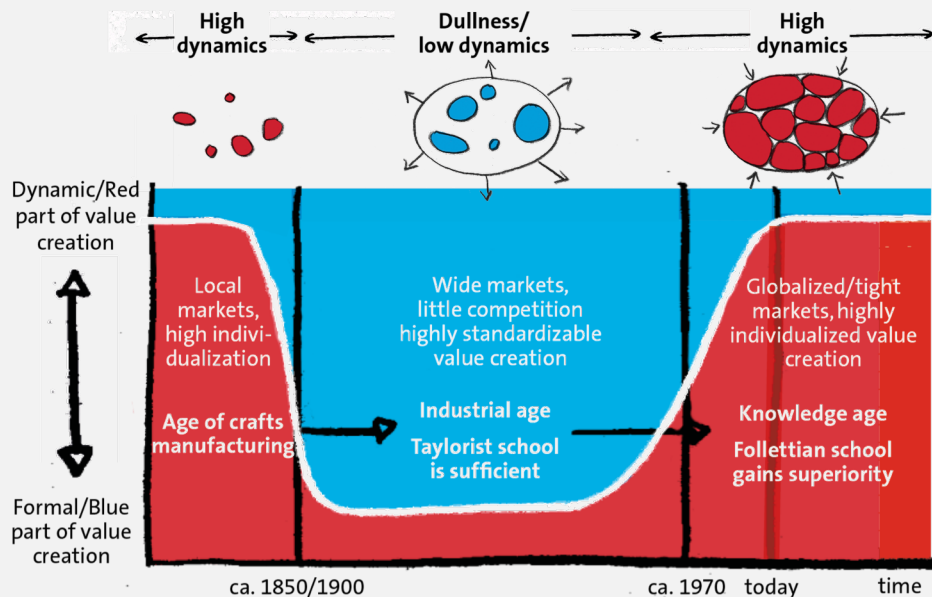
Mary P. Follett, 1918

“Business schools are as difficult to change as cemeteries, and for the same reasons.”

Russell Ackoff,
management philosopher, 2007

The Taylor bathtub and the Follettian renaissance

The graphic below depicts the dominance of *complicatedness* (blue) or *complexity* (red) in value creation over the last 200+ years. While Alpha was never a *superior* approach to organizing, it worked well enough throughout the industrial age, with its suppressed levels of complexity: Alpha was *sufficient*. The dawn of the knowledge age changed the picture: It was marked by a return of market complexity that rendered Taylorist steering or management largely ineffective. Follettian organizing gained the upper hand. The rise of *Toyota* during the 1970s/80s illustrates this point. A renaissance of Follettian thinking and practice appears inevitable, given the circumstance shown: Its superiority is unavoidable, given today's elevated levels of market complexity.



“One person should not give orders to another person, but both should agree to take their orders from the situation.”

Mary P. Follett, 1925

“If you accept my three fundamental statements on this subject [of integration]: (1) that the order should be the law of the situation; (2) that the situation is always evolving; (3) that orders should involve circular not linear behavior –then we see that our old conception of orders has somewhat changed, and that there should therefore follow definite changes in business practice.”

Mary P. Follett, 1925

“We have three kinds of leadership: the leadership of position, the leadership of personality and the leadership of function. My claim for modern industry is that in the best managed plants the leadership of function is tending to have more weight and the leadership of mere position or of mere personality less.”

Mary P. Follett, 1933

Defining principles of both schools – articulated in Follett’s own words

Follett never morally isolated the manager from workers or their supposed followers. On the contrary: Her notion of social dynamics is the opposite of that separation. Follett herself characterized Taylor's more hierarchal approach as dominantly *power-over* and her own, network-based approach as *power-with*. We build upon this exercise in distinctions by putting both schools’ governing principles side-by-side, using language and wording from Follett's writing.

<i>Dimension</i>	Follettian/decentralized/Beta	Taylorist/authoritarian/Alpha
<i>Dominant power</i>	power-with	power-over
<i>Power distribution</i>	federalization with cross-functioning	delegation to shirk responsibility
<i>Notion of leadership</i>	three kinds of leadership: of position, of personality, of function	leadership as position
<i>Authority, I</i>	belongs to the job/function/task	arbitrary/bossism/subordination
<i>Authority, II</i>	emerges from integrative process, arises from interaction	command-and-control/hierarchy, assigned by position
<i>Origin of power</i>	combined capacity of a group	individual will
<i>Direction of power</i>	federalism based on small, interweaving groups	ladders of authority
<i>Responsibility</i>	responsibility assumes autonomy	accountability assumes hierarchy
<i>Orders</i>	each person analyzes their own job, orders are outcomes of daily activity	experts analyze jobs/give orders
<i>Focus ('dwelling in')</i>	the qualitative/integration	the quantitative/hierarchy
<i>Conflict resolution</i>	through integration	through domination/compromise
<i>Decision-making</i>	integration of facts and power	expert opinion/coercion/consent
<i>Functional design</i>	functional whole/integrative unity	functional unity/put parts together
<i>Attitude</i>	co-operation	obedience

“Most people have not decided, have not even thought out what the different principles are. ... Surely this is a pity. To know what principles may underlie any given activity of ours is to take a conscious attitude toward our experience.” Mary P. Follett, 1925

“The study of community as process does away with hierarchy, for it makes us dwell in the qualitative rather than in the quantitative.” Mary P. Follett, 1919

“We should learn to distinguish between different kinds of power... It seems to me that whereas power usually means power-over, the power of some person or group over some other person or group, it is possible to develop the conception of power-with, a jointly developed power, a co-active, not a coercive power...I do not think the management should have power over the workmen, or the workmen over the management.” Mary P. Follett, 1925

Defining principles of both schools – as articulated in the BetaCodex

The *Beyond Budgeting Round Table BBRT* deserves credit for first distilling a coherent set of Follettian organizational principles, between 1998 and 2003, through case study- and theory-based research. This approach allowed the BBRT to firmly link decentralized-democratic organizations from the most diverse markets and backgrounds into a coherent set of design principles that has been developed further and is now called the *BetaCodex* (below). The research undertaken by the BBRT and the *BetaCodex Network* has allowed them to identify Follettian organizations systematically, based on science, not hunches. Companies as diverse as *Handelsbanken* and *Ahlsell* (Sweden), *Toyota* (Japan), *Guardian Industries*, *W.L.Gore*, *Dell*, *Southwest Airlines* and *AES* (USA), *Semco* (Brazil), *dm drogerie markt* and *Aldi* (Germany), can be identified as Follettian.

Law (Principles)	Follettian/BetaCodex	Taylorist/AlphaCodex
§ 1 <i>Team autonomy</i>	Connectedness with purpose,	not dependency
§ 2 <i>Federalization</i>	Integration into cells,	not division into silos
§ 3 <i>Leaderships</i>	Self-organization,	not management
§ 4 <i>All-around success</i>	Comprehensive fitness,	not mono-maximization
§ 5 <i>Transparency</i>	Flow intelligence,	not power obstruction
§ 6 <i>Market orientation</i>	Relative Targets,	not top-down prescription
§ 7 <i>Conditional income</i>	Participation,	not incentives
§ 8 <i>Presence of mind</i>	Preparation,	not planned economy
§ 9 <i>Rhythm</i>	Tact & groove,	not fiscal-year orientation
§ 10 <i>Mastery-based decision</i>	Consequence,	not bureaucracy
§ 11 <i>Resource discipline</i>	Expedience,	not status-orientation
§ 12 <i>Flow coordination</i>	Value-creation dynamics,	not static allocations

“I hear more talk of co-ordination than of anything else. Why then do we not get it? One is that the system of organization in a plant is often so hierarchical, so ascending and descending, that it is almost impossible to provide for cross relations. The notion of horizontal authority has not yet taken the place of vertical authority. We cannot, however, succeed in modern business by always running up and down a ladder of authority.”

Mary P. Follett, 1927

“People sometimes think when I emphasize collective responsibility that I do not believe in decentralization. I know no one who believes more strongly in decentralization than I do, but I believe that collective responsibility and decentralized responsibility must go hand in hand; more than that, I think they are parts of the same thing.”

Mary P. Follett, 1927

The evolution of the Taylorist school (Alpha)

Taylor's *Scientific Management* was soon recognized as a school in its own right within management science. Frederick Taylor would be tagged *Father of Scientific Management* as early as 1915. An inscription with the same claim can be found on Taylor's tombstone in Philadelphia. Until Taylor's death, in 1915, the *Taylor System* had been consistently applied in just a few factories on the US East Coast, close to where Taylor lived. Even the most time- and money-consuming implementations of the system, at his client companies, had often faded away within a few years. Though productivity gains in the short term were enormous, Taylor's methods tended to ossify industrial work in the long term. It was not until after his death his approaches took hold in the business world.

The philosophical decay of the Taylorist school started with the 1st and 2nd generation of consultants working with Taylor, which included *Henry Gantt* (known for applying Taylorism to project work), and *Lilian and Frank Gilbreth* (famous for their movement studies). The campaign for Scientific Management starting in 1910, orchestrated by lawyer and political activist *Louis Brandeis*, made Taylor a super-star, but also ended up putting him under a lot of pressure.

Taylor's school would later be called *the first* and sometimes associated with a supposed *classical* era in management studies history, thus called the *classic* school, and often more disapprovingly referred to as *Taylorism* or *command-and-control*. The likes of *Henri Fayol*, behaviorists *Hugo Muensterberg* and *Elton Mayo* and practitioner-researcher *Chester Barnard* are to be counted into the school, as they, in their different ways, extended Taylor's work. ►

“Mary Follett expounded a philosophy of management that even to-day is a generation ahead of practice, and one can find therein a significant parallel with the pioneering work of Frederick W. Taylor. In his teaching, the adoption of a new philosophy of management – ‘the mental revolution’ as he put it – was a fundamental part of his new technique; but, as knowledge of his methods spread, the practice of scientific management was allowed to develop and expand shorn from its underlying philosophy.”

Henry Metcalf/Lyndall Urwick,
management researchers, 1940

“In the case of Mary P. Follett... the reviewer is forced to register a vigorous dissent from the fondness of judgement of the authors in designating her as a pioneer in scientific management”

Harry A. Hopf,
management researcher, 1947

The evolution of the Taylorist school (Alpha) (continued)

Movements like *Human Relations* (1930s-1940s) and later, *Strategy* (from the 1970s onwards) served to legitimize and perpetuate Taylorist or Alpha thinking further – in a sense bestowing veneers of *humanization* and then *future-orientation* upon the hierarchical-patriarchal model. The behaviorist view of the human side of organizations, for example, is philosophically and practically at odds with the egalitarian, democracy-rooted approach proposed by the Follettian school. Even today, the trend of updating or extending Alpha and glossing over its lack of humanity continues. Purveyors of *leaders/leading, values, culture*, or simplistic notions of *happiness at work* and *purpose*, for instance, can be counted in this camp.

The assimilative power of the Alpha school of organizing has been remarkable: It proved to be highly robust, and successful at appropriating movements, concepts and tools that sometimes would originate from a philosophy of self-organization and decentralization. A case in point is *Management by Objectives*, originally proposed in 1958 by Follettian thinker *Peter Drucker*: MbO was quickly integrated into command-and-control practice. The same kind of assimilation occurred with much of the *Quality* and *Lean* movements and, more recently, with *Agile software development*.

While Taylor's *Scientific Management* combined well with and promoted top-down management and steering, Follettian Thinking would combine with egalitarian, networked and federative ideas and settings, and the absence of much hierarchy. This led to Follett being identified as a forerunner of most of our field's new movements, and a precursor of many ideas, trends and fads – from conflict management to sustainability.

“The principal object of management should be to secure the maximum prosperity for the employer, coupled with the maximum prosperity for each employee. The words ‘maximum prosperity’ are used, in their broad sense, to mean not only large dividends for the company or owner, but the development of every branch of the business to its highest state of excellence, so that the prosperity may be permanent.”

Frederick W. Taylor, 1911

“In the past the man has been first; in the future the system must be first. This in no sense, however, implies that great men are not needed. On the contrary, the first object of any good system must be that of developing first-class men; and under systematic management the best man rises to the top more certainly and more rapidly than ever before.”

Frederick W. Taylor, 1911

The evolution of the Follettian school (Beta)

Follett's work did not gain the same level of popularity as Taylor's throughout the entire 20th century. It has, however, for 100 years generated continuous followership alongside the more dominant command-and-control thinking. In organizational practice, this school of thought began to realize its true potential only decades after its founder's death. As we will see, it took hold in pioneering companies like *Toyota* and *W.L.Gore* in the 1960s, *Handelsbanken* and *Southwest Airlines* in the 1970s, *Semco* in the 1980s, *dm-drogerie markt* in the 1990s.

Follett's work resonates strongly with the work of researchers until today. Thinkers associated with the Follettian school usually did not, or only reluctantly, confess to their thinking's origins, however. Some important figures of her school only admitted late in their lives to which degree they were influenced by Follet. These include *Douglas McGregor*, *Warren Bennis* and *Peter Drucker*. Influential social psychologist *Kurt Lewin (1890-1947)*, perhaps the most brilliant figure within the Follettian school, apart from its founder, was certainly no stranger to Follett's work, either. In Japan, Follett's work has enjoyed great popularity from the 1950s on: This is certainly not unrelated to *W. Edward Deming's* influence on Japanese companies, or to the rise of *Toyota* and to what became associated internationally with the *Quality* and *Lean* movements.

Today, much of the history of management science is distorted by a lack of systematization, a lack of recognition or awareness of sources, and the absence of conscious historical association. Scientific advancement, within both schools, has arguably been hampered by the prevailing lack of awareness of their respective roots and of the dual continuities within the management science.

“We found that every one of the features of the new organization that we (and so many others) were so giddy proclaiming as cutting edge and revolutionary had been anticipated by Follett at the same time as Bureaucracy was being ensconced as the dominant organizational model.”

Nitin Nohria,
management researcher, 1995

“How is it, one might well speculate, that Follett, still today an unknown quantity in the United States, is known and highly prized in Japanese management circles?”

Tokihiko Enomoto,
management researcher, 1995

“Management theorists and practitioners have had no choice but to evolve to her ways of thinking not only about organizational systems but also about the people who manage and work within them, in order to benefit from her insight.”

François Héon et al,
management researchers, 2017

The Follettian school: Selected members, contributors, movements

One way to distinguish members/researchers/practitioners from both schools is by unearthing the philosophical assumptions underpinning their thinking, writing or speaking. That may sound tricky, but according to *Douglas McGregor* (himself a notable member of the Follettian School), it is our *assumptions about human nature at work* that make all the difference: The distinction between the *Theory X* and *Theory Y* assumptions on human nature* offered by McGregor proves highly useful for sorting individual articulator, approaches and even management tools into the Taylorist/Alpha and/or Follettian/Beta camp. Albeit powerful, such a method is by no means objective, of course: It leaves plenty of room for judgement and possible bias. But it enables to identify contributors to the Follettian school, and to distinguish contributions to both of the major schools of management.

Major scientific contributions to the Follettian school from outside of business studies include what we might call *Positive Psychology*, on the one hand, and *social psychology* on the other, starting with *Carl G. Jung*, *Kurt Lewin*, *Viktor Frankl* and others. *Alfie Kohn* might also be associated with this. *Mariana Mazzucato* is an excellent example of recent efforts in Economics.

Major movements within business science that can be considered part of the Follettian School include:

- *Sociotechnical systems* movement – with outstanding figures like *Jane Mouton*, *Eric Trist*, *Fred Emery*, *Chris Argyris*, *Marvin Weisbord* and others. ►

“Why do so many leading figures in the management field confess to having read [Follett’s] work after they developed similar ideas, not before?”

Rosabeth Moss Kanter,
management researcher, 1995

“Never mind that the facts say otherwise, [Follett’s] utility lies in being simultaneously regarded as forgotten and ephemeral – that is repeatedly remembered. And she has been duly constructed by management studies as such – to the cost of a more meaningful legacy. With the kaleidoscopic fragmentation of Follett there is less debate about what she wrote in the context of her times or the meaningful debate of her work – just a huge number of present allusions and associations.”

Rebecca Bednarek et al.,
management researchers, 2000

* McGregor, Douglas (1960): *The Human Side of Enterprise*. McGraw-Hill 1960

The Follettian school: Selected members, contributors, movements (continued)

- *Motivational science* – well-represented by *Abraham Maslow*, *Frederick Herzberg* and the above-mentioned *Douglas McGregor*.
- *Cybernetics/complexity theory/systems theory* – with figureheads including *Gregory Bateson*, *Niklas Luhmann*, *Heinz von Foerster*, *Russell Ackoff*.
- *Quality, Lean, and Agile movements* – in principle at least, while usually not in practice – *W. Edwards Deming* stands out among the pioneers. Noteworthy contributions have come from *John Seddon*.
- *Beyond Budgeting* – headed by *Robin Fraser*, this movement originated in financial management and advanced Follett's notions of decentralization
- *Critical management studies* – noteworthy thinkers include *Peter Drucker*, *Warren Bennis*, the late *Sumantra Ghoshal*, *Henry Mintzberg*, *Charles Handy*, *Peter Block*, *Gareth Morgan*, *Gary Hamel* and *Tom Peters*.

Another big group of contributors/members of the Follettian School are Practitioner-Articulators. These include *Taiichi Ohno (Toyota)*, *Herb Kelleher (Southwest Airlines)*, *Vieve & Bill Gore (W.L.Gore)*, *Jan Wallander (Handelsbanken)*, *Ricardo Semler (Semco)*, *Goetz Werner (dm-drogerie markt)* and, more recently, *Jos de Blok (Buurtzorg)*.

The following pages give a visual overview of major voices from the Follettian school – from Follett to Alfie Kohn. Our selection is subjective, of course, and we by no means attempt in this paper to give a *complete* picture of members of the Follettian school.

“There may be nothing new under the sun, but one person seeing it does not necessary illuminate the vision of others. We are still mesmerized with hierarchy, after Fayol, and are all too often blind to the insights of the cooperation of equals, that wonderful concept of ‘collective responsibility’, after Follett.”

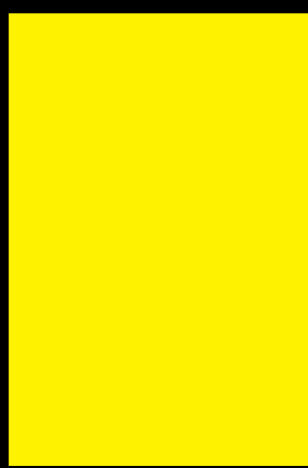
Henry Mintzberg,
management researcher, 1995

“Bureaucratic institutions with hierarchical structures are not appropriate for the purpose and should be replaced by group networks in which members can analyze their problems and produce and implement their own solutions. In a true democracy each individual takes part in the decision-making process and accepts personal responsibility for the overall result. This approach, according to Follett, applies to any group – small or large, private or public, national or international.”

Pauline Graham,
management researcher, 1995



Mary Parker Follett



Kurt Lewin



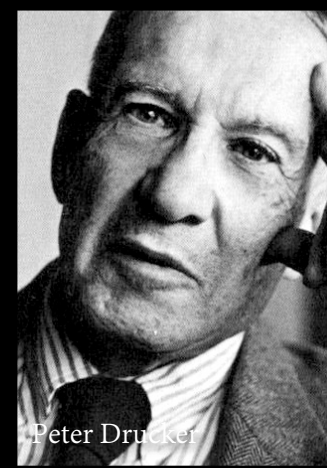
Douglas McGregor



Eric Trist



W. Edwards Deming



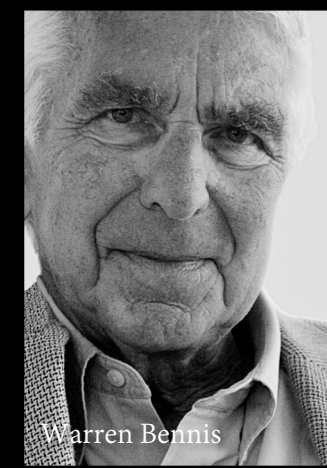
Peter Drucker



Russell Ackoff



Chris Argyris



Warren Bennis



Taiichi Ohno



Vieve & Bill Gore



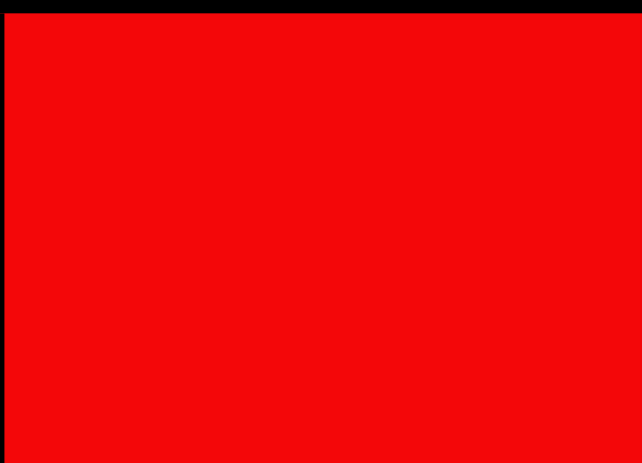
Jan Wallander



Herb Kelleher



Sumantra Ghoshal



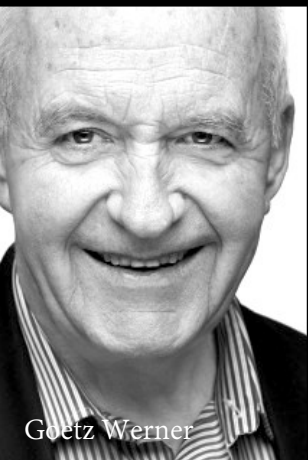
Niklas Luhmann



Tom Peters



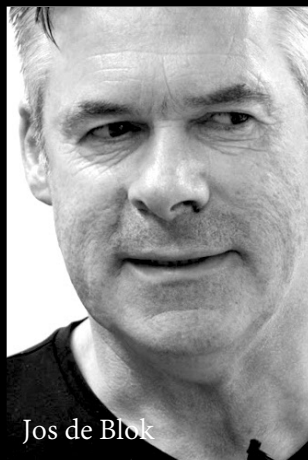
Marvin Weisbord



Goetz Werner



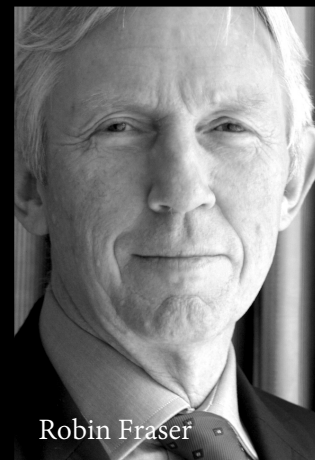
Ricardo Semler



Jos de Blok



Peter Senge



Robin Fraser



Charles Handy



Henry Mintzberg



Gary Hamel



Alfie Kohn

Consciously or not, every organization has always made a choice

It was probably socio-technical systems researcher and Follettian *Eric Trist*, (1909–1993) who first stumbled into a real-world example of a full-fledged organizational pioneer designed after Follettian principles. Trist was strongly influenced by *Kurt Lewin*, whom he had first met in 1933. In 1947, a post-doctoral student at the *Tavistock Institute* casually invited Trist to visit a British coal mine at Haigh Moor, England. The mine's organizational model turned out to be consistently based on *industrial democracy*. Around 1963, under *Douglas McGregor's* guidance, factory managers at Procter & Gamble's *Tide Detergent plant* in Augusta (Georgia/US) accomplished transformation towards the same kind of model, which they called *factory-as-community*. In the late 1960s, plant managers *Charles Krone* at P&G's *Lima plant* (Ohio/US) and *Ed Dulworth* at the *Gaines Dog Food plant* in Topeka (Kansas/US) achieved similar transformations. Both never left much of a mark on their respective corporations, as a whole. Today we know that local experiments are ill-suited to provoke or stimulate full-fledged organizational transformation (see our white paper No. 15). The above are just a few select examples of companies, or pockets within companies that achieved transformation to Beta. From the 1970s on, a range of Follettian organizations would rise to fame in their respective countries, or internationally, including *Toyota* (coined 'The Japanese Miracle' at the time), *W.L.Gore*, *Southwest Airlines*, and *Handelsbanken*. These few examples should make it clear, however, that companies around the world have always had a choice to either adopt a Follettian model, or not. There was never anything *other-worldly*, futuristic or utopian about Follettian thinking and Follettian practice.

“A serious obstacle to integration which every business man should consider is the language used. We have noted the necessity of making preparation in the other man, and in ourselves too, for the attitude most favorable to reconciliation.”

Mary P. Follett, 1925

“Another obstacle to integration is that our way of life has habituated many of us to enjoy domination. Integration seems to many a tamer affair; it leaves no ‘thrills’ of conquest.”

Mary P. Follett, 1925

“Finally, let us consider the chief obstacles to integration. It requires a high order of intelligence, keen perception and discrimination, more than all, a brilliant inventiveness; it is easier for the trade union to fight than to suggest a better way of running the factory.”

Mary P. Follett, 1925

The BetaCodex Network: Home of the Follettian school

Since its foundation in 2008, the BetaCodex movement takes part in ‘*a severe contest between intelligence, which presses forward, and an unworthy, timid ignorance obstructing our progress*’ within organizations and societies. The phrasing, borrowed from *The Economist* (established even before Follett’s time, in 1843), resonates well with the potential and the challenge of Follettian thinking, back in the 20th century and now.

The *BetaCodex Network* is the first movement in organizational science that grounds itself firmly and consciously in Follettian thinking, principles and research tradition – integrating manifold disciplines, as well as integrating research, theory development & practice. Organizational leadership, to Mary Follett, is not only relevant to conducting competitive enterprises, not-for-profits or public organizations, but also to the wider question of human government and social innovation in a free and democratic world. We passionately share Follett’s conviction that organizational leadership holds the greatest potential for fulfilling human potential and the potential of organizations, and that it will also contribute to the advancement of democracy and our societies as a whole.

We believe that the BetaCodex will be the standard organizational model, or codex, eventually. Our movement pursues bringing that better future about, through action, not just talking. For more about the BetaCodex Network’s raison d’être, visit betacodex.org. Join the movement, on your own terms.

”We should make an analysis of managers’ jobs somewhat corresponding to the analysis of workers’ jobs in the Taylor system. We need to get away from tradition, prejudice, stereotypes, guesswork, and find the factual basis for managerial jobs. (...) I believe that this has to be carried further, and that managerial waste, administrative waste, should be given the same research and experiment.”

Mary P. Follett, 1925

“Beta is a way of thinking & acting that is free to use. Though counter-intuitive to most at first, once acquired, it turns simple. The challenge, then, is to achieve mastery at thinking & acting in a Beta way.”

www.betacodex.org

“Our Vision: The BetaCodex is the standard organizational codex.”

www.betacodex.org

Recommendations on Follett

Regardless of whether or not you have heard of Mary Parker Follett before, or read any of her work, these recommendations should be useful to you.

Read Follett's original work. The notable books with Follett's writings are: *The New State* (1918), *Creative Experience* (1924), *Dynamic Administration* (1941), and *Freedom and Co-Ordination* (1949).

Read some very good secondary sources. Our *reading recommendations* feature books, articles and papers on Follett and her work that may serve as a starting-points for your personal research. Outstanding secondary sources are:

- *Integrative Process*.(2015), by Margaret Stout and Jeannine M. Love – a well-structured, well-researched overview and interpretation of Follett's work.
- *Mary P. Follett: Creating Democracy, Transforming Management* (2003), by Joan C. Tonn – a rounded, richly detailed biography.
- *Mary Parker Follett – Prophet of Management* (1995), edited by Pauline Graham – an insightful collection of original texts and commentary.

Read BetaCodex Network white paper No. 14, *Heroes of Leadership*. It includes very short profiles on more than 30 members of the Follettian school, and outlines their particular contributions.

Create your own research on Follett and the Follettian school and share your own insights publicly. Much remains to be uncovered about the history of management, and the history of contemporary management science.

The authors of this paper will be happy to include results from your own research on Follett and on the Follettian school in future versions of this paper, as well as in future BetaCodex Network white papers and other publications.

Please keep us informed about your research – and feel free to use this paper in your work!

Silke Hermann | Niels Pflaeging

Mary Parker Follett: Bibliography

(In chronological order)

The Social Centre and the Democratic Ideal (1913), paper presented on 14 Dec. 1913 at *Ford Hall Forum*, Boston

The New State: Group Organization the Solution of Popular Government (1918), New York, Longmans, Green and Co.

Community Is a Process (1919), article in *Philosophical Review* 28 (6), 576-588

Creative Experience (1924), New York, Longmans, Green and Co.

The Teacher-Student Relation (1928), address given at Boston University, first published in *Administrative Science Quarterly* in 1970

Dynamic Administration: The Collected Papers of Mary Parker Follett (1941), London, Pitman and Sons Ltd. Edited by Henry Metcalf and Lyndall Urwick

Freedom and Co-Ordination: Lectures in Business Organization by Mary Parker Follett (1949), London, Management Publications Trust, Edited by Lyndall Urwick

Reading recommendations

Bednarek, Rebecca/Cummings, Stephen/Bridgman, Todd (2000): *Out of place: Management studies' temporal misplacements of Mary Parker Follett*. Academy of Management Annual Meeting Proceedings 2020(1):16471

BetaCodex Network (2013): *Heroes of Leadership*. White paper No. 14

Graham, Pauline (ed.) (1995): *Mary Parker Follett – Prophet of Management*. Washington D.C., Beard Books

“Yesterday I tried to present to you this conception of leadership. It is a conception very far removed from that of the leader-follower relation. With that conception you had to be either a leader or a learner. Today our thinking is tending less and less to be confined within the boundaries of those alternatives. There is the idea of reciprocal leadership. There is also the idea of partnership in following the invisible leader – the common purpose.”

Mary P. Follett, 1928

“Follett’s idea of the corporation as a person offers a more genuine model of community than today’s concept of corporate culture, so helpful in reinforcing manipulator’s belief that they can change people’s behavior and values without their knowing it. Her idea of leaders as followers and vice versa does not morally isolate the manager in the way that many of today’s leadership gurus do by focusing on leaders’ personalities, implicitly separating them from followers.”

James Hoopes, management researcher, 2007

Reading recommendations (continued)

Héon, François/Davis, Albie/Jones-Patulli, Jennifer/Damart, Sébastien (2014): *The Essential Mary Parker Follett: Ideas We Need Today*. The MPF Group

Héon, François/Damart, Sébastien/Nelson, Lisa A. T. (2017): *Mary Parker Follett: Change in the Paradigm of Integration*: In: D.B. Szabla et al. (eds.), *The Palgrave Handbook of Organizational Change Thinkers*, Palgrave 2017, p. 1-22

Hoopes, James (2007): *False Prophets: The Gurus Who Created Modern Management And Why Their Ideas Are Bad For Business Today*. Basic Books

Kleiner, Art (2008): *The Age of Heretics: A History of the Radical Thinkers Who Reinvented Corporate Management*. Jossey-Bass

O'Connor, Ellen (2011): *Creating New Knowledge in Management: Appropriating the Field's Lost Foundations*. Stanford University Press

Stout, Margaret/Love, Jeannine M. (2015): *Integrative Process. Follettian Thinking from Ontology to Administration*. Process Century Press

Stout, Margaret/Love, Jeannine M. (2016): *The Unfortunate Misinterpretation of Miss Follett*. In: *Public Voices Journal* Vol. XIII No. 2, p. 11-32

Stout, Margaret (ed.) (2019): *The Future of Progressivism: Applying Follettian Thinking to Contemporary Issues*. Process Century Press

Tonn, Joan C. (2003): *Mary P. Follett: Creating Democracy, Transforming Management*, Yale University Press

Weisbord, Marvin R. (2011) *Productive Workplaces: Dignity, Meaning, and Community in the 21st Century*. 3rd edition, Pfeiffer

“The most important thing to remember about unity is that there is no such thing. There is only unifying. You cannot get unity and expect it to last a day or five minutes. Every man in a business should be taking part in a certain process and that process is unifying. Every man’s success in business depends largely, I believe, on whether he can learn something of this process, which is one neither of subordination nor of domination, but of each man learning to fit his work into that of every other in a spirit of co-operation, in an understanding of the methods of co-operation.”

Mary P. Follett, 1927

“And the greatest lesson of all is to know that every moment is new.”

Mary P. Follett, 1918



the
betacodex
network

since 2008

This paper's visual design is inspired by the work of Dutch painter and art theoretician *Piet Mondrian* (1872-1944), a contemporary of Follett and Taylor, and a contributor to the *De Stijl* movement. Mondrian's name and work have become closely associated with Modernist ideals.

Get in touch with
the authors of this paper:



Niels Pflaeging
niels.pflaeging@redforty2.com

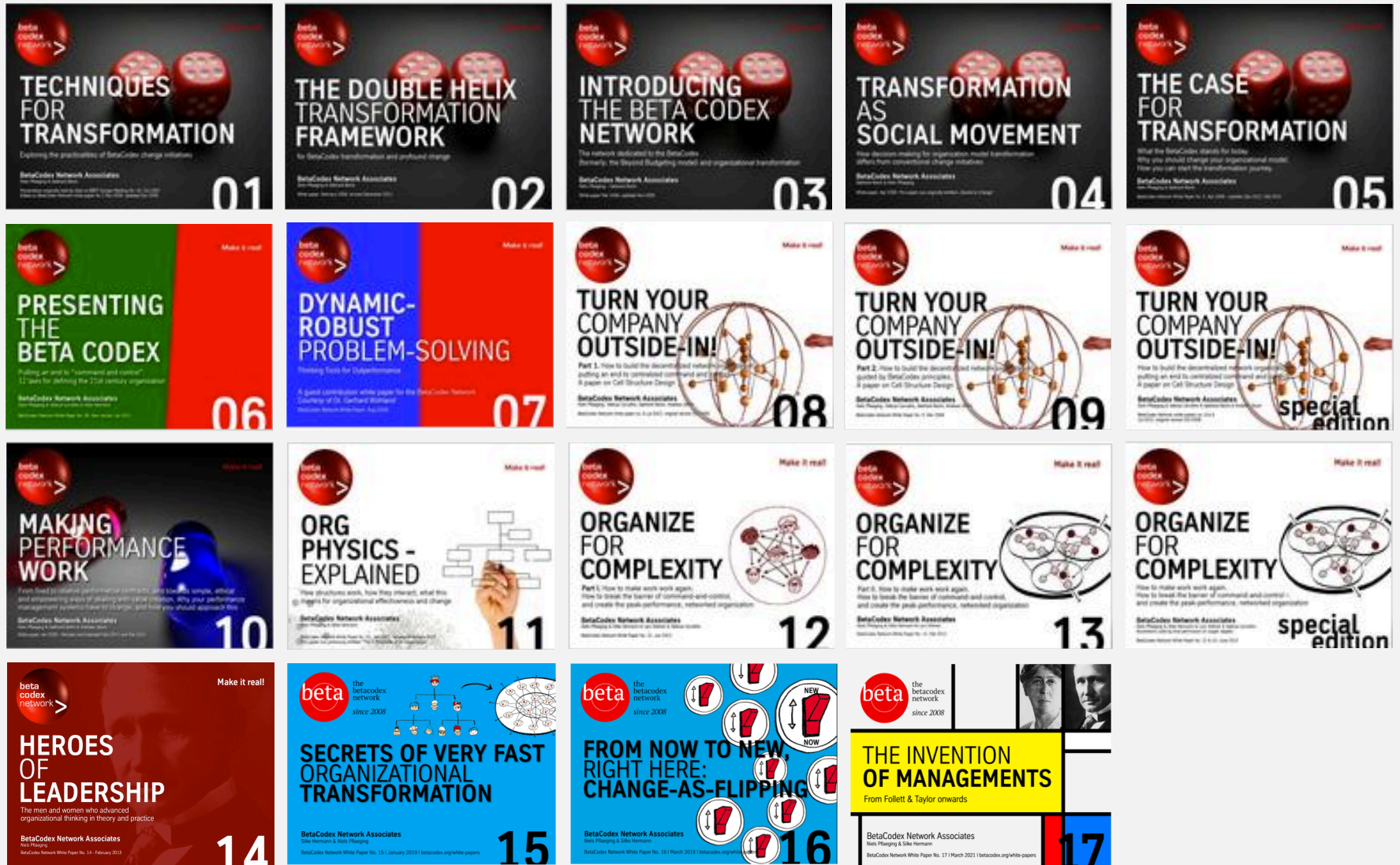


Silke Hermann
silke.hermann@redforty2.com

Paper concept & design: Niels Pflaeging

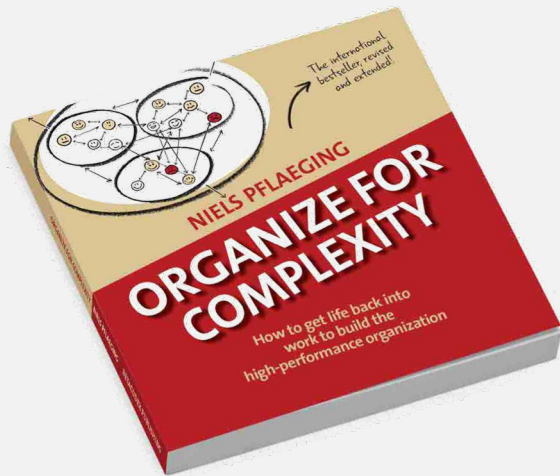
You are free to use this paper, or parts of it, under the condition that you quote and/or mention the source, appropriately. Visit www.betacodex.org and contact us for more about Beta and about how to bring about Beta transformation.

The BetaCodex Network white papers



Find all our white papers on betacodex.org/white-papers and on Slideshare.

Related books from BetaCodex Publishing

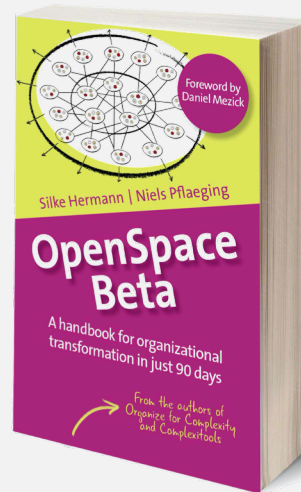


Organize for Complexity. How to get life back into work to build the high-performance organization

Niels Pflaeging

2015, 5th edition 2020

*Also available in German,
Portuguese, Turkish*

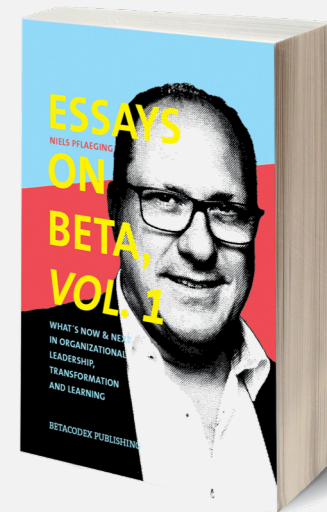


OpenSpace Beta. A handbook for organizational transformation in just 90 days

Silke Hermann | Niels Pflaeging

2018, 2nd edition 2020

Also available in German



Essays on Beta, Vol. 1. What's now and new in organizational leadership, transformation and learning

Niels Pflaeging

2020

*Nominated for the UK
Business Book Award 2021*