

TOWARDS A CRITICAL SYSTEMS APPROACH TO POLICY FORMULATION IN ORGANIZATIONS

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ABSTRACT

This paper develops a critical systems approach to organizational policy formulation and in so doing, contributes to the literature on critical systems thinking (CST). For, whilst there is, in the literature on systems theory and practice, much written on the subject of strategy in organizations, there is very little on organizational policy and nothing from within the critical systems paradigm. CST is typified as a paradigmatic approach to systems thinking alongside the functionalist and interpretive paradigms, but unlike the latter two, there is considerable disagreement as to what constitutes CST. Therefore, there is some discussion in the paper on paradigms, systems thinking paradigms, and CST in particular. A definition of CST is developed out of this discussion. The paper then proceeds to discuss policy as used by systems thinkers. Key contributions in this area, namely by Beer (1979, 1981, 1984, 1985) and Vickers (1995) are critiqued as being functionalist and interpretive respectively and, on the basis of this critique, a critical systems approach to the formulation of organizational policy is developed.

Keywords: *Organizational policy, critical systems thinking, systems thinking paradigms.*

1. INTRODUCTION

The origins of this paper lie in an intervention undertaken by the author to develop a process for the (re)formulation of policies for a nature conservation organization. The KwaZulu-Natal Nature Conservation Service (KZNNCS) is a parastatal service in the KwaZulu-Natal province of South Africa. This organization has a rich heritage of nature conservation in the province extending back more than 200 years. In 1947 formal conservation in the province was taken over by the then newly established Natal Parks Board (NPB). In the 1970s the continuity of the heritage was fractured when the South African government split the NPB into two agencies in line with its apartheid policy. The NPB was given the responsibility of conservation in the 'whites only' Natal province and the Department of Nature Conservation (DNC) allocated the responsibility for KwaZulu, that portion of the original Natal which was designated a Zulu 'homeland'. In 1997, after the first democratic elections, the NPB and DNC were amalgamated. This amalgamation entailed a massive restructuring exercise and posed a challenge relevant to this paper, namely, the development of an organizational vision, mission and a set of policies for the new organization.

In the initial stages of the intervention to formulate policies for KZNNCS, help was sought from systems literature on the subject of systems approaches, i.e., methodologies, methods, models and techniques, to organizational policy. However, it was discovered that whilst there is much written on the subject of strategy in organizations in the systems literature and a vast amount of general literature on policy in the public sphere, i.e., on public policy making and analysis, there is very little on organizational policy making in systems literature. This paper therefore aims to contribute an understanding of the role of policy and policy making in organizations through the construction of a critical systems approach to policy formulation and development in

organizations and, in so doing, to contribute to the literature on critical systems practice by incorporating a hitherto neglected aspect of CST applications, namely, organizational policy.

The paper has six parts. The first is this introduction. In the second is a discussion on systems thinking paradigms. As this discussion indicates, although there are differences regarding the understanding of the concept 'paradigm', it is possible to provide a definition, distilled from Kuhn's (1962) original usage that most systems thinkers would find uncontroversial. Using this definition, there is arguably considerable agreement amongst systems thinkers on what are known as the functionalist and interpretive paradigms; however, there are significant differences between systems thinkers as to what constitutes a third, 'critical' systems paradigm. These differences are discussed in the third section of the paper where an understanding of Critical Systems Thinking (CST) is set out, and thereafter the key features of all three paradigms is summarized. In the fourth section, organizational policy, as understood and used by systems thinkers is summarized with the aim of producing a definition of organizational policy. In the fifth section policy-making in organizations is dealt with and there it is shown that the two systems approaches that consider the issue of policy in organizations in some detail, namely, Beer's Viable System Model (VSM) and Vickers' Appreciative System, may be typified, respectively, as functionalist and interpretive. In this fifth section, suggestions for a critical systems approach to policy-making are made. Finally, the sixth section draws the paper to conclusion by typifying the intervention as action research. Some of the learnings that resulted from this action research are presented in this paper, namely, a contribution to CST literature through the development of a critical systems approach to understanding the role and formulation of policy in organizations.

2. SYSTEMS THINKING PARADIGMS

The concept 'paradigm' has been used in different ways by systems thinkers. (Jackson, 2000; Midgley, 2000; Yolles, 1996). This should not surprise us, for, as Masterman (1970) points out, Kuhn (1962) who popularised the concept, used it in at least 21 (non-contradictory) ways. According to Masterman these can be divided into three categories: metaphysical (or philosophical), sociological and "construct" (Masterman, 1970:65). For the purposes of this paper an understanding of the term is distilled from Kuhn's metaphysical and sociological usages. Metaphysically, a paradigm is a set of shared beliefs, questions that may "legitimately be asked" (ibid.: 66) and models of procedures for investigating these questions. Sociologically a paradigm consists of "recognised achievements" which are "sufficiently unprecedented to attract an enduring group of adherents away from competing modes of scientific activity [and] sufficiently open-ended to leave all sorts of problems for the redefined group of practitioners to resolve" (Kuhn, 1962 as cited in Masterman, 1970: 62).

Jackson's (2000) *tour-de-force* of systems approaches to management provides a suitable place to start a discussion on systems thinking paradigms. His purpose is to develop a typology of paradigms of systems approaches to organizational management and to provide a set of 'constitutive rules' for each of the paradigms in this typology. He begins this task by establishing a framework of social-theoretic paradigms that are relevant to systems thinkers. For a framework of social-theoretic paradigms to be useful to systems thinkers it should highlight the significant differences between social theories when applied to real-world practice. A key assumption here is that the different paradigms of systems approaches are nested in social-theoretic paradigms and therefore that systems thinking is not a paradigm in itself. According to Jackson, Burrell and Morgan's (1979) well-known typology of sociological paradigms meets the criterion of real-world applicability.

Burrell and Morgan developed a framework consisting of four paradigms, namely, Radical Structuralism, Radical Humanism, Functionalist Sociology and Interpretative Sociology. These sociological paradigms arise from superimposing two key conceptual dimensions, regarding the study of society, on one another: on the one hand social science is seen as either a 'subjective' or an 'objective' enterprise and, on the other, the study of the status quo vs. the study of change. Using these dimensions as axes on a two dimensional grid as shown in figure 1. Burrell and Morgan locate all sociological theories within the four paradigms.

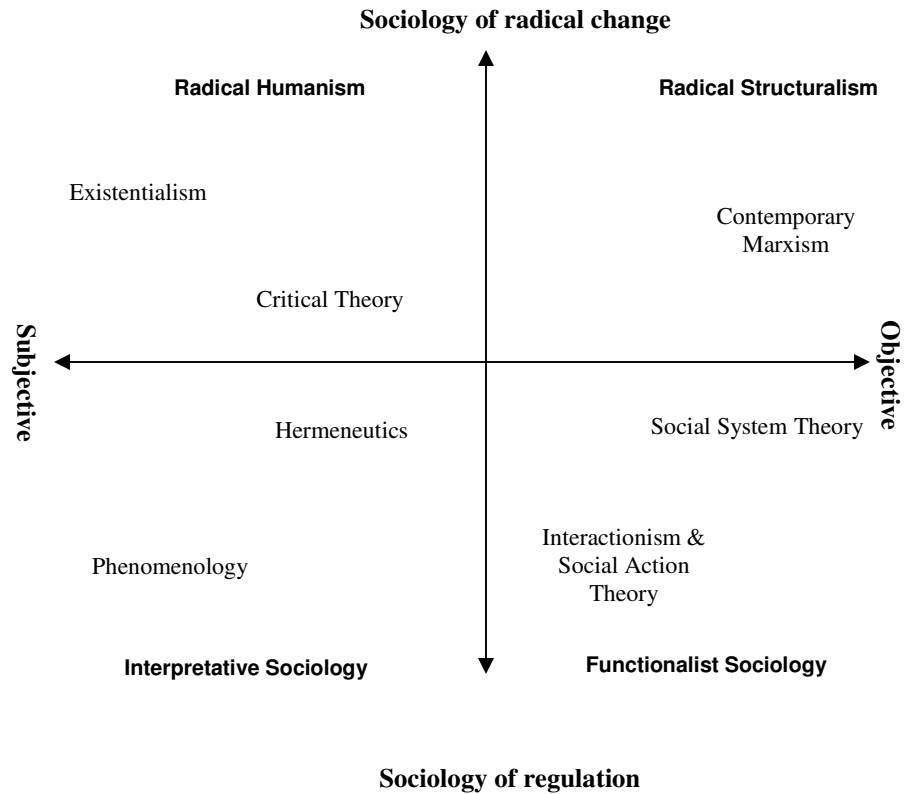


Figure 1. Burrell & Morgan's four sociological paradigms

This typology has appealed to many organizational theorists because it provided a “sense-making device to account for and locate” (Clegg and Hardy, 1996: 2) the different approaches to organization studies. It also provided a framework for those systems thinkers who were giving attention to the multiple methodologies that had been, and were being developed for interventions to improve the management of organizations. For example, Peter Checkland made use of this classification as a basis for his influential distinction between ‘hard’ and ‘soft’ systems thinking:

For my purposes the most useful typology is that recently advanced by Burrell and Morgan (1979). This typology illustrates sharply the difference between hard and soft systems thinking (Checkland, 1999: 80-81)

While their work proved to be significant in breaking the hegemony of the functionalist paradigm in management studies – “the text articulated and legitimated to some extent the voices of those who did not share the functionalist orientation” (Burrell, 1996: 648) – the work was criticised largely because of the notion of paradigm incommensurability that was central to the work. The idea that ‘paradigm could not speak unto paradigm’ was rejected by a number of systems thinkers who challenged the notion that methods were locked into methodologies which in turn were locked into particular paradigms (Mingers and Gill, 1997; Midgley, 2000). Burrell was later to acknowledge their “procrustean approach to stabilizing the field” (Burrell, 1996: 648), and endorsed the more flexible notion of metaphor that Gareth Morgan employed in his book, *Images of Organization* (Morgan, 1986), where a metaphor of organization is a distinctive image of organization produced as a result of using a specific discourse about organization.

For Jackson, however, “systems approaches can be related both to sociological paradigms and to metaphors [where metaphors provide] finer distinctions than do the sociological paradigms” for understanding organizations, which, in particular, are “useful for distinguishing varieties of the functionalist systems approach” (Jackson, 2000: 30). In the present context, however, it is not necessary to make the fine distinctions enabled by the metaphor framework.

Jackson finds Burrell and Morgan’s typology limiting in that its subjective–objective dimension glosses over the distinction between positivist and structuralist epistemologies. He appeals to Keat and Urry to support his claim for such a distinction:

For the [structuralist], unlike the positivist, there is an important difference between explanation and prediction. And it is explanation which must be pursued as the primary objective of science (Keat and Urry (1975) as cited in Jackson, 2000: 25)

This distinction in epistemologies is debatable. Those who employ the scientific method would hardly be content to rest with an explanation that merely shows “instances of well established regularities” as Keat and Urry, and therefore Jackson, seem to assume. According to Brian Fay, “it is through [a positivist epistemology] that one begins to grasp how apparently unrelated phenomena are intimately connected” (Fay, 1975: 21). Be that as it may, Jackson develops his own typology – functionalist, interpretive, emancipatory and postmodern – which he claims “correspond neatly” (Jackson, 2000:41) to the typology developed by Alvesson and Deetz, namely, normative studies (modern), interpretative studies (premodern), critical studies (late modern) and dialogic studies (postmodern) (Alvesson and Deetz, 1996). This correspondence is not immediately apparent since the quadrants in Alvesson and Deetz’s grid are derived from a ‘dissensus-consensus’ dimension and an ‘emergent-*a priori*’ dimension. The former is specifically concerned with “the relation of research practices to the dominant social discourse” (ibid.:195). It is only if one assumes that functionalism is the dominant discourse is there the possibility of arguing that there is a correspondence.

At this point it should be mentioned that Habermas’ Knowledge Constitutive Interests (KCI) was influential in the early development of paradigm typologies for systems methodologies (Flood and Jackson, 1991; Jackson, 2000). The role of KCI in the development of systems thinking is discussed further in the next section. What is important to note here is that Jackson uses the KCI theory to provide further support for his distinction between functionalist, interpretive and emancipatory systems thinking paradigms. Irrespective of the doubt cast by Midgley on Jackson’s foundational theoretical foundations for the different paradigms, the existence of the functionalist and interpretive paradigms of systems approaches, and their key features, are relatively unproblematic amongst systems thinkers. These features are summarized later on in table 1.

There is, however, some disagreement regarding the remaining categories (of paradigms) that systems approaches fall into. As noted above, Jackson (2000) uses the categories ‘emancipatory’ and ‘post-modern’ to delineate the others with the critical approach being ‘meta-paradigmatic’, while Midgley (2000) includes those approaches that Jackson categorises as ‘emancipatory’ as falling within his ‘third wave’ (of systems thinking), which is effectively another way of describing ‘critical systems thinking’. Midgley remains silent on the issue of where to locate those approaches that Jackson calls ‘post-modern’.

As shown below in section 4.2, those systems thinkers who have attempted to deal with the issue of organizational policy ‘fit into’ the functionalist and interpretive paradigms. Because this paper is concerned with developing a critical systems approach to policy-making in organizations and because of the lack of consensus about what critical systems thinking is, attention is given in the following section to summarizing this debate.

3. CRITICAL SYSTEMS THINKING (CST)

The dispute over what constitutes CST is typical of the phenomenon that Kuhn refers to as ‘pre-paradigmatic’ (Masterman, 1970: 73). In this case there are some ‘recognised achievements’ that have attracted a group of people but there is, as yet, no explicit set of ‘shared beliefs’. Jackson warns that:

The attempt to tell the story of the more recent developments of critical systems thinking is fraught with danger ... the story could be told in a variety of different ways, all of which would have some legitimacy (Jackson, 2000: 375)

Midgley makes much the same point when, in response to the question, “What is CST?”, he says “There is no one such thing.” (Midgley, 1996:11).

My attempt to ‘tell the story’ of CST for the purposes of this paper will of necessity be very brief and, therefore, be all the more ‘dangerous’ because it oversimplifies the issues involved.

Jackson and Midgley are arguably the most influential of contemporary critical systems thinkers. However, they take different positions on the nature of CST. The biggest single issue that divides them is that whereas Jackson (2000) distinguishes between *critical* and *emancipatory* systems approaches, for Midgley (1996, 2000) there is only one paradigm, CST, which incorporates Jackson’s emancipatory approaches. Closely related to this issue is the debate around methodological pluralism. The discussion that follows centres around Jackson’s and Midgley’s positions.

3.1. Fundamental commitments

Midgley summarizes Jackson’s view of CST as containing three interlinked principles or “fundamental commitments” (Midgley, 1996:11): critical awareness (or, critical reflection), emancipation and methodological pluralism (or, complementarity). Jackson (1997, 2000) no longer sets out his position in these terms. He prefers to speak of nine “constitutive rules” (Jackson, 2000:393). It is arguable, however, that the constitutive rules can be conflated to the three commitments and since the three commitments are so well entrenched in the literature, they form the basis for reconstructing the characteristic features of CST here:

CST can be seen as an evolving debate around [these three] themes [which are] considered important by a significant number of systems practitioners. The term “debate” is central here as it emphasizes dynamism and continued development rather than the stasis of a final definition (Midgley, 1996:12).

Each of these themes are discussed in turn below and in each case an attempt is made to give Jackson’s (1999, 2000) most recent position and then briefly set out critiques – largely, but not exclusively, Midgley’s – of this position.

3.1.1. Critical awareness

Jackson (1999, 2000) argues that although Checkland did not articulate an argument for critical awareness, it was implicit in Checkland’s (1981) critique of functionalist approaches (which he called ‘hard systems thinking’). An explicit argument for critical awareness was later articulated by Flood, Jackson, Mingers, Oliva and Ulrich – during the period 1982-1991. They identified three interrelated forms of critical awareness: (a) critique of the assumptions that different approaches make about social reality; (b) understanding the social context (in particular, unequal distribution of power) of the intervention; and, (c) understanding the strengths and weaknesses of different systems approaches.

Although Jackson (2000) no longer appeals to the principle of critical awareness, he does emphasize the need to understand the theoretical rationales underpinning any approaches that might be used, as well as the strengths and weaknesses of these approaches so that they may be used in a complementary way (ibid.:393). It is the desire to use different approaches in this way that gave impetus to methodological pluralism. This is discussed further below.

3.1.2. Emancipation/Improvement

It is common cause amongst those who regard themselves as critical systems thinkers (Flood, Jackson, Gregory, Midgley, Mingers, Ulrich, amongst others) that interpretive systems approaches, e.g., Soft Systems Methodology, are not suited for contexts in which there is an unequal distribution of power between the stakeholders.

It is around the theme of ‘emancipation’ from such contexts that Jackson argues that two closely intertwined, yet distinct, strands in systems thinking have developed, namely emancipatory systems thinking and CST. The difference, for him, is that whereas emancipatory systems thinking is concerned with the development of approaches that aim to liberate the marginalized from the effects of the exercise of power by the powerful – he gives as an example, Ulrich’s (1994, 1996, 1998) Critical Systems Heuristics – CST is committed to a broader project of “human improvement” (Jackson 2000: 376). A further, key, difference for him is that CST is ‘meta-paradigmatic’. It is meta-paradigmatic in the sense that it provides a mechanism for assessing the suitability of approaches, including from different paradigms, for particular contexts and also combine methodologies/methods within the same intervention. CST is in other words able to put approaches from all the different paradigms to work together in a problem situation.

It is this claim that CST is meta-paradigmatic that is the most contentious feature of Jackson’s version of CST. This is the topic of section 3.1.3. However, before turning to that section two issues remain to be discussed in this section, namely, Jackson’s understanding of the role of Critical Systems Heuristics (CSH) (alluded to above) and, closely linked to this, the issue of emancipation vs. improvement.

In Jackson’s (2000) typology of methodological paradigms, CSH is located within the emancipatory paradigm because it is a methodology that is only appropriate for use in contexts of coercion/alienation. (Note that Ulrich himself does not use terminology such as ‘the exercise of power’ or ‘coercion’, instead, following Offe, he uses the more nuanced terminology of “institutional selectivity” (Ulrich, 1994:395).) Midgley (1997, 2000) raises a couple of problems with this: (a) how is the intervener to know beforehand which are contexts of alienation/coercion – these are often only discovered during an intervention; and, (b) the use of CSH is not adequate for situations of genuine coercion.

If we accept Midgley’s definition of coercive situations as those where coercive forces have the power to close off debate (Midgley, 2000:208) then his argument that the use of CSH is not able to secure emancipation has some merit. This is because its use is premised on the possibility of rational communication and where there is ‘closure of debate’ there is no rational communication. For Midgley (1997,2000), this is true for all systems approaches as currently conceived. His ‘solution’ is, therefore, to broaden the definition of what constitutes systemic intervention to include “political action and campaigning” (ibid.:210). (This kind of action appears to subsume Ulrich’s (1994, 1996a, 1998) “polemical employment of boundary judgments”.) In my view this is no solution as it detracts from the specificity of the idea of systems approaches. Therefore, the limitation on systems interventions, including on emancipatory (in Jackson’s terms) and critical (in Midgley’s terms) systems interventions, holds. There is, in my view, a deeper problem and that is the premise of rationality *per se* in systems approaches. Ulrich seems to be aware of this: “methods may sometimes help us to find or support ideas and values, but they cannot replace the spirit that moves a person” (Ulrich, 1996a: 176). However, he but does not further develop this line of thinking.

For Midgley, the value of CSH is that it is a methodology that clarifies the underlying values of any intervention, program or project and therefore is appropriate in a wide range of situations and can be used with other approaches. In Midgley’s terms it is a ‘value clarification’ methodology and is therefore particularly appropriate for the exercise of ‘boundary critique’ (discussed further below.)

Midgley is in agreement with Jackson that improvement is a more appropriate concept than emancipation for CST – of course Jackson still reserves the term for emancipatory systems thinking – but for different reasons. Firstly, as argued above, there is no systems approach which can secure emancipation. Secondly, it widens the ‘boundaries’ of consideration to include the natural world of which human beings are part: “the term ‘human emancipation’ will usually be interpreted as the promotion of human well-being *separate from* consideration of the ‘environment’” (Midgley, 1996, italics in the original). Thirdly, the term emancipation carries the possible connotation of universal value judgements especially if the proponents of human emancipation agree with Habermas from whom the notion of emancipation, for systems thinking, is derived. For Midgley, the concept ‘improvement’ has the possibility of being ‘defined temporarily and locally’ recognising, after Churchman, that “every improvement assumes

boundaries defining what consequences of intervention are to be taken into account, and what are to be ignored or regarded as peripheral” (Midgley, 2000:130). Ideally, for Midgley, a CST approach should widen the boundaries even further and be committed to ‘sustainable improvement’: “gearing improvement to long-term stability is essential if future generations are to be accounted for” (ibid.:130). This issue of the widening of the boundaries is discussed further in section 3.2.

3.1.3. Methodological pluralism

Methodological pluralism in the broadest sense means the use of different methodologies and/or parts of methodologies, i.e., methods, models or techniques, from different paradigms in combination (Jackson, 1999, 2000).

The main difficulty with pluralism is the idea of ‘paradigm incommensurability’. This is a key feature of Burrell and Morgan’s typology of sociological paradigms (See section 2.) For Kuhn this occurs when “two groups of scientists see different things when they look from the same point in the same direction” (Kuhn as cited in Jackson (2000:366)). Before discussing the development of Jackson’s proposals for pluralism and how he deals with the incommensurability critique, it is important to note that alternatives to pluralism have been advanced by systems thinkers, namely ‘isolationism’, ‘pragmatism’ and ‘imperialism’ (Jackson, 1999, 2000; Midgley, 2000). Briefly, isolationism is the view that ‘my own methodology is adequate for all circumstances’; pragmatism is the use of ‘anything that works’, where ‘what works’ is the (subjective) judgment of the agent; and, imperialism reconstructs or incorporates methodologies or components of methodologies from other paradigmatic approaches into its own methodology. Jackson suggests that Checkland’s SSM is an example of the latter since Checkland sees ‘hard systems thinking’ as a special case of SSM. Jackson (1999, 2000) rejects all these alternatives.

Two ‘landmarks’ in the early development of pluralism (1984-1991) were the System of System Methodology (SOSM) developed by Jackson and Keys and the Total Systems Intervention (TSI) developed by Flood and Jackson. (See Jackson (2000: 355-382) for details of this development.) SOSM and TSI are, according to Jackson, meta-methodologies able to select methodologies from different paradigms appropriate to the context of the intervention. Whilst SOSM is simply a grid that provides criteria for the selection of a systems methodology for the range of possible application contexts, TSI is a fully developed ‘meta-methodology’ which both operationalizes the key ideas of, and extends, SOSM in that it provides guidance for the use of a combination of methodologies.

TSI is underpinned by Habermas’ theory of fundamental human interests, also known as knowledge-constitutive interests (KCI). According to this KCI theory, the human drive to acquire knowledge (cognitive interest) is based on two ‘quasi-transcendental’ necessities for the existence of the human species: ‘work’ and ‘social interaction’. The first results in the interest in ‘technical control’ of the natural world and the second in ‘communication’ or inter-subjective understanding. The KCI further postulates that communication is distorted by the exercise of power and therefore humans have a third, derivative (because it stems from conditions in which the other two interests are not able to be realized) interest in freeing themselves from the effects of the exercise of power. This is known as the ‘emancipatory interest (Jackson, 2000:30-34; Ulrich, 1994:106-113). . Corresponding to these three ‘interests’ are, according to Jackson (2000), the three paradigms of systems thinking: the technical interest underpins the functionalist paradigm, the communicative interest underpins the interpretive paradigm and the emancipatory interest underpins the emancipatory paradigm.

The use of the KCI theory to support Jackson’s claim that TSI is meta-paradigmatic has been vigorously criticised by a number of systems thinkers most notably by Midgley (1996), Mingers(1997) and Spaul(1997). It is beyond the scope of this paper to elaborate on these critiques, suffice it to say that Jackson has modified his position in that in his most recent works his meta-methodology, i.e., his version of methodological pluralism, no longer appeals to the KCI. However, no social theory seems to have taken its place and Jackson (1999,2000) accepts a degree of paradigm incompatibility. Going hand-in hand with this is his insistence that emancipatory systems thinking is a separate identifiable paradigm and CST a meta-paradigm:

It is an advantage of critical systems thinking, and its use of pluralism, that it ensures the protection of the emancipatory option without committing us to the emancipatory practice [...] in every case. To repeat, pluralists must learn to live with and manage a degree of paradigm incommensurability [...] *Pluralism needs to take maximum advantage of the benefits to be gained from using methodologies premised upon alternative paradigms together, and also encourages the combined use of methods, models, tools and techniques [...] to ensure maximum flexibility in an intervention* (Jackson, 2000: 386-387 italics in the original)

To summarise, for Jackson, pluralism must be flexible, be able to use methodologies/methods from different paradigms in the same intervention, and be able to manage a degree of paradigm incommensurability.

Midgley's position is that methodological pluralism cannot logically be meta-paradigmatic. Any attempt to stand above the paradigms, he argues "must inevitably involve making new paradigmatic assumptions" (Midgley, 2000:251). The key to his version of methodological pluralism is the emphasis that he places on mixing methods(Midgley, 1997) and interpreting these methods (possibly from a methodology located in another paradigm) through the framework of a governing set of methodological principles:

It is because I do not believe that paradigmatic thinking can be transcended that I stress the mixing of *methods*, not methodologies [...] we can detach methods from their original methodological principles in order to use them in new ways (seen through the eyes of our own methodology) (Midgley, 2000: 248)

For Midgley the development of the theoretical framework is an ongoing learning process (ibid.:243-268) as is the mixing of methods. The agent chooses from a full range of methods available to meet the purposes of a particular intervention, bearing in mind that the purposes themselves may change, and therefore also the methods, during the course of the intervention (ibid.:172) where the purposes of the intervention are determined by the boundaries of the intervention. More of this in the following (sub)section.

3.2. On boundary critique

In discussing the three commitments, I have referred to boundaries and the making of boundary judgments almost in passing. 'Boundary critique', i.e., an ethical reflection on (implicit and explicit) boundary judgments, is central to Midgley's vision of CST. For this he draws his inspiration from Churchman's and Ulrich's work, "both of whom have explored the concept of boundary in depth" (Midgley, 1996:17).

The boundary concept is central to systems thinking, because systems thinking is synonymous with a holistic approach to problems (Capra, 1996). However, herein lies what is arguably the most important dilemma facing systems thinkers: where do we locate the boundary of a problem? Ulrich, following Churchman, points out that,

Whenever we apply the systems concept to some section of the "real world," we cannot help but make strong a priori assumptions about what is to belong to the system and what is to belong to its environment. We call such assumptions *boundary judgments*. The problem is that there is no such thing as 'objectively necessary' or 'right' boundary assumptions, yet all subsequent investigation of 'the problem' and suggestions for its 'improvement' depend on them. (Ulrich, 1988: 418, italics in the original)

Because of this socially constructed nature of boundary judgments, Churchman proposed a process of 'sweeping in' various different viewpoints in the quest for the most comprehensive understanding possible of the problem situation. (Ulrich, 1988: 419; Midgley, 2000: 35-36). For Ulrich this striving for comprehension is 'heroic', but he correctly points out that the process of 'sweeping in' cannot go on forever, and what is critical therefore is "not what our boundary judgments are but how we treat them [that] determines the quality of our systems thinking" (Ulrich, 1988: 420). Consequently, one should not aim for comprehensiveness but rather for a 'critical employment of boundary judgments' or, in other words, for a rigorous 'boundary

critique', where boundary critique is the recognition and questioning of the values that underpin any boundary judgment.

In his *Critical Heuristics of Social Planning*, Ulrich (1994) develops a set of practical guidelines to operationalize this concept of 'boundary critique' and in his later works (Ulrich, 1996, 1998), he contextualises these guidelines for different purposes. The main attraction of this concept for Midgley, in spite of some criticisms that it has attracted, is that it is "possible to translate it into a methodology" (Midgley, 1996: 19) and therefore Midgley employs it in various aspects of his CST. It is central to the conceptualisation of the inquiry context and the methodology design. (For examples of this link, see Midgley (2000) and Luckett and Grossenbacher (2003)). It is central, too, to his understanding of the (im)possibility of emancipation in coercive contexts, and related to this, his conceptualisation of improvement as discussed above in section 3.1.2.

From this discussion CST may still be viewed as pre-paradigmatic and therefore for the position taken here regarding the key aspects of CST is set out in the following section.

3.3. A synthesis of the key elements of CST

The following are, for the present author, the key characteristics of CST. These have been synthesized from the foregoing discussion.

3.3.1 Situation improvement and intervention values

The view adopted here is that no systems approach is sufficient, in itself, to ensure emancipation in coercive situations. This is because all systems approaches are premised on rationality. Midgley's 'solution' to the problem of coercion, namely, a definition of systems approaches broad enough to encompass protest and political action, is in my view not a solution as it broadens the definition in such a way as to empty the notion of systems approaches of any specific and useful meaning. Therefore, the most that we can hope for from the use of CST approaches is 'situation improvement'. This is a term which is preferred by both Midgley and Jackson, though for different reasons. (See the discussion on emancipation/improvement above.) One should be careful here however, because both functionalist and interpretive approaches aim for the improvement of situations. The difference between them is the understanding of what constitutes improvement. For functionalist approaches it is effectiveness and efficiency in achieving explicit, pre-determined goals. For interpretive approaches, improvement happens when all key stakeholders agree that there has been an improvement. What makes CST different in this regard is the issue of the place of values in the intervention. For a systems approach to be regarded as critical it should at very least provide both a mechanism to clarify the values of the stakeholders as well as be explicit about the values that underpin the social and environmental improvement. This links closely to the idea of 'boundary critique'.

3.3.2. Boundary critique

Boundary critique, as understood by Midgley, as the ethical reflection on boundary judgments is a key feature of CST. This incorporates a critical reflection on the scope and purposes of an intervention, i.e., the intervention context, as well as on the methodologies and/or methods used. Key here is to be aware of and incorporate the concerns of marginalized individuals or groups as well as include the natural environment.

3.3.3. Methodological pluralism

Methodological pluralism as understood here follows Midgley in that the emphasis is placed on the combination of methods (rather than methodologies). It also means, following both Midgley and Jackson, that an intervention should be flexible enough to employ different approaches, even from different paradigms, during the course of an intervention.

Having discussed our understanding of CST, we are now in a position to summarize the key features of the three paradigms of systems approaches relevant to the purposes of this paper,

namely, the functionalist, interpretive and critical paradigms. This summary is set out in table 1 below.

Table 1. Systems thinking paradigms

	Functionalist	Interpretive	Critical
Ontological assumptions about systems and the world.	A system exists in the real world as an objective entity which obeys laws that can be discovered through a scientific enquiry process	A system is a subjective construct by an observer of a complex real world situation	A system is a subjective construct by an observer of a complex real world situation
Purpose of intervention	Improve the performance (efficiency and efficacy) of a system	Learning amongst participants in order to reach accommodations regarding improvement in a problematic situation.	Improvement towards social and environmental sustainability, based on a clear set of values.
Derivation of measures of improvement	Pre-determined	Derived through a consensus building process involving all stakeholders in the problematic situation.	Based on the clarification of and commitment to social and/or environmental values.
Intervention process	Analysis of the relationship of system elements through the use of formal models of the system. These are either representative of the system or generic templates.	Facilitation of a systemic learning cycle involving stakeholders as determined by the client. Models of purposeful human activity are constructed to explore stakeholder perspectives and to “structure debate about changes which are feasible and desirable”. (Jackson, 2000, 282)	Critical reflection on the inquiry context as well as critical employment of methodologies/methods in combination.
Intervention agent	Expert systems analyst/engineer	Facilitator, participants	Facilitator, participants

4. A DEFINITION AND ROLE OF ORGANIZATIONAL POLICY AS UNDERSTOOD IN SYSTEMS APPROACHES TO MANAGEMENT

In this section, a definition of policy is developed based on various definitions forwarded in the literature on systems approaches to management and, secondly, policymaking (i.e., the role and formulation of policy in organizations) is discussed.

4.1. A definition of organizational policy

As noted in the introduction, an aim of the paper is to develop a critical systemic approach to policy formulation in organizations. In order to do this it is necessary, firstly, to establish what organizational policy is. There are many ways of approaching this task; the way that it is done here is to contrast it with organizational strategy since policy and strategy are so closely linked. It will become clear that the understanding of the role of policy is very much dependent on the overarching 'paradigmatic framework'.

There is a paucity of literature on organizational policy – in contrast to the wealth of literature on public policy (Parsons, 1995) – relative to the body of literature on organizational strategy. A scan of the index of Clegg et. al's. (1996) monumental compendium of organizational studies (a volume of over 750 pages) does not turn up any references to the word 'policy'. This is even more significant given that the intention of the authors is "to reflect the ways in which studies of organizations have expanded, broadened and diversified" (p.xxi). In contrast to this lack of reference to policy, there are numerous references to 'strategy' in the index.

A similar pattern – very little or no attention given to policy while some attention is given to strategy – can be found in three important general surveys of systems thinking/methodologies, namely, Jackson's (2000) *Systems Approaches to Management*, Midgley's (2000) *Systemic Intervention* and Rosenhead and Mingers' (2001) *Rational Analysis in a Problematic World Revisited*. All three refer to strategy because there are specific systems methodologies that deal with strategy and strategic planning, namely, Mason and Mitroff's (1981) *Strategic Assumption Surfacing and Testing* (SAST), Eden's *Strategic Options Development and Analysis* (SODA) summarised in Eden (1989) and Eden and Ackerman's (1998) *Jointly Understanding, Reflecting, and Negotiating Strategy* (JOURNEY). This does not mean that there are no systems thinkers that give attention to policy in organizations. Wilson (1990) briefly refers to policy and both Beer and Vickers reflect on the role of policy in organizations. De Greene's (1993) collection, *A Systems-Based Approach to Policymaking* (1993) should also be noted, but, with the exception of Emery's contribution, the chapters in this volume deal either with global issues or with certain theoretical aspects of systems thinking and/or policy-making such as policy in a nonlinear world, adaptive control, field-theoretic principles, systems dynamics, and whole-system concepts.

The word strategy had its origin in early Greek military and usage. 'Strategos' was either "a general set of manoeuvres carried out to overcome the enemy" (Eden and Ackerman, 1998:3) or "the skill of employing forces to overcome opposition and to create a unified system of global governance" (Mintzberg and Quinn, 1991). The original idea remains, but in organizational management the 'enemy' is replaced with the notion of an obstacle or difficulty that must be overcome, i.e., an 'objective' that must be attained, through the careful marshalling of forces at the disposal of the strategist. Thus for Eden and Ackerman strategy is a

Coherent set of individual discrete actions in support of a system of goals, and which are supported as a portfolio by a self-sustaining critical mass, or momentum, of opinion in the organization. (1998: 4)

For Wilson it is "a particular pattern of actions intended to attain desired ends" (1990:161) and similarly for Emery strategy is "an interdependent set of activities convergent on an objective" (1993:179)

Although it has not been a significant focus of systems thinkers, there are those individuals who have given some attention to the notion of organizational policy. The following is a brief discussion of the definitions of policy in the writings of these individuals.

Both Forrester and Wilson have given very brief generic definitions that are applicable to organizational as well as public policy. Forrester is a pre-eminent systems dynamicist and to him policy is a "formal statement giving the relationship between information inputs and the resulting decision stream" (1994:58). Essentially, policy is simply a conversion rule: when a management unit receives a specific bit of information it should do XYZ given a policy (conversion rule), P. This 'rule' may be useful in the context of a Systems Dynamics model, but is not very helpful in the 'real-world' where information is not presented to management as objective 'data'. Wilson takes a similar approach to Forrester and defines policy as "a static guideline for repeated

decisions or a preplanned decision waiting to be activated by the occurrence of the situation for which it was intended.” (1990:161).

Although, Wilson’s ‘static guideline’ is similar to Forrester’s ‘rule’, they differ in that for Wilson it is not simply objective information that triggers the application of the ‘guideline’, it is a ‘situation’ that triggers it. Clearly, a situation does not present itself as objective information to all people alike; it has to be interpreted. It is evident, here, that the paradigmatic framework has influenced the definition: Forrester’s Systems Dynamics falls within a functionalist paradigm, while Wilson is a proponent of Checkland’s (1981) Soft Systems Methodology, an explicitly interpretive systems approach.

Stafford Beer (1979, 1981, 1984, 1985), whose work on the Viable System Model (VSM), assigns an important place to policy making within the functioning of an organization. (See further below.) However, he neither defines policy beyond stating, “policies are guidelines” (Beer, 1979:1550) nor attempts to distinguish it from strategy.

Emery is one of two systems thinkers that have given some attention to policy. The other is Vickers. Both of them specifically contrast policy with strategy. Each of these are dealt with in turn.

For Emery (1993), both policy and strategy are tools that modify the complexity faced by decision-makers. However, there is (for him) a fundamental distinction. The domain of strategic planning is “the choices that are made with respect to which goal or objective one should pursue” while policy formulation is concerned with “a bias that an organization wishes to introduce with respect to a whole range of choice of means that might be made by those acting as agents of the organization” (Emery, 1993:175).

Emery elaborates on this distinction. Firstly, a strategic plan has measurable objectives, usually together with a set of sub-objectives, and a time frame and resources required to achieve the hierarchy of objectives. “The logic of causes and effects is relevant to the pursuit of strategic objectives” (ibid.:186) A policy, on the other hand, aims to create the necessary conditions for the achievement of strategic objectives. “A policy is argued on the grounds that if the policy, A, is not in place then B will not occur” (ibid.:186). Secondly, an organizational decision-maker will use a strategy to modify the (competitive) social environment within which the organization operates to the benefit of the organization. An advertising campaign is a prime example. A policy, on the other hand aims to modify the internal organizational ethos/culture. A “policy is needed [when] sufficient people have not already seen the sense of behaving in a desired fashion” (ibid.:181). Thirdly, the constituent activities of a strategy are interdependent and convergent on the objective. Since the activities are interdependent, failure in any one of the activities will result in failure to achieve the objective whilst the activities set in motion by the implementation of a policy are not dependent on one another and are divergent.

Although, according to Parsons (1995), Sir Geoffrey Vickers has made a significant contribution to the study of policy and decision making his writings have been neglected by systems thinkers, with the exception of Peter Checkland who finds in Vickers’s idea of ‘appreciative systems’ a set of ideas that provide a theoretical framework for his Soft Systems Methodology (Checkland, 1999).

In *The Art of Judgement* Vickers’s sets out in some detail his understanding of policy. The concept of regulation drawn primarily from cybernetics, i.e., “the science of control and communication in the animal and the machine” (Jackson, 2000:68) is the basis for this understanding. Vickers then makes a conceptual distinction between two forms of regulation that are found in human affairs, namely, regulation by means of the setting of ‘governing relations’ (or norms) and regulation by means of goal-setting. For him policy is about the regulation of human activities in accordance with decided-upon norms.

“I have described policy-making as the setting of governing relations or norms rather than in the more usual terms as the setting of goals, objectives or ends. The difference is not merely verbal; I regard it as fundamental. I believe that great confusion results from the common assumption that all course holding can be reduced to the pursuit of an endless succession of goals [...] Those who recognise the difference should not, I think, be content to mask it by giving to goal setting and goal seeking a meaning wide enough

to include norm setting and norm holding; for goal setting is a distinct form of regulation, with its own specific mechanisms; a form less important in my view than norm setting but important enough to be separately distinguished. (Vickers, 1995:45-46).

It is important to note that for Vickers regulation of an organization (or society) happens even without the intervention of a deliberate policy, or for that matter of an intended strategy. The point of policy-making is to “regulate relationships at some level more acceptable to those concerned than the inherent logic of the system would otherwise provide” (ibid.:43)

Vickers is however clear that the setting of policy is not a simple matter and although the model of regulation of machines, as set out in cybernetics, with its feedback loops is his starting point for the discussion of the regulation of human organizations, he is fully aware of the limitations of the machine metaphors which support most cybernetic models. Unlike the regulation of machines the regulation of human organizations and institutions involves multiple norms in an unpredictable interpreted environment often with considerable time delays between decisions and their ‘feedback’.

A definition of organizational policy is proposed here; it is a synthesis of important elements of the foregoing. Firstly, policy places a restriction on what members of an organization may or may not do. It is a normative framework within which all organizational activity, including organizational strategies, should take place. Secondly, policy aims to create the kind of organizational ethos that facilitates or enables organizational strategies. In summary then, organizational policy may be precisely defined as *a normative framework that both restricts and enables organizational strategies and actions.*

The relationship of organizational policy to organizational vision, mission, strategies and operational plans now becomes clear (see Figure 2).

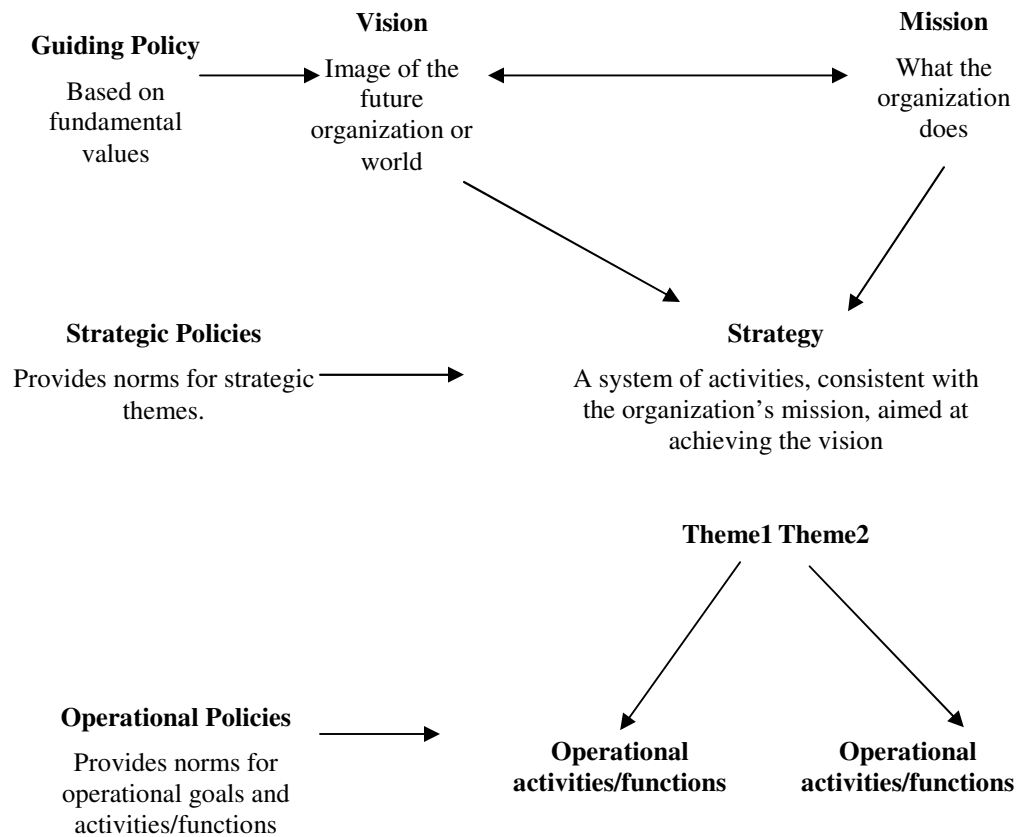


Figure 2. The relationship between policy, strategy, vision & mission

If organizational mission is defined as that (distinctive) thing that an organization does and organizational vision, the desired future state of the organization (or, of the 'world' within which it operates, i.e., its environment) then the relationship between vision, mission, policy, strategy and operational plans may be depicted as in Figure 2.

4.2. Policy-making within organizations

Having defined policy and located policy in relation to strategy, a systems approach to policy-making within organizations is discussed in this section. There are only two systems thinkers who attempt to deal comprehensively with policy-making in organizations: Stafford Beer (a functionalist approach) and Geoffrey Vickers (an interpretive approach.)

Stafford Beer's *Viable System Model* (VSM). VSM is based on the science of cybernetics and central to cybernetics is the issue of 'control' of organizations. Therefore in the VSM the function of 'policy-making' occupies a significant position. The literature on the VSM is vast and there is only space to summarize some of its key aspects here.

4.2.1. Beer's Viable System Model: A functionalist approach

For Beer the fundamental problem of management is the problem of complexity (Beer, 1981:3). More specifically it is about the management of the complex relations, in an unpredictable environment, between the various functions of an organization, so that the organization remains viable, i.e., is able to survive and maintain its existence as an independent entity.

The quest became to know *how systems are viable*, that is, how they are capable of independent existence (Beer, 1984: 8)

Beer's aim in developing the VSM was to discover what organizational principles are necessary for a system to be viable and then on the basis of these principles develop a model of *the organization* of any viable system.

Beer uses the central nervous system of the human body to illustrate the VSM, because for him the "human body [being] perhaps the richest and most flexible viable system of all" (Beer, 1981: 75). However, the VSM was not developed as an analogy of the central nervous system, it is based on cybernetic first principles which he sets out in *The Heart of the Enterprise* (Beer, 1984).

Before going into the details of the model it should be noted that the model is one of systems and sub-systems and not of structures. It should not be likened to an organogram (organizational chart) which is used in the machine metaphor (Morgan, 1997) to depict the reporting lines of the various *structures* within an organization. In fact Beer is quite dismissive of the value of the organogram: for him its only use is that it "offers a procedural method for blaming somebody for whatever has gone wrong" (Beer, 1985: i). Thus to avoid this narrow concept of structure it is better to think of the systems within an organization, their functions and their inter-relationships, even though Beer himself often uses the word 'structure'.

The discussion of the model is divided into two parts: (a) the systemic functions, and (b) control and communication in the model. The model is set out in figure 3.

Beer argues that a viable system consists of two main functions: a management function, which he called the meta-level management or simply the meta-system (represented by the large rectangle), and an operational function (represented by the oval), together with the information channels between these functions (represented by the lines in the figure.). The meta-system "exists to undertake whatever functions are required to procure coherence"(Beer, 1979: 120), while the operational function produces the system (Beer, 1984: 16), i.e., "the collection of all the operational elements in the viable system exhaust its basic activities, namely those which exist to do what the system does." (Beer, 1979: 116).

For the purposes of this paper, it is not necessary to go into the details of the components of the VSM, excepting to point out that the policy function, usually referred to by Beer as “System 5” (Beer, 1985: 123-134) maintains the ‘identity’ of, and ‘represents’, the organization (system-in-focus) to a wider environment (or supra-system). It is also responsible for setting the direction of the organization and reviews it in the light of information received from the control and intelligence functions. In giving direction it needs to balance environmental pressure with internal demands. It must, in other words, ensure that the organization maintains an advantageous strategic relationship with the external environment while at the same time maintaining stable internal relationships.

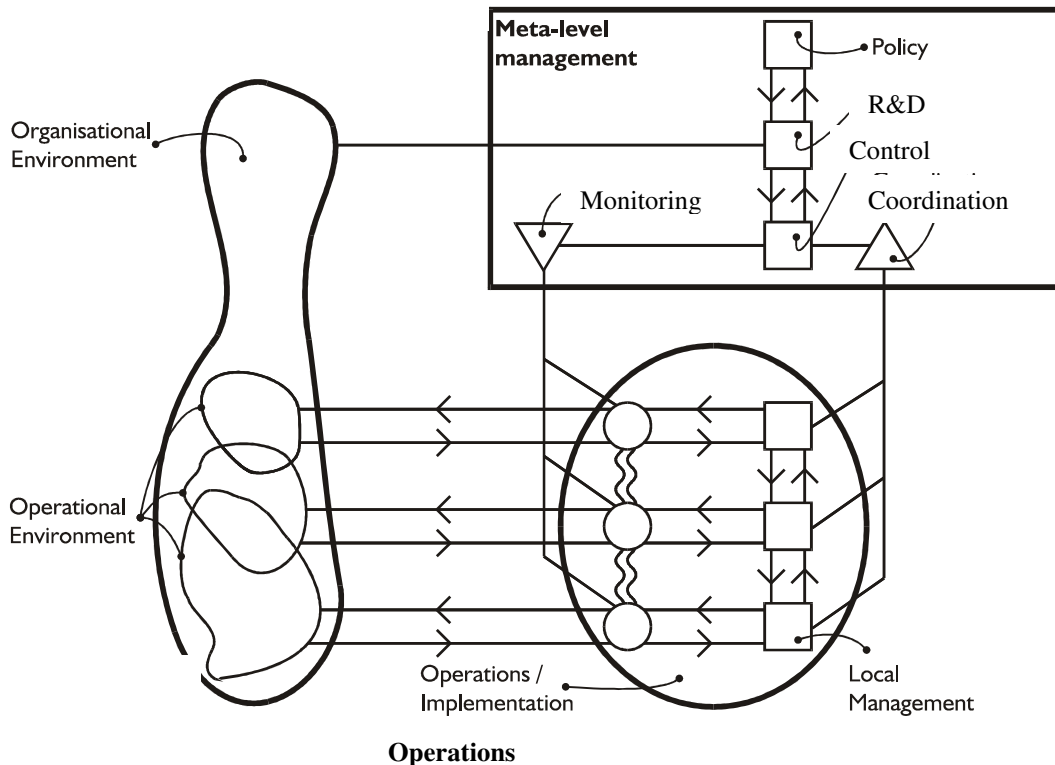


Figure 3. The Viable System Model (after Beer)

Control and communication in the model is based on the following three principles: (a) The “Law of Requisite Variety”, (b) autonomy, and (c) recursion.

The core issue is variety and its management, where variety is a measure of complexity – more precisely defined by Beer, following Ashby, as “the number of distinguishable states of some item” (Beer, 1981: 41). According to Ashby’s “Law of Requisite Variety”, a system can only manage the variety of its environment if it has the capacity to absorb the variety of its environment (Ashby, 1958). Put in simple organizational terms, an organizational decision maker has ‘requisite variety’, when he/she/it has the capacity to produce responses that keep the values of essential variables within an acceptable range when environmental disturbances threaten to take these values out of this range and consequently result in the dissolution of the organization. For Beer this law is key and has the same status as a scientific law:

I consider that this law stands in the same relation to management as the law of gravity stands to Newtonian physics. It is equally central to an understanding of why things are as they are. And it is just as impossible to 'repeal' the one law as the other. Thus both laws inevitably assert themselves, and may not be 'disobeyed' (Beer, 1979: 89)

Beer constructed the VSM in such a way that it is a model of a system which obeys this law and therefore successfully manages variety. It is a sophisticated model that manages variety through the attenuation of the variety facing the system and the amplification of the system variety in order to ensure that the control, intelligence and policy systems only have to deal with what is known as the 'residual' variety, i.e., only those states that the other systems are not able to deal with. It is not necessary to go into the details of this variety management here. Suffice it to say that key to this model is the notion of the autonomy of the operational subsystems, namely that each of these subsystems should have as much autonomy as possible in determining the levels of the variables under its control, subject to the constraints that are necessary to maintain the viability of the system. This issue of autonomy is according to Beer "one of the most vexed questions in modern management" (Beer, 1981: 75). The issue is how to enable the different units of the organization to take initiatives in a rapidly changing environment without, at the same time, allowing the system to fragment and thus cease to be a system. Beer claims to have solved this problem in the recursive structure of the VSM: "in a recursive organizational structure, any viable system contains, and is contained in, a viable system" (Beer, 1984: 15). All viable systems will therefore contain the "five necessary and sufficient subsystems" (Beer, 1984: 15) for the management of the internal variety of the organization together with the variety of its environment. It is, in the context of this paper, worth pointing out that one of the implications of this model is that the information requirements of the policy makers should be minimized – they do not need information from, and consequently expertise for, the day-to-day running of the organization.

4.2.2. Critique of Beer's VSM

Beer's VSM satisfies all the characteristics of a functionalist system as set out in table 1. The VSM assumes that organizational systems have an objective existence and that for an organization to be viable these systems must obey a scientific law, namely Ashby's 'Law of Requisite Variety'. Furthermore the VSM assumes that the performance of organizational systems can be improved through a diagnosis which uses a generic model of a viable system. Finally, it is an expert that carries out this diagnosis (Beer, 1979, 1985; Espejo and Harnden, 1989; Espejo et al., 1996; Jackson, 2000). Because it is functionalist, it is subject to the criticisms levelled at all functionalist approaches. Jackson (2000: 172-177) sets out, in some detail, the strengths and weaknesses of the VSM and it is not the place to review these details here, instead select criticisms will be referred to where they are helpful in highlighting the shortcomings of the model from the perspective of the policy formulation process.

Even though the VSM does not "tightly prescribe a particular structure" (Jackson, 2000: 172), the emphasis placed on logically designed functions (systems) and channels of communication between these, underplays what for Jackson is "the most important feature of socio-cultural systems: human purposefulness and self-reflectiveness" (ibid.:176). Similarly, Checkland and Scholes state that:

facts and logic have a part to play in human affairs [however] the feel of them, their felt texture, derives equally (or more) from the myths and meanings which human beings attribute to their professional entanglements with their fellow beings (1990: 44).

From this (interpretive) perspective, Beer trivialises the communication that is necessary for a viable organization: for him communication is about the delivery of information and as long as the lines of communication as set out in the model are in place then communication is taken care of. There is no scope in the model for a range of meanings to be attributed to the 'information'.

This shortcoming suggests that the policy formulation process, which is so dependent on the logical relationship between the policy, intelligence and control functions (Figure 3) in

particular and on the communication channels between them, could be seriously flawed in real-world organizations that follow the precepts of the model to the exclusion of the above-mentioned insights regarding organizational culture.

4.2.3. Vickers' Appreciative Systems: An interpretive approach

Vickers did not set out to develop a systems methodology, method or model for organizational policy-making. Rather, he set himself the task of understanding the process of policy-making in organizations and society. His framework of ideas is summarized here.

Vickers (1984) makes it clear that culture and communication cannot be separated. Communication requires shared epistemological and ethical assumptions. It is within a shared culture (in organizations and society at large) that policymaking is an 'appreciative' and relationship maintaining process.

Vickers devotes a chapter in *The Art of Judgment* to developing his notion of appreciation and it is worth quoting extensively from it.

This book, then being chiefly concerned with policy making will focus attention primarily on [...] the evolution and modification of the course, the norm, the standard, the governing relation that is inherent in every policy and the selection and ascertainment of the facts relevant to it [...] I need first a word to describe it, and as I cannot find one in the literature, I must invent one. I will call it appreciation, following the ordinary usage in which we speak of "appreciating a situation" (Vickers, 1995: 54)

An appreciative judgment has two interacting components: a reality judgment and a value judgment. The former is a judgement about what is the problem, what is or was the situation and predictions about the future situation. This involves the selection and representation of information about 'reality'. The value judgment is an evaluation of whether the judged 'reality' is good or bad, relevant or irrelevant and what values and norms to use in doing so.

An appreciation involves making judgments of fact [...] I will call these reality judgments [...] It also involves making judgments about the significance of these facts [...] These judgments I will call value judgments [...] The relation between judgments of fact and of value is close and mutual; for facts are relevant only in relation to some judgment of value, and judgments of value are operative only in relation to some configuration of fact. Judgments of value give meaning to judgments of reality (ibid.:54-55)

These judgments call forth action judgments – what Vickers calls 'instrumental' (ibid.:103) judgments – as soon as questions about a desirable future are posed. It is relevant to note that these action judgments can include policy-making.

The value and reality judgements are based on what Vickers calls an *appreciative system*, i.e., "a *set of readinesses* [which] distinguish some aspects of the situation rather than others and classify and value these in this way rather than in that." (ibid.:82). They are a system because they are interrelated and organized as a whole.

In the definition of policy given above norms are central. It is therefore important to note that for Vickers, and Checkland, who finds in Vickers's appreciative system a set of ideas to underpin his Soft Systems Methodology (Checkland, 1981), the norms and standards that are part of an appreciative system derive from the historical path that the appreciative system has taken. In other words past reality, value and action judgments together with the actions that flow from the action judgments will inform the present judgments. And so we have a feedback loop built into the system: "an appreciative system is a process whose products – cultural manifestations – conditions the system itself" (Checkland, 1995: 82)

4.2.4. Critique of Vickers' Appreciative Systems

Vickers did not set out to operationalize his Appreciative Systems approach into a methodology for policy formulation in organizations; he claims only to develop a set of ideas that enable an understanding of the process of policy formulation. However, it may be operationalized

through Checkland's SSM (Checkland, 1999), for in Checkland's own words, "The use of soft systems methodology (SSM) [...] is a way of making practical use of the notion of an appreciative system" (Checkland, 1995: 84)

For Vickers an Appreciative System is a subjective construct, being a "set of readiesses to distinguish some aspects of a situation rather than others and to classify and value these in this way rather than in that (Vickers, 1995:82). As already noted, Vickers did not operationalize framework of ideas about Appreciative Systems. It was Checkland who did this in his SSM and he is quite explicit about the interpretive nature of SSM:

There are many parallels between the operations within the methodology and the philosophical/sociological tradition of an interpretive social science (Checkland, 1999: 279)

They, together and singly, therefore fall into the interpretive paradigm. The following critique of approaches within this paradigm is therefore applicable to both Vickers' Appreciative systems and Checkland's SSM. Burrell and Morgan have argued, interpretive social science is essentially regulative rather than promoting radical change (See section two).

As Jackson has it,

Checkland's SSM is designed to allow clients to engage in a learning process so that they can change their appreciative systems [however] the kind of change that can be considered will be limited by the historically determined attitudes and behaviour patterns (Jackson, 2000: 287)

Vickers acknowledges this inherent conservatism: "Changes that would shake this [appreciative system] are resisted with vehemence proportional to the threat" (Vickers, 1995: 83). Although Checkland is not as explicit about the conservative nature of SSM, he implicitly acknowledges it:

It is now necessary to unpack the process of appreciation. From Vickers's writings we take the notion of perceiving reality selectively and making judgments about it [...] the model also tries to capture Vickers's most important point and greatest insight, namely that there is normally no ultimate source for the standards by means of which what is noticed is deemed good or bad, important or unimportant, relevant or irrelevant, and so on. The source of standards is the previous history of the system itself [...] An appreciative system is a process whose products – cultural manifestations – condition the process itself (Checkland, 1995: 82)

It is this (almost) closed loop of the system that ensures its inherent conservatism. In the next section I develop a proposal for a critical systems approach to policy and policy-making that overcomes this conservatism.

5. AN OUTLINE OF A CRITICAL SYSTEMS APPROACH TO POLICY FORMULATION AND THE ROLE OF POLICY IN ORGANIZATIONS

5.1. Some generic considerations

As is argued above (in section 3.3) any critical systems intervention should: (a) be committed to improvement based on a clear set of values; (b) allow for pluralism of methods; and, (c) reflect (ethically) on the boundary judgements relevant to the intervention. The latter includes both a reflection on the inquiry context, i.e., the scope and purpose of the intervention, as well as on the methods/methodologies used. These two, as demonstrated elsewhere (Luckett, 2003), are closely intertwined: the choice of methods/methodologies is both dependent on and influences the initial perception of the inquiry context. With regard to the choice of methods/methodologies there is sound reason for choosing a 'governing' approach and one or more dependent approaches (Flood and Jackson, 1991; Jackson, 1997; Jackson, 2000) and furthermore, as Jackson argues, "an interpretive systems methodology, such as SSM, should always be chosen initially as the dominant

methodology” (Jackson, 1997: 374) because interpretive methodologies facilitate ‘buy-in’ from the various stakeholders.

5.2. A policy-focussed intervention

Any systems intervention which has as its focus organizational policy must be based on a clear definition of policy and this definition should incorporate an understanding of the role that policy plays in the organization. Such a definition is developed above (in section 4.1). To repeat: organizational policy provides a normative framework that both restricts and enables organizational strategies, organizational functions and the activities of organizational members (individually or as groups).

The intervention should also establish a clear set of values on which all policies are founded. These values should be ethically sound and as far as possible be a consensus view within the organization, or more precisely, within the designated boundary of the organizational intervention. The validity of individual policies is dependent on their being based on one or more of the values from this set. A policy may neither contradict any of the values nor may it be underpinned by values that are not part of the value set. If it is deemed necessary for an organization to have a policy based on values other than in the value set, then the value set should be revised to include such values. Furthermore, following Vickers, any perception of ‘reality’ which makes the policy necessary should be made explicit. Being explicit about the reality and value judgments is an essential aspect of making critically aware boundary judgments (boundary critique).

One final point needs to be made regarding the use of VSM. Since organizational policies provide a normative framework for organizational functions it may be useful to make use of an approach such as VSM to locate the policy-making function in relation to the operational (and other) functions of the organization. But care should be exercised in doing so. VSM should not be used as a template to diagnose organizations viability and in the functionalist paradigm. Rather it should be used as a (‘brain’) metaphor or a source for generating relevant questions. Examples of this usage of VSM can be found in Jackson (2000), Luckett (2003) and Midgley (1998).

6. CONCLUDING COMMENTS

The research/intervention process undertaken by the author which resulted in the production of this paper occurred during the process of amalgamation and restructuring of a KZNNCS, a nature conservation organization in the KwaZulu-Natal province of South Africa. Interventions of this nature are best conceptualised as action research (Checkland And Holwell, 1998; Checkland, 1999), in which the researcher enters a real world problem situation with a declared framework of ideas and a specified methodology. The researcher then participates in action in the situation, which enables reflection on the intervention based on the framework of ideas and the methodology (Checkland, 1985) and which in turn results in learnings about the situation, the framework of ideas or the methodology. In this particular case, the situation was the process of restructuring which required, amongst others, a new set of policies for the organization. The framework of ideas used was CST as defined in section 3.3, and the methodology used was a critical systemic approach to policy formulation.

What are the learnings? In order to obtain a comprehensive picture of the learnings, a detailed account of the intervention is necessary. However, due to space considerations, this is not possible here and the reader is referred to (Luckett, 2004a) for further details. However, it should be pointed out that the values clarification required by the definition of CST given here, and which was enabled by a framework of environmental paradigms developed in Luckett (2004b), proved both necessary and useful for the intervention.

The specific contribution of this paper lies in the methodology used for the intervention. Their understanding of organizational policy given in section 4.1 expands on and develops the work of Emery and Vickers. This paper develops an approach to organizational policy formulation within a CST framework of ideas (something that has not been done before in the CST literature.)

In this approach, organizational policies are related to the organizations vision, mission, strategies and activities. In the intervention itself, the policies were also related to the core values, which underpinned its new vision and mission and to its functions, i.e., bounded systems of activities, as developed by a Business Process Review and Restructuring exercise that the organization underwent as part of its amalgamation process. In general, it may be claimed that the process of policy formulation within an organization (which includes a definition of policy) within an organization, as opposed to public policy formulation, makes a contribution to the CST literature.

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