

Resources or Humans

Exploring the Instrumental Approach to Human Resources Management and a Consensual Values-Based Alternative - Some Preliminary Thoughts

By Peter Hough

June 2006

This paper will explore what it takes to be the dominant approach to human relations within organizations: what I will call the instrumental approach/attitude towards staff. The instrumental approach is here understood as human resource decisions being based solely upon their expected contribution to the achievement of the goals of the organization, goals which are set by the ‘owners’ of the organization. This approach may be used in all types of organizations, conventional businesses, NGO’s, government agencies, etc. The paper assumes that most co-operative and other corporate managers take this approach and probably view it as self-evidently sensible and necessary. The paper will also suggest another approach which perhaps provides a better/fuller option for understanding the employees’ relationship to and role within a co-operative and which could be used as an alternative guiding principle for management.

The source of these reflections is derived from an abiding long-term discomfort with the term “Human Resources.” In my mind it immediately creates a reductionist framework that provides the context for understanding of and action towards the person. This framework by definition means that only part – the relevant part – of the person is taken into consideration – they become a ‘resource’ to be deployed (used, manipulated and or transformed) for the service of the organization. I recognize that this conceptualization is

also reductionism as the world is far too messy and people far too complex for any framework to be fully congruent with reality in real cases. However, my concern is that by seeing this framework as the controlling norm, perhaps even the ideal from the organization's point of view, leads to an abstraction from the real substance of people's lives and worse yet, perhaps even a callousness towards those lives. Many of us have experienced this type of organization and perhaps recognize the potentially oppressive nature of one's experience within them.

So as these reflections continue I would ask you to indulge me as I construct an 'ideal type' in my description of what I call - Human Resources – an instrumental approach/attitude towards staff.

The heart of this instrumentalist approach as noted above is to take decisions about the people within the organization based upon an understanding of their attributes and characteristics so that they can be used, manipulated and or transformed to support the achievement of organizational goals in the most effective manner. The 'resources' are not treated as ends in themselves but only as means to others ends. This approach is based upon real enquiry. The approach strives to use the latest and best techniques based upon empirical investigations. It can be sophisticated, powerful and effective.

This approach is grounded in the reality of economic survival and need for success against competitors within the market place. Choices regarding how to treat people are based upon their effect on the results of the organization. All justification for action must

be found with reference to the organization's goals. These goals are usually structured hierarchically; with some dominant over others, i.e. goals lower in the hierarchy will not be pursued if their pursuit negates the higher-level goals. What could make more sense from an organizational point of view! Isn't it self-evident? Is there room to really ask this statement of exclamation as a question? Or to ask the related ones - What could make more sense from a humane point of view? Is something lost?

At this point I want to introduce two concepts: those of choice and consent. I will argue that the differences between the two are crucial and that the understanding of this distinction may be a leverage point for changing our human resource framework.

To define consent and choice I have gone to the Shorter Oxford English Dictionary.

Consent – 1. intr. To agree together, or with

3. Voluntarily to accede to or acquiesce in a proposal, request etc.; to agree, comply, yield

4. trans. To allow, agree to, consent to

Choice – 1. The act of choosing: preferential determination between things proposed, selections, election.

3. the preferable part of anything

The notion of consent involves the full engagement of the person – it implicates the self – the voluntary agreement - the self is committed to and accepts and supports (doesn't resist) the consequences. Consent may or may not entail immediate action but does entail a full acceptance of engagement and makes one self-consciously complicit in the resulting outcomes. Consent requires creative engagement with the world, for to truly consent one must seek to understand a situation and the consequences of one's decision. Consent explicitly has an ethical dimension as one accepts responsibility for one's engagement and the co-creating of one's situation, the way one lives.

On the other hand choice is choosing between options. It may or may not be strictly voluntary – making a preference for one over another without necessarily consenting to either – choosing between the lesser of two evils because they are the only options for moving forward in one's situation. Choice leads to action – but the self can be held back or apart. Choices can be held at a distance – they can be limited or strategic decisions or simply forced by circumstances. Choice is a reaction to options. Choice can be made without committing the self – although not without consequences for the self and others.

The foundational point is that sometimes we choose without consenting. The person can give or withhold consent but cannot avoid choice.

Now I will return to the discussion of the instrumental approach. Treating people as resources is based upon (comes with) a certain anthropology or conception of mankind and its ensuing ethic – the autonomous self-directed doer seeking to achieve personal

goals within the social matrix with all its ensuing supports and obstacles. The person is defined and achieves status and meaning by what they accomplish, i.e. how much power they have within the social matrix to possess, control, and direct material and social objects for their own purposes. For any given individual their 'own' purposes are likely to include a select group of others. From a practical point of view success is sometimes described as increasing our power and options/choices. The reciprocity within this system is to use and be used within a contractual framework, co-choosing.

It should be noted this approach is not just an imposition. In many cases people accept/embrace the anthropology of the instrumental approach and see choosing to become a means of others' ends as the norm, and realistic. (Just to note I see a difference between being a means of others' ends and consenting to being of service to others.) On the personal level their self-conception and self-worth are embedded in their skill and success at using themselves and others within a context in which they and others have no inherent value but through the social recognition of what they accomplish. (One of the truths of life is that we can ignore our inner world without being aware of the consequences but to ignore the material world is literally impossible.)

Choice is the 'yes' to the situation and the source of commitment and energy for the work. Choice is the heart of the matter - all that is required for the instrumental approach of HR to function is choice, not consent. In choosing the organization the person may do so for simply their own purposes not for the purposes of the organization and vice versa.

Whether or not these purposes are congruent is not essential as long as they are not in immediate direct conflict.

The issue of consent does not necessarily arise. If consent has no necessary role or because consent is not recognized as anything but choice by the system, or because the available opportunities (choices) cannot secure consent, then the person may cease to recognize, experience or understand consent and its consequences.

I want to say that the instrumental approach is based upon choice and is indifferent to consent unless it believes (has proof) that it will be more effective for achieving the organizations goals. Will such proof be found? Maybe. However would accommodating/embracing consent be such a qualitative change that the instrumental approach would no longer be an apt description? I think so.

Before moving on I would just like to note a paradox or perhaps an irony here. For in choosing to accept a position in an organization we (maybe) are consenting (agreeing, acquiescing) to putting ourselves at the service of the goals of the organization. We are making a decision as to which kind of world we are going to create or contribute to when we think we are just making a limited choice. Somehow even an approach, which seems not to require consent, has a weak form of it sneaking in the back door. Perhaps it is pointing to a reality that cannot be escaped.

I asked earlier in the paper within the context of the instrumental approach, is something lost? Is there something that could make more sense from a humane point of view? I would like to turn to these questions now.

What is lost is any guide, standards of behavior or limitations that transcend the organization's realities and therefore regulate or limit its activities. Of course there are both internal and external constraints such as the legal and regulatory regimes and employees' personal ethical/religious beliefs. However the extent to which these can/may have influence will be a Human Resource choice/decision. Laws or personal ethics can be ignored if the organization believes there is a net benefit to doing so. I am sure we could all provide examples of this. Is this really a loss? Is there something essential to a 'good life' gone missing? My answer follows two tracks.

The first is founded upon the belief that there are values that transcend an organization's demands and that people have the capacity to understand and experience them. Though I will not try to definitively demonstrate the truth of this belief, I just note that from a person's youngest years they commence making claims in the world for fairness/justice and explicitly recognize the weakness of the argument "because I say so" i.e. raw power. So one thing that is lost is the opportunity to cultivate and consent to one's evolving sense of justice and have the capacity to use it to guide and regulate one's actions and choices.

The second suggestion is that full self-engagement, understanding and commitment are only derived from consent. This consent is also comes with a certain anthropology. A view that a person is not just a collection of attributes and choices but rather embodies a unique way of being or destiny within the world which can be discovered and consented to by the person and those in their world. This destiny can only be discovered and embodied by pursuing it through creative acts, which engage in the co-creation of the world with others. People find meaning to their life through these intentions and actions independent of any particular 'successful' outcome.

Consent here is seen as a commitment to a way of life that we want to support/embody. How do we as an individual decide to give our consent? The evolution of one's self-conception relates to our awareness and understanding of ourselves and the world and provides the foundation for our consent. However the scope and opportunities for this discovery is conditioned by the nature of the organizations and institutions within which we live and work. Here, oppression is the hobbling of consent, and it has many sources. Oppression or degeneration can be recognized when choices are made that aren't congruent with consent or when the need/opportunity for consent is negated.

So what does all this mean for co-operatives? Are they organizations that can or should naturally structure human relations around a process of consent? Note that I consciously haven't used the term human resources. I am going to argue that they can and should have this orientation but they don't necessarily have such an orientation. In other words the co-operative form of organization in and of itself does not guarantee that others will

not be treated simply as means to our ends, personal or organizational. Simply organizing as a co-operative is not enough. Even through this form of organization, as we will see below, begins with an explicit statement implying consent and espousing limiting values.

Co-operatives as we all know are not like other organizations as we can see from the following:

International Co-operative Alliance - Statement of Co-operative Identity

Definition

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

Values

Co-operatives are based on the values of self-help, democracy, equality, equity, and solidarity. Co-operative members believe in the ethical values of honesty, openness, social responsibility, and caring for others.

Indeed one can see from this Statement that they seem to explicitly start from a key element of consent, engagement, and co-creation i.e. members united voluntary to determine and commit to meeting their common needs and aspiration. They do with so

within a framework of values that support but transcend their limited organizational goals.

A co-op's members voluntarily agree together (consent to) which of their common needs and aspiration i.e. goals, that their co-op will seek to fulfill. They also consent to being guided by the co-operative values. This would seem to provide a solid foundation for an alternative approach to human relations within the work place, an approach that should be regulated by values beyond the specific goals of the co-op. These values should limit what a co-operative can do, how it will treat its employees, etc. They have the potential to function as transcendent values; i.e. values that have no defined outcome but rather imply a way of being/acting regardless of the pragmatic goals.

And yet I believe that within most co-ops (identifying the exceptions would be of great interest), an instrumental approach to HR is the paradigm being followed by management and expected by members. Why would this be the case? What is the evidence?

I believe that co-operators often chose these values, rather than consent/submit to them, because they believe they will benefit by using these values. The values are a means to personal or collective ends and have no inherent standing beyond their usefulness. By members only choosing these values the co-op fails to secure full consent from the members and therefore the values may be used selectively, only to the extent they support the mission of the co-op. This is not surprising to me as co-ops face the same necessities noted above, the need for economic survival and success against competitors within the

market place and live within the dominant worldview, the instrument anthropology noted above. If they are to move beyond the instrumental approach something(s) must change.

A starting point for this change is to examine member/non-member dichotomy. Consent in the co-op is obtained by securing agreement of members. By definition it creates an inside and outside the tent mentality. Outside the tent includes employees, competitors, government, community the environment or others whose interests may be or perceived to be inimical to the co-operative. Inside the tent of course are the members. Is there a way of extending the circle of consent? And if there is, how far should it be extended?

For a co-op organization one approach to transcending the instrumentalist approach is to broaden the goals of the co-op to include non-member objectives. Forge consent with other stakeholders. Goals can include achievable objective benefits to the owners – members; they can also include objective benefits for the employee and community and expressed limitations as to what the organization will do to achieve its goals. The co-op can also commit to using the co-op values as the basis for all its actions with other stakeholders. Of course there are a number of obvious challenges in this approach.

Which stakeholders to include, how to engage them, how to mediate between opposing interest such as wages, low consumer prices, environmental responsibility, etc.? Can the multiplicity of goals, function as controlling limits upon one another rather than being structured within a priority hierarchy for decision-making? What happens to the original needs and aspirations of the founding members?

In light of the purpose of this symposium I would now like to briefly examine one of the key non-member stakeholders – the co-op's employees. If one accepts the anthropology I proposed to underlie the consensus/values approach i.e. the individual with a unique destiny, which must/should be discovered and embodied; how should the relationships between the co-op and its workers be changed? Clearly this is a question of broad scope and so within the limits of this paper I will just try to give one example.

How would a co-op embody consent rather than just choice in the hiring process? The capacity of the co-op is of course limited, as consent by definition is voluntary and cannot be controlled or forced by someone else or a situation. This means the co-op is limited to creating the opportunity for consent – a voluntary decision which engages/commits the evolving self rather than having the capacity to ensure consent. The process could start with the co-op requiring the potential employee to engage in a self-reflection which reveals/articulates key values and goals and skills/experience of the candidate. A second step could be the presentation to the candidate of the goals and values of the co-op, i.e. the current consensus of the stakeholders including examples of the limiting power of the values over the goals and how the consensus was developed and can be changed. A third step could be the explorations of the particular job within the organization, its role and expected contribution to the current consensus. The last step, should a job offer be made, would be the development of a consensual agreement between the co-op and employee. This process is just offered as a suggestion to highlight some issues in developing such a process such as the nature of consent, the need for the co-op to have an existing consensus among stakeholders, the need for reflection by the potential candidate

regarding both themselves and the co-op, and finally the need for a consensual form of commitment engaging both parties.

There is one last question I would like to ask today. Is the instrumental versus the consensual/ values-based approach simply the perennial conflict between realism and idealism? If by realism we mean, an approach that most fully grasps and engages life and the world, I believe that the consensual transcendent values-based approach to human relations within the work place is the most realist. It doesn't hive off or abstract certain attributes of the person or the world but tries to engage them in their fullness and complexity while committing to create a context for people to contribute their unique gifts to one another.

Whether it is the most effective (effective for what) of course remains to be determined. The opportunity for answering this question will only occur should organizations be willing to venture down this road, based upon a belief that it is the right thing to do. Of course the question of its effectiveness is from the instrumentalist perspective. I think a more fitting question is - which approach will allow people to discover and contribute their unique gifts while creating the most vibrant and abundant life for our world?

As a last comment as to why we co-operators should reflect on these issues as a foundation for the human relations internal and external to our co-ops. It is my belief that our anthropology or conception of mankind undergirds our common sense, our perception of the 'obvious' and thus is the foundation for our analysis of the situation in

which we make crucial decision for ourselves and others. An unconscious anthropology means we never confront our most basic assumptions about what is the 'good'. It is this confrontation that can and does lead to fundamental transformations that have the capacity to seep into all our decisions and actions, to truly make a difference.