Readings in Global Organization Design
Book Reviews

Measuring Hidden Dimensions of Human Systems

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Article #10-06-02

MEASURING HIDDEN DIMENSIONS OF HUMAN SYSTEMS

Foundations of Requisite Organization
(Volume 2)
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Reviewed by Owen Jacobs of the Global Organization Design Society Editorial Board with substantive critical review and input by an inter-disciplinary editorial review team that consisted of Gillian Stamp, Herb Koplowitz, and John Hnatio.

The authors[1] of this review found themselves launched on a much more difficult endeavor than anticipated. As one wrote, "…it is a shame that his writing is so dense because it is widely based, thoughtful and potentially helpful. But no leader I have ever worked with (in business, government, military or religious sectors) would get beyond the first couple of pages." The book is indeed dense. However, it is also packed with concepts that challenge current thinking and stimulate the urge toward more fundamental understanding of human resources accounting and management. Our review had three purposes:

- Examine Laske's integration, for that is what it is, of several important streams of developmental theory and research, including that of Jaques.

- Because the book purports to rest in part on Jaques' formulation of Requisite Organization and human capability, ask whether Laske seems to have fully understood Jaques. One cannot build well on a shaky foundation.

- Assess the potential value to practitioners of Laske's integration.

Capturing the purpose of this book was not straightforward. It appears to this review team that "purposes" may be more accurate, in that purposes may be seen at different levels of abstraction. While the book is remarkably absent political overtones, Laske cites both the Frankfurt School and the Kohlberg School as strong influences on his own thinking. He points to the period between 1956 and 1966, which would correspond to the third "phase" of the Frankfurt School – a period marked by search for critical thought modes, e.g., negative dialectics, that cannot be co-opted to the disservice of society. He points also to the Kohlberg School and references Kohlberg's *Essays on moral development*. These two citations are quite important. The Frankfurt School's quest during that time period was probably driven by the need to empower thinking in a way such that another Nazi Germany could never again emerge. Kohlberg had a similar societal objective, to formulate a framework for moral development that would, at its highest levels, mandate consideration of the social good and universal ethical principles, and, for example, enable abrogation of laws that are unjust. Simplified, the objective in each case is to transform the individual's capacity to question and thus to gain freedom from thought domination by others. It seems likely Laske, at one level, seeks to serve a similar objective.

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[1] The review team consisted of Gillian Stamp; Herb Koplowitz; John Hnatio, and Owen Jacobs who was the author.

A second objective appears to be a theoretical integration of three important domains: cognitive development (referencing Jaques, and King & Kitchener), socio-emotional development (Kegan), and levels of work (Jaques). While this objective is in the service of the third, it is nonetheless of great importance in its own right. And the third appears to be formulation of a set of measurement tools that would enable more effective human resources accounting and development than presently is the case in most organizations.

This review will first examine the extent to which these objectives seem to have been well served. It will then examine more closely, for purposes of Requisite Organization, how well Laske has represented Jaques. And, finally, it will offer tentative thoughts about the value of this mammoth work to practitioners.

If our formulation of his objectives is permissible, our assessment is that Laske has served them reasonably though not equally well. With regard to the first, it would appear at first glance that one could not fail to be made more reflective by reflection on his seven principles of capability management, on the one hand, and his manual of thought forms, on the other hand. But, reflective by reflecting?? One wonders to what extent the un-reflective, who in theory might be in greatest need to develop reflective thinking skills, will read and/or profit from this volume. However, this is a specious argument. A literature on the development of reflective thinking skills now exists for practitioners. Laske may have done enough by pointing to the fundamental importance of reflective thinking skills, and by providing an integrative theoretical framework for practitioners to work as coaches.

Still, one wonders if the abstruse world of the dialectic is truly necessary for this objective. One of our team pointed out the massive current literature on complex adaptive systems, which one may assert leads to similar outcomes. The work of Prigogine (Prigogine & Gregoire, 1998), Gell-Man (Gell-Mann, 1999), and many others on complexity and systems theory is illustrative, as is the work of Julian Barbour (Barbour, 1999), especially *The End of Time*.

This brings us to the second objective: the integration of domains. The book is liberally endowed with remarkably communicative illustrations and tables as devices to help understand his theoretical integration of domains. He draws heavily on Jaques (more on this later), Kegan, and King and Kitchener (1994), which in turn flows from the work of Kurt Fischer (Fischer, 1980; Fischer & Pipp, 1984). Laske essentially postulates equivalence between levels of work (Jaques), stages of socio-emotional development (Kegan) and levels of reflective judgment (King and Kitchener). Throughout the book, he presents levels, stages, and reflective judgment in tables, e.g., Table 11.1 and Table 15.2, showing one-to-one correspondence in a step-wise fashion. That is, Strata VII-VIII are matched with Stages 5/4 – 5(4) – 5, and that with epistemic position (King & Kitchener) 7. Then Strata V-VI are matched with Stages 4 – 4(5) – 4/5. and that with epistemic position 6. As theoretical concept or hypothesis, this is interesting and informative. However, the caveat never appears that this is theoretical concept or hypothesis, and data are never provided to support the underlying correlations of 1.00 that would be necessary for such a correspondence.

In fact, Kitchener (Kitchener, Lynch, Fischer, & Wood, 1993) has data that contextual support and practice influence development of reflective judgment. Further, it seems likely that socio-emotional

development is also experience-dependent as well as reflective judgment-dependent. (Our own research with a limited sample suggests a curvilinear relationship between socio-emotional development stage and abstract cognitive capacity. Virtually no one who scored below current capability 4 had achieved stage 4, and virtually all who had achieved stage 4 were at current capability level 4 or higher. The inference is that attaining socio-emotional development stage 4 is dependent on a minimum level of abstract cognitive capacity, just the reverse of Laske's assumption of process flow.)

A stepwise progression of stage, epistemic position, and cognitive level just possibly is not the real world, because these constructs are probably not intercorrelated at that high level, and, worse, the correlations among them may be curvilinear. Yet he seems to depend on such a stepwise progression. At the bottom of p. 440, he caveats his treatment of these stepwise progressions, but this is at the end of a lot of material which appears to depend on them. A related concern is that individuals may not conform to "template" predictions – illustrated by the comments at the bottom of pages 431-432.

However, having said all that, Laske's demonstration of convergence among these different threads is remarkably important. While perhaps inaccurate in some respects, the logic is powerfully compelling as a set of testable hypotheses subject to future research. In the present writer's opinion, the real importance of this convergence is that it would seem to force practitioners to accept a dynamic relationship between the Managerial Accountability Hierarchy (MAH) and the Human Capability Hierarchy (HCH). That is, classification and matching is not enough. Human resources development must be a part of the equation, and that demands a systematic understanding of the dynamics underlying development. This is, of course, a primary intent underlying the convergence of domains in this book.

This leads to the third objective. By far the greater number of pages in this book is devoted to metrics for relating MAH and HCH, and a manual for assessing 28 thought forms of dialectic inquiry. This is practitioner oriented. Capability metrics are a tool for assessing an organization's intangible assets, essential for proper human resources accounting. Laske asserts that his Capability Metrics extends the reach of Human Sigma (*SixSigma,* Mikel, 1988), and his use of findings by Fleming and Asplund (2007) remedies deficiencies in both *SixSigma* and *Balanced Scorecard*. The Manual describes the 28 thought forms and gives examples. This is intended to promote the use of dialectical thought to challenge one's own thinking and that of others.

The review team does not have a proper basis for evaluating these claims, and so, for the moment, must take the assertions about *SixSigma* and *Balanced Scorecard* at their face value. For the thought forms, though, Laske provides data linking the prevalence of forms to the Context, Relationships, Process, and Transformation quadrants of the dialectic. His data suggest a modest hierarchical ordering of the thought forms, associated with both the quadrants and with epistemic position. This, in turn, suggests that the thought forms might be trainable in the proper context, and, thus, that epistemic position might also be. (Kohlberg researched contexts for developing moral judgment, for example.) It does go without saying that a demonstration of trainability would have very substantial implications for human resources management.

Our second purpose in this review was evaluation of the accuracy with which he treats Jaques' work, given his assertion of its importance as a foundation for his present work. Three members of the review team worked with Jaques during his lifetime. A caveat is that Jaques heavily influenced the thinking of all three. So it is with this caution about possible bias that we proceed.

Laske frequently makes the point that Jaques was influenced by Piaget. On p. 92, for example, he gives Piaget as the origin of Jaques' use of logic in his model. Piaget was interested in the psychological origins of logic, and Jaques was interested in this aspect of Piaget. However, it is unclear that Piaget ever tied each of the four processes (and, or, if, and iff) to a particular stage. In fact, it was Jaques who, in *The Meaning of Life*, identified the logical operation relevant to each of Piaget's stages. Until then, Piaget's stages were rightly characterized as not having been crisply differentiated from each other. Team members could recall Jaques having said that he was impressed by Piaget. But no one on the team could recall his having credited any of his thinking to Piaget.

Laske's presentation of Jaques' thinking is often imprecise. An example is his description on pages 93-94 of the 5-step listening process Jaques described on page 131 in *Human Capability*. The procedure as Jaques describes it is easy to follow and logical in its sequence. Its sequence seems less logical in Laske. One could argue that this makes no difference, since Laske is not providing a tutorial on Jaques. However, precision in representation is not all that difficult; its lack raises a question about the care with which the author has represented other matters.

A similar issue is raised by Laske's Table 3.3 (p. 95). One of the columns is labelled "Span of Time Horizon." Entries for strata I-VI are actually time spans. The entry for VII corresponds to Jaques' postulate about the time horizon for that stratum. Jaques differentiated between these two constructs, but they are not differentiated in Table 3.3. A second issue with this table is Laske's postulated VIII for Board members. One of the review team noted that in the workplace, a Board of Directors can be at any level beyond III, depending on the scale of the organization. But VIII for a Stratum VII organization is still inflation; Jaques is said to have thought a Stratum VII organization should have "a few VII Board members."

The review team found other illustrative examples. We could find no use of the term "reflective judgment" in Jaques' work. Work was defined as "… the exercise of judgment and discretion …" but without the term reflective. We also could find no reference to a human capability hierarchy in Jaques. At the top of Laske's p. 96, "time span of discretion for single and multiple tasks" appears to be a misunderstanding. Tasks, properly speaking, do not have time spans. The questions following on p. 96, with the exception of VIII, were offered by Jaques as a procedure that "…can be used to determine the level of complexity of a discrete project of program (task, assignment)…" (Jaques, 1989, p. 31).

Another difference, potentially quite important, is Laske's point 4 (p. 97), referring to "… cognitive development in HCH." Jaques' view was that increases in current applied potential are maturational in nature, not developmental. "Developmental" implies responsive to external manipulation, such as training. While Jaques was clear that ability to perform in a role depends on experience, he was equally clear about the maturational nature of changes in capability. For Jaques, capability could not be "taught."

A more serious issue appears on p. 97. In his comment on Table 3.3, Laske imputes to Jaques that "…the notion of bringing requisite organization into a company or institution exclusively relies on levels of cognitive development, and that these levels are one-sidedly defined by him in terms of a set of recursive methods of mental processing." The notion that requisite organization derives from a hierarchy of cognitive capabilities is strengthened elsewhere. An example is on page 111. Here, Laske seems to be saying just the opposite of what we believe the case to be:

> "The foremost requirement for a reasonable discussion of this topic is to remember that the *hierarchy* Jaques is speaking about is that of levels of adult cognitive development, not of "jobs" or "tasks" per se, or anything as superficial as sociological changes in company culture. Jaques' notions are of a meta-psychological, not a behavioral, nature."

This clearly is a misrepresentation of both the developmental history of requisite organization, and Jaques' final views. Appendix B of *Human* Capability contains a representation of a 1964 memorandum in which Jaques had theorized about a possible explanation for "… the natural managerial layers that had been found in the late 1950s" (Jaques & Cason, 1994, p. 146). Appendix B continues, "It will be noted that he [Jaques] used a concept of levels of abstracting, and that he did not have a clear understanding of the fact that he was compressing both complexity of work in role and complexity of mental processing into the same hypothesis. This hypothesis, along with several others along the way, was shown to be incorrect, and was rejected."

It is quite clear that recognition of the managerial roles preceded hypotheses about human capability. The critical step in requisite organization is getting the work and roles at the right strata. The nature of the work to be done defines the requisite capacities required to do the work. This is quite different from the concept of a static hierarchy of human capabilities which defines an organizational structure to which work is assigned.

Finally, it is useful again to comment on precision and accuracy. We commented earlier on the importance of accuracy of representation with regard to Jaques, noting that imprecise representation does not promote confidence about accuracy in other matters. Just as one final example, his references were incomplete. On p. 29, he quotes Kegan (1982). However, he does not include Kegan in his bibliography. Assuming the reference to be *The Evolving Self*, the quotation was found, but on p. ix rather than viii-ix. A trivial mistake, but a mistake nonetheless. Jaques (1989) was also cited and missing.

However, after having said all that, one must reiterate that Laske has produced an integration of domains which is remarkably rich. While we have criticized both one-to-one step-wise match-ups in his tables and the postulated causal relationships among the domains, the bottom line is that these domains must be interrelated in some manner. Finding the manner is, of course, the work of the research community.

Laske is a constructivist. This is a hugely important point. A constructivist viewpoint is that we interact with external reality only by virtue of an internal representation which we create – some would say through reflective thought. The complexity of that internal representation depends on the capacity to

differentiate its key aspects and then to integrate them meaningfully, i.e., associate them appropriately with respect to their causal interrelationships. When the complexity of the internal representation matches the complexity of the external reality sufficiently well, the individual is in a position to "understand" the external reality and operate interactively with it. A constructivist perspective is crucial for Laske. It removes the stigma of determinism and opens the door both to purposeful self-development and to personal freedom from imposed viewpoints. It also opens the door to coaching.

But, is capacity "trainable?" If capacity is the "stuff" that enables meaning-making, then it surely must be, at least within limits. Kitchener is quite clear on this point. And substantial evidence can be found elsewhere for the trainability of reflective thinking skills. A large part of Laske's book and the attached manual focus on "thought forms," which presumably can be coached. So, at the risk of violating our own biases, we probably should regard this as another research question. Laske criticizes Jaques' for not providing theoretic understanding of why people move along progressions curves – how adults move from one stratum to another (p. 101). This actually is an important question, one for which "maturation" is not a really good answer.

So we must recommend that serious practitioners read this massive work. We say serious, because the weight of the work is such that casual interest will not carry very far into its depth. And we would urge readers to read carefully. Much in this volume is untested. However, we think it is not possible to read it without emerging with a more comprehensive frame of reference for viewing adult human development.

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Promoting among existing users increased awareness, understanding and skilled knowledge in applying concepts of Levels of Work Complexity, Levels of Human Capability, Accountability, and other concepts included in Requisite Organization and/or Stratified Systems Theory.

Promoting among potential users of the methods, appreciation of the variety of uses and benefits of science-based management, and access to resources.

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Sponsorship is provided in part by the generous support of the following organizations: