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Stories Managers Tell: A New Tool for Organizational Problem Solving

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Organizational problems can often be solved more quickly and more effectively if a company recognizes and takes advantage of the markedly different perceptions managers have of what makes an ideal organization.

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If accounting and finance are the backbone of organizations, then the stories which permeate all organizations of any size are their lifeblood. Stories are so central to organizations that not only do organizations depend on them, but stronger still, they couldn't function without them. Big or small, every organization is dependent upon countless stories for its functioning.

While organizations typically generate stories of all kinds, there is one type that is of special interest, what we call "epic myths of the organization." While the purposes such myths serve are many and varied, if there is a central purpose, it is to define the unique quality of a particular organization.

Countless biographies and autobiographies attest to the power that stories play within modern corporations. These autobiographies retell, in a form strikingly similar to the great epic myths of the past, the life of the organization and that of the individual within it. They describe in heroic terms, more dramatic than life itself, the difficult circumstances under which the organization was born, the tremendous struggle that was necessary to keep it alive in the early perilous years of its existence, how those involved made great personal sacrifices born out of intense dedication, how the organization slowly began to grow, and finally, how in later years it achieved a success far greater than anyone had ever dared dream. The story becomes the corporate myth, the basic transcript that establishes and perpetuates corporate traditions. In short, it gives basic meaning to the corporation. It is recalled and



recounted at formal occasions and at coffee break bull sessions. It is used to indoctrinate new employees. It helps to define "what this place is really like, what makes it tick, and finally, what's so special about it." The corporate myth is the "spirit of the organization," and as such, it is infused into all levels of policy and decision making.

Through the systematic study of managerial autobiographies, countless interviews, and behavioral exercises with managers, we have evolved a technique for eliciting organizational myths or stories. More to the point, we have developed a technique for showing the practical implications of such stories for day-to-day corporate decision making. The outcome is a new approach to problem solving and planning.

The ideal organization—different stories from different managers

One reason why organizational stories have been so little studied is that most managers are only dimly aware of their existence, let alone their importance. Stories are like dreams. Most of us have to be trained not only to recognize them, but also to appreciate their significance. For this reason, it is almost impossible to get at the stories that govern organizations directly. Like

dreams they have to be gotten at indirectly. Direct approaches only drive them further underground. Asking a manager to sit down and talk about his organization's "story" makes as much sense as asking someone to sit down and talk about his unconscious. Little wonder, then, why insightful organizational autobiographies are so rare. Only the most reflective managers can perceive the stories that guide their organizations and make them run.

We have found that it is much easier for managers to talk or write a story about their *ideal* organization than about their current (or real) organization. In fact, we have found that managers can more readily make up or recall a characteristic story about their real organization *after* they have first described their ideal. The reason is that ideal stories or images are not constrained by the countless number of complex details that go into the history of any real organization.

In comparison to real stories, stories about an ideal organization are relatively unconstrained. The tellers of stories about ideal situations are not obliged to stick to reality or to account for it. Their images of the ideal are purer and simpler than their images of the real could ever be. In addition, images of the ideal are often easier to get at than are images of the real because everyone has some notion of an ideal. It is often easier to describe what one would like to have than it is to say precisely what's wrong with one's current environment. Finally, asking managers to write a story about their ideal organization has the effect of opening them up and freeing their creative talents whereas asking them to write about their real organization often has the effect of constraining their creative potential. And if ideals more readily reveal the hopes, dreams, and aspirations of people, then they also more readily reveal their fears and anxieties. For these reasons, we have asked managers to write about their ideal organization, and we have studied their stories in detail.

One of the most striking findings of our investigations is that different managers tend to have very different concepts of an ideal organization: Different managers produce very different kinds of organizational stories. To gain understanding of the basis for these differences, we have studied the personalities of different managers. We have found that:

- Managers of the same personality type tend to tell the same kind of story, that is, they have the same concept of an ideal organization.
- Managers of opposing personalities have drastically different concepts of an ideal organization. The ideal organization of one type is literally the living hell of an opposing type.

To get at these personality differences, we have administered a relatively short test to hundreds of managers. After the managers have taken the personality test, they are asked to write a short story on the concept of their ideal organization. They are instructed that the content and structure of the story is completely up to them. The stories need not be of any particular length or form. After this is done, the managers are put into various groups, and each group is then asked to come up with a story that best expresses the group's

concept of an ideal organization. The groups are formed on the basis of the personality test: All the managers of the same personality type are put into the same group. We do this because we have generally found that such homogeneous groups tend to strengthen the effect of personality differences. That is, the groups—different from each other in the personality characteristics of their members, but each composed of managers with similar personalities—accentuate the differences in the concepts of an ideal organization held by managers with different personalities.

A personality framework for classifying managers

The personality framework that we have used to classify managers is that of C. G. Jung. The Jungian structure was chosen for two main reasons: (1) the dimensions of the framework are directly related to different managerial and organizational styles, and hence the classifications are of direct relevance to management; (2) the Jungian framework does not prescribe any one of its four major personality types as being superior to or better than any of the others. Instead, each type is seen as having major strengths and weaknesses. The framework can help managers to see that their personal style has certain costs or limitations as well as benefits, and that as a result, they need their managerial counterparts, with markedly different personal styles, to compensate for their weaknesses—and vice versa.

Two particular dimensions of the Jungian framework are of particular importance. The first dimension corresponds to the way in which a manager typically takes in data from the outside world. This is the *input-data dimension*. The second dimension corresponds to the way in which a manager typically makes a decision based on the data. This is the *decision-making dimension*.

According to Jung, individuals can take in data from the outside world by either *sensation* or *intuition*; most individuals tend to use one kind of data-input process rather than the other. Sensing, or sensation, types typically take in information via their senses. Sensing types are most comfortable when attending to the details, the specifics, of any situation. That is, sensing types tend to break every situation down into isolated bits and pieces; further, they feel most comfortable when they have gathered some "hard facts" that pertain to the situation. In contrast, intuitive types typically take in information by looking at the whole of a situation. They concentrate their attention on the hypothetical possibilities in a situation rather than getting bogged down and constrained by details and an endless array of hard facts. All individuals perceive the world with both of these functions at different times. But as Jung repeatedly argued, individuals tend to develop a habitual way of perceiving a situation and, in fact, cannot apply both types of perceiving or data input at the same time.

Also, Jung posited that there are two basic ways of reaching a decision

with regard to any situation: *thinking* and *feeling*. Thinking types base their decisions on impersonal, logical modes of reasoning. That is, thinking types don't feel comfortable unless they have a logical or an analytical (for example, mathematical) basis for making a decision. Feeling types on the other hand make their decisions based on extremely personal considerations, for example, how they feel about the particular person or situation, whether they like the person, value the situation, and so forth. Thinking types want to depersonalize every situation, object, and person by "explaining" them. Feeling types on the other hand want to personalize every situation, object, and person by stressing their individual uniqueness.

Thinking is the psychological function that generalizes; feeling, the function that individuates. Thinking takes two objects that are inherently dissimilar and seeks to find what they have in common. Feeling on the other hand takes two objects, or people, or situations, that are inherently alike and emphasizes or seeks to find what is distinctly dissimilar about them. In short, thinking emphasizes sameness; feeling, characteristic differences or uniqueness—for example, that no two people are exactly alike, that each person is unique.

In summary, however an individual takes in data, by intuition or sensation, he may come to some conclusion about the data by either a logical, impersonal analysis—thinking—or by a subjective, personal process—feeling.

Combining the two data-input modes—sensation and intuition—with the two decision-making modes—feeling and thinking—in all possible ways allows us to talk about the following four Jungian personality types:

- Sensing-thinking types (STs)
- Sensing-feeling types (SFs)
- Intuition-thinking types (NTs)
- Intuition-feeling types (NFs)

The stories these four types tell are, in general, very different.

Sensing-thinking managers

The stories of STs typically contain an extreme emphasis and concentration on specifics, on factual details. STs are extremely sensitive to the physical features of their work environment. For example, the stories of STs display an extreme preoccupation with environments that are neither "too hot" nor "too cold" but "just right." The ideal organization of STs is characterized by complete control, certainty, and specificity. In their ideal organization, everybody knows exactly what his or her job is. There is no uncertainty as to what is expected in any circumstance. Further, ST organizations are impersonal: The emphasis is on work, and work roles, not on the particular individuals who fill the roles. The ideal organization of STs is authoritarian, if not the epitome of bureaucracy. There is a single leader at the top and a well-defined hierarchical line of authority that extends from the very top down to all of the lower rungs of the organization. In an ST organization, the individuals exist to serve the goals of the organization, not the organization to serve the goals of the individuals.

The goals of an ST organization are realistic, down-to-earth, limited, and more often than not, narrowly economic. Finally—and it should come as no surprise—the heroes of STs are tough-minded individuals who know how “to step on people to get the job done.” The greatest achievement of the heroes of STs is that they were available when the firm needed what they had to offer most: They brought “order and stability out of extreme chaos; they gave the firm a specific, well-defined sense of direction.”

Intuition-thinking managers

The stories of NTs are marked by an extreme emphasis on broad, global issues. In describing their ideal organization, NTs do not specify the detailed work rules, roles, or lines of authority but focus instead on general concepts and issues. To put it somewhat differently, if the organizational goals of STs are concerned with well-defined, precise *microeconomic* issues—“We need to make X dollars by September to stay solvent”—then the goals of NTs are concerned with fuzzy, ill-defined, *macroeconomic* issues—“There ought to be an equitable wage for all workers.” NT organizations are also impersonal like ST organizations. However, where STs focus on the details of a specific impersonal organization, NTs focus on impersonal concepts and global theories of organization. For example, they are concerned with concepts of efficiency in the abstract. Likewise, whereas in an ST organization individuals exist to serve the present and specific needs of their particular organization, in an NT organization individuals exist to serve the intellectual and theoretical concepts of organizations in general. In a word, if ST organizations are impersonally realistic, then NT organizations are impersonally idealistic.

The heroes of NTs are broad conceptualizers. If the heroes of STs are problem solvers, then the heroes of NTs are problem formulators, that is, the finders, if not the creators, of new problems. The heroes of NTs take an organization designed to accomplish a very specific, limited set of goals (for example, turn out a specific product) and create new goals. They envision new products, horizons, and businesses in their firm.

Intuition-feeling managers

The stories of NFs are also marked by an extreme preoccupation with broad, global themes and issues. NFs also show an extreme disdain towards getting down to specifics. NFs are similar to NTs in that both take a broad view of organizations. However NFs differ from NTs in that where the emphasis of NTs is on the general *theory* or *theoretical* aspects of organizations, the emphasis of NFs is on the most general *personal* and *human* goals of organizations. Thus NF organizations are concerned with “serving humanity,” with “making a contribution to mankind.” NFs differ from both STs and NTs in that for both STs and NTs the individual exists to serve the organization, where for NFs the organization exists to serve the personal and social needs of people. Since in Jungian personality theory the NF type is the extreme opposite of the ST type—as the SF type is the extreme opposite of the NT—it is not surprising

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to find that the ideal organization of NFs is the exact opposite of STs. Thus, if an ST organization is authoritarian and bureaucratic with well-defined rules of behavior, then an NF organization is completely decentralized with no clear lines of authority, no central leader, and with no fixed, prescribed rules of behavior. The stories of NFs incessantly talk about “flexibility” and “decentralization.” As a matter of fact, many of the stories of NFs contain diagrams of their ideal organization that show them to be circular or wheel-like in structure rather than hierarchical. NF organizations are also idealistic as opposed to realistic. In essence, NF organizations are the epitome of organic, adaptive institutions.

The heroes of NFs are not only able to envision new lines of direction, that is, new goals, objectives, and so forth, for their organization—in this sense they are like the heroes of NTs—but they are also able to give the organization a new sense of direction in the human or personal sense.

Sensing-feeling managers

If the ideal organizations of STs and NFs are extreme opposites, then the organizations of NTs and SFs are also extreme opposites. If NTs are concerned with the general theory of all organizations but not with the details of any particular organization, then SFs don't care about theory or issues in general at all. SFs are instead concerned with the detailed human relations in their particular organization. SFs are like STs in that both are concerned with details and facts. However, SFs differ from STs in that the latter are concerned with detailed *work rules and roles* whereas the former are concerned with the *human qualities of the specific people* who fill the roles. SFs are in this sense similar to NFs. Both SFs and NFs are concerned with the people in the organization. SFs differ from NFs in the sense that where NFs are concerned with people in general, SFs are concerned with individuals in particular. SF organizations are also realistic as opposed to idealistic. Like STs, SFs are also concerned with the detailed work environment although, where for STs the environment of concern is physical, for SFs it is the interpersonal environment that is of concern. The heroes of SFs are those very special people who are able to create a highly personal, very warm human climate in their

organization. They make you want to come to work. Indeed, the organization becomes just like home, like being one of the family.

Unfortunately, it would take too much space to give an illustration of every one of these four kinds of stories. However, the following typical example of an SF story may help to convey the spirit of what we've been talking about:

Utopia in the Business World

The day had been a particularly harrowing one at the office with more than the normal amount of frustrations with the administration, the workers, and even the public. I went home and fell exhausted into bed.

Suddenly I awoke and looked around. Where was I? What was this strange place? Who were these people? At that moment I was approached by a smiling person with hand extended who said, "Welcome to our organization. We are glad to have you with us. My name is _____. I will take you around to meet the rest of the staff."

Everyone I met was very friendly and in the days to come proved to be most helpful. My duties were explained to me quite clearly and thoroughly. The procedure with which I had to work was written in such a way that there was very little chance of misinterpretation.

All of the staff worked quite well with each other with a minimum of disagreements. The separate department heads would meet once a week with the Administrator who would keep them informed of new developments. The department heads would then keep the workers informed. Once a month the Administrator would address the entire staff. There was a free and easy exchange of ideas. There was no CIA atmosphere nor was there always a lot of rumors floating around. No one ever said, "I hear by the grapevine." There was no need to "hear by the grapevine." Everyone was fully informed as to the opportunities available to them.

A door slammed and suddenly I was transported from the ideal organization back to the world from which I came.

Implications for organizational problem solving

It has been our experience that the phenomenon of storytelling has a tremendous impact on managers. This is especially the case where managers of different psychological type are able to share their stories in an atmosphere of freedom and trust, that is, without fear or ridicule. The biggest value of such experiences is that they make managers aware, as perhaps never before, of basic differences that have always existed but that are obscured in everyday life. One rarely has the chance to witness in as explicit and systematic a way the operation of fundamental psychological differences.

The greatest value in sharing organizational stories lies in the fact that it sensitizes managers to other realities—to the fact that there are other ways of perceiving and analyzing organizational disturbances and problems. In this sense, the value of such an experience extends far beyond the seemingly trivial exercise of storytelling.

We would contend that the kinds of real problems that organizations face have aspects of every one of the psychological viewpoints we have been

discussing. Almost by definition, *real* problems do not fit neatly into one and only one slice of psychological space. Rather, real problems, as opposed to idealized problems, change drastically in character—they look vastly different—as we view them from different perspectives. If we associate (1) the ST viewpoint, with its emphasis on day-to-day specifics and details, with the operational phase of organizational problem solving, (2) the NT view with long-range strategic planning, (3) the NF orientation with the setting of long-range human goals, and (4) the SF view with day-by-day human relations, then all problems of any importance not only have features that involve every one of these aspects, but organizational problems ought to be conceptualized as such. We would argue that the failure to view problems as involving all four viewpoints can be disastrous to an organization. By ignoring one or more of these viewpoints an organization can fail to recognize and hence to treat an important side of its problems.

Method of application

The implications of the approach we have been describing can be summarized as follows: We start by assuming that one or more subunits in an organization are identified as experiencing some conflict or problem. Our first step is to bring together all of the individuals concerned with the problem or their representatives if there is a large number of individuals. Each individual is asked to write out his view of the problem—what he sees as the objectives of the problem, the issues involved, the value assumptions made, and so forth. Alternatively, we ask each individual to write a story describing how the problem arose, the individuals who were involved, what got them to see the problem in a particular way, how they approached the problem, and what an ideal resolution of the problem would look like. The individuals are then formed into a Jungian group, that is, an ST, NT, SF, and NF group, and are asked to develop a group statement by combining or integrating their individual statements or stories. When the group statements have been prepared, each group shares with the others their view of the problem as indicated by their group discussions. This typically results in four very different perspectives.

The next stage in the process explicitly examines the four differentiated group products and attempts to integrate them into some new form or synthesis. The process involves having two or more individuals from each of the four Jungian groups meet as an integrated group. This group then is asked to discuss their different perspectives, their assumptions, values, stories, and so forth. A lively debate usually develops in which the different perspectives are exaggerated, challenged, examined, denied, projected, and so forth. During this process, each individual is encouraged and pushed as much as possible to critically question and address the strengths and weaknesses of his own perspective. Once each individual in the integrated group has achieved this

objective, the process moves toward a synthesis stage. The atmosphere changes, and each member of the group attempts to provide innovative solutions, capitalizing on the strengths of each position while minimizing or subduing the weaknesses. Finally, this group proposes some integrated solution that addresses the issues developed by the different perspectives.

The essential point to be emphasized is that this problem-solving process can be designed and applied to any organizational problem, whether the problem is one of macroorganization design—that is, how to organize to address the variety of task environments that the organization faces—or arises within a given organization design—for example, how to integrate two already existing subunits. This conclusion springs from the consistently favorable results we have achieved in applying the Jungian framework to a broad range of concepts and issues in a number of organizations. It seems to us that a wide variety of organizational phenomena have their roots in the basic differences between Jungian personality types, that is, in the fact that different types see things differently. Consequently, regardless of the substantive issue at hand, the methodology is useful in addressing itself to the underlying dimensions of the issue.

This kind of problem-solving process needs to be a recurring component of any management system, it needs to be institutionalized in a form similar to the one we have described. We are suggesting that a major issue for organization design is that *organizations need to design a problem-solving system* in order to adapt successfully to different problems and different task environments. Such a system has to have the objective of *continually* addressing itself to the different sources of conflicts and value issues in the organization—that is, different people, different problems, different designs—and of providing a design mechanism to coordinate and integrate the different perspectives that are so necessary if innovative solutions are to arise. In fact, we see that the ability of an organization to confront needed changes and different problems is heavily based on the organization's ability to design itself for the possibility of taking advantage of such confrontations—organizations must ensure that these various confrontations do not occur by chance, by the dictates of a few individuals, or via a reactive as opposed to a proactive stance. Rather, how to realize the stimulus to growth that is implicit in confrontations is an organization design problem that must be approached explicitly—one that requires the organization to allocate resources to implement a system for using confrontations.

We do not mean to suggest, however, that organizations have not instituted problem-solving systems, but rather that within present problem-solving systems, organizations have not made use of the unique information and perspectives that result from storytelling—whether these are stories about ideal or real organizations. Most efforts at problem solving and decision making rely on typical accounting data. And while contemporary management information systems have begun to include broader and more varied sources of information, this information is still consciously derived and highly quantita-

tive. The use of organizational stories, however, taps the unconscious, qualitative phenomena that pervades organizations. From our research and consulting experience we have found that for appreciating and analyzing complex problems, this latter type of information is as important or even more important than rigorous accounting data. Storytelling, when applied in a problem-solving framework as we have described, can thus be an extremely important source of data for the organization—data that would otherwise be ignored or overlooked. As such, storytelling procedures do become a new tool for organizational problem solving.

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