

## **Agentic Collaboration in a Secular Age: A Rhetorical Theory of Organization**

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My talk is a précis of papers I have been working on for the last year or so while re-thinking organization theory - partly at the suggestion of Professor Sauquet and the PhD students here at ESADE. The initial impulse was an enquiry into knowledge management which, as some of you have heard, I finally understood as more about managing knowledge absences than about managing knowledge assets. In turn, that drove me to re-think the place of imagination and rationality in our theories, so I shall directly critique our fetish with rationality. Some time ago Professor Bonet slyly suggested I take a look at rhetoric - I had no idea why - and now I know enough to be sure it will help us here.

My title also points to theoretically significant differences between the modern age, with its secularism, and prior ages dominated by other concerns, especially religion. Such contextual notions matter more to our theorizing than we care to admit, and raise deep questions about what we are really doing. They push us from disengaged analysis towards engaged discourse and, as a result, rhetoric becomes a powerful weapon here too. In short, there are several rhetoric-related reasons why I am pleased to be here, sharing this conference and learning from you. In that spirit, let me be clear my remarks are intended to provoke questions and discussion rather than to sell you on strong conclusions - after all I am still a novice in this discipline.

My first suggestion is that we cannot usefully theorize organizations as if they are natural entities, by which I mean having a nature of their own that would allow them to exist independent of our presence. On the contrary, they are our constructions and so inevitably reflect us, along with our interests, idiosyncrasies and weaknesses. So we must ask if our interests, or the organizations we create, are fundamentally rational? The modernist project, a step-child of the Enlightenment, is to explain everything by articulating some basic axioms into a rational discourse. Thus we get defined as rational self-maximizers while science is characterized as the application of reason to our affairs. Imprisoned by this cage of reason,

we have been searching for a rigorous science of organizations and their management for at least a hundred years - especially since the 1959 US Foundation Reports. Some might argue Weber put us on this track around the turn of the 19<sup>th</sup> century when, along with Fred Taylor and his engineer colleagues, he provided us with our dominant model of organizations as rational bureaucracies - perhaps to his surprise.

I have argued elsewhere<sup>1</sup> this project is not going well, indeed it may have actually prevented us from gaining useful insights into what organizations are and what managers do. Being a tad over-confident in this view, I have suggested the business school curriculum is profoundly mis-directed in its preferment of rationality and objective views of management over the subjective situatedness of management, entrepreneurship and leadership. In micro-economic terms I follow Shackle and Lachmann and see the managerial task as a confrontation with Knightian uncertainty rather than the application of Walrasian optimization models.

How did we get into this love-affair with rationality? This morning Professor Bonet, had he been able to give his prepared presentation, would have cited Toulmin's analysis of the impact of the Thirty Years War. It is difficult for us to imagine how great this was. For instance, around 20% of the German population was killed - in comparison to around 4% for both France and Germany in WWII. Descartes died two years after the war's end as his rationalism helped ease Europe on from the confrontation between Protestantism and Catholicism and towards Reason as the modernist warrant for Truth. The Enlightenment followed, reaching its zenith, perhaps, in the logical positivism of pre-WWII Vienna. But things have changed. Philosophy's successive collisions with politics, war and genocide propelled it into deep doubts about itself, especially the nature of and limits to rationalism. Kierkegaard and Nietzsche made everything seem different. Within our own field, Simon's notion of bounded rationality and his Nobel legitimated similar questions; yet there has been precious little follow-up in the intervening 60 years. So today's real topic is bounded rationality.

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<sup>1</sup> Spender, J.-C. (2007). Management as a Regulated Profession: An Essay. *Journal of Management Inquiry*, 16(1), 32-42.

If Rational Man is to be pensioned off what can replace him? Actually there are many alternatives, especially when we look at the critiques of positivism that have emerged since World War II - I speak of existentialists and post-structuralists such as Foucault, Levinas, DeLeuze, Sartre and so forth, that increasingly familiar list of names much heard but less read. Am I serious suggesting there can be anything useful to practicing managers in that demanding literature? My answer is a clear yes, especially if the alternative is the naive rationalism of business school research. But instead of drowning us immediately in this stuff I shall go beyond the purely philosophical and into the worlds that managers inhabit.

We need to pay more attention to the make-up of these worlds. I find Coleman's little book *Power and the Structure of Society*<sup>2</sup> a manager-friendly guide to the evolution of Western society. His argument was that beginning around the 11<sup>th</sup> century, the balance of power between the two tiers of European society, feudal royalty and the Church on top and un-enfranchised serfs at the bottom, began to change. *Droite du seigneur*, for instance, disappeared and laws establishing citizen's rights and exchangeable property began to evolve. Non-religious and non-State combinations were allowed, the Guilds and so forth. A new structural tier, which henceforth defined modern society, evolved between these top and the bottom tiers. In spite of much subsequent elaboration, this middle tier remains the historically specific space in which entrepreneurs create the organizations we are theorizing.

The law, with its privileged place in democratic society, was the primary instrument for plotting and shaping this space. It is too bad that in business schools we spend so little time on corporate and commercial law, for its study would help us see more clearly how real-world organizations are actually defined not as rational machines but as bounded domains of legally possible practice. The legal constraints were complemented by the less formalized constraints of culture, society, fashion, the supply of the factors of production, skills, literacy, terrain, demand, transportation, production technology, and so forth. There was also competition as a constraint to the choices made within the socio-legal space provided. Taken together these constraints over practice comprised the dimensions of the organization's environment in the sense of their being all that can be known about it.

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<sup>2</sup> Coleman, J. S. (1974). *Power and the Structure of Society*. New York: W. W. Norton.

Now come some problems with rationality. If it was ever possible to describe this complex environment with a purely rational model, it would make good sense to analyze it rationally too. But we do not need to think long about bounded rationality to recognize that there is no model of the environment that is both usable and comprehensive. Nor can there be; for not only is this world multi-dimensional in reflecting human society's various complex whims, it is also partial and mostly unknown. Nor is it static. It is contingent on the changing body of human knowledge about the natural and social worlds, and is constantly changing under the press of new political initiatives, changing tastes, and so forth. Likewise the tangible and intangible resources that might be brought to bear in an organization in pursuit of its goals are constantly changing in value, in terms of the 'services they can provide', to recall Penrose's famous term.

My point is not so much to reject rationality, which seems absolutely part of who we are, rather it is to accent its limitations and complement it with something more humane that captures more of who we are and how we deal with the world. Organizations must embody more of us than our rationality alone. I see this notion as a friendly amendment to help rationality to excuse itself from its present state of hubris, the misguided belief that it is the supreme and ineffable basis for all theorizing. Curiously, if we go back to the beginning of the Enlightenment there was nothing like this obsession with rationality. In Bacon and Locke's writings for instance, human beings were defined as creatures of imagination and emotion as much as of reason. The key notion was of an interplay between Reason and Imagination, so that when reason fell down under the burden of uncertainty, imagination stood up. The technical challenge for a theory that embraces both, of course, is how one person might manage another's imagination, and this is where my talk really begins.

In fact the imagination is not a thing, state or process into which psychologists or neurobiologists can gain experimental insight. It is no more than a rhetorical term we use to describe our private experience of thinking, to bring it into our language. It is not intended as an explanation and as such it operates only as a dialectical complement to reason - which is likewise simply axiomatic as a quality of mind. We invoke an axiomatic distinction as imagination and reason co-define each other rather than themselves. What the experimental

psychologists research is no more than the effects of what we call reasoning or imagining, not these qualities of mind themselves.

This means we cannot observe the imagination directly, but must introduce it empirically and obliquely. One way to do this is via the notion of human agency, which is often defined as the difference we make in the world, intentionally rather than by accident. Plainly we cannot be agentic without having the extra-rational quality of mind we label imagination. Reason and causality must fail before imagination and agency is called forth. But there is an important disjunction between imagination as a quality of mind and agency, which is about how our imagination collides with the constraints of the incomplete world in which we find ourselves embedded. We can imagine being elected President, or flying like Icarus or perpetual motion machines, but we may not be able to make these things happen.

Our world presents as a reality that constrains our imagination. Indeed, we can define science as the summary of the limits we have discovered to our agency; for example, we cannot turn base metals into gold. Here we touch on work of Giambattista Vico<sup>3</sup> and the philosophy of constructivism, the idea that we cannot ever know the world as it is, as the essence that causes our sense-data and experience. All we can know is as a recollection of our experience, and this calls for Memory, and in spite of our assumption that we thereby discover something of reality's essence, we do not.

The constructivist position is one way of adopting Agentic Man as our basic theoretical model - one that combines imagination and reason and, by acting intentionally in the world, collides with its constraints. These, as noted previously, are constantly shifting, especially the social ones that are of our own construction - though not all constraints are socially constructed, as my previous allusion to perpetual motion and the Second Law of Thermodynamics indicated. The resulting sense of permanent instability is well captured in Giddens's re-structuration theory. Thus the possibility of managing Agentic Man lies in the managers' ability to reshape the constraints to other's agency in action. This sounds more complicated than it is for we are already familiar with this mode of management. Budgeting,

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<sup>3</sup> Vico, G. (1944). *The Autobiography of Giambattista Vico* (M. H. Fisch & T. G. Bergin, Trans.). Ithaca NY: Cornell University Press.

for example, or corporate policies, are not direct instructions. They simply set bounds as inputs not outputs. They allow those being managed the agentic space to use their own initiative, so long as the outcome is judged in alignment with the organization's purposes.

My proposal is that Agentic Man applies both reason and imagination and both aspects can be brought into a theory of management. The organization is thereby re-defined. It is extended from being an apparatus which harnesses peoples' rationality to the organization's purposes and moves towards being also an apparatus for harnessing peoples' agency. This is a significant advance but it means re-thinking about how managers communicate in ways that go beyond the rationalist approach in, say, Shannon & Weaver's theorizing. Here we move towards rhetoric - backwards in time maybe, but forward towards a richer appreciation of the obscured dimensions of organizations and their management.

If we adopt the dualistic Agentic Model of Man we can argue rhetoric works because *logos* appeals to the listener's rational, left-brain, side while *pathos* appeals to her imaginative right-brain side. We can take this further and argue *ethos* is a matter of imagination too, for *logos's* rationality is socially constructed rather than absolute and so part and parcel of *ethos*. But, disagreeing with many of you, I see *ethos's* real reference as less to the speaker's character than to the implicit human sense of social place, structure and relation that the speaker and his listeners share - that sense of shared community that reaches beyond mere function, much as Selznick wrote, in his memorable phrase in *Leadership in Administration*, that "to institutionalize is to infuse with value beyond the technical requirements of the task at hand".

Is rhetoric, as I sketch it here, enough to explain, at last, how organizations come into being and operate? I think not. There are many ways of making this point and right now I feel a little fixated on incommensurability, the classic philosophical problem about how dissimilars are synthesized. In the absence of total rationality we cannot be certain how the various dimensions of our thinking best come together, and this applies equally to the coming together of *logos*, *pathos*, and *ethos*, the sense that there must be something else standing behind them in that place where they come together into a synthesized coherent argument.

Incommensurability is a fundamental type of uncertainty, so the synthesis is an act of imagination or, perhaps, agency. In our own field Barnard made resolving the incommensurability of the various 'sub-economies' of the organization, what we now call its sub-systems, his definition of the executive function. This is a far cry indeed from the rational decision-making which most of the BSchool community would turn to to define managerial activity. Barnard was also Simon's mentor and helped him write *Administrative Behavior*, and I feel a certain harmony between Knightian uncertainty, Barnardian incommensurability, and Simon's bounded rationality. All are ways of labeling the everyday uncertainty that both brings our reasoning to a halt and calls forth agency on the part of employees and their managers, be they entrepreneurs, executives, or leaders.

But where can this sense of coherence come from - in the absence of an overarching rational model of the world, such as is supposed by equilibrium theorists, or in the absence of a Platonic theory of the Good Life? Without some sense of coherence and continuity any notion of the organization becomes increasingly problematic and powerless, which reminds me of all that talk a few years ago about the 'boundary-less organization'.

The problem is actually that of theorizing how order can be produced in circumstances that are inherently chaotic. By introducing bounded rationality we have turned organization theory, and much else besides, completely upside down. It is no longer a matter of how to change the obdurate organizational mechanisms we create. Rather the challenge is to achieve any sense of order and continuity from the fluid conditions and inconstant substance of human life. Thus bounded rationality is actually a deeply radical and vexatious idea that collapses many of our assumptions, especially that of a still center of the universe, that point of rationality, that Archimedean fulcrum from which we can observe our lives objectively. On the contrary, bounded rationality reminds us we cannot achieve this distancing, that we are embedded in an unknown and unknowable world wherein we in-dwell in puzzlement. Here we only know our experienced limits, not our world's essence.

The implication is that whatever organizational order we observe must spring from the entrepreneur herself. This is where bounded rationality projects us into an existential crisis of precisely the type explored in the post-war French philosophy mentioned earlier. Having

knocked Rational Man off his pedestal, bounded rationality then applies as much to our internal universes of meaning and feeling as it does to our external universes of sense-data. We can no longer be certain we know our intentions, instincts and objectives. Absent some purely intellectual synthesis, Agentic Man is one whose sense of coherence emerges only as purposive practice in the agentic space. But, and here is the really tricky part, as that space is not itself coherent, the deeper source of coherence must come from somewhere else.

Here I am using philosophical language to remark something already perfectly familiar, that sense of purposive collaboration which inhabits so much of our lives. We are also social beings, drawing as much of our identity from our interactions with others as from any sense of the stable essences of our own nature. Agentic Man is thus inherently social and collaborative. Indeed, I would go further and argue we have no trouble understanding that we are never more than a bundle of identity projects in progress, a buzzing booming confusion of loosely coupled processes of socially embedded action - being buffeted this way and that by those 'merchants of meaning trading in words' to use Professor Czarniawska's felicitous phrase. There is no fundamental stability within us, we only become coherent when acting as agents in and on the world. Thus we address our existential crises through the practices wherein we appear as committed, whole, and in this sense purposive. It follows our organizations are the same way, only present and coherent in action. But whence their sense of momentum and permanency? How does this arise?

Paradoxically Simon gave us an answer which he failed to follow up as we might today. In Chapter 5 of *Administrative Behavior* he discusses 'docility', which he drew from the psychologist Tolman. Docility means, literally, 'teach-ability'. The idea is that we have malleable identities and are constantly re-shaped by others, to the extent that we are docile. While language is important, our social interactions are wider and embrace non-verbal behaviors, signs, symbols, artifacts, boundary objects, and so forth. Simon also used the term 'indoctrinate'. You see where I am going with this. Once we appreciate how severely bounded rationality upsets our apple-cart, decentering the subject, in organization theory's case both the employee and the organization, we must look for stability somewhere else if we are to have anything resembling a theory which can speak to some generality beyond the particular instance.

At the risk of surprising you, I shall suggest we must look to 'faith' - in quotes - and this helps explain the term 'secular' in my talk's title. The term carries a large amount of baggage, of course. In the US, for instance, to be 'of faith' specifically means to be a religious. One cannot be an agnostic 'of faith'. Humanist philosophies, on the other hand, offer faith in human nature itself, so faith can be secular. I want to use some term like faith in purposive action to capture the source of the organization's coherence. To get around faith's religious baggage I propose the term *pistos*, which means faith in Greek

*Pistos* has nothing to do with *pisteis*, that sense of rhetorical proof which classical rhetoric sought at the end of the process of persuasion. *Pistos* is what stands behind bringing together the multidimensionality of thinking which becomes manifest as committed purposive action. In a sense it is the 'self' or 'real identity' revealed in emergency, when we are surprised and have no time to think or contrive. Perhaps it is us in a pure state of 'flow' to use Csikszentmihalyi's term. It is certainly not the public identity we studiously craft as a Goffmanesque 'presentation of self'. *Pistos* is also morally and ethically dimensioned, for we are social beings embedded in a collaborative society. Our actions always affect others in ways that, given bounded rationality, can never be evaluated rationally by any Benthamite calculus, so there must be a residual judgment that defines the domain of the ethical. I see *pistos* as what synthesizes *logos*, *pathos*, and *ethos* together into the coherent practice the rhetor intends.

But is this a game of infinite regression? What stands behind *pistos*? What is its source? I sense it is about the boot-strapping act of imagination that appears in us as our consciousness of ourselves and our context. It reaches behind mere awareness, for our consciousness is intentional, penetrated by a sense of direction and attitude to the world. Thus *pistos* lies in our most fundamental sense of awareness of human society and our indwelling within it.

Rieff's recent book on charisma - *The Gift of Grace - And How it Has Been Taken Away From Us* - has helped me to the conclusion that *pistos* is that part of us to which charisma speaks directly. Thus I see charisma as in the realm beyond language, rather the context of

consciousness in which our use of language is embedded. Charisma confronts us as a fact or constraint on how we think about ourselves. It speaks to the very center from which we make sense of our lives. To believe the charismatic speaks only to our emotions is to miss the difference between life and theater. We go to the play and feel strongly, even weep. But it does not reshape us as charisma does. Troubled times are when charisma fails and the *pistos* behind society begins to fall apart, when states of exception overtake normality<sup>4</sup>.

We do not have time to consider the epistemological issues here, though I certainly do not want to imply a simple coherence theory of Truth. I would rather you notice that I am adopting a 'fideist' or 'foundationalist' position that stands over and against the moral emptiness and ethical bleakness of the rationalist position. This entails making the gross assumption - which renders my conclusion mere tautology, of course - that without some form of faith, nothing of the human experience makes sense or warrants discourse with others.

To have *pistos*, therefore is not only to have a sense of what it means to be conscious but also to have that sense of oriented purpose, dedication, or subordination to something or someone larger than oneself that signifies the existence of the collective. We understand how Rational Man is dedicated to himself - greed is good, as we see in the film *Wall Street* - and he is out of sorts on this account. Agentic or Social Man cannot carry this off.

I am groping towards the conclusion that human organization springs from and demands agentic collaboration, it is its *raison d'être* as well as its strength. Language, and the resulting potential for agentic collaboration through rhetoric, is what so demarcates the human race, for good or ill, from the other species with whom we share the Earth. It also happens to answer Coase's question about why economic organizations exist, precisely because of the twin empirical facts of our imagination and our inherent docility. Then the many can be persuaded to apply their agentic capability to the goals of the few. That way man's imagination becomes harnessed to the process of changing the human condition. Indeed organizations are his most important artifact and his powerful instrument. Ultimately

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<sup>4</sup> Agamben, G. (2005). *State of Exception* (K. Attell, Trans.). Chicago IL: University of Chicago Press.

everything we do is contingent on our ability to create the organizations which can make it happen.

This is also about the power of the few over the many, of course, and this takes us back to Coleman's analysis. The corollary to docility, power is the third fact of social collaboration. Any theory of management must take this as axiomatic. But we speak here not of the coercion or calculation that comprised the first two of Etzioni's modes of power, coercion and calculation. Rather it is about what Lukes regarded as the third and most fundamental dimension of social power, the power to shape another's thoughts and feelings<sup>5</sup>. This is what rhetoric is about, of course. But my point is that classical rhetoric is not broad enough to encompass or explain today's post-modern organizations whose necessary shared *pistos* can no longer be presumed. There can only be agentic collaboration when the many have adopted a common secular faith, that of the secular charismatic - the leader/entrepreneur. This is a commonplace to most executives who are always working to have their people 'get with the program' and 'share values'.

My talk is really about what these everyday terms mean and how managers might bring them into the organization's world. My conclusion is that they are only meaningful within the specifically constructed and bounded agentic spaces and collaborative practices that constitute what we call 'the organization'. There is no other organization but this, the one that folds its tent and disappears as its people go home in the evening; when they stop applying their agency collaboratively towards the executives' chosen secular goals.

We can speculate about why *pistos* was not dealt with in classical theory. I see two kinds of answer. First whether in Sicily, Athens, or in Cicero's time, the art of rhetoric was about the purposive discourse of a minority of enfranchised citizens of more or less of common disposition, perhaps with a common faith in democracy and the rule of law. After the rise of Christianity, rhetoric was harnessed to different aspects of social life, specifically to religion. Faith became the central issue. Thus Ramon Llull's intent was not to produce *pisteis* as a reasonable legal or political conclusion but rather to use rhetoric to communicate and prove

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<sup>5</sup> Lukes, S. (1974). *Power: A Radical View*. London: Macmillan

the Catholic faith. This required a complete re-conceptualization of rhetoric in which Erasmus, Vives and others played their parts. As you know, Lull was so confident of the power of his Great Art that he spent most of his life traveling the Eastern Mediterranean and Syria to convert 'the Infidel'. As the Enlightenment's preferment of reason undercut the medieval religious agenda, rhetoric was emasculated and reduced to the menial labor of literary composition - a total loss of faith with no *pistos* in sight. Now, as we engage the post-rationalist age and global diversity, rhetoric - as fundamental to collective discourse as ever - gathers new steam. Indeed, some historians of rhetoric have noted its inevitable recovery in times of social and political upheaval, when there is a renewed search for faith<sup>6</sup>. We may be in such times today. At the same time we can argue that *pistos* was covered in classical theory, though not sufficiently distinctly. Cicero's and Quintilian's insistence on the rhetor being of high moral character surely reached behind the notion of skill with *logos*, *pathos* and *ethos*, and into the realm of *pistos*.

This brings me to my final remarks as we circle back to charisma and our close. The charismatic, or the entrepreneur as she is better known in business parlance, imagines a situated possibility and projects that vision as an invitation to others to join her in creating the unique agentic space in which the resulting practice brings her organization to life, making it as real as anything else in our uncertain world.

But the interplay of *pistos* and charisma falls beyond 'regular' rhetoric in that it cannot be brought into a science in the sense that it can be analyzed, engineered or caused. It just is. But in being at our core it reveals an underlying extra-linguistic mode of human communication. Here we find our docility and our openness to the human-ness that lies beyond language, what Adam Smith called our natural 'sympathy'. So, in opposition to the poverty of studying organizations on the basis of rationality alone, denying what Smith regarded as our most essential characteristic, rhetoric, extended, reveals the proper place and power of human imagination and agency, and most important of all, the world shaping power of charisma.

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<sup>6</sup> Corbett, E. P. J., & Connors, R. J. (1999). *Classical Rhetoric for the Modern Student* (4th ed.). New York: Oxford University Press.