The current issue and full text archive of this journal is available on Emerald Insight at:
https://www.emerald.com/insight/0953-4814.htm

# Draw your organization! A solution-focused theory-method for business school challenges and change



Steffen Roth
*Excelia Business School, La Rochelle, France*

Received 2 June 2020
Revised 20 October 2020
Accepted 13 January 2021

## Abstract

**Purpose** – This study aims to present a solution-focused approach to current problems and criticisms faced by business schools.

**Design/methodology/approach** – To facilitate the required shift from problems to solutions, this study outlines a theory method and demonstrates how it has informed my teaching at Financial Times (FT)-ranked business schools and other institutions of higher education in two subjects and on three continents.

**Findings** – The study reports on two student exercises showing that even advanced business school students confuse organizations with political economic hierarchies.

**Originality/value** – The study concludes that business schools pursuing a smart specialization strategy by challenging this reductionist view may turn into new schools of management distinguished by a broader, multifunctional concept of themselves and their impact on their environment.

**Keywords** Business schools, Social systems, Tetralemma, Multifunctional organisation

**Paper type** Conceptual paper

## 1. Introduction. A solution-focused approach to the state we are in

Tim Jackson (2009, p. 51) and his co-authors (e.g. Druckman *et al.*, 2012, p. 157) have popularised Mary Douglas' (1976, p. 207) postulate that an "individual's main objective in consumption is to help create the social world and to find a credible place in it". If true, this basic assumption applies not only to those who consume, but also those who create the goods and services consumed at business schools worldwide. For faculty members, however, finding a credible place in the social world has turned into a veritable challenge not least because their schools have early been identified as roots or main causes of the apparently chronic financial or ecological crises (Jacobs, 2009; Giacalone and Wargo, 2009; Amann *et al.*, 2011; Donaldson, 2012; Alajoutsijärvi *et al.*, 2015; Czakon, 2019; Kociatkiewicz and Kostera, 2019).

The issues at stake are well documented and seem to have much to do with the self-confusion of our institutions of higher business education and research with their academic subjects and research objects. As a result, business schools breathe the *new spirit of capitalism* (Boltanski and Chiapello, 1999, 2005), act as if they were corporations, surrender to managerialism, face market shakeouts, internationalize, spread neoliberal ideologies and provoke the corresponding resistance (Slaughter and Rhoades, 2011; Khurana and Spender, 2012; Bergman *et al.*, 2014; Jemielniak and Greenwood, 2015; Alvesson and Spicer, 2016; Fleming, 2019; Zawadzki *et al.*, 2020).

As these and similar issues are indeed so well-discussed already, however, in this article, I do not wish to contribute yet another set of critical aspects or assess whether or not these images of the organizations called business schools are true. I am, hence, neither endorsing nor contesting the validity of the many claims and criticisms that have grown up around business schools. What I shall do instead is take them seriously.

Journal of Organizational Change Management
© Emerald Publishing Limited
0953-4814
DOI 10.1108/JOCM-06-2020-0163

The focus of this article is, hence, on what business schools can do *if* they are adequately defined as neoliberal, commodified, corporatized or capitalist, and *if* this strong economy bias of what are supposed to be institutions of higher education and research is observed to cause serious problems to both business schools and the larger social world.

In dealing with these problems, however, I act on the assumption that even the sharpest problem focus cannot do more than sharpen the problem. Consequently, I abstain from problematizing (Alvesson and Willmott, 1992; Taskin and Willmott, 2008; Alvesson and Sandberg, 2011) the shape of business schools in the 21st century or the strategy of problematization itself, and rather complement the consequent problem focus by an equally consequent solution focus. In doing this, I am not problem-phobic, but only solution-focused as I draw on well-documented evidence from solution-focused therapy (de Shazer, 1985; Weiner-Davis *et al.*, 1987; de Shazer and Berg, 1997; de Shazer and Dolan, 2007). In line with this "non-pathologizing, positive, and future-oriented approach" (Anderson, 2016, p. 196), as well as Mary Douglas's initial statement, I, therefore, suggest that:

(1) A comprehensive knowledge of the criticisms and problems faced by business schools is not required for solutions to emerge.

(2) Business schools have the capacity to imagine alternatives and make change.

(3) Many business school consumers and co-/producers are motivated to maintain or regain a credible place in the social world and to find solutions to the above problems.

To facilitate the required shift from problems to solutions, in section 2 of this article, I outline a theory method based on the distinction between true and false distinctions that may be used to navigate from problems to solutions or from one problem to another, respectively. To this end, I first demonstrate how key ideas of George Spencer Brown (1979) may be used not only to reverse-engineer famous management tools, but also to create windows to an open space that is not defined by the problem at all. I then draw on the works of Niklas Luhmann (1995, 2012, 2013a, b) in general and a version of his concept of social differentiation in particular to show how these universal principles may be applied to the analysis of social systems such as business schools or society.

In the subsequent sections 3 and 4, I report how this theory method has informed my teaching at FT-ranked business schools and other institutions of higher education in two subjects (management and sociology) and on three continents (Europe, Africa and Asia). In this context, I focus on two simple and revealing student exercises that suggest that despite all the conceptual and paradigmatic richness of management scholarship, business school students retain relatively narrow and rather dated concepts of organization and management from their exposition to business schools, internships, and probably also the broader social environment.

In the concluding section, I argue that the limitedness of perspective or fantasy among students corresponds to similar limits in our academic discourses, which result from ultimately contingent over-emphases or neglects of key concepts of social differentiation in management and organization theory as much as in the broader social and behavioural sciences; I discuss how, by a less contingent and more strategic approach to all forms of social differentiation, business schools may broaden both their students' and their own perspective on both themselves and their social environment; how either party can identify a broader scope of relevant stakeholders; and how these broader perspectives can increase both the individual and organizational inclination and capacity to address and actually solve many of the severe problems that business schools are said to be in or have caused.

## 2. Theory method. From unmarked state to social differentiation

The following theory statement, which also represents a methodology statement, starts with the assumption that the categorical separation of theory and method is a mistake (Elias, 1978). From this point of view, a theory also acts as a methodology whenever the theory applies its own distinctions not only to its objects of observation, but also to itself, and thus indicates how its observations come about and can be replicated. The quality of such a theory method is consequently rooted not in its robustness against falsification or the richness of its data, but rather in the scale and scope of scientific problems this theory allows to generate (Merton, 1959).

### *2.1 Unmarked state and (true) distinctions*

A prime example of an architecture that self-applies its own distinctions was developed by George Spencer Brown in his cult classic Spencer Brown (1979). In the first lines of this book, Spencer Brown invites us to "take as given the idea of distinction and the idea of indication, and that we cannot make an indication without drawing a distinction". In observing something, we, hence, concurrently draw a distinction and point at one side of this distinction. The starting point of the Laws of Form, therefore, is already in motion, a movement caused by the oscillation that follows from the observation that distinctions are drawn to indicate one (and not the other) side of the distinction and therefore have to be distinguished from what is distinguished by them (Luhmann, 1999). This paradoxical *re-entry* of the distinction between distinction and indication is present in all forms of observation, including the observation of mathematical, biological, linguistic or social phenomena.

It is useful to bear in mind this paradoxical and inherently dynamic aspect that is inherent to all theories and methods that draw on Spencer Brown's concept of distinction. For the purposes of this section, however, suffice it to highlight that the Laws of Form have demonstrated that entire edifices of ideas and even disciplines can be built on only one single principle or, better, one single operation: the drawing of distinctions.

This claim may be supported by a demonstration of how combinations of only two distinctions already create simple, effective and popular observational tools. If we combine, for example, two distinctions as simple and basic as *positive versus negative* and *internal versus external*, then we have smoothly recreated a window to the world that has been excessively used as strategic management tool over the past decades (Table 1):

In looking at Table 1 and, thus, using strengths, weaknesses, opportunities and threats (SWOT), we are observing the entire world through a window made of the chosen distinctions. Consequently, the inner world appears as either opportunity (positive) or threat (negative), whereas the outer world is divided into opportunities (positive) and threats (negative).

One reason for the continued success of SWOT might be that the tool has been designed using true distinctions. "Distinction is perfect continence" (Spencer Brown, 1979, p. 1). This implies that true distinctions must split their entire world into two mutually exclusive and jointly exhaustive parts. SWOT is, hence, made of reasonably true distinctions if we use the above re-engineered version of Weihrich (1982), whereas it would be made of one true and one false distinction if we believe Humphrey (2005) who claims that the original second distinction of SWOT is actually *present versus future*. In fact, the two sides of the latter distinction are not jointly exhaustive, as they do not split the entire space of time, which also

| | Positive | Negative |
|---|---|---|
| Internal | Strength | Weakness |
| External | Opportunity | Threat |

**Table 1.** A famous management tool emerging as a combination of two basic distinctions

contains the past. The “false” version of SWOT may still be saved if we follow Luhmann’s (2013b, p. 153) reading of Novalis, define the present as “differential of the functions of the future and the past” and thus redefine the temporal distinction as *past versus future*. In most other cases, however, the issue with tools or theories made of false distinctions is that they appear arbitrary (“Why present versus future, and not present versus past?”) and are either quickly replaced by true ones or continued to be used only if they succeed in concealing their arbitrariness. Once established, successful false distinctions, therefore, cancel the observational flexibility normally inherent to all forms of observation and thus lead to the observation of persistent dilemmas and other forms of problems. This circumstance can be illustrated by looking at Table 2:

Table 2 presents a self-application of a false distinction. Whatever *This* and *That* refer to, and whatever the problem with this distinction, the re-entry of a false distinction systematically limits our observational options. In looking at Table 2, we could put a 1 in the top left and bottom right and a 0 in the remaining quadrants. The table would then read as a somewhat redundant definition whereby *This* is twice defined as not *That* (and vice-versa). Or, we could read the same table as depiction of a dilemma, in which case, the observation or choice of *This* excludes the observation or choice of *That*. Yet another option would be two copy *This* and *That* into the respective boxes and then observe pure and mixed types of *This* and *That*. The option we do *not* have while looking at Table 2, however, appears only if we take *This* and *That* for a false distinction and translate them into two true ones (Table 3):

The interesting part of Table 3 is the bottom right quadrant indicating that we cannot only observe or choose *either* This or That, or *both*, but also observe or choose *neither* This *nor* That. Unlike the case of a false distinction, the self-application of a true distinction, therefore, systematically transcends this distinction and, thus, ultimately refers to other available distinctions.

The distinction between true and false distinctions is, therefore, both critical and instructive for the targeted shift from a problem focus to a solution focus on business schools and their role in the broader social world. In working on problems or towards solutions, many stakeholders and business schools themselves act on the assumption of fundamental contradictions, dilemmas and trade-offs, such as those between business or economy and society, which correspond to the situation and options depicted in Table 2. Yet, the issue with the highly influential *business versus society* or *economy versus society* distinctions remains that they are false distinctions unless we conform with negative definitions of society as everything that is not business or economy, respectively. I do not conform with this negative definition of society; however, a more adequate depiction of the situation might be the one presented in Table 4:

Using the example of *economy versus society*, Table 4 translates this false into two true distinctions and, thus, allows for a jailbreak from a world more confined than defined by a

**Table 2.**
Self-application of a false distinction

| | This | That |
|---|---|---|
| This | | |
| That | | |

**Table 3.**
Translation of one false into two true distinctions

| | This | Not this |
|---|---|---|
| That | Both This and That | Or That |
| Not That | Either This | Neither This nor That |

supposedly irreconcilable antithesis of economy and society. In looking at the table in general and the bottom right quadrant in particular, however, it is interesting to note that part of this jailbreak has already been performed. The triple bottom line framework (Elkington, 1997), for example, systematically accounts for environmental factors that belong into neither the economy nor the society box, and at least in some of the triple bottom line figures economy is depicted as sub-system of society, which refers to a special case of a concurrent observation of both economy and society.

Yet, the economy is not the only subsystem of society, and the environment we commonly refer to as nature is not *the* environment of society, but only the environment of one of its sub-subsystems (namely, [natural] sciences), whereas other subsystems (such as religion) know other environments (such as the creation).

Solutions to problems between business (schools) and society, therefore, require an adequate understanding of how economy relates to other subsystems of society and how the observation of social subsystems comes about in the first place. Therefore, we need to draw a different set of distinctions.

*2.2 From social to functional differentiation*

Luhmann (2013b, p. 51) borrows from Spencer Brown the notion of an unmarked state, which the former renames as "unmarked space". For Luhmann, this ultimate unmarked space is the nexus of everything that has meaning. As even the concept of meaninglessness has a meaning, Luhmann takes meaning for a form without an outside, "a context-free object", and thus, for the perfect equivalent of the unmarked white paper on which Spencer Brown draws his distinctions.

Luhmann then distinguishes three dimensions of meaning: "Without any rational justification, I began at some point to distinguish between the objective, temporal, and social meaning dimensions. To this day, I still cannot provide a rational justification for this distinction" (Luhmann, 2013b, p. 173). One rational justification for the distinction between meaning dimensions might be that different meaning dimensions are produced by different questions. Thus, the three dimensions would emerge from the basic questions "What?", "When?" and "Who?", which would also suggest that we might discover further meaning dimensions by asking further basic questions.

In our context, however, the relevant meaning dimension is the social dimension. True to Luhmann, the totality of everything that has a social meaning (i.e. every form of communication) then forms society as the nexus of all communication and, thus, the "comprehensive social system" (Luhmann, 2012, p. 40).

The internal differentiation of society, including the ways this differentiation is used to describe society and to define it into different sub-cultures (Luhmann 2013a, p. 176), therefore, turns into a matter of social differentiation. Initially, Luhmann (1977, p. 32ff, 2013a, p. 12f; see Roth *et al.*, 2017, p. 197) identified three, and later four, basic forms of social differentiation: segmentary differentiation, differentiation in terms of centre and periphery, stratificatory differentiation and functional differentiation. The origins of these first three and then four forms again remain opaque. To Luhmann (2013a, p. 12), it merely "seems that in this field, too, a 'law of limited possibilities' applies, even though it has yet to be constructed in a logically conclusive manner (e.g., by cross-tabulation)".

| | Society | Not society |
|---|---|---|
| Economy | Both This and That | Or That |
| Not-That | Either This | Neither This nor That |

**Table 4.**
Beyond the false distinction of economy versus society

Luhmann does not produce the envisioned matrix. Rather, he first combines “two dichotomies, both of which are asymmetric: system/environment and equality/inequality”, but then, surprisingly, identifies only three forms of differentiation (Luhmann, 1997, p. 33). In his grand finale, Luhmann (2013a, p. 12ff) then avoids combinations of distinctions in favour of an attempt at drawing only on the distinction similarity/dissimilarity to derive the now four forms of social differentiation.

One of the early appearances of the wanted cross-tabulation is then in Roth (2015, p. 112f), where the author combines the distinctions dis-/similar and un-/equal to present a matrix that actually contains the four forms of social differentiation (Table 5):

In looking at Table 5, we notice that the distinctions similar/dissimilar and equal/unequal are similar without being equal. The oscillation caused by their partial self-implication might then be part of the reasons why Roth (2015, p. 112) implies that these two are the foundational distinctions of social sciences and, therefore, capable of mapping all social forms or variables into one matrix.

In reviewing the table, we might even be inclined to radicalize this already bold claim, as there might even be a correspondence between the forms of social differentiation, mathematical operations and levels of measurement.

In any case, Table 5 seems to cover all possible variables or key distinctions of social theorizing and research, and it would indeed be exciting to learn of a social key variable or distinction that is not covered by this matrix:

(1) Segmentation: Family, group, tribe, nation, gender, colour, cohort, . . .

(2) Centralization: Civilisation, empire, network, . . .

(3) Stratification: Caste, estate, class, rank, hierarchy, . . .

(4) Functional differentiation: Economy, science, art, politics, religion, health, education, sport, law, mass media, . . .

I have been using systems theoretical concepts of social differentiation, and later, the matrix as a research and teaching framework for more than ten years now. In the subsequent sections of this article, I report on two use cases at business schools and other institutions of higher education that illustrate how the framework makes me see organizations (differently) and how this perspective supports the development of new organizational identities and problem-solving strategies in and through business schools.

## 3. Draw your organization. An exercise in stratification

The first exercise consists of hardly more than a simple instruction. This instruction always appeared on the fourth slide students saw in the first session of four first- or second-year MA-level modules on organization theory, change management and entrepreneurship I have been teaching at two Financial Times-ranked European Business Schools between 2015 and 2019. The only textual input students were given on the precedent slides was the respective course title, my name, the name of the respective business school and the module code (slide 1) as well as the words “Organization” (slide 2) and “Your organization” (slide 3). In the background of the slides, students saw a random computer-generated pattern (slide 1), white noise on a

**Table 5.** Social differentiation (slightly modified from Roth, 2015, p. 113)

| | Equal | Unequal |
|---|---|---|
| Similar | Segmentation (families, tribes, nations, etc.) | Centralization (civilizations, empires, etc.) |
| Dissimilar | Functional differentiation (economy, science, art, etc.) | Stratification (castes, estates, classes, etc.) |

vintage television screen (slide 2) and an arrangement of about 20 copies of one and the same photo of a nerdy student sitting in front of and touching a television set displaying again white noise (slide 3). I first made students guess what is depicted on slide 1, then informed them on the randomness of the pattern, said a few sentences about the human incapacity of not making sense of even white noise (slide 2), and then explained that I would love to learn what sense they make of the concept *organization* (slide 3), which is why, on slide 4, I gave them the simple instruction: "Draw your organization".

Many, though not all, of students sent me their picture via email or included it in their term paper. Thus, Table 6 summarizes a total of 110 pictures of organization, out of which only ten did not refer to at least one of the four basic forms of social differentiation (see the *residual* category). In fact, these ten were the only pictures that characterized an organization by use of non-social metaphors such as flowers, trees or a wastebasket. By contrast, the vast majority of pictures drew on social categories to define organization, often combining two forms of social differentiation. The most common form used to define an organization is thus stratification either in its pure form (Figure 1) or as a mixed type with functional differentiation.

| | Segmentation | Centralization | Stratification | Functional | |
|---|---|---|---|---|---|
| Segmentation | Team (1) Persons in building (2) Building (1) Squares in Building (1) Persons, dots, squares in circle (6) Square (1) Timetable (1) | Persons and networks in building (1) Network of buildings and regions (1) Networks of persons (3) | Hierarchy of persons (9) | Matrix (1) Roles/functions in circles (2) Arrow money to persons (1) Persons and money in building (1) Examples (family, school, social) (1) | 33 |
| Centralization | Persons and networks in building (1) Network of buildings and regions (1) Networks of persons (3) | Network (4) | Hierarchy of networks (2) | Organization in stakeholder ecosystem (6) Network of roles/ functions (6) | 23 |
| Stratification | Hierarchy of persons (9) | Hierarchy of networks (2) | Hierarchy (16) | Hierarchy of roles/ functions (28) | 55 |
| Functional | Matrix (1) Roles/functions in circles (2) Arrow money to persons (1) Persons and money in building (1) Examples: family, school, social (1) | Organization in stakeholder ecosystem (6) Network of roles/ functions (6) | Hierarchy of roles/functions (28) | Transformations (2) Puzzle (1) Flowchart (2) | 51 |
| | 33 *(33)* | 23 *(18)* | 55 *(44)* | 51 *(5)* | 162 *(100)* |
| Residual | Comic (1); flower (2); globe (1); mind map (1), robot (1), tree (2); wastebasket (1); term "organization" (1) | | | | 10 |
| | | | | | 172 *(110)* |

**Table 6.** 110 socially differentiated pictures of organization

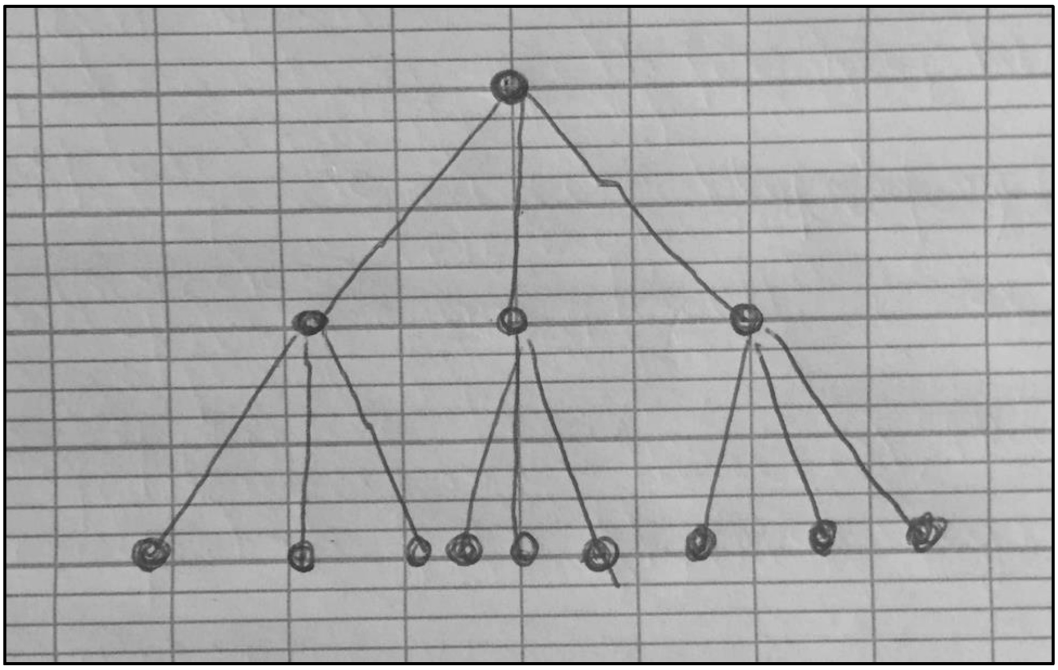

**Figure 1.**
"When the Tripods came". Organization as pure hierarchy

A total of 16 students drew pictures similar to that in Figure 1, which depicts organization as pure hierarchy of unspecified dots or empty squares. In total, 28 students drew classical organigrams where dots or squares were specified as management roles or functions such as the chief executive officer (CEO), marketing manager, human resource management (HRM) or sales department. In further nine cases, the hierarchies were made of persons (stickmen), and there were also two cases where organizations were drawn as hierarchies of networks. Thus, a total of 55 students associated organization with hierarchy.

Contrary to their scholarly popularity, network metaphors of organization have been the least popular, as only 23 students imagined organizations as centres of stakeholder networks; as networks of persons, roles or functions; or as other structures of edges between more or less central knots.

A total of 33 students imagined organizations as containers, i.e. segments of different structures that contain mostly persons, but also money, time or geometric forms. For theoretical reasons, all pictures showing persons (stickmen) refer to segmentation insofar as personhood emerges through interaction, which is a form of segmentation. This system theoretical perspective corresponds largely with the concept of intersectionality, where personality is defined as an intersection of the segments (groups of race, gender, age, etc.) to which a person is observed to belong.

Reference to functional differentiation was made almost as often as to stratification (50 cases). For two reasons, I remain, nonetheless, reluctant to claim that functional differentiation is almost as popular as stratification if it comes to the students' pictures of an organization. First, the majority of references to functional differentiation refer to cases where the functional aspect is clearly secondary to stratification (as compared to, e.g. the single case where a student drew a matrix organization). Second, functional differentiation is associated almost exclusively with the differentiation of business management roles or functions (CEO, HRM, marketing, etc.) or with a narrow set of economic (and rarely political) stakeholders, respectively. Only one student referred to non-economic or non-political function systems mentioning "school" and also "social".

The results of this exercise are, therefore, in line with Magala's (2009, p. 81f) observation of a largely unchallenged persistence of hierarchical thinking in organization (theory) and more concretely suggest that advanced business school students have been informed by their schools as much as the broader social context that organizations are hierarchical structures with the purpose of achieving economic (and the challenge of navigating political) goals.

The exercise presented in the subsequent section of this article, however, suggests that this standard picture of an organization is in sharp contrast not only to the wealth of alternatives that have been developed by organization theorists, but also to the students' own, though often implicit, view of functional differentiation.

## 4. Organizational identity. A multifunctional perspective

The subsequently described exercise was developed during an Open Society Institute and Soros Foundations Network academic fellowship at a West-Asian university. It was run and refined with students from the BA to the PhD level at a diverse set of institutions of higher education located in Asia, Europe and Northern Africa between 2010 and 2019. Topics of the corresponding modules, courses or workshops included, *inter alia*, organizational sociology, organizational behaviour, organization theory, international HRM, entrepreneurship and innovation management or change management.

Sometimes with and often without introduction to the concept of functional differentiation, I asked students to indicate the importance they place on each of the ten function systems using a 10-point scale where 10 expresses highest and 1 lowest importance.

On this occasion, I typically handed out a two-sided questionnaire listing the ten systems followed by one 1–10 scale each. Students were also asked to note the module or course title as well as their nationality. On the front side of the questionnaire, students could allocate their importance points at will and, thus, also express that two or more systems are of equal importance to them. Once the class had filled in the front side, I asked them to turn the sheet, informed them that rank sharing was not permitted anymore, and thus insisted that they provide a "hard ranking" of the function systems. I then collected the questionnaires, an aggregated tabulation of which typically looked like the example presented in Table 7.

Whereas the analysis of the data presented Table 7 would certainly be informative in its own right, the purpose of these first steps of the exercise was not to actually collect data, but rather to make students aware of their preferences as well as to support a certain inclination to self-consistency during the rest of the exercise.

In the next step, students were split into two groups, each representing an organization (typically a company) tasked to agree on a corporate brand name as well as on a ranking of the five most important function systems that define their specific corporate culture. Once completed, each group handed me over the written ranking of their top five function systems, which I typically wrote on a board or flip chart, together with their chosen self-designations.

After highlighting the similarities as well as the – typically considerable – differences between the two corporate cultures, I informed students that, due to severe and so-far unforeseen challenges in their market environment, their two organizations need to merge as soon and smoothly as any possible.

In most, though not in all, cases, students managed to agree on a post-merger culture within a given timeframe of 15–20 min.

During the debriefing that rounded up the exercise, the students and I typically highlighted or discussed about the following aspects:

(1) Students expressed their concern about how little of their initial, personal configuration of function system preferences is actually reflected in the group ranking, not to mention that of the merged group.

**Table 7.**
Function system preferences of 17 third-year BA students at a European FT-ranked business school

| Nationality | ECO | POL | SCI | ART | REL | Law | SPO | HEA | EDU | MME | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| French | 2 | 7 | 4 | 9 | 10 | 5 | 6 | 1 | 3 | 8 | 55 |
| French | 10 | 9 | 6 | 5 | 1 | 7 | 4 | 3 | 8 | 2 | 55 |
| German | 10 | 8 | 6 | 1 | 2 | 7 | 4 | 5 | 9 | 3 | 55 |
| French/Dutch | 9 | 3 | 2 | 4 | 1 | 5 | 7 | 8 | 6 | 10 | 55 |
| Moroccan | 5 | 3 | 9 | 7 | 8 | 1 | 2 | 10 | 4 | 6 | 55 |
| French | 10 | 5 | 3 | 1 | 2 | 4 | 8 | 7 | 6 | 9 | 55 |
| French | 6 | 3 | 5 | 8 | 4 | 7 | 2 | 10 | 9 | 1 | 55 |
| French | 6 | 4 | 8 | 2 | 1 | 3 | 5 | 10 | 9 | 7 | 55 |
| French | 9 | 2 | 3 | 7 | 1 | 4 | 8 | 5 | 10 | 6 | 55 |
| French | 8 | 9 | 3 | 10 | 4 | 2 | 1 | 5 | 6 | 7 | 55 |
| French | 5 | 4 | 3 | 2 | 6 | 7 | 9 | 10 | 8 | 1 | 55 |
| Belgian | 8 | 7 | 5 | 1 | 4 | 9 | 3 | 10 | 6 | 2 | 55 |
| Moroccan | 1 | 3 | 4 | 10 | 5 | 6 | 7 | 8 | 9 | 2 | 55 |
| Belgian | 8 | 2 | 9 | 7 | 1 | 6 | 4 | 3 | 10 | 5 | 55 |
| US-American | 9 | 4 | 6 | 8 | 2 | 5 | 1 | 7 | 10 | 3 | 55 |
| Moroccan | 1 | 2 | 3 | 4 | 6 | 5 | 7 | 10 | 9 | 8 | 55 |
| German | 5 | 4 | 3 | 8 | 2 | 7 | 6 | 10 | 9 | 1 | 55 |
| *Total* | *107* | *75* | *79* | *86* | *58* | *83* | *78* | *112* | *122* | *80* | *880* |
| *%* | *12.16* | *8.52* | *8.98* | *9.77* | *6.59* | *9.43* | *8.86* | *12.73* | *13.86* | *9.09* | *100.00* |
| *Rank* | *3* | *9* | *7* | *4* | *10* | *5* | *8* | *2* | *1* | *6* | *55* |

(2) Particularly during the merger negotiations, students experienced the incommensurability of the function systems as they found it hard to find arguments why, e.g. education would be more important than science or art more important than mass media. This issue was reported as a major challenge during the merger process.

(3) Even in the majoritarian cases where students were tasked to define a post-merger *corporate* culture, economy often did not rank first or even second in both the individual group and the post-merger rankings. In fact, students regularly opted for education and health on the first two ranks. On these occasions, I usually expressed both my understanding that a student population places high value on education and my increasingly declining surprise that they are so much more concerned about (their) health than persons of my age have been at theirs.

(4) Students expressed surprise that they could pretty intuitively discuss about a so-far little considered or utterly unknown set of what they referred to as "variables", "values" or "categories".

(5) Classes taught in Northern Africa were the only student populations where religion made it into the top five, though never to the top of the rankings. By contrast, Northern African students at European business schools did not publicly argue for religion among the top five systems of either their or the post-merger group.

(6) In the vast majority of cases, and in all cases at business schools, I stated, and we discussed, that fact that politics did not make it into the top five of the two groups in general and the top five of the merged group in particular. Particularly, business school students usually justified this circumstance by their educational or milieu backgrounds, whereas I pointed at the tension between their ostensive disenchantment of politics and the fact they almost always resorted to democratic voting procedures (and, hence, politics) as means to define the importance of the (other) function systems. In this context, I often problematized this unthinking resorts to political procedures and asked the students why they instead did not agree on an economically efficient or scientifically robust ranking, or one that is agreeable to God or Gaia.

After longer discussions on these and further issues related to functional differentiation, I also reported on my observations on how the participants referred to other forms of social differentiation. For example, I highlighted the fact that group representatives were, in *many* cases, male students and, in *all* cases, students highly proficient in the English language. We, hence, concluded that situatedness in a linguistic segment might be of even greater importance than gender segment affiliation, at least in an English-language working or learning environment. I also often noted that all forms of observations require focus, which implies a neglect of everything else out of focus, and that an exercise where participants focus on one particular form of social differentiation might, therefore, leads to particularly revealing insights on their tacit recourse to the remaining forms.

## 5. Conclusions. Multifunctional organizations and functional schools of management

One key lesson we can draw from the two student exercises presented in sections 3 and 4 is that even advanced business school students identify or confuse organizations with hierarchies that exist and reproduce for economic purposes. This default picture of an organization, however, is in sharp contrast, not only to the students' individual and group preferences for non-economic function systems such as education or health, but also to their tacit resort to political procedures for decision-making on the importance of these and other function systems.

Whereas this unthinking reference to politics certainly suggests that we need to further increase the political awareness of our students, the fact that even business school students express their preference for neither economic nor political functions suggests that the outcome of this sensibilization does not need to be a misconception of organizations as hierarchical power systems and arenas resource conflicts either.

Rather, what the two exercises clearly demonstrate is that students at institutions of higher education in general and even those at business schools in particular are, in principle, capable of drawing on all forms of social differentiation and, thus, of understanding organization in a sense that is much broader than the dominant narratives and logics promoted in the majority of their textbooks and programmes.

If we embrace and, consequently, start to systematically develop this basic competence, however, then we must also redefine our own understanding of diversity in a business school context. So far, our trainings in organizational diversity are focused mainly on the lines drawn by segmental differentiation: gender differences in organization, intercultural management issues, age differences in leadership styles, the list goes on. And, yes, we could and shall make this list longer by analysing if family persons lag behind in job opportunities at institutions of higher education compared to singles or if members of the Goth subculture are significantly underrepresented in top management positions.

These and similar research programmes could be and already are complemented by approaches that systematically discriminate between centrality and hierarchy. In fact, we might wish to continue to challenge our own habits of mind that too often confuse centrality with hierarchy, e.g. in terms of quality when we almost automatically assume that an unknown business school in the USA is better than an unknown business school in Angola, or one in Paris better than one in rural Scandinavia. In this sense, there remains plenty of opportunity to challenge our own psychological contracts with the centres of the world drawing not only on post-colonial, but also on ecological lines of argument.

Diversity in terms of functional differentiation, however, has remained largely ignored by our fields, a circumstance best illustrated by the fact that the term functional differentiation remains associated primarily with the differentiation of management roles or functions such as the CEO, CFO, HRM, marketing or sales.

This narrow view of functional differentiation is critical, as it reduces not only the scope of what we teach and do research about, but also considerably limits our own behavioural margins and, thus, our ability to address the pressing issues faced by business schools.

If we continue to view and problematize our organizations primarily as money- and power-driven hierarchies, then we shall find little resources for internal change other than increasingly firm convictions about matters of oppression and resistance or equal or unequal distribution of scarce resources, respectively. If we continue to teach and refine stakeholder management tools that over-emphasize the role of political and economic stakeholders, then most, if not all, we shall see in our organizational environment remains other players who deal with or despair of games of money and power. Thus, if we do not regularly scrutinize our self-concepts, teaching contents, research programs, and management tools for systematic biases to one or few function systems, then we systematically negate the possibility that problems of money and power might be solved by means other than money or power, or that our core problems might even not be problems of money and power after all.

In the light of these considerations, our own over-identification of organization with its hierarchical, political and economic aspects might be one prime reason for the many problems that contemporary organizations in general and business schools in particular are said to cause and suffer from. The solution to these problems then clearly appears not in an ever-stronger focus on political and economic issues, and not in anti-/capitalist forms of moralization either, but rather in a move out of the problem and into the problem ecology and beyond.

In line with the above elaborations on the tetralemma, this move can be achieved by the realization that we can at least occasionally replace our focus on political and economic issues by a focus on other function systems. This shift of focus would then allow for the observation that different organizations as much as one and the same organization at different points of time can be defined or influenced by the varying degrees of importance that either they or their environment place on the different function systems.

One prime solution to the above problems and challenges might, therefore, be that our institutions of higher education systematically draw their attention to different and probably even regularly changing sets of stakeholders. And, indeed, why should we assume that all types of organizations, and even all types of firms, are best served by stakeholder management tools that prescribe a largely unthinking focus on political and economic voices? Why not listen to religious leaders instead of policy makers for a change? Why not to colonies of artists? Ought we not make the definition of the most important stakeholders contingent on the main purpose of an organization or the business model of a firm?

At the same time, my plea for a broader, multifunctional perspective on organization in general and business schools in particular does not imply that all organizations must pay equal attention to all function systems all the time. The same is true and even more critical for business school faculty. Little more than 100 years ago, a professor was a good professor if he performed well in research and teaching. Full stop. This did not stop some professors from excelling in further domains, e.g. as parliamentarians, profit-oriented inventors, journalists, sportsmen or novelists. Still, the key performance indicators remained those associated with research and education, and a professor performing well in "just" these two dimensions had a credible place in society, including a mansion in the centre of his university city or town. By contrast, a contemporary professor is explicitly expected not only to excel in research and teaching, but also to demonstrate her greed for third-party money, her skills in communicating with broader audiences, her passion for political activism, the list goes on. The longer this list, however, the less credible becomes our place in the social world. This is true not only because we encounter in all these domains professionals trained on all those jobs that are put on the top of ours, but also because those jobs eat into the time we need to properly do our research and teaching jobs in first place, which is again why we and our former core domains appear increasingly redundant. The result of our professional standard normal distribution across the entire agora is then a "mode 2" (Nowotny *et al.*, 2013) professorhood characterized by individual overload and collective devaluation.

I am exaggerating here only to stress that multifunctionality is certainly not just another expectation that we have to live up to besides gender mainstreaming competence, intercultural diversity management skills, and the carbon offsetting of our business travels. Rather, a multifunctional perspective is one we can use to challenge the reductionist concepts of career, leadership, and organization that prevail in our work contexts (Kociatkiewicz and Kostera, 2016), and that we, as a profession, sell to the social world we want to find a credible place in.

Changing this problematic business model is certainly not easy, especially in times of chronic financial, political and now health crises. Yet, one particularly panic-proof technique of solution-oriented therapy is the *miracle question* (de Shazer and Dolan, 2007; Sparrer, 2007). In this sense, we may all ask ourselves what we would do if a miracle happened and our working hours, research agendas and teaching contents were not, in large parts, dominated by (micro-) political and economic issues. If we have a reasonably clear idea of what we would actually want to do with the freed-up time and "headspace", then a key strategy against the issues with business schools and their negative impact on the world consists in devoting every week a few more minutes to precisely these alternative contents and activities.

A considerable number of business schools will probably remain your typical money- and power-focused business school even if our entire profession successfully devotes increasingly more time to our preferred rather than the default function systems. In fact, a money focus remains fair enough for institutions called business schools, and there certainly are many pro- and anti-capitalists among us who live for – and pretty well on – their professional focus on political and economic issues. For other persons and institutions, however, a multifunctional self-concept might appear as a chance for restoring or reinventing themselves as scholars and *schools of management* whose concept of management is geared not primarily to political and economic issues, but to management challenges in one or several other function systems. As such an alternative focus could be developed and flagged out strategically, it might soon lead to the emergence of new schools of management and organization theory, which ultimately translate into a unique selling proposition for those schools of management that host them and thus pursue a smart specialization strategy based on a multifunctional concept of both themselves and their impact on their broader social environment.

**ORCID iDs**
Steffen Roth http://orcid.org/0000-0002-8502-601X

**References**

Amann, W., Pirson, M., Dierksmeier, C., von Kimakowitz, E. and Spitzeck, H. (Eds), (2011), *Business Schools under Fire: Humanistic Management Education as the Way Forward*, Palgrave Macmillan, Basingstoke.

Alajoutsijärvi, K., Juusola, K. and Siltaoja, M. (2015), “The legitimacy paradox of business schools: losing by gaining?”, *The Academy of Management Learning and Education*, Vol. 14 No. 2, pp. 277-291.

Alvesson, M. and Sandberg, J. (2011), “Generating research questions through problematization”, *Academy of Management Review*, Vol. 36 No. 2, pp. 247-271.

Alvesson, M. and Spicer, A. (2016), “(Un) Conditional surrender? Why do professionals willingly comply with managerialism?”, *Journal of Organizational Change Management*, Vol. 29 No. 1, pp. 29-45.

Alvesson, M. and Willmott, H. (1992), *Critical Management Studies*, Sage, London.

Anderson, H. (2016), “Postmodern/poststructural/social construction therapies”, in Sexton, T. and Lebow, J. (Eds), *Handbook of Family Therapy*, Routledge, New York, pp. 182-204.

Bergman, J.Z., Westerman, J.W., Bergman, S.M., Westerman, J. and Daly, J.P. (2014), “Narcissism, materialism, and environmental ethics in business students”, *Journal of Management Education*, Vol. 38 No. 4, pp. 489-510.

Boltanski, L. and Chiapello, E. (1999), *Le nouvel esprit du capitalisme*, Gallimard, Paris.

Boltanski, L. and Chiapello, E. (2005), “The new spirit of capitalism”, *International Journal of Politics, Culture, and Society*, Vol. 18 Nos 3-4, pp. 161-188.

Czakon, W. (2019), “Grand challenges: a way out of the ivory tower for management academic discipline”, *Problemy Zarządzania*, Vol. 17 Nos 4 (84), pp. 9-23.

de Shazer, S. (1985), *Keys to Solution in Brief Therapy*, WW Norton, New York.

de Shazer, S. and Berg, I.K. (1997), “‘What works?’ Remarks on research aspects of solution-focused brief therapy”, *Journal of Family Therapy*, Vol. 19, pp. 121-124.

de Shazer, S. and Dolan, Y. (2007), *More than Miracles: The State of the Art of Solution- Focused Brief Therapy*, Routledge, New York.

Donaldson, T. (2012), "Three ethical roots of the economic crisis", *Journal of Business Ethics*, Vol. 106 No. 1, pp. 5-8.

Douglas, M. (1976), "Relative poverty, relative communication", in Halsey, A. (Ed.), *Traditions of Social Policy*, Basil Blackwell, Oxford, pp. 197-215.

Druckman, A., Buck, I., Hayward, B. and Jackson, T. (2012), "Time, gender and carbon: a study of the carbon implications of British adults' use of time", *Ecological Economics*, Vol. 84, pp. 153-163.

Elias, N. (1978), *What Is Sociology?*, Hutchinson, London.

Elkington, J. (1997), *Cannibals with Forks: The Triple Bottom Line of 21st Centurybusiness*, Capstone, Oxford.

Fleming, P. (2019), "Dark academia: despair in the neoliberal business school", *Journal of Management Studies*, Vol. 57 No. 6, pp. 1305-1311.

Giacalone, R.A. and Wargo, D.T. (2009), "The roots of the global financial crisis are in our business schools", *Journal of Business Ethics Education*, Vol. 6, pp. 147-168.

Humphrey, A. (2005), "SWOT analysis for management consulting", *SRI Alumni Newsletter*, pp. 7-8.

Jackson, T. (2009), *Prosperity without Growth: Economics for a Finite Planet*, Routledge, London.

Jacobs, M. (2009), "How business schools have failed business", *The Wall Street Journal*, Vol. 24, p. A13.

Jemielniak, D. and Greenwood, D.J. (2015), "Wake up or perish: Neo-liberalism, the social sciences, and salvaging the public university", *Cultural Studies – Critical Methodologies*, Vol. 15 No. 1, pp. 72-82.

Khurana, R. and Spender, J.C. (2012), "Herbert A. Simon on what ails business schools: more than 'a problem in organizational design'", *Journal of Management Studies*, Vol. 49 No. 3, pp. 619-639.

Kociatkiewicz, J. and Kostera, M. (2016), "Grand plots of management bestsellers: learning from narrative and thematic coherence", *Management Learning*, Vol. 47 No. 3, pp. 324-342.

Kociatkiewicz, J. and Kostera, M. (2019), "Stories from the end of the world: in search of plots for a failing system", *Journal of Organizational Change Management*, Vol. 33 No. 1, pp. 66-82.

Luhmann, N. (1977), "Differentiation of society", *The Canadian Journal of Sociology/Cahiers canadiens de sociologie*, Vol. 2 No. 1, pp. 29-53.

Luhmann, N. (1995), *Social Systems*, Stanford University Press, Stanford.

Luhmann, N. (1999), "Sign as form", *Cybernetics and Human Knowing*, Vol. 6 No. 3, pp. 21-37.

Luhmann, N. (2012), *Theory of Society*, Vol. 1, Stanford University Press, Palo Alto.

Luhmann, N. (2013a), *Theory of Society*, Vol. 2, Stanford University Press, Palo Alto.

Luhmann, N. (2013b), *Introduction to Systems Theory*, Polity, Cambridge.

Magala, S. (2009), *The Management of Meaning in Organizations*, Springer, London.

Merton, R.K. (1959), "Notes on problem-finding in sociology", in Merton, R.K., Broom, L. and Cottrell Jr, L.S. (Eds), *Sociology Today: Problems and Perspectives*, Basic Books, New York, pp. ix-xxxiv.

Nowotny, H., Scott, P.B. and Gibbons, M.T. (2013), *Re-Thinking Science: Knowledge and the Public in an Age of Uncertainty*, John Wiley & Sons, Hoboken, NJ.

Roth, S. (2015), "Free economy! On 3628800 alternatives of and to capitalism", *Journal of Interdisciplinary Economics*, Vol. 27 No. 2, pp. 107-128.

Roth, S., Clark, C., Trofimov, N., Mkrtchyan, A., Heidingsfelder, M., Appignanesi, L., Pérez-Valls, M., Berkel, J. and Kaivo-oja, J. (2017), "Futures of a distributed memory. A global brain wave measurement (1800-2000)", *Technological Forecasting and Social Change*, Vol. 118, pp. 307-323.

Sparrer, I. (2007), *Miracle, Solution and System: Solution Focused Systemic Structural Constellations for Therapy and Organisational Change*, Solutions Books, Cheltenham.

Slaughter, S. and Rhoades, G. (2011), "Markets in higher education: trends in academic capitalism", in Altbach, P.G., Gumport, P.J. and Berdahl, R.O. (Eds), *American Higher Education in the Twenty-First Century*, The John Hopkins University Press, Baltimore, MD, pp. 433-463.

Spencer Brown, G. (1979), *Laws of Form*, E.P. Dutton, New York.

Taskin, L. and Willmott, H. (2008), "Introducing critical management studies: key dimensions", *Gestion 2000*, Vol. 25 No. 10, pp. 27-38.

Weihrich, H. (1982), "The TOWS matrix—a tool for situational analysis", *Long Range Planning*, Vol. 15 No. 2, pp. 54-66.

Weiner-Davis, M., de Shazer, S. and Gingerich, W.J. (1987), "Building on pretreatment change to construct the therapeutic solution: an exploratory study", *Journal of Marital and Family Therapy*, Vol. 13, pp. 359-363.

Zawadzki, M., Jałocha, B., Mazurkiewicz, G., Pluszyńska, A. and Prawelska-Skrzypek, G. (2020), "Unrooting management education and entrepreneurial self from neoliberal demands: an action research approach", *Entrepreneurship Education and Pedagogy*, Vol. 3 No. 3, pp. 265-290.

**About the author**

Steffen Roth is a Full Professor of Management at the La Rochelle Business School, France, and Adjunct Professor of Economic Sociology at the University of Turku, Finland. He is also Honorary Professor of Sociology at the Yerevan State University, Armenia. He holds a Habilitation in Economic and Environmental Sociology awarded by the Italian Ministry of Education, University and Research; a PhD in Sociology from the University of Geneva; and a PhD in Management from the Chemnitz University of Technology. He was an Associate Professor at the La Rochelle Business School (2016–2018) and an Assistant Professor at the Rennes School of Business (2012–2016), as well as a Visiting Professor at the International University of Rabat (2012–2017). He is the Field Editor for Social Systems Theory of Systems Research and Behavioural Science. The journals his research has been published in include *Journal of Business Ethics*, *Ecological Economics*, *Administration and Society*, *Technological Forecasting and Social Change*, *Journal of Organizational Change Management*, *European Management Journal*, *Journal of Cleaner Production* and *Futures*. Steffen Roth can be contacted at: roths@excelia-group.com