

Chapter 9 The Executive Branch of Public Education

§ 1. Leadership and the Executive Function

There is a popular and deeply engrained habit of thinking by which the idea of an *executive* is confused and confounded with the idea of a *ruler*. It is a misconception central to Taylorism. It is true that a ruler performs executive functions in enacting his rulership and in this connotation a ruler is an executive. However, it does not follow that an executive is a ruler. In a Republic, or in an Enterprise governed as a Republic, executives are *not* rulers. This is because sovereignty in a civil Community or a civil Enterprise (which is a form of republican association under a social contract) is vested in the citizens of the association. The concept of a ruler, on the other hand, inherently contains a characterizing concept that sovereignty is vested in the ruler. This leads to governance in the form of monarchy/oligarchy and inherently produces an antisocial caste system comprised of a pyramidal-hierarchy of a ruling caste and one or more subjugated castes.

In the short run monarchy/oligarchy governance can be extremely effective in achieving *ad hoc* results provided that the ruler and his *hirdmen* are competent leaders and that they command effective means for coercing compliance from the people over whom they exert their rulership. The Roman republic maintained an office, called the *dictator*, to which the Roman Senate could appoint an individual to marshal the resources of the state in order to deal with a military crisis during a time of great emergency. They would do this very reluctantly and only for a strictly limited term of office, generally six months. The most revered hero in Roman history was Cincinnatus, who was appointed *dictator* in response to a military disaster. After his quick actions snatched victory from the jaws of defeat he at once resigned his office, before the end of his six months term, and went back to his farm. George Washington emulated Cincinnatus by resigning his commission after the end of the Revolutionary War, an action that dumfounded the European kings. The Constitutional war powers of the President of the United States are modeled on the Roman example although, since the Korean War, use these powers has been transgressed and abused by every U.S. President except Eisenhower and Carter. U.S. Congresses have, in every instance, aided and abetted the abuses. The result has been a succession of sixty-six years of petty and not-so-petty wars, all waged without declarations of war by Congress. These Congresses and Presidents are guilty of breaking their oaths to preserve, protect, and defend the Constitution of the United States. This has been the bloodiest legacy of political party dictatorship in America.

In the long run, monarchy/oligarchy governance is fatal to the survival of its Society. This is because such a Society exists with state-of-nature relationships between the ruling caste and those subjugated to their rule. The ruler and his *hirdmen* comprise a dominant minority to whom the majority feel no bonds of Obligation and no allegiance. The actions of the latter are predicated on maxims of prudence in service of their Duties-to-Self and to others in their individual personal societies. As time goes by, the dominant minority feels itself compelled to maintain its rulership through increasingly despotic means until eventually the Toynbee proletariat that forms in response breaks away altogether and produces the disintegration and fall of that Society. With his flair for bad drama, Toynbee expressed it this way:

The possible negative failure is that the leaders may infest themselves with the hypnotism which they have induced into their followers. In that event, the docility of the rank and file will have been purchased at the disastrous price of a loss of initiative in the officers. This is what happened in the arrested civilizations, and in all periods in the histories of other civilizations which are to be regarded as periods of stagnation. This negative failure, however, is not usually the end of the story. When the leaders cease to lead, their tenure of power becomes an abuse. The rank and file mutiny, the officers seek to restore order by drastic action. Orpheus, who has lost his lyre or forgotten how to play it, now lays about him with Xerxes' whip; and the result is a hideous pandemonium in which the military

formation breaks down into anarchy. This is the positive failure; and we have already, again and again, used another name for it. It is that 'disintegration' of a broken-down civilization which declares itself in the 'secession of the proletariat' from a band of leaders who have degenerated into a 'dominant minority.'

This secession of the led from the leaders may be regarded as a loss of harmony between the parts which make up the whole *ensemble* of the society. In any whole consisting of parts a loss of harmony between the parts is paid for by the whole in a corresponding loss of self-determination. This loss of self-determination is the ultimate criterion of breakdown [Toynbee (1946), pp. 278-279].

Mistaking the executive function for the rulership function is therefore an error fatal to the Society, whether we are talking about an entire civilization, a nation, or an Enterprise Institute. The phenomenon is general across a wide scale of human associations. It leads to a breakdown in the leadership dynamic with the consequence that the Society fails to successfully meet the new challenges with which it is confronted. The executive-mistaken-for-ruler error is, unfortunately, an error rooted in the impatient nature of the process of practical Reason, which seeks and is satisfied with whatever expedient temporarily restores equilibrium no matter how non-robust this re-equilibration is. The popularity of the executive-as-ruler error is due to this characteristic of *homo noumenal* human Reason combining with the fundamental impetuosity of the process of reflective judgment (which judges subjectively according to judgments of taste). Mill remarked,

It is not much to be wondered at if impatient or disappointed reformers, groaning under the impediments imposed to the most salutary public improvements by the ignorance, the indifference, the intractableness, the perverse obstinacy of a people, and the corrupt combinations of selfish private interests armed with the powerful weapons afforded by free institutions, should at times sigh for a strong hand to bear down all these obstacles and compel a recalcitrant people to be better governed. But (setting aside the fact that for one despot who now and then reforms an abuse, there are ninety-nine who do nothing but create them) those who look in any such direction for the realization of their hopes leave out of the idea of good government its principal element, the improvement of the people themselves. One of the benefits of freedom is that under it the ruler cannot pass by the people's minds and amend their affairs for them without amending them. [Mill (1861), pp. 30-31]

Critical analysis of the phenomenon of leadership leads to the deduction that an *executive* is anyone whose duty is day-to-day governance of the leadership in one or more Enterprise mini-Communities in such a way that the Enterprise as a whole successfully executes the activities needed to realize the common purposes of the Enterprise [Wells (2010)]. **Leadership** is the reciprocal relationships between two or more people by which the Self-determinations of actions by followers are stimulated by the actions of a leader. The **leadership dynamic** is the potential power of spontaneity in the reciprocal relationships between two or more people by which the Self-determinations of actions by followers are stimulated by the actions of momentary leaders. Who is acting as a leader of a group of people *changes* moment by moment because a leader is whoever is stimulating through his actions the Self-determinations of actions by others – who are then called his followers. Leadership is not a personality trait or a characteristic of a person. The capability and skill to carry out successful *leader's actions* are grounded in the persuasive power of a person (persuasive *Personfähigkeit*), and this means that it is a *learned* capability (usually learned through acts of educational Self-development and not by schooling).

It follows from this that an executive is *not* the leader most of the time during most of the activities of the group. Rather, **the principal Duty of an executive** is to guide and manage the leadership dynamic of the group by causing appropriate leaders to emerge from the group at appropriate times expressing appropriate leader's actions to stimulate group behaviors leading to

successful accomplishment of the aims of the Enterprise organization. It is mere habit, mostly rooted in Desire for emulation, that many people give credit to an authority figure for the accomplishments of people in relationship to whom his office holds some designated authority. People tend to do this whether that authority figure's leader's actions are actually causative for the accomplishments or not. Taylorites especially tend to worship this Baconian idol, with degrees of hubris rarely outshined in any other circumstance, even when they no more lead the activities of the group than a carved wooden figurehead leads a ship. It is true that skilled leadership management matters, perhaps more than any other intangible factor determining the success of a group, but it also appears to be true that observable evidence of this management skill follows an inverse gradation of observability noted long ago by Lao Tzu:

The very highest [most skilled leader] is barely known by men.
Then come those which they know and love,
Then those which they fear,
Then those which they despise.
He who does not trust enough will not be trusted.
When [the best leader's] actions are performed
Without unnecessary speech
The people say, "We did it ourselves!" – [Lao Tzu (6th century BC), 17]

Insofar as Lao Tzu was correct about the observability of leaders, the persons whose leadership management skills lead to the success of the Enterprise are not necessarily the persons occupying the designated positions of authority figures. There are executives and there are Poohbahs.

The first civilizations for which we have historical evidence were, without exception, ruled by absolute monarchs and it is unclear whether or not the concept of an "executive" yet existed as anything but a vague notion. Our modern word contains no element of rulership in its dictionary definition:

executive, *n.* [L. *executor*, one who carries out a task, a performer.]

1. a person, group of people, or branch of government empowered and required to administer the laws and affairs of a nation.
2. any person whose function is to administer or manage affairs, as of a corporation, a school, etc.

It is unclear how, when, or why the word "executive" became confounded with the idea of a ruler. It certainly did not carry this connotation at the Constitutional Convention of 1787, and debate there over the office of the President of the United States began with discussions of 'the executive' and not 'the governor' or 'the ruler.' Indeed, much of the debate concerned checks and balances meant to prevent 'the executive' from becoming a ruler [Farrand (1911), vol. I, II]. In corporation terminology, executives are "hired help" – part of the division of labor on par with the janitor and the mail room clerk – and nothing more. Their jobs are important (or else should not have been created in the first place), but so are those of the production operators on the assembly line. The difference is that executives are part of what Adam Smith called the 'non-productive labor force,' while the production operators are part of the 'productive labor force.' But both are wage-earner entrepreneurs. Corporation governance seeks to produce an Enterprise from joint cooperations of their divers labors – and this comes under the goal 'to form a more perfect Union.'

The misconception of executive-as-ruler leads directly to hierarchy forms of governance and tends to promote Taylorite ideas of centralization of power. Out of all the manifold blunders of Taylorism, there is probably no other more counterproductive or enfeebling than centralization of power, and none more conducive to stagnation and breakdown. Decentralization of power is a trait of excellence Peters and Waterman found throughout their study of excellent companies:

The excellent companies are both centralized and decentralized. For the most part . . . they have pushed autonomy down to the shop floor or product development team. On the other hand, they are fanatic centralists about the few core values they hold dear. [Peters & Waterman (1982), pg. 15]

Thomas J. Watson, Jr. of IBM, who was that company's CEO during its most spectacular period of success when IBM came to dominate the computer and office products marketplaces, wrote,

In the early 1950s the demands of an expanding economy and the Korean War made it necessary for IBM to react more rapidly at all levels than we were able to do with our monolithic structure. Increasing customer pressure – to say nothing of a few missteps like the one we made on the electronic computer – caused us to decide on a new and greatly decentralized organization. . . .

We decentralized in more or less the usual way and for the usual reasons – that is, to divide the business into more manageable units and to make sure that decisions would be made where and when they should be.

But in one respect we were quite different from most other companies. IBM is not the kind of business that textbooks say can be decentralized sensibly. We are not, as many large companies are, a grouping of unrelated or merely partly related businesses. We are one business and, for the most part, a business with a single mission. . . .

That means that decisions are being made constantly, all the way down the line, on matters that involve two or more divisions. One might suppose that burdensome machinery would have to be set up throughout the business to settle the thousands of small differences that could be expected to arise among the divisions.

To date it has not been necessary. . . . Much of this we owe to the company's beliefs. [Watson (1963), pp. 68-69]

The last sentence echoes Peters' & Waterman's "core value centralists" remark. Watson calls these "beliefs," and "company beliefs" are common-interest understandings running throughout the whole organization. They express the core of a corporate social contract. They serve to coordinate *management-by-heterarchy* organization – the polar opposite of Taylorism.

§ 2. Heterarchy Organization of the Executive Branch of Public Education

The principal mechanisms for public *instructional* education are the public schools, ranging from primary schools on up to public universities and encompassing all other public schools in between. The purpose of the executive branch of public education is to administer the day to day operations of the schools as legislated by the education committees having jurisdiction for the particular level served by each school. In particular, executive agents are responsible for management of the leadership dynamics at work within the school entrusted to their management. The Critical real explanation of *management* is *the entirety of activities aimed at stimulating the leadership dynamic and then guiding and shaping the courses of all subsequent actions such that these actions accomplish the aims and meet the purpose of the managed enterprise.*

As *public* Institutes of instructional education, the aims and purposes all public schools are set and defined by the twenty-four basic *functions* of public education. The organization of these functions was derived in volume I [Wells (2012a)] and is depicted in figure 1. Curricula, courses, and subject-matters are all subordinate to the accomplishment of these functions. At the moment it is not necessary to review these functions because they are discussed later in this treatise. Their relationship to curricula, courses, and subject-matter are discussed in detail then. For the moment, it is only necessary to point out that these functions *are* what public schools *must* accomplish.

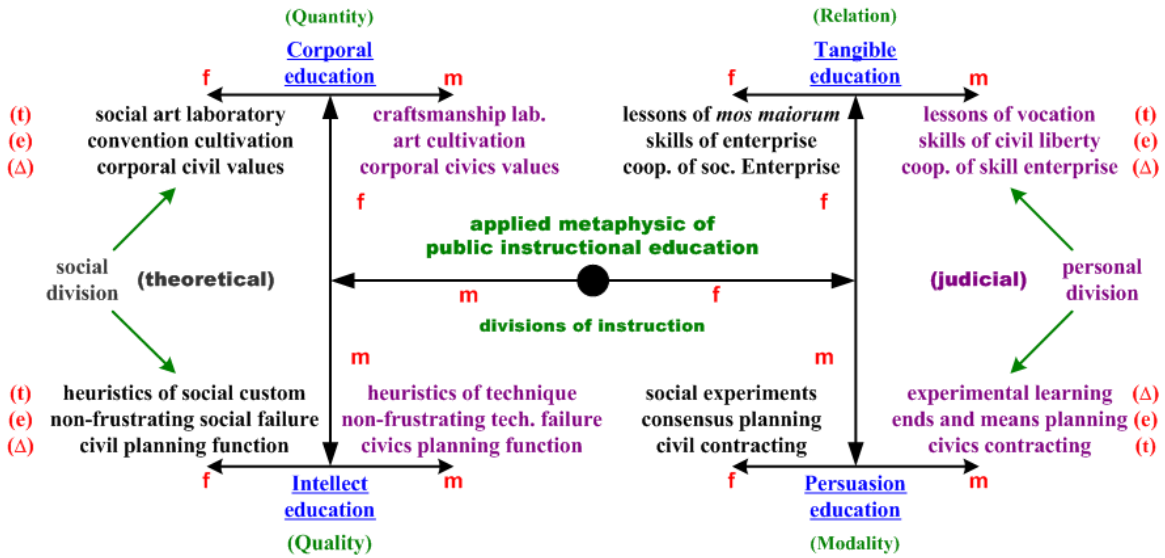


Figure 1: The twenty-four basic functions of public instructional education deduced in the applied metaphysic of public instructional education.

These are the functions that *justify* public schools, but it is obvious that these are not the only functions that must be carried out in the *operation* of a public school. There are two main logical divisions of school functions: the instructional and the non-instructional. The executive branch of governance must be concerned with the execution of both types, and this understanding is what provides direction to design *téchne* for the institution of the executive branch of governance.

Under the rulership paradigm common in most American institutions, both functions would be placed under a single chief executive and the management organization would be a pyramidal hierarchy. By this point in this treatise, it is probably obvious to you that this organization is *not* the one I am proposing, and that instead the proposed institution is a heterarchy organization. By way of explanation, I begin by asking, "Is a chief executive necessary for the executive branch of public education governance?" The answer to this question is 'no.' The chief executive office is merely an engrained habit owing most of its standing to historical mimesis of past examples of monarchy/oligarchy institutions of government. The rest of its standing comes from private sector considerations of ownership and property conventions. It is a model not-universal in historical Societies. For example, anthropologist Ruth Benedict found that some Native American tribes differentiated chief executive governance along the lines of a "peace chief" and a "war chief." Benedict's student, Margaret Mead, wrote,

The state was personified in the Peace Chief . . . but he had nothing to do with war. . . . Any man who could attract a following led a war party when and where he could, and in some tribes he was in complete control for the duration of the expedition. But this lasted only until the return of the war party. The state . . . had no conceivable interest in these ventures, which were only highly desirable demonstrations of rugged individualism. [Mead (1959), pg. 374]

As a second example, this one taken from my own experience, about twenty-five years ago I was half of a two-man team managing a large factory. My management partner and I split executive responsibilities along the line of a logical division between production operations and production engineering management. This organization was extremely successful without our answering to any immediate common "chief." There was a distal functional manager we were both under who was higher up in the corporation's pyramid; he took no active part in management of the factory.

The office of a chief executive is a direct lineal descendent of the artisan "master" who was the proprietor of his own small shop in the private sector of an economy. During the Economy Revolution in America [Wells (2013), chap. 5], this position gradually evolved into the typical American corporation model and underwent further evolutionary change during the American industrial revolution. However, private sector capitalist entrepreneur-proprietor circumstances are different in several key ways from the circumstances of a hired public sector administrator or manager [Wells (2010), chap. 14, pp. 566-569]. In the private sector there are ownership and property conventions that frequently justify or at least pragmatically compel establishing a chief executive officer position. In the public sector there are not because schools or other Institutes of government are part of the public wealth assets and *common* property of citizens. Ownership and property convention considerations that play an important part in institution design in the private sector simply do not exist in public sector organizations. The office of chief executive officer therefore has no social contract justification, and if a CEO is appointed it is because of empirical, conventional, or judgment of taste factors. The function itself is contingent, not necessary.

The design I propose has no chief executive officer position. The executive branch consists of executives for each individual school, and executive governance in each school is divided along functional lines between an executive for the instructional functions and an executive for the non-instructional functions. The executive for the instructional functions is called the Principal Teacher ('the Principal'). The executive for the non-instructional functions is called the School Manager. The offices are co-equal, forming a two-fold heterarchy within each school. A system of checks and balances is included in the design to ensure that both executives can be held accountable for their performances by the legislative and the judicial branches of overall public education governance. In order for each executive to be successful, both must cooperate and work with each other through consensus decision-making.

§ 3. The Executive Function in an Enterprise-of-enterprises

An executive is a specialized laborer within a corporate division of labor. Indeed, making an aggregation of individuals be a corporate person is the primary reason executive authority figure positions are introduced into an organization in the first place. All executives are what Adam Smith called "non-productive laborers," and if the position did not have some specific functions attached to it, it would be regarded as unnecessary to have any executives at all. This, of course, poses the question: What is the general function of an executive *per se*?

Any aggregation of people establishing a corporate person come together because through their coordinated and cooperative personal enterprises they comprise what I call an *Enterprise of enterprises*. An *Enterprise* is the common Object of all individual instantiations of personal enterprises carried out by a Labor group associated with each other in a united Community. A *personal enterprise* is any undertaking actualized by an individual for reasons grounded in duties to himself or Duties to himself reciprocally with others to whom he has bound himself by Obligation. Not every governmental or commercial entity is an Enterprise. For example, a colonial era planter-aristocrat who used slave labor was not the head of an Enterprise but, rather, was an individual engaged solely in his own personal enterprise, one that involved subjugation of other people by coercion and force. He was a ruler rather than an executive because the slave population did not bind their enterprises to his; their private Objects of personal enterprise had nothing unifying them with the plantation enterprise. Montesquieu pointed out that different forms of governance had different explanations for what the function of an authority figure was [Montesquieu (1748), pp. 19-28, 40-70]. In this treatise only one form is dealt with, namely that of a Republic. Consequently, this discussion pertains to the function of an executive in a Republican Community. The foundation for understanding the executive branch of Republican education governance is the *homo noumenal* nature of its Community members.

I think it prudent at this point to briefly review the Critical real-explanations of a few technical terms. **Kraft** is the ability of a person to Self-determine his own accidents of *Existenz*. In the context of this discussion, a person's *Kraft* is his ability *to do or cause to be done* something that is particularly specified as the Object of that *Kraft*. When one speaks of a person's *Kraft* he is referring to that person's ability to *be* the causative agent of some phenomenon. **Authority** is possession of the *Kraft* of causing something to become greater, to increase, to be strengthened, or to be reinforced in some way. An **authority figure** is the position of an agent of leadership governance charged with the duty of causing the association's general success and welfare to become greater, to increase, to be strengthened, or to be reinforced. Success and welfare are measured in terms of Progress and Order in the Community. In the context of this treatise, that Community is the civil Community of a school and its Community relationships with the citizens of the larger civil Community who are served by the school. An **expectation of authority** is the demand by citizens of the Community that a person holding the position of a designated authority figure possess the *Kraft* of authority and actualize it for the benefit of their common association.

A proper and complete formal treatment of the executive function begins with its applied metaphysic and proceeds from there to deduce the functional *momenta* of the executive function [Wells (2011)]. This is not briefly done and for that reason it is best left to another paper. For the specialized contexts of concern in this treatise, a summary presentation of the conclusions so obtained is more appropriate and, I hope, sufficient. *Momenta* of executive function are deduced by a synthesis of the general ideas of representation, in the theoretical Standpoint of Critical metaphysics, with the ideas of transcendental topic, which views these *momenta* from the judicial Standpoint. Any synthesis of the theoretical Standpoint with the judicial Standpoint produces a representation in the practical Standpoint [Wells (2012b)], and this is the appropriate Standpoint for explaining what an executive *does* in an organization.

Figure 2 presents the 2LAR structure of the general ideas of representation in the theoretical Standpoint [Wells (2009), chap. 2]. Figure 3 presents the 2LAR of transcendental topic. Synthesis

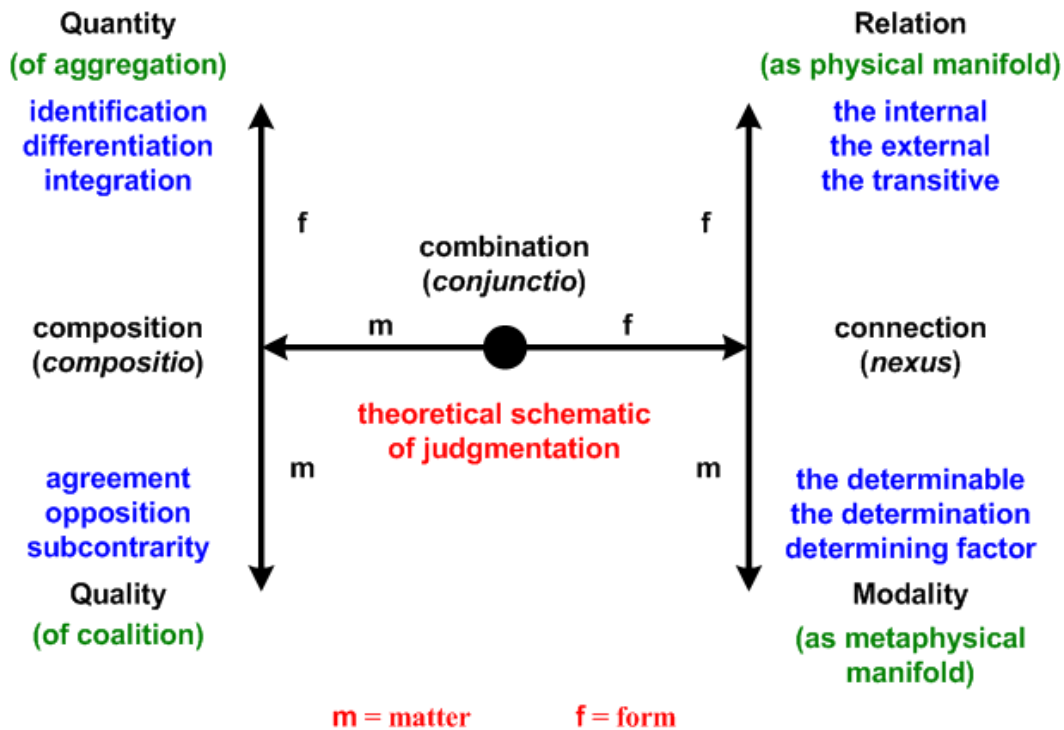


Figure 2: The general ideas of representation in the theoretical Standpoint.

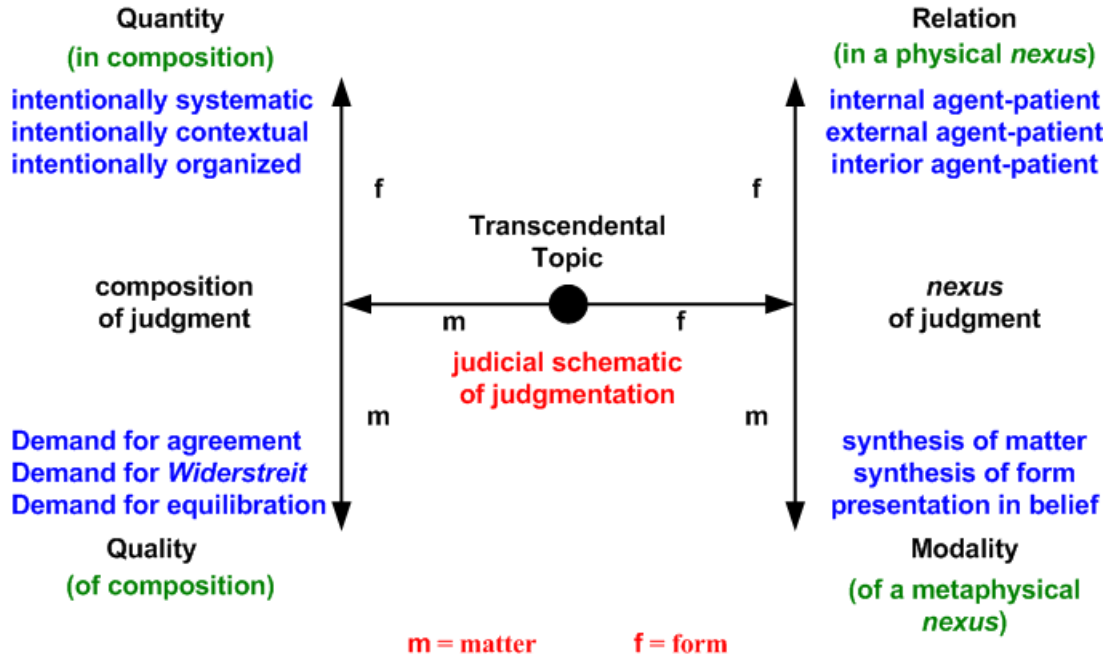


Figure 3: The 2LAR structure of transcendental topic from the judicial Standpoint.

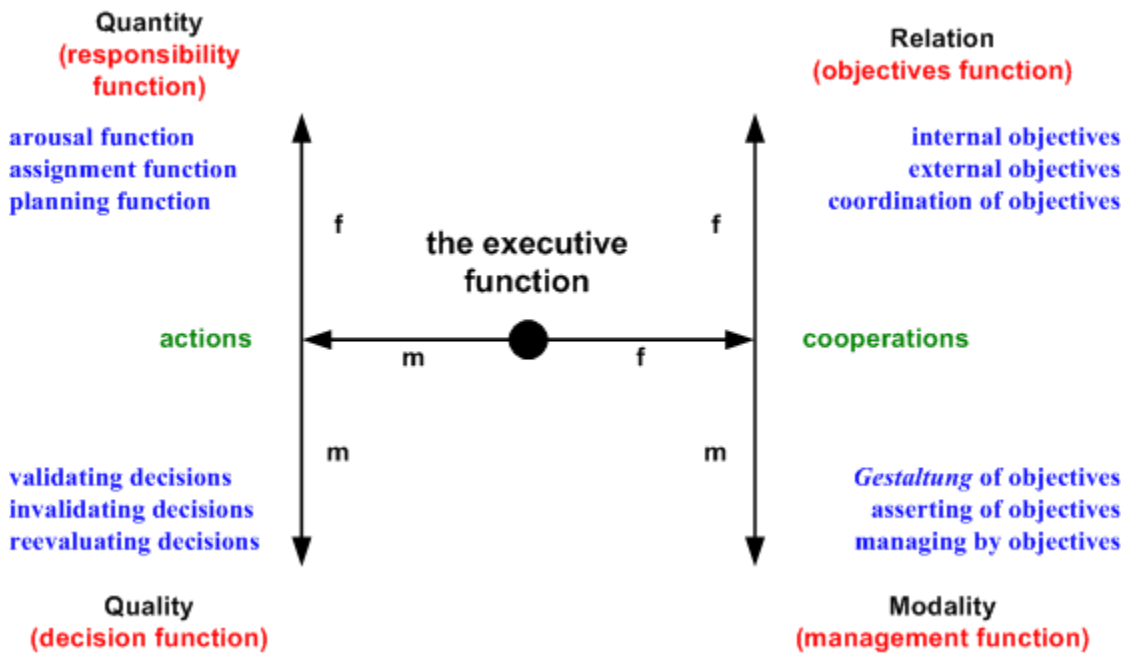


Figure 4: 2LAR structure of the executive function in the practical Standpoint.

of the *momenta* contained in these representations under the specifying concept of an executive [Wells (2011)] produces the practical 2LAR of executive function presented in figure 4.

The *function* of an executive pertains to the *actions* of other people to whom he is an authority figure. The actions of others comprise the Object of an executive's labor. More specifically, an executive is tasked with managing and guiding the group's leadership dynamic. The twelve functional *momenta* presented in figure 4 are functions addressed to this purpose. It is popularly said, "Management is the achievement of results through others"; this is congruent with figure 4.

The role of the general function of an executive can be likened to the role of the process of appetite in pure practical Reason. The latter has two principal outcomes determining the action expressions of a human being. The first is that it exerts a veto power over impetuous expressions of action evoked by the process of teleological reflective judgment. The second is that it evokes ratio expression in the process of speculative Reason by which judgmentation in reasoning, the process of thinking, and the power of the motivational dynamic are regulated [Wells (2009)]. These outcomes are not unlike those of executive function in an Enterprise-as-a-corporate-organized-being. Metaphorically speaking, an executive is an appetitive power of an Enterprise.

§ 3.1 The Responsibility Function

The form of the matter of executive function (Quantity) is called the *responsibility function* of an executive. The three synthesizing functions (*momenta*) under this heading are action functions pertaining to the aggregation of actions undertaken by members of the group of people to whom the executive is the authority figure¹.

The logically singular *momentum* is the *arousal function*. An executive acts as an energetic for the members of his group. Specifically, he seeks to evoke changes in the behaviors of the group's members so that the group properly responds to changes in situations and circumstances affecting what the group is expected to do. In effect, an executive is a purveyor of external disturbances to the equilibrium of the group as a corporate person. Without this function, the agents of an organization will tend to settle into work routines habitually undertaken. This is a very simple consequence of the fact that every human being seeks a state of equilibrium he maintains through his actions. This facet of a person's *homo noumenal* nature is the root source of what Toynbee called *vis inertiae*, the tendency for people to resist changes in behavior or in the structure of their Society. Type α compensation (ignorance), whenever it is possible, is one of the principal behavioral mechanisms by which people maintain equilibrium by ignoring disturbing factors. The "mindless bureaucracy" is an organization in which type α behaviors are prominently displayed. It is part of the function of an executive to counteract this powerful factor in the satisficing nature of human beings. In effect, it is part of his function to *provoke* disturbances in the group in order to stimulate its leadership dynamic. The opposite of *vis inertiae* is what Toynbee called *élan vital*, a movement from a single successful response to a challenge on to additional movement towards growth (Progress) in the Enterprise [Toynbee (1946), pg. 187]. An executive seeks to create *élan*.

The logically particular *momentum* is the *assignment function*. Some person or group within the executive's group must work each part of the machinery of the group's operations. You would not ask the custodial staff to audit an Enterprise's books or its product development laboratory to act as the firm's attorneys. At root all *real* meanings are *practical*, and the assignment function effects practical meanings by specifying which sorts of particular activities are to be immediate Objects for particular members of the group. Through this function an executive is the organizer of Meaning for the group overall and of specific meanings for sub-groups within it.

The logically universal *momentum* is the *planning function*. An executive's responsibility is not to *make* all the group's plans but, rather, to *ensure plans are made* and made in such a way that divers particular plans are congruent with one another so that the activities of one sub-group are not in real opposition to the activities of another. In any non-trivial Enterprise, this is the only valid role an executive can have in planning because he does not possess enough detailed knowledge and experience with current conditions and characteristics of all of the things the group must do in order for their corporate person to succeed in fulfilling the group's purposes. Bill

¹ For purposes of brevity, the phrase "executive's group" will be used hereafter to refer to him and this group of people. You should not mistake the phrase to mean that the people of the group "belong to" the executive. The phrase means "the group with whom the executive is associated as the authority figure."

Oncken, a practical management consultant and trainer in the 1960s and 70s, wrote,

The man is not living who could find the time, get the facts, tap the experience and exercise the judgment necessary to direct the efforts of five experienced, capable, thinking men to the fullest utilization of their talents. [Oncken (1966), pg. 40]

Five persons is not a large group. If it is impractical for an executive to make all the plans for such a small group, how much more impractical is it for him to expect to do it for a larger group? An executive is responsible for ensuring adequate and appropriate planning happens. The headings of Relation and Modality in figure 4 deal with more specifics pertinent to this point.

§ 3.2 The Decision Function

The matter of the matter (Quality) of the executive function is called the *decision function*. In the present context, a decision is a judgment of selection or rejection concerning whether a particular possible action is to be actualized, not actualized, or modified before being actualized. Prior to a decision, a plan is a merely descriptive or mathematical thing. A judgment of executive decision is a judgment determining that: (a) the planned action or actions are to be committed, and this is a *validating decision*; or, (b) the planned action or actions are-not to be committed, and this is an *invalidating decision*; or, (c) the planned action or actions are to be not-committed and that some aspect of the planned action or actions is to be changed in some way before being committed, and this is the *reevaluating decision*. A validation is a determination permitting an action to be expressed (realized); an invalidation is a veto of its expression. Reevaluation is the first act of making an accommodation of the group's action schemes that concludes with a transformation of that which is being judged – a plan or specific actions within a plan. The decision function of an executive is analogous to an act of appetitive power in the process of practical Reason. It is this Quality of executive function that is usually the basis for analogies that produce the habit of regarding the executive function as a ruler's function. That analogy, however, is not the correct one to draw. Appetitive power is part of the *regulatory* function of pure practical Reason; the process of practical Reason is the master regulator of all non-autonomic human actions. In a like manner, the executive function is properly viewed as a regulator function within the corporate person. The function is analogous to what Marcus Aurelius called governing reason.

The validating decision *momentum* of executive function is best explained as a function of inaction. This *momentum* is not a function by which an executive expressly approves actions taken by the members of the group; rather it denotes *absence of disapproval*. If the corporate personhood of the group to which an executive belongs is competent in its work, the great majority of actions taken by its members will be *not-inexpedient* for realizing the Objects of its efforts. Using the analogy of appetitive power, an executive is not "the free will" of the group but, rather, its "free won't." An executive's task is to provoke the group's leadership dynamic and guide its course. When that course is proceeding as desired, there is no need to alter it. If an executive's other leader's actions are successful, interfering with the fruits of those successes constitutes what Drucker meant when he spoke of "misdirection" [Drucker (1954), pg. 121].

The invalidating decision *momentum* is a veto. It precludes an action from being expressed by a member of the group. The function is expressed by leader's actions aimed at changing one or more behaviors being expressed, or about to be expressed, by one or more members of the group because the executive judges those actions to be inexpedient for the group's purpose. This leader's action aims at introducing a factor of disturbance designed to upset equilibrium behaviors by one or more members. An executive's active expressions in producing followership are inherently provocative inasmuch as changes in behavior by an individual who has achieved a state of equilibrium are always *provoked* by introducing some disturbance to that individual's cycle of

judgmentation. I emphasize that introducing *hostility* into interpersonal relationships between members of the group is *not* what is meant by "provocation." An executive whose actions bring about antibonding relationships within the group is acting in a way destructive to the corporate personhood of the group and his authority *Kraft* is thereby demonstrated to be incompetent.

The reevaluating decision *momentum* is analogous to an act of ratio expression by the process of appetite. It is the expression of a leader's action by an executive aimed at stimulating the group's leadership dynamic in such a way that tactical plans are altered and new courses of action are decided upon and taken by members of the group. No plan is so robust that new information or a new external development cannot invalidate the reasoning that went into establishing that plan originally. Accommodating actions adapting the group's activities in the presence of altered circumstances are required, and this is the practical essence of *flexibility* in an Institute. Note that the executive function here is not an expression of a new plan; it is an expression aimed at stimulating the group's leadership dynamic in a way that *produces* an altered plan. What alternative courses of action result emerge from the leadership dynamic. The function is logically infinite, *i.e.*, expresses a "not-this" without expressing what is to replace "this."

Overall, then, an executive's decision function consists of three *momenta* of actions congruent with Lao Tzu's precept, "When the best leader's work is done, the people say 'We did it ourselves!'" This is not the traditional way managers are taught to act; that tradition leads to an emphasis on "command and control" and to Taylorism in corporate governance. An executive is not as much required to know what it is he wants as he is to recognize what he does not-want. The process of practical Reason in *homo sapiens* is an inherently "negative" process, rather like Freud's idea of 'the superego.' The analogous "appetitive power" role of an executive is of a likewise "negative" character. Traditional precepts of management theory, including those of Drucker, regard an executive's function in just the opposite character. In doing so, those theories place superhuman expectations on executives. It is not much of a wonder that unnatural precepts (*i.e.* contradicting human nature) produce incompetence in Institutes that adopt those precepts.

§ 3.3 The Objectives Function

The *momenta* of Relation and of Modality differ in character from those of Quantity and Quality. The latter pertain to actions expressed by an executive. The former pertain to outcomes those action expressions are intended to achieve and go to *nexus* in cooperation and coordination.

The form of the form (Relation) of executive function is the *objectives function*. Actions taken by the people constituting a corporate person are purposive. This means the actions are aimed at fulfilling the group's corporate purposes. However, action is always expressed *in the particular* and is applied to and actualizes some particular Object. The noun 'objective' used in this context specifies or describes what Object or Objects are to be made real through the actions of the group. It is proper to regard objectives as representations of actions judged to be expedient for corporate purposes as the group's members understand these purposes. The *setting* of objectives, as well as the understanding of objectives, is itself a part of the regulating process by which a group *manages itself*. A specific objective is a description of a Relation between actions expressed by members of the corporate body and a purpose the action is intended to fulfill. An executive's objectives function is *the synthesis of congruence between the planned activities of the group and the purposes for the achievement of which the group exists*.

There are three forms of Relation possible. The first is the form of *internal objectives*. This form is logically categorical because internal objectives are set by the group itself for itself. It connects purpose with reference solely to objects entirely contained within the group's corporate person, *i.e.*, to factors and situations peculiar to the group itself. These are always self-determined by the corporate group without regard to people or factors outside the group. Internal objectives

pertain to cooperation and coordination *within* the group. The function is *the synthesis of congruence between purposes and objects peculiar to the group itself*. Internal objectives address the local interests of the group.

The second *momentum* is the *external objectives* function. Here the purpose to be fulfilled by the group's actions originates from outside the group's corporate person, typically from elsewhere within the larger corporate body of which the group is one part. This form is logically hypothetical because the external purpose is regarded as a *cause* to which the group's activities stand as *effects*. External objectives pertain to the group's coordination with *outside* persons or corporate persons. The function is *the synthesis of congruence between the planned activities of the group and purposes external to the group that are regarded as causes of these activities*. The interests served by external objectives are common but more remote interests the group shares with its parent body.

The third *momentum* is the *coordination of objectives* function. It pertains to Critical Relations of community between the purposes of the group and the purposes of the more general corporate person of which the group is one of its parts. These are objectives by which internal interests of the group are *co-determined* with external purposes, each acting as partial cause of the other and *at the same time* as partial effect of the other. The synthesis of coordination objectives is an act that binds the group to its larger Community *and* that Community to it. Coordination objectives are objectives that establish *heterarchy among groups* within an organization so that the divers actions of coordinated groups jointly fulfill common purposes and satisfy interests of the parent Enterprise. The coordination of objectives function is *the synthesis of congruence in internal and external purposes such that the internal objectives of the group are co-determined with external purposes such that the group is made part of the organized being of its parent Institute and its corporate personhood*.

There is a point I think prudent to make in regard to objectives. It is popularly supposed that if a group meets its objectives it fulfills its purpose. This is not necessarily true. It happens, and not uncommonly, that set objectives are not-purposive, *i.e.*, the objective can have nothing to do with the group's purpose. Taylorism tends to prefer objectives that are tangible, quantitative and can be more or less precisely measured. In education "test scores" are an example of this sort. But the purpose of public education is not to have pupils achieve test scores; it is to grow the powers-of-their-persons to prepare them for life as citizens of their Society. A test might be a measure of this if it is accurately designed to examine factors of human nature, but I must tell you most tests are not. Many test nothing but memorization ability. Many Institutes put a great deal of effort into setting objectives with no thought of the purpose the Institute is to fulfill. Objectives too often come to be regarded as ends-in-themselves instead of as means to an end. As Santayana said, "Fanaticism consists in redoubling your effort when you have forgotten your aim," and in this context the governance of many Institutes renders them fanatical. This is as true of commercial entities as of public Institutes [Peters & Waterman (1982), pp. 280-281].

The only objectively valid basis for performance evaluation, either of an individual or of a corporate person, is *whether or not that performance has fulfilled its purpose*. Objectives are intended to be means for realizing that fulfillment, but it is the end result in its relationships to purposes, not the means attempted, that tells whether or not real success has been achieved. Any system of performance evaluation based on objectives rather than purposes is misdirected.

§ 3.4 The Management Function

Finally we come to the matter of the form (Modality) of executive function. In judgments, a judgment of Modality is a judgment of a judgment and connects the object judgments of Quantity, Quality, and Relation to the subjective state-of-mind of the judging person. *Momenta* of

Relation connect concepts in an object. Those of Modality connect those object-concepts to how the person regards the Reality of their object, *i.e.*, as possible ("it could be *x*"), actual ("it is *x*"), or necessary ("it must be *x*").

In the executive function, Modality pertains to judgments of *objectives-setting* by collective actions of cooperating members the corporate person. Activities carried out under the Modality function of executive function are activities aimed at the leadership dynamic within the group and, for this reason, are appropriately called the *management function*. Individuals left to themselves might or might not plan or explicitly set objectives for themselves. Whether or not any particular person does so depends on what habits of thinking he has formed. Some people like to "wing it"; others make lists of "things to do"; still others plan their activities in painstaking bite-sized detail; some do not plan at all. The corporate person of the group, on the other hand, cannot depend on such individual idiosyncrasies for cooperations within it. It becomes part of executive function to insure coordination and cooperation. **Management** is the entirety of activities aimed at stimulating the leadership dynamic and then guiding and shaping the courses of all subsequent actions such that these actions accomplish the aims and meet the purpose of the managed Enterprise.

This real explanation of management is not what one usually finds in management textbooks. Indeed, while they all give numerous *descriptions* of what management is, none actually give a definition or even an adequate explanation of the term. The divers descriptions one finds are only so many opinions and, despite a modern tendency to portray 'management' as if it were a science, Critique concludes that the word has usages but not a definition in this body of literature. There is not even agreement on how old the term is or whether it is of relatively modern origin or of ancient origin. Did Sun Tzu have a management theory? Management theorists do not agree on an answer to this. After Critical examination, I have had to conclude that what is called 'theory of management' in modern textbooks and articles is a potpourri of opinions from divers schools of thought. These might be called natural histories but cannot correctly be called natural science. Drucker was one who romanticized the concept of management to much too great a degree, *e.g.*,

The manager is the dynamic, life-giving element in every business. Without his leadership the "resources of production" remain resources and never become production. In a competitive economy, above all, the quality and performance of the managers determine the success of a business, indeed they determine its survival. [Drucker (1954), pg. 3]

Although I am tempted to tear this description apart along the lines of the several fallacies it contains, to do so is to depart upon an unnecessary tangent. Wikipedia², as of March 17th, 2014, presented two frequently used descriptions of "management" that can illustrate well enough two main "school" descriptions of what most business people think the term means:

Management in business and organizations is the function that coordinates the efforts of people to accomplish goals and objectives using available resources efficiently and effectively. Management comprises planning, organizing, staffing, leading or directing, and controlling an organization or initiative to accomplish a goal. . . .

Since organizations can be viewed as systems, management can also be defined as human action, including design, to facilitate the production of useful outcomes from a system.

Both of these are descriptions, based on subjective judgments of taste, rather than real explanations. The first is more or less in agreement with so-called 'scientific management' (Taylorism), the second with the usages associated with Drucker and management schools-of-thought derived

² Wikipedia is an on-line encyclopedia. The reference here is from en.wikipedia.org/wiki/Management.

from his writings. Both descriptions implicate actions of some sort, the second specifies that these are human actions. Both have buried at the roots of their concepts a notion that one person or thing (a manager) *provides* the 'coordination' or the 'facilitation' of management *to* others in the organization; this is the rulership precept at the core of Taylorism.

The real-explanation stated earlier connects the management function with the only Object actually capable of coordinating or facilitating, namely the leadership dynamic of a group. It contains no concept of rulership. The management function of an executive is *regulative* but not *directive*. It is, loosely speaking, like a gravitational force among the social forces affecting divers activities of people in a group; it *attracts* them to coordinate and cooperate in their activities.

The management function of an executive is comprised of three synthesizing *momenta*. These *momenta* are types of activities expressed by an executive's leader's actions that produce objectives-setting, tactical planning, and self-regulation by the group and do so such that these activities act in concert toward the fulfillment of the group's purposes.

The first *momentum* is logically problematic because it pertains to the possibility of some particular action being made an objective. Its Object is *what is determinable as an objective*. Because this pertains to the processes by which objectives are formulated, this determinable function is called the *Gestaltung* ("formation") of objectives. It can be regarded as the corporate person's analogue to the synthesis of appetite in the phenomenon of mind. The function subsists in an executive's leader's actions by which followers are stimulated to actively participate in making objectives-propositions and tactical plans pertaining to their own activities in order to fulfill the purposes of the group as a corporate person.

The second Modality function is the *asserting of objectives* function. As implied by this name, this *momentum* is a determination that a possible objective is to be made an actual objective and a possible tactical plan is to be adopted as an actual operational plan. It can properly be called the *momentum of choice* in executive function. There are multiple possibilities for actions that might fulfill the purposes of a group but all actions are actions in the particular and so a *selection* must always be made from the possibilities at hand. The function subsists in making mutual agreements among the members of the group concerning what selections are made. Those agreed upon then constitute in the short run a temporary *ad hoc* social contract pertaining to how present circumstances are to be dealt with by the group.

The third Modality function is the logically apodictic *momentum* pertinent to an executive's *administration of the leadership dynamic* of the group. It is a function for ascertaining objectives and tactical plans and for insuring that activities aimed at realizing them are carried out. This function is called the *managing by objectives* function and can properly be regarded as the function analogous to the **general will** of the group's corporate personhood. The function subsists in an executive's leader's actions aimed at periodically ascertaining whether or not plans and objectives are still expedient and appropriate for actual circumstances as the latter have changed since the last evaluation, and in ascertaining whether or not overall group activities are still mutually coherent and cooperative for fulfilling the purposes of the group. This function is a performance evaluation in the context that the performance of previous *judgments* are evaluated. It is *not* an employee performance evaluation in the traditional context, *i.e.*, it is an evaluation of the *functioning* of the corporate person rather than of performance by a member of that corporate person. The evaluations are functional and *impersonal*.

As an illustration, a little over twenty years ago I was an executive authority figure in a large team in a high tech company. We were working on developing, marketing, and manufacturing a new product that was intended to become our largest revenue-and-profit generating product. The project involved several functional areas of the company – Research & Development, Marketing, Production Facilities, Production Operations, Production Engineering, Training, Procurement,

Product Regulatory Compliance, Product Safety Compliance, *etc.* Each functional sub-group of the team had their own specific roles to fulfill. The overall team was comprised of more than two hundred people. Every week – as I recall, it was every Tuesday at 10:00 a.m. – I chaired a meeting we called the Tactical Planning Meeting where representatives of each area met to review the developments of the past week and, where appropriate, make changes in our tactical plan and our functional level objectives. Our marketplace was highly competitive and very fast moving. It rarely happened that a week went by when we did *not* change the tactical plan. Our objectives tended to be a little more robust than this, but occasionally they, too, had to be altered to take into account new information or changed circumstances. Once in awhile something would happen or some new information was obtained that called for an unscheduled emergent-situation meeting of this group. This is an example of the managing by objectives function.

The term "management by objectives" will be (or, at any rate, should be) familiar to you if you have experience as a manager in a commercial or governmental organization and have adequately made a study of the art of management. There are, however, two different ways in which the term "management by objectives" (MBO) is used in American organizations. One of these is the correct and proper usage of the term but is also the least understood usage. The other is the usage made prevalent by Taylorites and in hierarchy pyramids of the monarchy/oligarchy form of governance. Unfortunately, this one is the more common way in which the term is used (or, more accurately, *misused*). I call this "unfortunate" because it is a perversion of the concept that institutionalizes managerial incompetence. Because management by objectives is central to the managing by objectives function and vital to the practice of good management *téchné* in a heterarchy system of organization, I devote section six of this chapter to this topic.

§ 3.5 Two Functions That Are Not Part of Executive Function

These twelve *momenta*, summarized in figure 4, constitute the complete representation of the executive function at the second level of analytic representation. Some readers, I expect, might have already noted what tradition would make seem to be a curious omission in this structure. There is nothing in it that pertains to either salary/wage administration or performance evaluation of personnel. In traditional systems of management predicated upon monarchy/oligarchy concepts of governance, both of these are generally regarded as part of a manager's function. This regard is of ancient vintage. We find it in the Sumerian empire of Sargon the Great; we find it in the Viking aristocracy of the Dark Ages; and we find it in almost every corporation and agency in the modern world. As an illustration of its foundations, consider its role in the rulership of medieval Scandinavia:

A king's prestige consisted, too, in his wealth and territory, for he could hardly be other than one of the greatest landowners in a kingdom, and much of the profit of a successful war went into his personal chest. With no capital city or town he moved from one estate to another, he and his following more or less eating their way through the countryside, sometimes receiving hospitality from subjects great and small, but for the most part providing his own sustenance in his own farms. With him traveled his *hird* or bodyguard, composed of hirdmen or retainers who had knelt and set their right hands to his sword-hilt, so pledging him loyalty, if need be to the death. In war these were the core of his army, in peace the executants of his authority, and without them he was nothing. . . . The hirdmen were the king's elect – or it might be better to say their lord's elect, for any great man with wealth, power, and fame could maintain a retinue . . . From them most was demanded, to them most was given. Swords, helmets and battle-harnesses flowed from the king, arm-rings and torques; he clothed their bodies with tunics of silk and cloaks of squirrel skin and sable, and their bellies he filled with choice foods and mead from the horn. For those who earned them there were axes inlaid with silver, and for those who wanted them women. . . . "Sweet is mead – Bitter when paid for!" These were the two sides of the medal, service and

reward, and kings thrive best when both were unstinted. [Jones (1968), pp. 152-153]

A king, if he wanted to remain king and stay alive, compensated his *hirdmen* according to how valuable to him he judged their performances to be.

Salary/wage administration and performance evaluation (reward and service) in actuality are not elements of managing the leadership dynamic of a group. Rather, they are ailments of social contracting and do not immediately pertain to leadership but, rather, the *Existenz* of a corporate civil Community. A king and his *hirdmen* comprised an aristocratic caste Community subjugating the other people made "subject" to the king's rule. The relationship between these two castes is a state-of-nature in which the actions of the subjugated are governed by maxims of prudence. In Taylorite hierarchies, salary/wage administration and performance evaluation are made *weapons* of those occupying authority figure positions, used as deemed necessary to coerce compliance.

But the real function of salaries and wages is as a medium of exchange by which people in a corporate community are able to satisfy – at least up to some degree – their Duties-to-Self and to those with whom they are bound in their personal societies. Performance evaluation is necessary as a mechanism for the administration of justice in a Community under the terms and conditions of their social contract. Jointly, they are to the terms and conditions of a social contract what reward-and-service was to a Viking aristocracy: ways and means of effecting bonding relationships in a Community. They each have a function in a Society and, because of this, they each can be made the Object of a peculiar part of the division of labor. If the function is assigned to a manager, this is by convention and arbitrary fiat, not by necessity. From the perspective of good governance, however, such an assignment is akin to failing to distinguish between an executive branch and a judicial branch because the executive is also made a judge by the act of assigning salary/wage administration and performance evaluation to his responsibilities and arming him with their power to coerce. This departs from the principles of Republican governance, and this departure is in no way necessary for governance of a Society. This is why salary/wage administration and performance evaluation are *not* among the functions of an executive. They are prerogatives of a Sovereign, and an executive is not a Sovereign in a Republic. These functions are necessary parts of social contract administration, but this is distinct from executive function. They are, rather, conjointly *judicial and legislative functions*. Performance evaluation is judicial; salary/wage *administration* is conditioned by external salary/wage budget objectives, the latter being a legislative "purse strings" function.

§ 4. The School Manager

The proposed design of the office of School Manager is evolved from the council/manager form of government used by 40.1% of municipalities with populations above 2500 people [ICMA (2011)] and over 40% of the counties in the United States [NACo (2012)]. This system appears to have worked very well for municipalities – or, at least, for the smaller ones – since it was instituted in the 20th century. It is not without some serious potential problems, the origins of which are found in the historical circumstances that gave rise to it. The evolutionary aspects of the proposed design are aimed at preventing these problems from actually arising in school governance. The number of agents employed in a typical public school in the U.S. rarely approaches the population cut-off point specified earlier for the definition of school districts. For this reason, there is a reasonable expectation that the proposed institution will work well for administration of public schools because heterarchy and *Gemeinschaft*-like Republican administration (Tocqueville governance) of a school are both practical possibilities.

There are three factors in the history of the city council-city manager form of government that are breeding grounds for problems that can challenge the successful operation of this government. First, this form of government was a reform born in the Progressivism Movement in the first half

of the 20th century. The aim of the reform was to counteract political corruption and eliminate the spoils system that had plagued city government in large- and medium- sized cities. Its *design*, however, did not provide it with an adequate system of checks and balances. Second, the design institutionalized Taylorism in the basic structure of the organization. Third, the system was modeled after the corporation Board of Directors-Chief Executive Officer model of private sector companies. There are fundamental civil rights differences between public and private corporate Enterprises that make the private sector corporation model wholly unsuitable for governance of a *public* Enterprise. In addition, the corporation model is a monarchy/oligarchy form of governance and so promotes and produces uncivic behaviors, antibonding social granulation within the Enterprise, and state-of-nature internal relationships incompatible with an Enterprise's ability to successfully meet and overcome challenges that confront it or be a unified corporate person.

The net effect of this confluence of organizational-political ideas was to institutionalize vulnerabilities inimical to sustaining a Republican character of governance in the system. It is therefore somewhat surprising that the system has worked as well as it has in the roughly three-quarters of a century it has existed. This is likely a tribute to close community ties in small cities. Local governments in small towns and cities tend to be more responsive to local citizens than the larger cities', states', or general governments have historically demonstrated. In smaller municipalities local governments tend to be expressed as a mixture of republic and *Gemeinschaft* corporate personalities, which places them in the social hemisphere of governance illustrated in figure 2 of chapter 7.

However, there is an important difference in social environments of municipal governments compared to public school governance. In the latter, circumstances tend to be much less visible to citizens and therefore inherent checks and balances that local public awareness of circumstances exerts on government is greatly hindered in the case of public schools. Occasionally a few cases of absurdities are publicized – for example, ridiculous prohibitions against small children playing 'tag' during recess or unjust expulsion of pupils for harmless gestures or ornaments; many of these incidents fall under the umbrella of so-called 'zero tolerance policies' that are administered with robotic disregard of facts and justice by incompetent officials. But for the most part citizens have little feedback on or visibility of how public schools are run from day to day. *Institutionalized* checks and balances are therefore even more crucial for the management of public schools than for small municipality government and are essential for establishing and maintaining *justice* in the operation of public schools.

A School Manager is an authority figure who accepts as a Duty the expectation of authority concerning accomplishment of all day-to-day non-instructional operations of the school. The demand placed on him is demanded by those who appoint him to his position, namely the education committee. That the committee *must* place this demand on him is part of their own expectation of authority demanded of them by the citizens whose school this is. This is the deontologically civic relationship inherent in the governance of a public school, and it is pertinent to note that this relationship is explicit about who is the *actual* Sovereign in all these relationships. It is not the state, not the nation, and not any agency of government that is Sovereign here; it is the citizenry in their capacity as the body politic of the Republic. Public instructional education *is* an agency of civil governance having its Institutes placed within the judicial branch of overall civil government. As Republican Institutes, each Institute has for its own *internal* governance its own legislative, executive, and judicial functions. A School Manager is an agent of the executive function of this internal governance. As is the common case for *every* agent of government, he is *required* to be a *public servant*. This means that by accepting the position he is pledging his acceptance of a deontologically moral commitment to the performance of particular Duties assigned to the office. *Obligatione externa* is implicit in every public service occupation and position. Public servants can be held culpable for their official actions.

In order to understand the scope of a School Manager's office and his Duties as an authority figure it is helpful to look at typical expectations associated with a city manager's office. Some of these are analogous to those of a School Manager and some of them are modified by the proposed design. Typical functions of the city manager office include:

- supervision of day to day operations of all city departments, either directly or through department heads;
- oversight of all hiring, firing, disciplining, and suspensions;
- preparation, monitoring, and execution of the city budget, including making proposed budget recommendations each year to the city council;
- acting as a non-voting technical advisor to the council;
- performing public relations activities.

Examining these typical functions one by one clarifies the nature of the office of School Manager. One of the benefits of a Critical examination of these functions is to clarify the executive role in the division of labor within an Enterprise. This examination reveals that traditional models of the city manager function do not adequately express the functions of the office in relationship to *homo noumenal* nature within an Enterprise of enterprises institution of organized co-workers. To put it another way, the traditional model does not adequately depict a social-natural function for a city manager as an executive in the context of a Republic.

In a heterarchy organization the principal purposes of the **supervisory function** are coordination of the work of divers individual contributors and ensuring necessary communications among various individuals are occurring. In traditional management systems the supervisory function is usually viewed as a 'command and control' function, but this is an attitude and a habit of thinking that comes from monarchy/oligarchy governance principles and gives rise to the development of antisocial granulations within the Enterprise. It confuses a supervisory function with an oversight function by confounding functions of Relation (the objectives function) with the managing by objectives function (Modality) in the 2LAR structure of executive function. Furthermore, it fails to divide the labors of governing between executive and judicial branches of governance in regard to firings, disciplining, and suspensions, and this permits unchecked and unbalanced injustices.

The 'supervisory' role of a School Manager properly belongs to and is limited by the four headings of executive function discussed in the previous section. The expectation laid on this role is more properly called *superintendence* and, further, superintendence in the context of the Latin origins of the verb 'superintend' (*super*, above, and *intendere*, to attend to, apply the mind to). Webster's Dictionary (1962) defines the English connotations of the word as follows:

superintend, *v.t.*, to have or exercise the charge and oversight of; to oversee with the power of direction; to take care of or direct with authority; to control; to regulate; to supervise; as, the officer *superintended* the construction of a fort.

'To control' in the Critical context that applies here can mean nothing other than to ensure that the leadership dynamic remains coordinated and cooperative, that objectives are being attended to in proper ways, and that the leadership process remains regulated by a focus on purposes. While persons in the divers divisions of labor each concentrate their focus on the particularities of that division, a superintendent oversees the general coordination and coherence of all the divisions "over" which his oversight role is placed. That oversight is *his* special labor in a division of labor.

It is a natural tendency of language to call one who superintends a superintendant. However, it is also a tendency of judgmentation to gradually come to think of the function as something that flows from the person rather than being defined by the office. The *officer* is practically defined by

the *office*, not the other way around. The office is a mathematical object in the connotation of the term *officium* (that which one is bound to do in service of obligations). An officer is an official who accepts this service as his Duty. It is always important to keep this ordering in mind and to not define an office in terms of an officer. It is always a mistake to reify the function by personification. Personification of an office most often produces a ruler rather than an executive.

The '**oversight**' bullet item in the city manager list is more correctly called a *personnel oversight* function because it pertains to 'hiring, firing, disciplining, and suspensions.' Here there is an important special distinction between the nature of such a function under monarchy/oligarchy governance *vs.* that of a Republican executive. For the latter, this role is limited to oversight of whether or not *purposes* are being fulfilled and whether or not objectives are remaining focused on purposes. This is the extent of the School Manager's executive "personnel oversight" role, as discussed in § 3.5 above, and thus the role has strict limitations placed on the power of the office. There are several specific points that must be clearly understood in this regard.

First, a Republican School Manager can have the expectation of authority to *select* who is to fill a non-instructional job vacancy in the Institute and to delegate this nomination to an officer designated as the relevant department head. However, this expectation of authority can *not* be extended to *creating* new offices. A new office inevitably demands financing in order to pay for the functions of that office and the wages of the officer. But this financing in a public school Institute comes from nowhere else than the portion of *public wealth* allocated to the school function. The allocation determination belongs to the *legislative* branch of governance *exclusively* because it is a "purse strings" matter. A School Manager can *recommend* to the education board that an office be created and funded; he is *not* given the power to *create* offices. Even in the case of selecting an officer, proper checks and balances procedure calls for the education committee to exercise an advise-and-consent function with veto power because all officers serve the general and sovereign will of the body politic of citizens and the committee is its representative.

Checks and balances in this way check what is often called an "empire building" inclination that desire for emulation often produces. A typical symptom of empire building is growth in the number of non-productive laborers filling new and permanent 'headquarters staff' executive and 'assistant-to' positions. This consumes public wealth for relatively little public benefit and it also tends in time to produce a hierarchy of executive *hirdmen* and Taylorite centralization of power.

For example, for the 2013-2014 academic year, the University of Idaho reports that it has a faculty of 934 persons and a staff of 1530 persons serving 12,493 enrolled students. This is not an especially large organization. Yet it reports having 25 executive offices placed under that of the university president including: 1 provost and executive vice president; 7 other vice presidents of assorted ranks; 2 vice provosts; and 11 deans (each having a few associate or assistant deans reporting to them). The university's web site also reports that there is a President's Cabinet with 13 members (not including the president), 8 "leadership" offices, and a Provost's Council of 30 people (not including the provost). These numbers do not add directly to the total number of executive officers because some of the same people belong to the cabinet, council, or "leadership" offices. I mention these to illustrate the sorts of activities these executives are occupied with.

These numbers do not include the number of direct supervisors of faculty and staff employees. The 25 executives are the direct counterpart to a private sector corporation's 'headquarters staff.' In comparison, at the end of the 1970s Emerson Electric had 54,000 employees but less than 100 people in its corporate headquarters [Peters & Waterman (1982), pg. 311]. Does this school really need roughly one headquarters staff *hirdman* for every one hundred employees? One can question this; citizens should question this. The University of Idaho is a more or less typical example of Taylorite organization fronting a thin facade of feeble republican governance with pronounced centralization of power in its 'headquarters.' Peters & Waterman tell us,

As big as most of the companies we have looked at are . . . [the] underlying structural forms and systems in the excellent companies are elegantly simple. Top-level staffs are lean; it is not uncommon to find a corporate staff of fewer than 100 people running multi-billion-dollar enterprises. [Peters & Waterman (1982), pg. 15]

The state budget for the University of Idaho, by comparison, is on the order of \$100 million.

My **second** point concerns the 'firing, disciplining, and suspensions' role. It is nothing more and nothing less than an empirical fact that there are people who do not satisfactorily perform the duties expected of them in a civil Enterprise or competently execute the labors expected of the enterprise in which they are engaged. There are two pure circumstances to consider for this context of interpersonal relationships in associated employment. The first is the circumstance of uncivic free enterprise, in which there might be legal contract commitments but no social contract convention binding the individuals who work together as employees and/or proprietor-owners. The second is the circumstance of civic free enterprise, in which the individuals associate with each other with a general pledge of acceptance of the conventions of a social contract.

The majority of empirical cases encountered in Societies are mixed circumstances in which are found partially civic and partially uncivic situations. In these the civic associations generally are inherited from the social contract of the parent Society of the members. The uncivic associations arise from parent Society toleration of uncivic free enterprise economics. However, different associations do exhibit different degrees of uncivic vs. civic qualities. In some the civic qualities dominate thoroughly enough that, even if the governance of the association takes on the monarchy/oligarchy form that is nearly universal in the American economy, the rulers (typically owner-proprietors or company founders) can be called "enlightened" rulers who choose to actually govern the relationship between their enterprise and those of non-owner employees as a civil association. This situation can be likened to the Roman republic in many ways and can be approximately regarded as the Society of a republic and treated as a usually-civic free enterprise. The Hewlett-Packard Company during the years when its founders were the two chief executives was an example of this [Malone (2007)]. These cases are rare among large corporations and are almost unknown in government agencies, but do occur more often, although not always, in small businesses. Whether or not they occur is primarily determined by the owner-proprietors.

In others, uncivic qualities dominant. Governance of the association is by monarchy/oligarchy and more or less pure state-of-nature relationships characterize interpersonal relationships. This does not preclude the existence of granulated pockets of civil association within it, but even where these exist the relationships between mini-Communities are mutually outlaw and the sorts of state-of-nature relationships that tend to characterize relationships between different nations prevail. These cases can be treated as approximating pure uncivic free enterprise circumstances.

There is little to be said in this treatise about the uncivic free enterprise case. The circumstance is one that most adults will already be familiar with because uncivic free enterprise has long been the dominant economic situation prevailing in the world and has been the dominant circumstance in America since the time of its Economy Revolution of *circa* 1750 [Wells (2013)]. Like the ancient Persian Empire, uncivic associations are doomed in the long run. Their breakdown and disintegration can come quickly or it can come slowly, but it will come eventually. I will exert no fruitless effort to prolong actual *Existenz* of these terminal cases of a fatal social disease.

An Enterprise in civil association is one in which the members are bound to one another by a social contract. Each member's personal enterprise comprises part of an Enterprise of enterprises. It is governed by republican principles as a Community. The few excellent companies found by Peters' & Waterman's study used this sort of governance and deliberately managed the companies so as to *make* them be civil Communities:

Many of the best companies really do view themselves as an extended family. We found prevalent use of the specific terms "family," "extended family," or "family feeling" at Wal-Mart, Tandem, HP, Disney, Dana, Tupperware, McDonald's, Delta, IBM, TI, Levi Strauss, Blue Bell, Kodak, and P&G [Proctor & Gambles].³ . . . And, as Lehr [at 3M] suggests, the family means more than the collection of 3M employees. It includes employees' entire families. [Peters & Waterman (1982), pg. 261]

It is rare for such a corporate culture to survive new generations of managers when its Society is economically dominated by uncivic free enterprise. Most of Peters' & Waterman's excellent companies have seen the corporate cultures responsible for their excellence perish at the hands of Taylorite managers since the time they were studied. But the points currently under discussion here are the roles of an executive *in* such a corporate culture. What is the 'firing, disciplining, and suspensions' role of an executive under Republican civic free enterprise?

When an individual chooses to engage in personal enterprise in association with an economic community, he does so primarily for the economic security obtainable *with others* that he cannot achieve *by himself* outside such an association. He may lack the capital stock needed to secure it; he may lack the tangible *Personfähigkeit* needed to secure it; or he may be habituated into thinking a person of "his class" is destined for nothing else than a role as a laborer in someone else's enterprise. Oftentimes he gives no thought to whether or not he is joining an association of civic or uncivic free enterprise beyond vague folktales that "company X is a good place to work" and "company Y is a bad place to work." He does not distinguish between a mere community of coworkers and an economic Community because he does not know any such difference exists. He bases his decision on his appraisal of whether he can benefit his own situation in regard to fulfilling his Duties-to-himself and to others he binds himself to in his personal society. If he has accepted employment in a civic Enterprise of enterprises, he will generally not know this at that time and, consequently, joins it as a social outlaw rather than as a citizen of its Community. A process of *socialization* into its culture is necessitated by the environment of uncivic free enterprise that has been the circumstance of his prior social experience. This situation applies as much for executive as it does for non-executive enterprise. Peters & Waterman noted this in the excellent companies they studied:

Another striking aspect of the orientation of the excellent companies is the way they *socialize incoming managers*. The first element, of course, is recruiting. The screening is intense. Many of the companies we talked to are known for bringing potential recruits back seven or eight times for interviews. They want to be sure of the people they hire . . .

Next comes the entry job. This may be the most important element. These companies like to start their aspiring managers in "hands-dirty" positions that are in the mainstream of the business. . . . The notion of socializing managers by starting them in hands-dirty jobs is strikingly different from what we see in many other large companies. . . .

The next part in the crucial socialization process is learning through role models – the heroes and myths [of the company]. The new recruit learns how to do the job from war

³ The Peters & Waterman study was carried out in the late 1970s. During the 3+ decades that have passed since then, the 'excellent companies' they identified have come under new generations of managers and in most cases these managers are Taylorites who abolished the very social conditions that had led to these companies being 'excellent companies' in the first place. For example, Hewlett Packard (HP) is not an excellent company today. It is a mediocre company with no special merit that is tottering toward eventual collapse. The same can be said of IBM, Walmart, and other companies on Peters' & Waterman's list. Most of their managers will claim to have put into place "best management practices." This is an absurd sound bite by which they merely self-describe what they do. I have never met even one incompetent manager who acknowledges that he is incompetent. The most dreadful incompetent is the one who lacks the competence even to know that he is incompetent because he will never try to learn how to become competent.

stories. [Peters & Waterman (1982), pp. 265-266]

Every human being enters this world as a little social outlaw. He becomes socialized *strictly* through acts of educational Self-development and what he learns he learns from his particular social experience during childhood. This is a multi-stage learning and development process most easily documentable in childhood [Piaget (1932)] but it is also a process that is re-staged over and over in adult life. One very important psychological aspect of this re-staging is the phenomenon of adult moral realism [Wells (2012c), chap. 5, pp. 122-133] and it presents – perhaps more than any single psycho-social factor – the most taxing challenge socialization into the special mini-Community culture of an Enterprise must meet if it is to *maintain* its corporate culture.

It is short-sighted and, I will even say, foolhardy for an Enterprise to depend on accidents of individual personality to produce and maintain its cultural assimilation of new members. Rather, cultural socialization is a phenomenon that must be *produced* by circumstances *institutionalized* into the design of the Enterprise. Hewlett Packard, for example, failed to culturally socialize the *Board of Directors* who took over after the passing of its founders. It paid for this mistake with its cultural life and its corporate excellence. Institution of republican Enterprise begins with its governance and the checks and balances needed to maintain its republic. This institution pertains immediately to an executive's role in 'firing, disciplining, and suspensions.'

The expectation for executive authority demands that individuals who maintain an outlaw relationship with the corporate Community, or whose enterprise practices chronically fail to meet adequate levels of performance after all reasonable efforts to help them develop and improve their tangible contribution, *must* be removed from the body politic of the corporate person. Failure to do this always leads to social granulation within the Enterprise and teaches undesirable lessons that other members will learn through their individual acts of educational Self-development. It is an important part of an executive's function to identify this situation if and when it occurs.

Here, however, arises again the perennial question, *Quis custodiet ipsos custodes?* It is not just possible but highly likely that from time to time an executive will make a mistake in assessment or will act out from subjective grounds such as anger, bias, or personal dislike for an individual. An executive is no less subject to impetuous judgments than any other human being. For this reason, he must have the *power to impeach* an employee *but not the power of trying the impeachment*. The latter is a function of the *judicial* branch of corporate governance, not its *executive* branch. How a particular Enterprise chooses to set up this judicial function depends upon the special characteristics of its social environment, but the *principle* is that the executive and judicial functions must be independent of each other and that separation of powers be maintained.

For example, when I was an employee of Hewlett Packard it was part of my job function to evaluate employee performance. However, I did not have the power to fire an employee without first going through a very elaborate judicial process involving both the personnel department (who had the power to block attempts I might make to fire someone) and the general manager of the division I worked in. I was not the decisive arbiter of whether or not someone was fired. This *process* was a key part of the corporate *justice system* of the company and part of a culture known to us as "the HP Way." It was rarely necessary to exercise this process, but when it was this was a crucial part of our governance for preserving the Union of our corporate body and maintaining its republican and civil character. In contrast, today's HP has no justice system and no "HP Way."

The third bullet point in the description of a city manager's duties is his **budget** responsibility. One thing that a city manager and a School Manager share in common is that their budgets are allocations of public wealth and they do not have the power to determine how much is to be allocated. The allocation power lies with the legislative branch of government or, in the case of municipal bonds, directly with the citizens themselves. This is as it should be. Only a limited amount of the wealth assets of a Society are alienated for public purposes, and only a fraction of

these public wealth assets are allocated to any particular public service. It is the Duty of an executive to see to it that the most beneficial use is made of that part of the public assets that are placed under his stewardship.

I think it likely that no person who has held an executive position ever thinks his budget is sufficient to "do the job right." Certainly I never did in the sense that I always wished our budget was more generous. But this is irrelevant to the executive function. It is not part of executive authority to decide upon a budget, but it *is* part of his expectation of authority to guide the leadership dynamic in such a way that objectives are congruent with budget constraints and purposes are fulfilled as well as possible given the wealth asset resources that are made available for them. "Doing the job right" in practice means "doing the job optimally," but all optimization is optimization under constraints. In systems theory, the mathematical expression of constraint is even called a "cost function." The budget is merely one of these constraints – quite literally the original 'cost constraint.' If you think you cannot perform adequately as an executive because of the budget, then don't take the job. If you do take it, this is tantamount to accepting a Duty to fulfill the purposes of the Enterprise within the constraints of the budget. It's a simple principle.

The last bullet point in the city manager's job description is **public relations**. There are two ways this phrase can usually be interpreted. One of them, the antisocial one, is to equate public relations to propaganda. This is particularly so when "PR" is used to deflect blame, 'spin' facts to make them appear unduly favorable, mute criticism, lie with statistics, or cover up error or misconduct. These are socially granulating uses of persuasive *Personfähigkeit* and they are at best deontological moral faults. In the worst cases they are deontological crimes.

An executive's proper use of "public relations" is for two-way communication with citizens. It is a means by which the corporate person of an Institute can learn of concerns citizens have about the Institute, and to explain to citizens what the Institute is trying to accomplish so as to gain their assent. Public relations viewed in this way is to be regarded as interpersonal communication between the corporate person of the Institute and the citizens whose Institute it is. An executive is called upon in this role to become, as much as possible, a corporate *ambassador* between the Institute and the interested people and corporate persons outside it.

Public relations also describes a Duty of a School Manager when he serves as an advisor to the education committee and when he submits budget requests and targets for their consideration. The education committee is the direct intermediary between a school Institute and the Sovereign because the members of that committee are the chosen representatives of the body politic of the parent Society. A School Manager's public relations role is not essentially different from Duties of this kind constitutionally mandated for the office of President of the United States:

He shall from time to time give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient . . . he shall receive ambassadors and other public ministers [U.S. Constitution, Article II, section 3]

§ 5. The Principal Teacher

Like a School Manager, a Principal Teacher is an executive. Everything said earlier about the executive function, supervision, etc. also applies to the Principal Teacher's office. The difference between that office and the office of School Manager is in the matter of authority. The authority of the Principal's office is over the instructional purpose of a school Institute. Both offices have fiduciary responsibility for the safety and well-being of children and minority-age adults on the school's premises, while traveling via school transportation means, and at extracurricular school-sponsored or mandated activities.

Taylorism's so-called "efficiency" maxims hold that two executive positions are either not necessary or, if established, must both be placed under a chief executive. Many people either presuppose or have been taught that "there must always be *one* person in charge." This supposition ignores the fact that the Roman republic existed for nearly five centuries using a system with two co-equal consuls for its highest ranking executive officers [Durant (1944), pp. 25-31].

There are two reasons why these Taylorite maxims are incorrect. First, the primary Duty of an executive is to stimulate and guide the leadership dynamic of his group. To do this effectively, an executive must be knowledgeable about the special Objects that distinguish his group from others within the parent Institute. David Packard, co-founder of the Hewlett-Packard Company, wrote,

Managers must be sure that their people clearly understand the objectives and specific goals of their division or department, as I have said. It is also essential that the manager have a thorough knowledge and understanding of the work of his or her group. This brings up the debate that has been carried on by business people for many years. Some say good managers can manage anything; they can manage well without really knowing what they are trying to manage. It's the management skills that count.

I don't argue that the job can't be done that way, but I do argue strongly that the *best* job can be done when the manager has a genuine and thorough understanding of the work. I don't see how managers can even understand what standards to observe, what performance to require, and how to measure results unless they understand in some detail the specific nature of the work they are trying to supervise. We have held closely to this philosophy at HP and I hope will continue to do so. [Packard (1995), pp. 154-155]

The Objects associated with a teaching purpose are different in kind from those that are associated with a School Manager's operations management purpose. Operations management pertains to business matters not especially different from those encountered in commercial enterprises. Matters of instruction are inherently human-nature focused because they involve guidance of educational Self-development activities of the pupils or students and of their preparation to be citizens. The Objects for which a School Manager is responsible are entirely different from the Objects for which a Principal Teacher is responsible. Separating the two executive positions forces these two Object-types to be treated and regarded equally, and thus places both executives under a practical necessitation to work cooperatively with each other. It removes the danger that one or the other Object-type will receive preferentially biased treatment because of an executive's subjective processes of judgmentation. If for any reason the two executives find they cannot cooperate with each other then the recourse for dispute resolution is through appeal, by either executive, to the 'upstream' judicial panel (which *does* have the power to *decide* disputes by means of their rulings or through the mechanism of a writ of mandamus).

Second, if the School Manager and the Principal Teacher successfully cooperate with each other, then there is no practical need for or function of a chief executive officer – whose only job would be to see to it that the other two do theirs. Under a proper system of checks and balances this oversight is vested in those who appoint the executive and have the power to impeach him. In both cases the appointing body is the education committee. The committee both selects and appoints the School Manager. They appoint but do not select the Principal. I discuss the selection/appointment process for the Principal Teacher below. In both cases the power to try impeachments is vested in the judicial panel. There is, consequently, nothing for a chief executive to do. Neither an education committee nor a judicial panel is allowed to delegate their checks-and-balances Duty to any other person or corporate person under the system of Tocqueville Republican governance because delegating this institutionalizes a criminal dereliction of Duty.

Historically, and before the 'corporation manager' model became the dominating paradigm in education administration, a Principal Teacher was generally the most senior teacher, respected

leader, and designated general manager of a school. His Duties were primarily administrative and pastoral. The word "pastoral" was used in its connotation of "offering help and caring to others." In the main, these "others" were the pupils and, occasionally, other teachers. Principal Teachers were generally expected to be the foremost moral role model in their schools and were expected to ensure the moral educating of all pupils and/or students in regard to *mos maiorum*.

The moral development expectation declined, gradually at first and with notable acceleration during the Progressive Education Movement in the 20th century, because disputes over it that proved impossible to settle arose out of divers ontology-centered moral theories. The association of morality with religion especially drove irreconcilable wedges between mini-Communities and led to legal challenges that tended to be ultimately decided on the basis of the Constitutional prohibition over establishing a state religion. It became easier, and to a large degree practically necessitated, to quietly drop the moral authority expectation of the position. For many years the *language* of moral expectations – e.g., honor society boilerplates stating that a student's "good moral character" was a requirement for induction into the honor society – persisted, but this language tended to be regarded as a meaningless and quaint relic of the past. It had 'teeth' only when some usually-disciplinary panel chose to use it as a weapon against a pupil or student.

The situation is very different for deontological morality. This is because deontological moral precepts are objective and pertain to *mos maiorum*, i.e. the system of moral customs (mores and folkways) established in a Society. They pertain directly to civic Duties expected of a citizen. Not to put too fine a point on it, but a person 'pays' for citizenship by attending to civic Duties and upholding civil rights. I think it is too obvious to require much discussion that it is absurd to expect a person to attend to civic Duties if he never learns what these Duties are and how such Duties come to be understood and adopted by Society. Nor can a person uphold civil rights if he has never learned what they are and what they are based upon. Civic Duties and civil rights are rooted in the practical human nature of Obligations and obligations. They are empirically conditioned by social conditions prevailing in the Society. Deontological ethics – moral theory – is capable of being made a social-natural science and thus pertinent to public education. This is particularly true for the lessons of *mos maiorum* in tangible instructional education (figure 1) [Wells (2012a), chap. 8, pp. 235-237]. George Berkeley was not wrong to write,

Liberty is the greatest human blessing that a virtuous man can possess, and is very consistent with the duties of a good subject . . . But the present age aboundeth with injudicious patrons of liberty who, not distinguishing between that and licentiousness, take the surest method to discredit what they would seem to propagate. For, in effect, can there be a greater affront offered to that just freedom of thought and action which is the prerogative of a rational creature, or can anything recommend it less to honest minds, than under color thereof to obtrude scurrility . . . on the world? But it hath been always observed of weak men that they know not how to avoid one extreme without running into the other. [Berkeley (1721), pp. 321-322]

A Principal Teacher must be two things at once. On the one hand, a Principal must be a person who is respected and trusted by the teachers. For them the Principal is an authority figure. In relationship to them, the Duties of the office require a Principal to exercise persuasive *Kraft* in guiding their leadership dynamic. At the same time, a Principal is a public officer answerable to the sovereign will of the citizens for stewardship of two of the most precious of human interests – namely, the well-being of their children and their futures as citizens. The office draws the source of its legitimacy from the general public will. These dual facets for the expectation of authority in the office implicate social necessity for the following method of selection and appointment.

First, a candidate for the office of Principal Teacher is to be *nominated* by the teachers themselves and nominated from *among* their own membership. No one else is in a better situation to

professionally assess the suitability of a person from whom expectations of authority are going to be demanded than the teachers themselves. That the nominee come from among the teachers has a two-fold basis: (1) the teachers must personally know the nominee in order to make reliable judgments of whether or not that individual is a person of merit; (2) the nominee must come from among the teachers because the nominee must understand the school's culture in order to be able to effectively and beneficially guide its leadership dynamic. Packard wrote,

I have always felt that the most successful companies have a practice of promoting from within. [Packard (1995), pg. 163]

Second, because teachers are a *de facto* mini-Community with local special interests but a Principal Teacher is a public servant of the interests of the public, *appointment* of a person for the office of Principal Teacher must be *consented to* by the education committee – whose members are the chosen representatives of the public. The power of the education committee in this matter is limited to consent to or veto of the appointment. The committee does not have the power to nominate a candidate or to bring in an "outside candidate" for the position. If the committee rejects a teachers' nominee, it must explain to the teachers, in writing, the reasons for the action and their judgment of that person's unsuitability for the office. This response is a *public* document demonstrating that the veto is just and for good cause. As such, it is also delivered to the judicial panel as an item of information. In the event that the teachers, collectively acting as a corporate person, think the committee's reasons for rejection are unjust, they may appeal the decision to the judicial panel for resolution. Both they and the education committee must be prepared to justify and defend their respective opinions. The social contract advisor may *not* act as an attorney for either side because his *office* is that of an expert witness and *amicus curiae* (friend of the court).

Once appointed to office, a Principal Teacher is subject to recall for cause by the teachers or to impeachment for cause by the education committee. The education committee will require the teachers, acting in their capacity as a corporate person, to establish and maintain bylaws for the administrative process of Principal Teacher nomination and recall. The bylaws are determined by the teachers with the advice and consent of the education committee [Garner (2006)].

These administrative mechanisms effect a system of checks and balances operating between the mini-Community of teachers and the legislative authority of the education committee. As in other cases, the final arbiter of disputes is the 'upstream' judicial panel for the school Institute.

Because teachers are themselves public servants and agents of the executive branch of public education, the same mechanisms apply for the selection and hiring of new teachers. The only difference in this case is that nominees for the office of teacher are not required to be selected from any local population of citizens and may instead be drawn from the general body of citizens of the nation. Teachers are practitioners of what will become a social-natural science of education and they are also intimately familiar with the culture and circumstances of the public they serve. For these reasons, they are in the most suitable position *to judge the professional qualifications and credentials* of candidates for the local office of teacher. ***No other body is to have superior authority in this matter.*** The purpose of this specification is to end the power of non-Republican and antisocial Taylorism that was established by the Progressive Education Movement in the 20th century, and to restore, by means of the aforementioned system of checks and balances, ultimate sovereignty to the citizens, who are collectively the owners and rulers of public education⁴.

There are some who will object to this last specification on the ground that it is very likely to make it impossible to establish uniform state or national standards for teacher qualification or

⁴ Either you have faith in the possibility that people can govern themselves or you do not. If you do have faith this is true, then you must accept Republican governance. If you do not, then nominate your dictator.

certification. *But are uniform standards either necessary or desirable?* Appeals to aesthetics or other subjective judgments of taste are not sufficient reasons for justifying uniform standards. All uniform standards raise the specter of dictatorship by whoever establishes them. It is this danger that *requires* the question to be asked and answered.

I answer that such standards are neither possible nor desirable because the very notion of them contradicts human nature and substitutes an unnatural and merely mathematical pseudo-necessity. No abstract stereotyping can anticipate or meet the diversity of challenges real circumstances pose to satisfaction of Duties-to-Self or reciprocal local Community Duties. Any institution that gainsays these satisfactions is an institution contradictory to *homo noumenal* human nature. Like public interests, the needs of particular localities do not extend across population or geographic scales. The number of truly general needs or prudences, like general public interests, declines monotonically as population scale increases. It is a Platonic illusion to hope that any amount of mathematical theorizing can establish necessary and sufficient universal standards applicable to every locality and every circumstance actually encountered in a great nation. Any attempt to impose such standards by fiat is dictatorship. I think it is worthwhile to point out again that universal standards are empirically known to be a symptom of breakdown and disintegration of civilizations and Societies:

When we have completed our analysis we shall find that the qualitative change which disintegration brings with it is exactly opposite in character to that which is the outcome of growth. We have seen that, in the process of growth the several growing civilizations become increasingly differentiated from one another. We shall now find that, conversely, the qualitative effect of disintegration is standardization. [Toynbee (1946), pg. 367]

§ 6. Management by Objectives (MBO)

§ 6.1 The Drucker-Odiorne MBO System

A supermajority of managers who have first-hand practical experience with or a theoretical understanding of a management by objectives system understand it as it was introduced by Drucker and later explained in detail by his former student, Odiorne. From the latter half of the 1960s into the 1970s, Odiorne's book [Odiorne (1965)] was a management training textbook used by many government agencies and industrial organizations. In many places where it was tried, serious problems with making it work were encountered and it was abandoned. Some influential writers and management consultants (for example, W. Edwards Deming) have leveled serious and mostly accurate criticisms of it. I call this species of management by objectives the Drucker-Odiorne MBO system (DO-MBO). It is a system fatally flawed right down to its foundations.

Why is this? The quick answer is "because it is contradictory to human nature," but *why* is it? To understand this, one must begin with its presuppositions. The rest of DO-MBO is developed out of these presuppositions. Of these, there are two that are the most important: (1) the system presupposes a traditional hierarchal structure under monarchy/oligarchy governance; (2) the principal purposes for having this system include employee performance evaluation, ranking, and salary administration. Drucker and Odiorne both say, or at least hint, that "planning" is one of the primary purposes of DO-MBO, *but no notable treatment of planning is given in their books.*

Drucker (1954) contains one chapter on management by objectives but in fact there is little of substance presented in it. Odiorne (1965) is devoted to the topic exclusively and is *de facto* the detailed authoritative treatment of DO-MBO theory. Odiorne lists six premises of the theory:

1. Business management takes place within an economic system that provides the environmental situation for the individual firm. This environment . . . imposes new require-

- ments on companies and on individual managers.
2. Management by objectives is a way of managing aimed at meeting these new requirements. It presumes that the first step in management is to identify, by one means or another, the goals of the organization. All other management methods and sub-systems follow this preliminary step.
 3. Once organizational goals have been identified, orderly procedures for distributing responsibilities among individual managers are set up in such a way that their combined efforts are directed toward achieving those goals.
 4. Management by objectives assumes that managerial behavior is more important than manager personality, and that this behavior should be defined in terms of results measured against established goals rather than in terms of common goals for all managers or common methods of managing.
 5. It also presumes that while participation is highly desirable in goal-setting and decision-making, its principal merit lies in its social and political values rather than in its effects on production, though even here it may have a favorable impact and in any case seldom hurts.
 6. It regards the successful manager as a manager of situations, most of which are best defined by identifying the purpose of the organization and the managerial behavior best calculated to achieve that purpose. This means that there is no one best pattern of management since all management behavior is discriminatory, being related to specific goals and shaped by the larger economic system within which it operates. [Odiorne (1965), pp. vii-viii]

At first encounter all six of these premises might sound quite reasonable. As soon as one looks at them more closely and from a perspective that regards individual human beings as the causative social atoms and the organization as a mini-Society, some very serious defects appear.

Starting with Premise 1, its first sentence is only partially true. Economic circumstance is an important factor in management (either commercial or governmental) but it alone does not "provide the environmental situation" for an individual firm or agency. Socio-political factors also enter into this and in most cases enter into it more strongly than does economics. Let me use a *reductio ad absurdum* to illustrate this. Suppose you and I own firms that produce and sell similar gadgets. Our respective customer demands for, and our production capacities to supply, these gadgets are clearly fundamental factors in the economic system of our firms. Supposing that this economic system is the sole determiner of our business environment, here is how I propose to gain a business advantage over you. My plan is to have all your salesmen ambushed and killed on the way to their afternoon appointments. I end up with all of the demand and you'll have no demand for your gadgets. Economically, I win. Pretty good business plan, eh?

Absurd as it is, this vignette illustrates an ignorance of social, psychological, and political factors that runs throughout DO-MBO. Recently a major car manufacturer was fined \$1.2 billion for a management decision to save \$1.00 per car by not fixing a safety hazard and not informing the public that its automobiles had this safety hazard designed in. Premise 1 really *is* premised by some businessmen (and by some government agents) with all the ignorance in my vignette. The car manufacturer is lucky in one way: had the judgment been up to *me*, I would have made the fine 100 × larger (to kill the company) and insisted on having everyone involved in or who knew about the decision tried, convicted, and sentenced for negligent homicide. Luckily for that company and its managers, political party politicians are apparently more tenderhearted than I am.

Premise 2 essentially says one should know what one's goals are before trying to achieve them. Well, yes. It's always a good idea to know what you're trying to do. What DO-MBO theory does not do is tell us what a 'goal' is. Is it a purpose? Or is it an objective? The correct answer is that it is a purpose, but many managers assume a goal is an objective. The two are not the same.

Most managers I have known, when asked what the difference is between a goal and an objective, have for their first expression a look of puzzlement, usually followed by some vague distinction that turns out to be not all that distinct. Of those I have known who actually use the phrase "goals and objectives," most of them use it as if it were one word, "goalsandobjectives."

The word "goal" comes from the Middle English word *gol*, which meant "a boundary." In this original connotation, a goal was the line or place at which a race is ended. By transference, the word was given a second dictionary definition, namely, "the end or final purpose; the end to which a design *tends* or which a person *aims* to reach or accomplish." In this connotation, judgments of whether or not a goal has been reached are *always subjective*. In effect, we know we have *reached* a goal *when we stop trying to reach it*. Seen in this way, goal fulfillment is matter in a person's subjective state-of-being (Critical Quality in composition and Modality of judgment).

An objective, on the other hand, is a practical object of Reason, a *thing* the real actuality of which is the object of expressed actions. A goal pertains to the Relation of community judged to exist between an object and the acting person. An objective refers *only* to an object of experience. Put another way, a goal is a "why" while an objective is a "what" that is made to be *associated* with a judgment of satisfaction. Goals are teleological causes; objectives are effects. Objectives *might* be quantitative but goals can *only* be *qualitative*. Peters & Waterman observed,

Virtually all the better-performing companies we looked at in the first study had a well-defined set of guiding beliefs. The less well performing institutions, on the other hand, were marked by one of two characteristics. Many had no set of coherent beliefs. The others had distinctive and widely discussed objectives, but the only ones that they got animated about were the ones that could be quantified – the financial objectives, such as earnings per share or growth measures. Ironically, the companies that seemed the most focused – those with the most quantified statements of mission, with the most precise financial targets – had done *less* well financially than those with broader, less precise, more qualitative statements of corporate purpose. (The companies without values fared less well, too.) [Peters & Waterman (1982), pg. 281]

So much as Premise 2 is true, DO-MBO neglects to explain what this premise actually means. As a result, most DO-MBO system setups do not actually *do* the step mandated by this premise. Drucker made a passing acknowledgement of "goals" and of "values," but he put all his writing efforts into talking about objectives and the measurement of them [Drucker (1954), pp. 62-87].

Premise 3 is doubly flawed, once by what it says and a second time by an inherent pre-supposition lurking within what it says. The maxim it expresses, "set up orderly procedures for distributing responsibilities among individual managers," is a behavioral hallmark of the Analytic personality style. Unfortunately for this maxim, non-trivial real-world situations generally do not submit to orderly procedures and, consequently, some process of abstract stereotyping has to be carried out in order to arrive at "orderly procedures." One of the things that most often gets removed by the abstraction is the *homo noumenal* nature of people because the abstractor does not have a sufficient understanding of this nature. Management would be a trivial job if natural phenomena, especially social-natural phenomena, would yield to carefully planned procedures but I have never known them to do so outside of trivial circumstances. Procedures only work well with things that can be predicted, mechanized, and automated – things like assembly processes on an assembly line. I think it is not insignificant that because these are precisely the sorts of things that *can* be automated, these are the situations where machines *do* replace people. Analytics won't like me saying this, but in most circumstances procedures are like plans – good to start off with but soon requiring accommodation. They do not "work" for the same reason that a military battle plan does not work, *viz.* what Clausewitz called the "fog of war" [Clausewitz (1827), pp. 117-120]. An office isn't as dangerous as a battlefield, but many factors Clausewitz cites do have their

counterparts there. A better premise than Premise 3 is: *heuristics* guide the frequent adaptations of action schemes that almost always become necessary soon after the work begins.

Nonetheless, many managers do try to preset 'orderly procedures.' The fruit of this labor under DO-MBO is *stifling or killing leadership dynamics in the teams being managed*. Tell me I must follow a given procedure or pay for my errant ways with my wages or even my job, and I assure you I will follow that procedure like a robot until I go get a job working with a smarter boss. It's *your* procedure, chief, and when it doesn't work I'm not going to see *your* failure as *my* fault. Since I'd like to have a smarter boss anyway, doing as you tell me to do gives me a shot at getting one without too much effort or risk. All I have to do is take care to act with enough prudence so that *your* boss gets *you* before *you* get *me*.

The behavior I have just described is called passive aggression. It is characteristic of state-of-nature relationships caused by Taylorite rulership in the workplace. Premise 3 is a design maxim for institutionalizing it. No villains are actually required to produce villainous governance.

Lurking within Premise 3 is its truly fatal presupposition-within-the-premise, namely that the *purpose* of setting up 'orderly procedures' is 'to distribute responsibilities' for outcomes. What this most often means in practice is, "figure out in advance who gets blamed if things go wrong." When DO-MBO theory is analyzed in detail, this is the only proactive method it has. Neither Drucker nor Odiorne say it this way – and would probably have been appalled to hear it put this way – but 'salary administration' and 'performance reviews' are the only tools DO-MBO has to actually 'distribute responsibility.' This characteristic of DO-MBO provoked Deming to roundly and unequivocally denounce it. As I pointed out earlier, neither 'salary administration' nor 'performance evaluation' are executive functions. DO-MBO misleads in regard to what an executive *must* do because it provides no other explanation for what he *is* to do.

I call Premise 4 the "let's take people out of the picture" DO-MBO maxim. The rock-bottom fact is that "manager behavior" cannot be separated from "manager personality." Personality, at root, is defined by a person's practical rules, maxims, and practical hypothetical imperatives in his manifold of rules. A person can no more gainsay his practical maxims than he can flap his arms and fly. Premise 4 asks us to separate a person from his personality – a psychological absurdity of the most ludicrous sort. The rest of the premise goes on to put "measured results" at the seat of managerial judgment rather than an understanding of the causative agents (people) whose actions produce those results. Premise 4 is a thoroughly unnatural premise.

Premises 5 and 6 are, respectively, an excuse for ignoring people and an empty aphorism that explains nothing about what we are to understand by 'managing situations.' Situations are not 'managed'; they are *dealt with* and they are dealt with by people. DO-MBO is a prescription for a machine operator, not for an executive.

Odiorne was quite explicit that DO-MBO institutionalizes a system of superior-subordinate relationships that operates by a command-and-control method foundationally based on reward-and-punishment psychology. This is a lord-and-serf governance paradigm. He wrote,

Management by objectives provides for the maintenance and orderly growth of the organization by means of statements of what is expected for everyone involved, and measurement of what is actually achieved. It assigns risks to all responsible leaders and makes their progress – even their tenure – dependent upon their producing results. It stresses the ability and achievements of leaders rather than their personality. [Odiorne (1965), pg. 54]

What DO-MBO really 'stresses' are managers – psychologically. How does one "measure" an intangible? If you are faced with a single, identifiable problem situation, it is true that you can intimidate people into solving it. But what about the next problem, and the one after that, and the

one after that? If as a manager you have wrecked the social foundations that are the reason people cooperate, contribute their knowledge, and apply their skills in a team effort to solve problems, the likelihood of successfully solving the *next* problem, or the one after that, or the one after that not only decreases; the likelihood of encountering *more* problems increases because no one looks to see them coming or heads them off without waiting for the boss's 'leadership.' These social foundations are intangible and personality dependent. Odiorne makes many statements about what DO-MBO "does," but all of them are speculations based on thoroughly unnatural pseudo-psychological drivel and a quite pretentious ignorance of psychology and mental physics.

Odiorne is explicit that all "goals" are to flow from the superior to the subordinate. Furthermore, the superior must set these "goals" in such a way that results can be "accurately measured." The latter can mean nothing else than that the superior is expected to do more than set "goals"; he must also set the subordinate's measurable objectives – which amounts to telling the subordinate in detail what he, the subordinate, is expected to do. This leaves little room in the management picture for the subordinate's energy, intelligence and skills. Odiorne wrote,

Management by objectives provides an answer to the problem of determining a manager's *span of control*, that is, how many men he can manage. The answer is that he can manage as many people as he can set goals for with reasonable accuracy, can measure results for – and secure acceptance for both functions.

Management by objectives defines what *kinds of people* a manager can handle in terms of his knowledge, as contrasted with that of his subordinates. For this is a system whereby a manager can manage persons of any level of competence and education provided he knows enough about their work, first to be able to define with them accurately what goals they should be shooting for, and later to measure how well their results stand up to these goals.

Management by objectives determines who shall get the *pay increases* from among the limitless demands for the limited funds available in the enterprise. The increases are allocated on the basis of the results achieved against agreed-upon goals at the beginning of the period. [Odiorne (1965), pg. 66]

He clearly mistakes goals for objectives here. I would have liked it if the challenges that had to be overcome by the Enterprises I have been part of in my career had been challenges tame enough to let us figure out "at the beginning of the period" what actions would certainly overcome them. I can't recall any that did, however. Odiorne betrays the *attitude* of DO-MBO with the phrase "span of control." If a manager really has to "control" his subordinates, then span of control is easy to determine for *on-going* corporate relationships: it is *zero*. The answer is different when the system of management is one under which team members *control themselves*. As for "what kinds of people" a manager can "handle," by the criteria of DO-MBO the answer appears to me to be *no kinds*. That DO-MBO is a system of management-by-intimidation-and-threat is clearly spelled out in the last paragraph above. DO-MBO is an antisocial methodology from its foundations up.

These are the reasons why DO-MBO is a fatally flawed and unnatural system. It does not and, more pertinently, *cannot work sustainably*. Now let us discuss its antithesis.

§ 6.2 Hewlett-Packard MBO (HP-MBO)⁵

The "Hewlett-Packard" named in the section heading here does not refer to the corporation but rather to the persons Bill Hewlett and Dave Packard. It is misleading to say HP-MBO is a system

⁵ Your author was an HP employee for eighteen years from 1975 to 1993. I knew both Hewlett and Packard and learned HP-MBO beginning from the first week of my employment. What constituted HP-MBO is not written down anywhere, so I am not able to cite a technical reference source for this section.

except in the loosest sort of usage of that word. It has no detailed written exposition, no management training course in how to do it, no formal maxims or rules. At the risk of sounding Taoist, I will describe it as a *way of managing* because it is a *folkway* of management.

According to Packard, the practice (but not the name) began in the Hewlett-Packard Company (HP) in its earliest days. This was about a decade before Drucker coined the term 'management by objectives' in 1954. Prior to that it had no specific name. From the beginning of the company until the mid-1990s, it was part of a corporate culture called "The HP Way" by all the company's employees. Packard called it an "operating policy." He wrote,

No operating policy has contributed more to Hewlett-Packard's success than the policy of "management by objective." Although the term is relatively new to the lexicon of business, management by objective has been a fundamental part of HP's operating policy since the very early days of the company. [Packard (1995), pg. 152]

HP-MBO and the HP Way were abolished at HP by spectacularly incompetent Taylorism in a set of moves that abrogated the company's social contract after Carly Fiorina became Chairman of the Board, President and CEO of the Hewlett-Packard Company in 1999 [Malone (2007), pp. 373-389]. In consequence, the commercial entity today called HP is an entirely different company and an entirely different Society. The civil Community of the original Hewlett-Packard Company was destroyed. It disintegrated during the Fiorina reign, leaving nothing in its wake but a mediocre *Doppelgänger* corporation. This socially-new company has literally "lost its Way."

What is HP-MBO? First, it is a heuristic, not an algorithm. Its premises are the opposite of Taylorism's and, as Packard pointed out, opposite to the control premise of DO-MBO:

MBO, as it is frequently called, is the antithesis of management by control. The latter refers to a tightly controlled system of management of the military type, where people are assigned – and expected to do – specific jobs, precisely as they are told and without the need to know much about the overall objectives of the organization. Management by objective, on the other hand, refers to a system in which overall objectives are clearly stated and agreed upon, and which gives people the flexibility to work toward those goals in ways they determine best for their own areas of responsibility. It is the philosophy of decentralization in management and the very essence of free enterprise. [*ibid.*, pp. 152-153]

At first hearing, this sounds very similar to how Drucker described DO-MBO. However, HP-MBO is not a management *control* system; it is a management method of *coordinating* work. Furthermore, *who* states the objectives is the polar opposite of DO-MBO. Under HP-MBO the manager states *goals*. A Research & Development example might be, "We are going to design the next-generation disk drive for personal computers. Who wants to do the servo system? Who wants to do the . . ." Goals, as I said earlier, are qualitative. You don't have to have much technical know-ledge to know what a disk drive is and only a small amount to know what its principal subsystems are – knowledge on par with what a technician might have. Indeed, HP-MBO consistently stresses a policy that a manager is to *avoid* making technical statements of objectives to people because he can too easily be misconstrued to be telling them how to do their jobs. In one division I worked in, there was an in-house joke among the lab engineers that when a person became a manager the first thing that happened to him was that he was taken away somewhere and given a lobotomy that made him forget everything technical he ever knew. New lab engineers received training on the technicalities of the product line from experienced engineers, not from managers, by means of informal mentoring somewhat like an older brother teaching his younger brother how to play baseball.

However, although managers avoid *telling* people the technicalities of the work, this does not mean managers are expected or desired to be *ignorant* of these technicalities. Indeed, a manager

can not be expected to have the *Kraft* of competently guiding the leadership dynamic if he is ignorant of these technicalities. This is because the challenge of coordinating cooperative efforts requires constant interpersonal communications, often technical or quasi-technical, be maintained throughout the group, including communications to and from the manager acting in his capacity as the group's authority figure. Packard wrote,

I should point out that the successful practice of management by objective is a two-way street. Managers at all levels must be sure that their people clearly understand the overall objectives and goals of the company, as well as the specific goals of their particular division or department. Thus, managers have a strong obligation to foster good communications and mutual understanding. Conversely, their people must take sufficient interest in their work to want to plan it, to propose new solutions to old problems, and to jump in when they have something to contribute. [*ibid.*, pg. 153]

Different HP managers had different ways of keeping track of how well goals and objectives seemed to be understood by members of the team and of maintaining their own awareness of how well, or not well, the leadership dynamic was functioning. The best-regarded ones tended to have multiple ways of doing this, which they tailored individually to the interpersonal styles of the different members of the team⁶.

For example, when I was an R&D manager, I would hold monthly "objectives meetings" with the product design engineers I managed. These were face to face meetings between myself and individual engineers. At them, the engineer would tell me: (1) how things had developed in regard to his past month's objectives; (2) what he had done to address unanticipated problems or events that had occurred during that month⁷; and (3) what his objectives were going to be for the coming month. If I had technical concerns about any of this, I'd generally ask him questions designed to ensure he would take into account anything I felt he might be overlooking. If something he was doing affected something someone else was doing, I'd ask him to "touch bases" with that other person to ensure their activities remained coordinated. The key point I want to emphasize is: *he told me* what the objectives were, *I didn't tell him*. At most I would remind him of the team's *goals* if I thought the objectives were being focused on so much that the goals were being forgotten. The *goal of the meeting* was for us to agree on the objectives. From time to time an engineer might call a special (*i.e.*, a not-regularly-scheduled) objectives meeting with me if something had happened that radically affected the objectives he was working on that month.

On the other hand, when I was the production engineering manager the different nature of a production engineer's work necessitated a different tactic for managing by objectives. Much of the work of a production engineer is driven by things he learns from production line supervisors, trainers, or operators. Problems tend to pop up unexpectedly and require rapid solution. It is an environment that does not lend itself to the more scholarly pace characteristic of R&D work. A production engineer typically "called" an informal objectives meeting by coming to see me to tell me what was going on and what he was doing about it. If we faced an emergent situation that necessitated stopping production until the problem was solved, he'd usually bring one of the line supervisors along. We'd deal with things as they came up, and my job was to make sure that everybody who needed to be involved *was* involved and informed. Otherwise, for routine work a quick "I'm still working on the new assembly jig for the such-and-such process" would constitute our objectives meeting. My teammates expected *me* to stay abreast of what in general they were working on. This was part of the team's expectation of authority that went with my office.

⁶ For many years HP managers received special training through short courses on rudimentary personality psychology. The Wilson Learning Center course was the most popular of these [Wilson (2011)].

⁷ Frequently he would still be working to solve these unanticipated problems or issues. In that case, he would usually make those activities new objectives for the upcoming month.

Management consultant Bill Oncken used to talk about what he called "the freedom scale" of management. The general idea of HP-MBO practice is to empower people to operate as high on that freedom scale as prudent regard for practical circumstances permit. Oncken's scale is:

1. Authority to act *without* specific approval from your supervisor;
2. Authority to act *provided* appropriate personnel are promptly advised of the action taken;
3. Authority only to *recommend* an action. [Oncken (1966), pg. 92]

'Authority to act' here means that the action *behavior* is managerially condoned. Oncken used the phrase "authority to" to mean "be at liberty to." Hence he called this "the freedom scale." Below number three (off the freedom scale) are two types of behavior that are to be actively hindered by a manager: (a) asking a manager *what* to do instead of taking action; and (b) taking no action until being *told* what to do by a manager. Behaviors of either kind are warning signs that the leadership dynamic is breaking down somewhere for some reason and something has to be done to correct it.

Managers of managers are generally expected to harmonize the goals of the next largest level of the company with goals at their own level. At HP these goals were often misnamed 'objectives' (mainly because we called what we did 'management *by* objective'), but this lexical error was usually rendered harmless by two things: (1) the policy of not telling people *how* to do their jobs; and (2) the *example* set by the seven general goals of the corporation. The latter were called the "Seven Corporate Objectives." As these were formally stated in 1966, they were:

1. Profit. To recognize that profit is the best single measure of our contribution to society and the ultimate source of our corporate strength. We should attempt to achieve the maximum possible profit *consistent with our other objectives*.
2. Customers. To strive for continual improvement in the quality, usefulness, and value of the products and services we offer our customers.
3. Field of Interest. To concentrate our efforts, continually seeking new opportunities for growth but limiting our involvement to fields in which we have capability and can make a contribution.
4. Growth. To emphasize growth as a measure of strength and a requirement for survival.
5. Employees. To provide employment opportunities for HP people that include the opportunity to share in the company's success, which they help make possible. To provide for them job security based on performance, and to provide the opportunity for personal satisfaction that comes from a sense of accomplishment in their work.
6. Organization. To maintain an organizational environment that fosters individual motivation, initiative and creativity, and a wide latitude of freedom in working toward established objectives and goals.
7. Citizenship. To meet the obligations of good citizenship by making contributions to the community and to the institutions in our society which generate the environment in which we operate. – [Packard (1995), pp. 80-81]

Despite the name and the occasional use of the word "measure," note that all these statements are non-quantitative. They are actually goals rather than objectives in the strict technical sense. The 'measure' of which they speak is 'more vs. less' or 'better vs. worse.' Success means 'more' or 'better'; un-success means 'less' or 'worse'; and non-success means 'neither more nor less' or 'neither better nor worse.' Further, 'non-success' *is-not* 'failure.' This interpretation of 'measure' is how performance is evaluated. In other words, one *evaluates* actual congruence with goals, not accomplishment of objectives. Note that in this context to "evaluate" Critically means *to express a representation of a value* and a "value" is *a form of affective perception* (and is therefore judged *subjectively* rather than objectively).

This use of qualitative measures differs in kind from the quantitative measures typically set up in Taylorite systems. That both kinds of measures are possible and that comparisons made using qualitative measures differ in kind from comparisons made using quantitative measures formally dates back all the way to the philosophy of Aristotle (and, some conjecture, to Plato's):

Qualifications admit of a more and a less; for one thing is called more pale or less pale than another . . . Moreover, it itself sustains increase (for what is pale can still become paler) . . . Nothing so far mentioned is distinctive of quality, but it is in virtue of qualities only that things are called *similar* and *dissimilar*; a thing is not similar to another in virtue of anything but that in virtue of which it is qualified. [Aristotle (date unknown), pg. 17]

Furthermore, objectives are not used to evaluate the performance of an employee or as a factor in salary administration. Performance is instead judged on the basis of a person's consistency in contributing to fulfilling goals or merit in his contributing. Objectives are only planning tools, means rather than ends, and it is *expected* that objectives might change radically from time to time as new facts are learned or new discoveries are brought out through actual experience.

Another general characteristic of HP-MBO can be seen in the Seven Corporate Objectives list. The goals stated there *are not stated in priority order* and *it was never accepted that any of these goals could conflict with each other*. For example, 'profit' was a goal but the statement of this goal was qualified by the phrase *consistent with our other objectives*. If two goals *appeared* to be contrary to one another, that meant the way they were being interpreted was faulty and how the goals were to be understood was re-examined until we understood how to *jointly* fulfill them. Put another way, it is never permitted to sacrifice one goal for the sake of any other goal. This has a beneficial tendency to act as a sort of brake on analytical temptations to *over-specify* goals.

Of the seven, HP's growth goal was the one that most frequently provoked disagreements and problems. The reason was because of an ambiguity found in the term "growth." Growth of what? Profit? People rarely disagreed about that. Growth in market share? There was often disagreement about that. Hewlett and Packard both frequently said that "market share" was not an objective but had trouble convincing executives with MBA degrees of this. The latter had been taught that growth in "market share" is *always* "good." It isn't, and market share is not an end-in-itself, but these executives trusted their teachers more than they did Bill and Dave in this matter. I wondered from time to time if they had never heard the old joke, "We lose a little money on every sale but we make it up in volume."

In later years, after founding my laboratory at the university, I managed it by HP-MBO. I even had my own practical university equivalent to the seven HP corporate goals. There were some differences, of course. I had no "profit" goal (the university is a non-profit Institute); instead I had an "externally funded research" goal. Rather than "customers" we had "stakeholders." "Growth" meant providing more assistantship and internship opportunities for students. "Citizenship" included helping young new assistant professors establish their laboratories and research programs when we could. As a professor, I had a more active mentoring role because, after all, what we did in the laboratory was very high-tech, students are learning the topics involved in their work even as they are doing this work, and the expectation of authority for me as professor included a teaching expectation. Research assistants were expected to put in an average of twenty hours per week on their research, and I startled a visiting parent one time when I told him, "Half the week they [the graduate student assistants] work for me; the other half I work for them."

Overall, I am convinced HP-MBO is the most effective way of managing an Enterprise that has yet been invented. My conviction is based on having seen the outcomes of thirty-nine years of continuous experience with the practice of using it and with experiencing the Community that this folkway engenders.

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