

You can't count what counts

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The HR and OD professionals who have been seduced by the measurement logic of economists and accountants are trying to justify their work within a logic and language that's part of the problem. It's not possible to measure and quantify a qualitative, systemic, dynamic reality.

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It's truly remarkable that so many professions have swallowed the narrow logic of economists and accountants hook, line and sinker. The 'measurement mindset' has hijacked our culture in every direction with a toolkit that has limited application and often questionable outcomes. And yet its thinking is applied with impunity, despite the fact that time and again its seductive promise of prediction and certainty proves to be empty or, at best, partial.

Instead of exposing the emperor's nakedness, we collude, wanting the world to be measurable, manageable and predictable... and it just isn't. The line-up at the HR Ireland Exhibition in the RDS in Dublin this week is brimful with products and services to appease the 'measurement mind' that controls the corporate cheque book - payroll software, integrated human resource solutions, psychometric instruments, competency models, performance management systems, and programmes to address "a wide range of business challenges and problems".

But nothing here to challenge head-on the 'measurement mindset' that causes most of the problems Human Resource (HR),

Organisational Development (OD) and Communication professionals have to deal with. Instead, lots on offer that frames the work of those of us engaged in the human and cultural dimension of organisational life in decidedly 'measurement mindset' terms.

It's not that 'tools' aren't useful - of course they are - but if they're our focus, we're doomed. Instead of mapping out vital new territory and redirecting managers to the source of value, we attempt to make our work 'make sense' to a 'common sense' that's increasingly 'non-sense' in terms of the empirical reality facing organisations and the wider social and ecological context in which "success" will be defined. Worse still, we try to make sense within the worldview that has caused most of our quandaries.

Bean-counters are beginning to sense they have a problem, so why join them? Securities analysts now believe that anything upward of 35 per cent of market value of the stocks they follow is not covered anywhere on the balance sheet. They just can't find it, not because it's not there, but because there's nothing in their bag of tricks that tells them where to look. Seems to me that corporate culture is suffering from two problems - one practical, one philosophical. The practical one is a bean-

counting issue: people are recorded on the wrong side of the balance sheet. Technically, they're defined as a liability. A cost to the business, not an asset - even though the missing 35 per cent of corporate value is right there, in the people.

That's why the mantra 'People are our most important asset', while absolutely true, is an absurd lie in the most practical sense. The financial fact is, people are liabilities and when bottom-line push comes to cost-cutting shove, that's how they're treated. And they know it. So the essence of intangible value - trust - is always vulnerable because the corporate counting system can't even see it, let alone value it.

This is intimately linked with the philosophical problem: our perception of what we're dealing with when it comes to people and organisations. Typically, managers perceive and manage organisations like machines, rather than understanding them as living systems. Complex living systems comprised of unpredictable human beings.

We think we're so progressive, sophisticated and modern, but this mechanical way of seeing and managing things is still based on set of assumptions put forward by people like Rene Descartes and Isaac Newton almost four hundred years ago. Our way of seeing is profoundly old-fashioned, but it's easy to see why the machine metaphor appeals to the 'measurement mind'. With a machine, you know where you stand. You can dismantle it, place the widgets and screws in neat piles, oil it, replace the dodgy bits and put it back together again. Good as new.

A living system, on the other hand, is hard to put your finger on. For a start, you can't quite tell where it is, because it's not clear where the boundaries are. You don't know where the connections are (though you can intuit some of them). You can't see where the centre is (because it shifts). And you don't know where the power lies (because that shifts too).

Systems are organic. Dynamic. Alive.

Constantly changing. And what defines a system is not tangible and quantitative, but intangible and qualitative.

The quality of a living system is determined by the quality of its relationships, and good relationships are founded on authentic communication and what people share 'in common': purpose, values, commitment, love, trust, understanding... you know, the stuff that's never discussed in bean-counting circles. The stuff that really counts.

The stuff that conventional business logic counts out.

Truly flexible, human, responsive and responsible organisations can't be created from within the logic of the 'measurement mind'. HR and OD professionals will be forever trying to justify their work within a logic and language that's part of the problem, unless we replace the language of the machine with the language of living systems and cultivate the systemic thinking and practices that make organisations resilient and robust. And valuable. ||| dya

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She has a Distinction in *Communication Studies* and a Masters with Distinction in *Responsibility and Business Practice* from the University of Bath and has studied *Systems Thinking* at the Open University. Alongside her organisational development work she writes and speaks on the challenges and opportunities of system change.

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