
The Darker Side of Organisational Life



By Michael Jarrett , INSEAD Professor of Management Practice in Organisational Behaviour

Cultural change is not for the faint-hearted or the politically correct.

Princess Diana, Sarah Ferguson (Duchess of York), and now Meghan Markle (Duchess of Sussex) share a unique experience. Each revealed the crushing effects and personal ordeal of social exclusion by the royal House of Windsor. They did not fit. They experienced rejection. They became outsiders. In his interview with Oprah Winfrey, Prince Harry, the husband of Meghan, said: “What I was seeing was *history repeating itself*...but far more dangerous because you add race in and social media in.” It begs the question: What is going on at Buckingham Palace?

However, before delving further into the arcane customs and practices of the British royal household, let’s not pretend their institutional routines are unique. As public figures, it is easy to point the finger at the British monarchy. However, I want to suggest that the palace’s antics merely reflect broader social issues. They exemplify the challenges of deeply held beliefs, practices and *basic assumptions* that bond insiders together and cast others out. Too often, the roots of these patterns go unnoticed, ignored or denied,

leading to misconceptions about the problems and inadequate responses to tackle them.

I refer to the organisation's culture. MIT Sloan's Edgar Schein **defined it** as "a pattern of basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems." Basic assumptions relate to the taken for granted, deeply embedded, unconsciously held shared beliefs by organisational groups. They are so taken for granted that "someone who does not hold them is viewed as a 'foreigner' or as 'crazy' and is automatically dismissed."

A broader look at organisations, their cultures, and diversity and inclusion matters reveals a similar picture. Wilfred Bion and Sigmund Freud attest to groups' naturally regressive forces. People cling to familiar routines, structures, narratives and attachments, which provide meaning and belonging. Studies show persistent, long-standing patterns of social inequality and exclusion in the workplace. Women are paid less. A foreign name on your application form cuts the likelihood of proceeding to interview and **promotion rates favour white men**. These findings reveal the tip of the cultural iceberg. The final twist is the outsider internalises the craziness, thus believing it's their fault! For example, research by Irene Padavic, Robin Ely and Erin Reid shows how a consulting firm's status-quo preserving narrative, **sustained workplace inequality**. The study revealed how the firm's policies and practices enacted unconscious social defences that hampered women's advancement. But *everyone* bought into the myth that work-family balance was a woman's problem rather than a casualty of the firm's gruelling 24/7 work culture.

As a result, self-protection, denial, splitting and projection becomes the norm. The "outsider minority member" often becomes the target for blaming narratives and scapegoating. It's not just in the Windsor household.

Perpetuating patterns of exclusion

Even once recognised, these patterns are not easy to expunge. Raising awareness, training or incremental change makes the situation more bearable. Still, it does not address the deep basic assumptions of the culture. In fact, these extremely formalised training programmes can undermine long-term change. Political correctness becomes a substitute for genuine

change. For instance, in a comparative study, a US bank reluctantly complied with diversity regulations to meet the letter of the law. But subsequently, “the bank becomes disenchanted and **drops the ‘disguise’** so that it could return to being its familiar self.”

These regressive repetitive patterns reflect a defensive nature fuelled by anxiety and threats of change. These restrict our ability to think in more humane ways and provoke unconscious feelings and thoughts. The cost is stress, interpersonal and intergroup conflicts, lost workplace productivity, diminished creativity and the reinforcement of dysfunctional relationships.

Superficial interventions to support diversity and inclusion miss the mark. Overcoming these patterns means addressing the deeper structure and underlying basic assumptions. Drawing on a systems psychodynamic approach, a host of options exist. However, for brevity, I call on three counterintuitive principles for interventions^[1].

Tell them what they know. Eminent psychoanalyst and scholar Christopher Bollas describes the “unthought known”. It refers to primitive, unconscious thoughts and feelings that are known, but remain implicit and unacknowledged. The “known” exists as embodied sensations and memories, unthought and unexpressed in the psyche and soma. In organisations, the “unthought known” is what the group agrees to sweep under the rug. Bringing these open secrets into the light of day may seem like stating the obvious at first. Why bother confronting the group with truths they have long ago stored away in a dark corner of consciousness? For example, psychoanalyst and organisational consultant Michael A. Diamond recounted when his team **audited a police department** whose leadership and rank-and-file were locked in bitter conflict that had gone unaddressed for some time. Presented with the consultants’ findings, which were taken from what police officers and their superiors had said in interviews, a sergeant exclaimed “Yeah, but we knew this already!” According to Diamond, this defensive resistance is not a dead end but rather the beginning of change. Gradually, organisations can be encouraged to let go of the taboo that stands between them and open acknowledgement of their problems. From there, they can draw upon the collective self-awareness that equips them to replace destructive patterns of behaviour with better ones. It all begins with the obvious.

Highlight conflicts. Systems of organisation tend to avoid conflict. It's nasty. However, conflict can be a means for transformation. Apparent conflicts can hide the real, undiscussable or unknown issue. They mask projections, scapegoating or undermining of the minority member. So, rather than "resolve" the conflict, the idea is to unpick the conflict to identify the anxiety beneath. Consequently, in the short term, it means aggravating the conflict! Not something for the faint-hearted.

Engage in the madness. What can be seen as bizarre or "crazy" behaviour provides insights into underlying issues. Repetitive acting out represents unconscious or repressed thoughts and emotions. It's not just the royals. Everyone has their own bouts of irrational behaviour. However, if leaders committed to genuine change can tolerate it, such acting out provides a royal road to the unconscious. How? Those advocating change (like consultants) often experience what psychoanalysts call counter-transference – an emotional response that commonly mirrors the displaced emotions projected onto them. Therefore, consultants or executives can absorb unacknowledged feelings from a tough client meeting. Taking an outsiders' perspective can help in this situation. They can ask their partner, "When I get home from a meeting with client X, am I different?" or "Since I started working at my new company, have you noticed any changes in me?" An outsider's detached view may catch glimpses of the unconscious layers of the organisational culture that participants and even consultants may not see because they are engaged in problems that demand full attention from the conscious mind.

Embrace the messiness of change

In its various forms, organisational change threatens the status quo, identities and power relationships of our institutions and corporations. It evokes anxieties that perpetuate persistent social defences against change. The House of Windsor symbolises a broader social issue. However, we can reframe the implementation of steps to address workplace social inclusion, diversity and equity as another form of organisational cultural change. Enough with political correctness and pseudo attempts to make change happen. Now's the time to step up or stop pretending.

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[1] For more on psychodynamic consulting see [Creating partnerships: Constructing our future](#) (Baum, 2002); [The Cornerstone of Psychoanalytic Organizational Analysis](#) (Diamond & Allcorn, 2003); [Psychoanalytic theory, emotion and organisational paradox](#) (Jarrett & Vince, 2017); [Cultural revelations: Shining a light on organisational dynamics](#) (Noumair, 2013).

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