

The existential problems of management

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Abstract

The aim of the article is to describe the existential aspects of management, as the manager often deals with a situation of subordination of his/her internal (spiritual) world to external circumstances. The manager must first master the skills of control over his own state of mind, and then try to understand the spiritual world of managees. Managerial work involves stress, mental strain, and often unpredictable situations. Introspection, awareness of the selfhood, individuality and selfness – this is the path of the manager to himself. The aim of the article is also the study of the basic directions of the managers' activity, that are not investigated in the current scientific literature on the theory of management, and the evaluation of the necessary and logical actions in his particular situation. Hence, it may be stated that the existential theory of management shows the way of successful managers, creating themselves through own existential choices and actions resulting from them. The existence and activities of managers are limited by situational nature, and success or failure, conflict and struggle, guilt and death, present in all of their actions are an unavoidable part of such a situation.

Paper type: conceptual article

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Introduction

The relevance of the study of existential aspects of management is determined by the actual situational circumstances managers deal with in their activities. The aim of the article is to describe this existential aspects of management, as the manager

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often deals with a situation of subordination of his/her internal (spiritual) world to external circumstances.

Emerging with that contradictions lead to stress, conflicts with colleagues and subordinates. Therefore, the result of the managers' activities to a large extent depends on whether they are ready to deal with problematic situations of moral and psychological nature, and thereby achieve the expected success. Perhaps the most extensive study in this regard of experience of hundreds of famous and successful American entrepreneurs-managers of the late 19th century – early 20th century was done by Hill (1883–1970). He began his work rather in the spirit of American pragmatism, *Think and Grow Rich* (1925). However, as he gain life experience the best-selling author evolved in the direction of understanding the ethical and existential components of Corporate Business activity in the book *Grow Rich! With Peace of Mind*. The third stage of his observations resulted in the work that has deep philosophical and occult-mystical roots, *Success Through a Positive Mental Attitude* (Hill, 2002). The existing literature provides some idea of the existential component of management, though not considering it important. Meanwhile authoritative ideologues and practitioners of management Ford, Gastev, Yalom, Odiorne, etc.; existentialist philosophers Jaspers, Heidegger and others and a number of writers paid attention to the importance of a sense of responsibility, confidence, guilt and freedom in the activity of the manager. They considered the managerial activity, in which there is good luck or bad luck, conflict and struggle, guilt and death, from different perspectives. Modern managers are conscious of social responsibility for the correctness of their actions to themselves, their family, company and in general to the society.

1. Existential background of management

What is management? It is a process, in which a person acts as a subject vested with certain authority or assumes responsibility himself. The object of management can be either a man or a machine in its various manifestations, or the environment, or the political process.

Thus management is a phenomenon that is related to the person. Where is the beginning of the existential situation and how it can manifest itself in the life of an executive and a manager? The existential situation is connected with the inner spiritual world of people. Therefore, the manager must first master the skills of control over own state of mind, and then try to understand the spiritual world of managers. Managerial work involves stress, mental strain, and often unpredictable situations. Introspection, awareness of the selfhood, individuality and selfness – this is the path of the manager to himself. Obviously, few people know about it, and even fewer want to work their way up. For on this path there are questions about the

meaning of life, death, responsibility, despair, fear, guilt, loneliness, freedom, etc. Existentialist philosophers Kierkegaard, Shestov, Berdyaev, Sartre, Camus, Jaspers, Heidegger and others raised these issues in the context of the universal human perception of the world. Among the researchers of the issue we can name American scientists Yalom (born 1931), Odiorne (1922–1992), Swiss existential psychologist Binswanger (1881–1966) and others.

While studying the managers' activities, it is important to pay attention to the circumstances and factors that inspire or disarm them. To a large extent the behaviour of managers is influenced either by the passion for moneymaking and personal wealth enhancement, or the desire to creative self-fulfilling, to satisfy their ambitions, or common sense, more or less harmoniously combining the above mentioned. Hence, it becomes possible to classify managers, according to their interests and moral preferences.

Does a successful manager care about fame, honour and favours from colleagues, ordinary people and the media? Obviously, they care about the worldly glory: some write extensive memoirs, manuals and instructions. It is no surprise that this glory is fleeting, as evidenced by the history of business, in the memory of which there remained those who appear today in the brand names of Ford, Mercedes, Rockefeller, etc.

Fołtyn (2008, p.103) notes: "As well as the organization theorists and perhaps, most practitioners are wondering what the leaders, managers, directors, chief executives do. The simple answer is then that they direct, supervise, manage and make decisions that obviously does not explain anything, on the contrary, there are innumerable concepts on this topic." It turns out there are a lot of concepts about the function of leaders, of these Fołtyn distinguishes eight ones, but anything like the existential aspects of management is never mentioned among them. In the later work, she writes about the principles and methods of analysis of managers as such (Fołtyn, 2009). But even here, the point at issue is manager labor time, the time, which is the fourth dimension, the element of space-time and the basis of many theories, but not an existential dimension of human existence.

In modern scientific literature on management theory the main directions of the management activities, necessary and logical actions in particular situation are adequately described and substantiated. The very argumentation system is based upon the category of necessary, omitting the casual (fortuitous). However, in the history of philosophy from Aristotle to Hegel, the problem of necessity – casualty was urgent. It can be said that the theory of management follows Aristotle, who believed that fortuitous is hidden from the human mind, "So, casual or circumstantial – that is what though happens, but not always and not out of necessity, and not for the most part. Thus, what is circumstantial or accidental, it is said, and why there is no science of it is clear: after all any science explores that always or for the most part exists, whereas the casual does not belong to one or the other" (Aristotle, 1976, p. 287). Shestov (1993, p. 19) adds: "Besides that fortuitous is hidden from human

mind, – fortuitous does not exist to our mind, and it goes without saying, it cannot be the subject of scientific knowledge.”

Specific reference to the existential situation in the context of casual was made by Mintzberg (2005, pp. 8–9): “When you ask managers what actually they do, most plausible reply will be that they plan, organize, coordinate and control. Try, however, to observe that in fact they do. Do not be surprised if the result of observation in no way coincides with the responses received. Let us consider such hypothetical situation: the manager finds out that the factory was burned down, and then he recommends his employees to check whether it is temporarily possible to make deliveries to customers through foreign subsidiaries. So does that manager plan, organize, coordinate or control? ... These four words that dominate in the management vocabulary since 1916, when they entered the lexicon of the French industrialist Henri Fayol, tell us a little about what is actually involved in management.”

As for the activity of managers, the existential component of them as a number of others is poorly studied, so Mintzberg (2005, p. 9) says ironically: “What do managers do? Even they do not always know it.”

2. Types of managers and some unique existential implications

In order to better understand the situation, let us consider some socio-historical types of management and relevant manager patterns.

The first pattern is from our not a long-ago Soviet past. This is an image of executive – a Soviet employee working in the administrative system, characterized by a certain cultural-historical type of management. In planned economy, the managing director has a guaranteed status, privileges and even protection from reduction in position. Here the existential situation reduced to responsibility emotional experience and fear of own negligence. As a rule, the Soviet leaders who made a slip were transferred from one managerial position to another, but never got demoted. This trend continued in the post-Soviet society in the countries with stable corporate political power.

The second pattern is a manager, a government employee in our native contemporary Ukraine. They can perform a specific function, with varying degree of dependence on the superior officer and power over subordinate officials in the official hierarchy. Official position of the mid-level managers is often unstable; it is associated with dependence on changes in the political life of the community or region. They often subjectively underestimate their role, deep down in their heart believing that hardly anything depends on them. American psychologist Yalom (1999, p. 312) has determined that these thoughts are hiding “Some uninvited presence. This feeling of guilt is a dark shadow of responsibility.”

Officials commonly experience their own reality, tense and indistinct due to threats that originate from the unpredictable future, preoccupied with imaginary reforms and restructuring. These employees feel responsible for that they cannot be fully psychologically real, as they experience difficulties in realizing their life purpose. In the language of existential philosophy, "When denying own potential, failing in its performance, the individual falls into a state of guilt" (Yalom, 1999, p. 312).

The basic concepts of existentialism are fear, freedom, loneliness, abandonment, death, absurdity, meaninglessness, isolation, and others (Yalom, 1999). It is appropriate to analyze them in relation to the life activity of the employee occupying an administrative position. Many of them in some periods of their employment had to act as a target, whereupon higher management suddenly began to vent abundantly their anger. In this situation, colleagues usually steps aside, leaving the guilty one alone with the problems. And at such moments, they feel powerless, internally exhausted, and lonely.

There is nothing strange here: existential psychology teaches – the man is originally lonely. But the loneliness of people working in the bodies of power is due to the fundamental gap between themselves and others. Because of the natural limitations of their own consciousness the officials cannot see the surrounding reality as others see it, equally sensationally bright and with the emotional load.

While in staffing whirl, a government employee discovers for himself that any career move – vertical or horizontal – is effected unpredictably, regardless of his will. And here it is close to the conclusion that he was not free to choose the time and place to come into the world. Shestov (1993, p. 39) once remarked that "For a man the most unbearable thought is that his fate or even the fate of the world may be just the plaything of chance." And if a person is not free to choose the beginning of life, then he is thrown into the world against his will, as it was claimed by Sartre. It is therefore important to recognize the fact of abandonment as a basic characteristic of our own existence, and hence it is easier to understand one's own limitations and capabilities.

If a person is lonely, he should multiply his channels of communications, strive for self-discovery and the effective governance of own imagination. And then he shall be able to see a special life experience and gain the wisdom that will enable him to understand the motives that drive other people. In this case, they are able to build more trusting and stable relationship. Reliance also on creative hobbies and study of literature, fine arts, music, etc. awaken in government employee capacity for innovative thinking. And then life takes integrity and achievable goals can be set: the limits of freedom are realized and abandonment is overcome.

The third pattern is a manager in a market economy. Here the life situations of a manager are defined by completely different cultural constants, especially the uncertainty, risk and the very real danger of failure. From the point of view of a scientist working in the field of management the world of the manager is non-routine, i.e. unpredictable, strange, and almost unmanageable. This is the world of subjec-

tive observations, aspirations, solutions that cannot be empirically verified. Perhaps, the traditional management science underestimates management specific nature and behaviour of the manager in the unpredictable conditions of market forces, as the real manager is always “existential” manager who is under the circumstances of risk, difficult choices and uncertain consequences. Rather, by not following the rules established by academic scientists, he eventually succeeds. Mintzberg (2005, p. 41) writes on this occasion: “Professional risk is included in the job of management. Initially it was thought that you can somehow solve this problem; in fact, however, it is clear that risk is a natural part of the profession.”

3. Existential situation and restrictions on the activities of the manager

Interesting is the Existential Theory of Management of Odiorne, the basic premise of which is to deny the possibility of summing up the administrative activity under certain laws, rules, regulations. The existential manager is permanently in a situation of terrible complexity of his actions and choices. The key to the experience of his activities is not a study, but a “survival.” Science of existence is the philosophy of existential manager, guiding his actions in circumstances of uncertain choice. Existentialism understands “existence” as the subjective state of the individual, and the essence of objective reality of a manager is that he exists, decides, acts. Though, at first the manager exists and then creates himself.

Representatives of quantitative and behavioural theories (Lombard, 1971; Mockler, 1971; Whyte, 1969) attach importance to a systematic observation and analysis of the activity of the manager criticizing the empirical school, which focuses on the understanding of a particular individual experience of leaders in all its uniqueness rather than on systematic research. Odiorne (1966) supports empirical direction in polemics with a systematic approach. He says, “The only alternative is to go back to the existential manager with all the terrifying complexity of his actions and choices. Being amazingly far from dominant jungle of management theory, the roots of which go back to quantitative, behavioural and classical schools, the movement of thought, which is defined as existentialism, is in fact, if not for the recognition, philosophy around which a successful manager organizes his life and work. Of all the schools of management theory it is most similar to the empirical school” (Odiorne, 1966, p. 113).

Academic management theory virtually ignores the existential aspects of manager activities, giving priority to economic and communicative. This is natural, as the subject of study of academic management theory is the study of management in large corporations, fenced by virtue of their power from a variety of factors faced by managers of small businesses. Thus, theorists do not take into account the hun-

dreds of thousands of small organizations where managers aside from being not quite successful, often suffer a feeling of complete defeat. Meanwhile, as the experience of post-industrial countries shows, today the turnover of managing staff is directed from large corporations towards small firms. In the dynamic world of information it is small firms that are distinguished by large growth opportunities, which, though involving more risky work, can be more interesting.

Almost all modern management concepts taught in the business schools and various courses of management, are reduced, according to Odiorne (1966, p. 111), to the following: "How to become a well-paid employee of one of the 500 largest corporations." No one thinks that to 37 thousand companies with 100 to 500 workers, some principles are applied, while to several million businesses with number of employees from 1 to 99 quite different. It is in these small firms engaged in the local industry, the service sector, in small construction firms the staff is inconsistent, and the organization is unstable. The duration of their existence is small, an average of 7 years. The US experience shows that of each thousands of new businesses 930 ones go bankrupt. Therefore, small business is more difficult to manage. Classical management theories are created for successful managers and do not stand up to checks at expanding the scope of their application.

Managers with leadership qualities have often features of people who are "twice born" having senses different from the others. Zaleznik (2005, p. 87) writes: "For such a person the sense of self-worth does not depend on any apparent connections with other people, or on groped expressions of external knowledge. The most important are external self-confidence, as well as statement of requirements for themselves to achieve the goals or even the desire to achieve greater goals."

The creation of common management science, according to Odiorne, is hindered by existential "situational constraints." The first limitation is the "situationality" of the manager himself who having barely solved one critical situation immediately gets into another. Hardly having solved the problem, the manager finds that the number of difficulties is multiplied because some of them had already been overcome. Like the mythical Sisyphus, whenever the manager feels that the victory was close, he has to start all over again. Hope of past experience does not always help, because new problems require new solutions. However, just by analyzing their experiences, re-thinking previous particular situations, managers are prepared for new emergencies.

The second situational limitation is luck. Odiorne emphasizes that all theories – with the exception of statistics and game theory – disregard this fact, while in reality it is of paramount importance. He sees success as a pure accident. No one knows the way to it: it as the trouble, takes you always by surprise. Therefore, the idea of "management science" that the manager handles the events is simply naive. The most that can be done is to adapt to the circumstances. Perhaps the matter in question is that James in his book, *Varieties of Religious Experience* (1993) describes as "two basic kinds of personality": the once-born and the twice-born. People who are the once-born are well adapted to life; their fate and fortunes from their birth-

day unfold without major crises. Amidst “the twice-born” are people from the past. Their life mission is a constant search, constant competition in the search for balance (Zaleznik, 2005).

The third situational limitation is struggles and conflicts that accompany all the activities of the manager. Odiorne interprets the competition (in which the managers are involved) as a kind of universal human situation, it is based on the universal conflict between limited resources of humanity and unlimited human claims. From this standpoint, the competition is natural and invariably critical situation. Limited resources cause grievances, the point of which is directed against those who are successful.

The fourth situational limitation is a sense of “inevitable guilt” always accompanying the manager. This refers to a particular guilt, an awareness of guilt to himself for his own mistakes, failures that are inevitable in managerial activities. The manager is doomed to that along with being successful he will always experience failures. Failing and trying in every way to extend the desired success, the manager even during prosperity periods has a sense of inevitable guilt, as he is sure he could have done differently. A feeling of guilt, never leaving the manager is bound to influence his fate.

Hill (2002, p. 614) notes: “Sense of guilt is useful. And everyone, whether bad or good, at times can feel a sense of guilt. ... a sense of guilt is useful; it shows the people with the highest ethical standards the path to decent thoughts and actions.”

The fifth “irreversible and uncontrollable” existential limitation is manager death – the last chance of not “to be”. The destiny of the manager in the company is not always determined by his work-related successes. Whatever official zeal he shows, there will always be detractors and enviers, who through a series of intrigues put him in a situation of borderline choices: to leave voluntarily or to be slowly eaten away by unfriendly management. Resignation, as well as any surrender, means social death in this organization and the possibility of a new birth in the other. Very often, the transition to a new job leads to hitherto unprecedented creative potential. However, conflicts, quarrels, intrigues, failures and associated stress are sapping the manager health and often lead not to the symbolic but to physical death.

Motives that the manager is guided by are subjective; they are imbued with likes and dislikes, love and hate, fear and hope. To believe that the motives are based on reasonable evidence means that the manager is considered beyond an existential context, i.e. to think wrong. Assumptions of academic scientists, according to which the most successful manager is “a thinking manager,” have no basis. It’s more accurate to assume that a successful manager is so busy that he has no time to think about (reflect on) the theories that explain his success.

A successful manager is too busy with obtaining success and career advancement: in the hustle and bustle of his days he has no time to rationally comprehend the reasons for his success or failure. The life philosophy of a manager does not always agree with common sense (although he is convinced of the opposite),

but always comes from background of experience. And therefore, tips of academic theorists should be competent enough so that the manager could listen to them.

The complex nature of a human and the conditions, in which he operates, will not be easy, if we consider him as a logical machine and his activity as a mathematical model. But we cannot completely abandon the theoretical understanding of managerial activities. Its principles are irrational, but nevertheless they exist, Odiorne (1966) is convinced. Those who tried to describe them went through logical analysis, which is quite insufficient for understanding management activities. The theory must be existential: its starting point may be only ungovernable subjectivity of the individual carrying out his life project, personal experiences and life situations that cannot be empirically verified. The proximity of death, as a part of the management theory, is based on the existential ontology that offers an explanation for the social path of manager in organization or along a number of organizations as the limited by time and the living conditions trajectory.

Time for existential manager is not an ordinary continuum, divided into three parts: past, present and future. Time is the subject of the inner existence. Until the manager fills every time period of his life with meaningful content of existential choices, he will be lost in the pandemonium of scattered fragments. Therefore, the manager establishes contacts outside the vertical business hierarchy. Mintzberg (2005, p. 22) notes: "I see a rather unexpected fact that managers spend as much time with colleagues and other people outside their own departments of the agencies than with their subordinates, and even more surprising is the discovery that the least amount of time they spend with their superiors."

The time set in the face of personal death becomes a series of manager successes and defeats that he should not distinguish from each other. The future for the existential manager is not indefinite series of "now" but a certain limit, terminated by his death. Therefore, the most scarce resource that managers should govern is their own time (Mintzberg, 2005).

Discussion and conclusions

Thus, the existential theory of management relies on the assumption that in the business world, there are unsuccessful managers that outnumber their successful colleagues. The successful manager creates himself through his own existential choices and actions arising from them. He literally picks himself. He can leave (break free of) the existence, as a manager or as an individual, at any time he chooses. The existence of the manager is limited by its situational nature, and success or failure, conflict and struggle, guilt and death, present in all of his actions are an unavoidable part of such a situation.

The modern manager is acutely aware of the problem of survival in its broadest representation. He feels a social responsibility for the correctness of his actions

to himself, his family, the company and finally to the society. The manager exists in the same world as billions of his contemporaries; he is influenced by the actions and desires of many people, laws and traditions, etc. In these circumstances, managers should be able to live their own lives, to use their own mind, to turn the idea (dream) into reality believing in their abilities.

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