# HIGHLIGHTING MISSING LINKS BETWEEN SOCIAL INNOVATION AND PHILOSOPHIES OF MANAGEMENT

A COMPARATIVE HISTORICAL STUDY OF M.P FOLLETT AND O. SHELDON'S WORKS IN THE 1920'S

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#### Research intention

- Our field: is somewhere between management philosophy and social innovation,
- *Our intention:* is to highlight that most of the fundamental postures of social innovation were contained in the very early 20<sup>th</sup> century philosophies of management,
- *Our demonstration:* is based on a historical study that compares the development of conceptual edifices of two figures of management, both also concerned with social innovation.





Mary Parker Follett (1868-1933)





Oliver Sheldon (1894-1951)



#### Social innovation: fundamental postures

- Consensus on the absence of definitive definitions of social innovation, its scope, its intentions, its effects,
- Consensus on the lack of a theoretical framework for the analysis of social innovation (Anderson, Curtis, & Wittig, 2015)

Dialectical reconciliation

SI often defined in opposition to other forms of innovation or as part of an opposition between the world of business and that of the "social" (Mulgan, 2006) ... but giving room for entrepreneurial activities.

Relational transformation

SI leads to build new forms of relationships between individuals and groups. SI is recognizable by both technical substrates and breakthrough social models (Cajaiba-Santana, 2014; Howaldt & Schwarz, 2010)

Holistic View New boundaries of responsibility spaces within communities. Strong and necessary local roots, but a strong will to look for scale effects (Maclean, Harvey, & Gordon, 2013; Dees, Anderson, & Wei-skillern, 2004)



#### Philosophies of management

- Reflections on the philosophy of management very early concerned management practitioners and authors. (Verma, 1994),
- No consensus on what the philosophy of management designates

A set of universal principles

There would exist a set of universally principles true in all management situations. If managers know them and know how to apply them, then they fill their managerial duties efficiently (Megginson, 1958; Davis, 1958)

Subjective response to ethical dilemmas

Management as an activity that incorporate business ethical presuppositions. Attitudes of managers are constructed responses to different categories of ethical dilemmas (Stover, 1958; Fritzche & Becker, 1984)

A model of how organization works

A paradigmatic conception of organizations. The philosophy of management as a state of paradigms conflicts at a certain time (example: the domination of functionalist approach in public management (Jun, 1993)

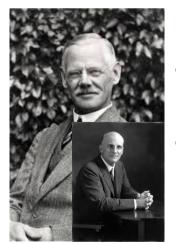
Stable infrastructure of objectives and activities

Flements that describe what the management activity should consist in, at any time, any place, any time. A field referring to the goals of the management activity by contrast with the 'how' (Mingers, 2003: Van Auken & Ireland, 1978; Wren, 1972)

#### Mary Parker Follett's work



- In the early 1900s, Follett was first a social entrepreneur, initiating and leading several projects (young immigrant education system, minimum wage for women, etc.),
- She was also studying political systems based on groups (neighborhood groups, communities),
- She forged an intellectual edifice about management, leadership, democracy and came to meet some activist managers,



- Follett developed ideas of constructive conflict, law of the situation, circular response,
- Now recognized by management specialists as a pioneering contributor on management.



#### Oliver Sheldon's work

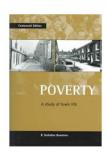
- Recruited by the Rowntree & Co in 1919,
- The Rowntree company arrived at a cornerstone and S. Rowntree aimed at radically change its structure,
- Sheldon in charge of the committee responsible for these changes,
- Involved in a variety of activities including the one of dissemination of scientific management and the one of preserving cultural heritage of York city.





 The Rowntree family and social innovation, philanthropy or other wider social issues,



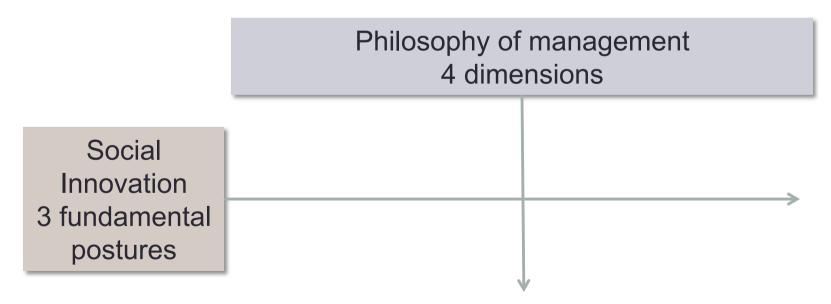




 The Quaker ethos of Rowntree & Co (Webb, 2009)

#### Methodology

- We based our study on a material composed of documents written by Follett and Sheldon,
- We highlighted quotes about management philosophical foundations according to these two authors and then made a thematic classification (Miles & Huberman, 1994):





A set of universal principles

Subjective response to ethical dilemmas

A model of how organization works

Stable infrastructure of objectives and activities

Dialectical reconciliation

Relational transformation

Holistic View

- Most of the 12 categories of the matrix (not all) can be filled with illustrative quotes from our two authors,
- Some categories are more relevant than others: difficulties to use the category "subjective response..."
- One possible explanation is the attraction of these authors to the ideas of scientific management, booming in the early 1920s. This can also be explained by the fact that both authors clearly had the will to contribute to the professionalization of management.



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Dialectical reconciliation





- Rejection by Follett and Sheldon of some dialectical dimensions of management activities,
- For Sheldon, management is precisely the activity of coordination between different actors and classes (capital and labor). Moreover, Management, such as Capital and Labor all three serve the community,
- For Follett, the situation of employers and employees is unique and total. Follett even invites us to think about management as an activity being shared by employers and employees.



"Industry is not only a business conducted by Capital, Management, and Labour of their own benefit. All three are contributing service to their common master, the community."

(Sheldon, 1923a: 151)

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Relational transformation



- The management is for Follett, as for Sheldon a process of construction of relationships between individuals, groups and businesses
- Follett describes the lack of relationship between individuals, groups, etc. as the worst possible functioning of society,
- The organization is structured around major functions and it is the art of the manager to giving coherence to the structure by setting link functions between them.



"Individuality is the capacity for union. The measure of individuality is the depth and breadth of true relation. I am an individual not as far as I am apart from, but as far as I am a part of other men. Evil is non-relation."

(Follett, 1918: 62)

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- In Sheldon's writings, references to the community are numerous. The holistic dimension takes the form of a primacy given to the community,
- This is true on a moral and organizational level,
- In Follett's works, the holistic dimension is found mainly in the form of the concepts of "total situation" and "circular response".



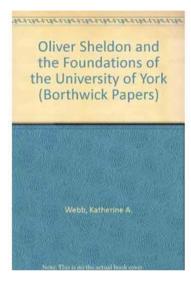
"In its relation to the community, management is representative of industry as a whole. For management is, as it were, the helmsman of a giant schooner, which it steers, amid winds and waves, towards the harbour of its communal end. That is the fundamental purpose of management."

(Sheldon, 1923a: 73)

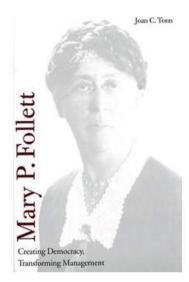
"There are two fundamental problems for business management: first, to define the essential nature of the total situation; secondly, how to pass from one total situation to another."

(Follett, 1927b)

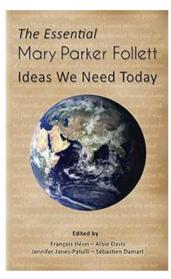
#### Further readings...



Oliver Sheldon's biography



Mary Parker Follett's biography



Mary Parker Follett's selected quotes

# Thank you for your attention

