Chapter 8

Metatheorising Transformational Management: A Relational Approach

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ABSTRACT

Corporate management is facing a world full of transformational challenges. How might theory development contribute to a more transformative vision of management? While there have been attempts by theorists to move beyond conventional conceptualizations, more innovative and, in particular, more integrative theoretical frameworks are still needed. Conventional and new paradigm management theories take contending sides in the change debate and often define their approaches in terms of dichotomous oppositions. Using an integrative approach to metatheory building, this article proposes that the application of a relational lens overcomes many common polarities and oppositions present within current theorisings. The relational qualities that emerge from this metatheoretical approach are presented as useful guides for developing innovative theories that address the operational and transformational challenges of 21st century management. The metatheoretical analysis not only provides an integrative framework for exploring more visionary conceptualisations of management it also shows that metatheorising has powerful critical capacities for assessing scientific theories in the social sciences.

1. THE TRANSFORMATION IMPERATIVE FOR CORPORATE MANAGEMENT

This paper argues for the development of overarch- ing and transformative understandings of management in the 21st century. Contemporary organizations and corporations and their systems of management are not providing a viable intergenerational future for the planet. And the lack of adequate theory is contributing to this failure. Management theory is in the paradoxical situation of being both conceptually fragmented and yet also dominated by conventional forms of theorising management that seem to ignore the global challenges that currently confront corporations, governments and their host communities.

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In a recent paper entitled “The State of Affairs for Management Education and Social Responsibility), management ethicists Mary Gentile and Judith Samuelson write that they had:

. . . come to realize, like many activists, and a growing number of investors and consumers, that it is business - not government, and not what we like to call “Civil Society,” but competitive, profit-hungry, talent-rich, problem-solving business— that will have the greatest impact, for good or for ill, on the institutions and resources that are critical to our survival as a planet and wellbeing as a civilization. (2005, p. 497)

At this moment in the world of critical theorising about organisations there is no more urgent project than the articulation, development and implementation of fundamentally transformative forms of business management. While this transformation imperative has been growing for some decades, and while many innovative and radical kinds of management approaches have emerged in the last 30 years, the need for a coherent and substantive response from the corporate world to planetary crises is becoming more apparent and more urgent.

One avenue for meeting that challenge is through the development and institutionalisation of, what are currently regarded as, innovative forms of management. How do we identify those innovative forms and what might be their qualities? Many theorists have referred to the wave of innovative theories of management as the “new management paradigm” (Burnes, Cooper, & West, 2003; Huse, 2003; Lichtenstein, 2000) and have suggested that these ideas herald a new movement for transformation in organisational life. However, the promises of the new paradigm have not been fulfilled and, although new paradigm approaches have contributed to critical theorising on management, they have not had a significant impact on the world of corporate management (Lichtenstein, 2000).

On every front, the complex work of managing and guiding corporations is being contested and new levels of accountability and social responsibility are being demanded. And these demands are arising from many directions – economic, environmental, communal, social, and political. However, given such situations as the role of management in global financial crisis and the track record of executive remuneration scandals over several decades, it is evident that these valid demands for transformation in corporate management systems are not being met. The financial crisis and ensuing economic implications is the culmination in a long line of company failures and market weaknesses that have their genesis at many different levels of society – government oversight, market regulation, the lack of investigative journalism, poor corporate governance, amoral management systems and personal greed and corruption (Avgouleas, 2009; Epstein & Hanson, 2006). The Enron, Worldcom, Tyco and Arthur Anderson collapses in the U.S. and the HIH Insurance, One.Tel, and Ansett Airlines debacles in Australia were, in very significant ways, precursors to these global failures and they each highlight the crucial role of management in the creation of irresponsible business practices. These failures of conventional management require some big picture rethinking. As well as a practical and operational response to these issues, there needs to be an academic contribution that provides a conceptual revisioning of management. The building of theory complements and, in some ways, drives the more pragmatic establishment and routinisation of better management systems and practices in the world of corporate business. The development and teaching of theory feeds into and influences social and business practices in fundamental and far-reaching ways. And the requisite transformation in management systems will not occur without a commensurate revision of management theory. As Sandra Waddock notes,