

Developing the Quality of Judgement¹

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Abstract

This paper considers how the gap between ‘academic’ knowledge and ‘practical’ experience can be bridged in the context of a manager’s exercise of judgement. It examines the role of the manager from three different perspectives, in order to explain why the gap has a tendency to appear; and it then suggests the concept of a decision-making framework as a model of the means by which a manager exercises judgement. After describing the nature of this framework and its constituent elements, the paper considers the effects of different developmental methods on the framework, and therefore on the quality of judgement. The paper concludes that support must be given to a new institution-based educational perspective, if the aim of developing the quality of judgement is to be achieved, and thereby the gap bridged.

Introduction

“So there it is. It’s a nice balance... I think judgement has to be used... The answer hasn’t come out just by calculation – I don’t see how it could. I think people just have to back their hunches on this to the best of their ability.” Sir Monty Finniston, 14th February 1976, (Finniston 1976).

Management educators are used to being dismissed as ‘too academic’, just as teachers know how to dismiss managers’ anecdotes as ‘interesting but not very useful in this context’. The exercise of judgement is still something managers claim sole rights over, arguing that it is acquired through experience of decision-making and not something which can be taught. Why then does this gap between the teacher and the doer, the educational institution and the business organisation, exist? What creates the gap, and what is it about institutions which seems to make it worse? What stops business organisations removing the gap, and what, if anything, can the institutions do about it?

This paper agrees that experience is a necessary condition for good judgement, but argues that the quality of judgement can be improved through an educational process. Looked at from the standpoint of effective management, the issue considered is not which decision, if any, should be made, but rather whether the quality of the decision chosen can be improved through the effective use of both the techniques and the experience already available – a concern with the means by which the decision is produced, as well as with the content of the decision itself. This paper presents judgement as the balancing of science and art – the combination of quantitative

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analysis and qualitative interpretation in a single decision-making framework (Bower 1970); and its main purpose is to put experience firmly back in its rightful place of primary importance, for the learner just as much as for the teacher. Knowledge is therefore presented as being just as much a synthesis of personal experience as the outcome of analysis of objective 'fact'. Learning from experience therefore takes on a new meaning and importance, and the development of knowledge through the process of reflection becomes equally important as the teaching of analytical method.

The managerial role

Why then is there a gap between the doer and the teacher? To answer this question it is necessary to look at the manager's role itself in the context of the business organisation. What the manager is actually doing can be discussed from three different perspectives:

1. What in the opinion of senior management ought the manager to be doing?
2. What in the opinion of the manager's colleagues can he be observed actually doing?
3. What in the opinion of the manager does he himself think he is doing?

Leaving aside the third perspective for a moment, it seems quite reasonable that top management should systematise their organisation's activities so that managers can know what is expected of them. The business organisation is a mixture of human and physical resources bound together by a large number of interlocking activities (Rice 1969). A major paradigm of management views the manager as undertaking a set of *routine* and rationally planned activities producing predictable results – the operational role. This paradigm assumes that what ought to be happening can coincide with what actually is happening, and that the organisation is capable of functioning in a smooth machine-like way. In practice, this paradigm places the manager within a framework of planned activities, in terms of which little ever happens exactly as planned – the *crisis* role in which the manager struggles constantly to restore events to a mythical normality. In both of these views of the manager's role, whether or not events turn out as planned, the underlying assumption is that what the manager ought to be doing can be explicitly defined. The implications of this assumption are very important, since it follows from this assumption that the necessary framework of activities can be taught to the manager explicitly through an appropriate training programme. It also follows that it is not necessary to know a great deal about the manager himself beyond his willingness to learn this framework.

In contrast to the operational and crisis roles, the *development* role demands a greater knowledge of the manager himself. He has to have a resourcefulness to create new sets of activities hitherto undefined (Morris 1975). These new activities come from the creative application of his mind, and lead us to re-introduce the third perspective – namely what the manager himself thinks he is doing. The development role is concerned with non-routine decisions for which there may be no precedent, and about which senior management may have no pre-conceptions: the manager must exercise his judgement. To do this he has to draw upon information derived from the three different perspectives: what can be said about the decision, given what is already known; what can be contributed by those others who are involved; and what his own experience tells him can work. The reasons underlying the gap between teacher and doer follow fairly obviously. The majority of managers have traditionally been thought of as occupying operational and crisis roles. The teacher and his institution

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have therefore concentrated on teaching the knowledge needed for maintenance of what ought to be happening – the routine decisions based on the first perspective above. Increasingly managers in development roles have experienced a gap between the kinds of routine decisions they are being taught about and the non-routine decisions that they are faced with at work.

The nature of judgement

To recap: the use of a manager's judgement is most evident when he is faced with non-routine decisions. These decisions are ones from which there is no precedent, about which senior management may have no preconceptions, and on which the manager will have to make up his own mind on the basis of his own experience (Mintzberg, Raisinghani et al. 1976). What is the nature of the kind of knowledge he will use based on his own experience, which is different from the kind of knowledge which finds its way into textbooks? Consider two statements by a hypothetical manager faced with a non-routine decision:

1. Product A costs less than Product B, so I will buy Product A.
2. I will get better service on Product X than on Product Y, so I will buy Product X.

In the first case the manager is making a quantitative comparison based on analysis and, in the second, he is making a qualitative statement based on his personal experience. In answering the particular question of how these statements are related, it is possible to cast light on the preceding general question.

The way in which a manager relates his qualitative interpretations based on his experience of the decision's context can be understood in terms of a decision-making framework (Kelly 1955). The decision-making framework is a model representing the set of assumptions the manager actually uses to anticipate events, when faced with a particular non-routine decision. The manager will not necessarily be conscious of the actual assumptions guiding his actions. He may only be able to discuss the post-rationalisations that his senior management or teachers expect of him after the decision has been made (Argyris 1976): the manager therefore may have difficulty discussing the assumptions actually guiding his actions, and it is to overcome this problem that senior management tries to specify what each manager ought to be doing, thus avoiding the necessity of relying on the manager's own views. Instead of laying down what the manager ought to be doing, however, another approach is to help the manager become more *reflective*, so that he can make his own assumptions explicit and thereby manage them himself. To do this, however, the manager needs to be able to recognise the different kinds of assumption that he is making.

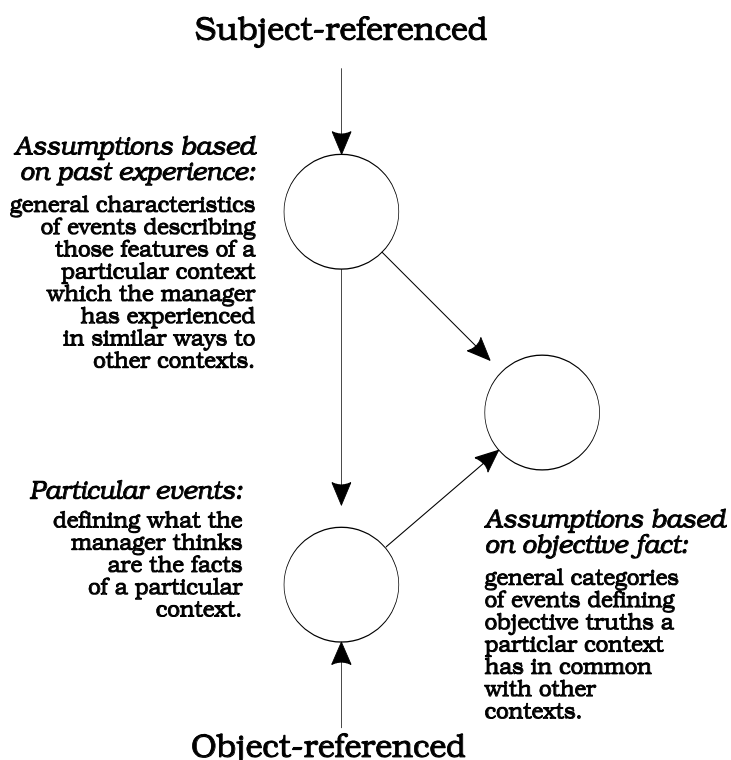
The familiar types of assumption are based on factual evidence and scientific analysis. Such assumptions strive to the perfect state of being wholly explained by reference to the manager's observable environment. In the first example above, cost is such an assumption, being verifiable by explicit methods of analysis (kept under the guardianship of the accountancy profession). Such assumptions are *object-referenced*, and are the means by which routine activities and decisions are communicated and discussed.ⁱ When the weight of scientific method is thrown behind them, these assumptions become objective truths which can be incorporated in the public body of knowledge, and therefore conventionally taught.ⁱⁱ Much of the manager's activity can be understood in this way, and the backbone position occupied by such managers making routine decisions underlines their importance to the organisation.

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The manager facing a non-routine decision has a different kind of problem. Knowledge based on present or past actions can be assumed to be expressible in object-referenced form: scientific analysis uses this assumption and thereby explains much experience, although by no means all of it. The manager facing a non-routine decision, however, is not just considering present or past actions: he is creating future activities. He will use assumptions therefore which may well be hypotheses in the form of object-referenced statements, and which may therefore eventually earn the status of objective truth. But he may also use assumptions which are *subject-referenced*: qualitative hypotheses which characterise his relation to the present context, and thus enable him to anticipate future events, in a way which corresponds to his own particular past experience of events which he considers similar. The second example above makes such a subject-referenced assumption. It is subject-referenced because it is only verifiable by examining the particular experience on which the manager's concept of 'better' is based.ⁱⁱⁱ It may well be possible to replace the manager's subject-referenced view of what is or is not better by one which is object-referenced, but in so doing the benefit of that particular manager's experience of service organisations would be lost.^{iv}

Summarising, therefore, the manager's decision-making framework contains assumptions that fall into two classes: those which are subject-referenced and those which are object-referenced. The relationship between the two classes of assumption may be represented in the form of a diagram:



The distinction between the subject-referenced and object-referenced assumptions is indicated by the former being qualitative and adjectival, describing a way in which the manager has experienced particular events; and, in the latter case, by their being objective, usually quantifiable, and derived from some explicit method of analysis. Subject-referenced assumptions therefore serve the function of *characterising* experience, whereas object-referenced assumptions *categorise* experience (Strawson 1959). The failure of both managers and teachers to recognise this difference between the two classes of assumption creates the gap therefore between theory and practice

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when non-routine decisions come to be discussed. Whereas the 'academic' approach will attempt to generalise on the basis of an object-referenced system of categorisation, the 'practitioner' will be left characterising particular experiences which will sound empty to all those who do not know him and share his experiences. In order to improve the quality of his judgement therefore, the manager must learn not only to categorise and analyse the context of his decisions, but also to understand explicitly how he is using his own past experience, so that he can re-interpret that experience as well as revise his system of categorising.

Developmental methods

In learning to make better use of his experience the manager is developing the quality of his judgement, but always in a context which can to some extent be objectively analysed. As previously suggested, to be effective when faced with a non-routine decision, a manager must be able to draw upon two classes of assumption. If the manager is unaware therefore of the relationship between these two classes of assumption, then the pursuit of both sources of insight will create a polarisation between the 'academic' and 'practical' approaches which may eventually lead the manager to reject one or the other. This polarisation will not affect the manager's ability to make a decision, but will cut him off from the only means by which he can improve the quality of that decision.

It is left, therefore, to the teachers to provide either a convincing theory which combines the two approaches, or an appropriate institutional context in which managers can learn to synthesise the two approaches (Training Services Agency 1977). Left to themselves, however, the teachers have tended to over-emphasise the importance of object-referenced knowledge in their teaching methods, while the organisations, by arguing for the relevance of such teaching have denied themselves the opportunity of recognising that such objective knowledge originates from the very experience-based knowledge that they themselves are acquiring. In the Introduction it was suggested that traditional educational institutions made the gap between 'academic' knowledge and 'practical' experience larger. Detailed consideration of the methods used by teachers in institutions indicates why this might be the case.

The traditional methods found in educational institutions are the *normative* and *comparative* methods. The commoner of these two is the normative method: there are certain things which a manager 'ought' to know. The method is normative because the knowledge taught is object-referenced, and because the scientific nature of the knowledge enables it to be communicated within a single coherent framework. The acquisition of such knowledge therefore can be tested for objectively, so that considerable sophistication is possible in normative methods to ensure that the knowledge has been received and understood. The problems with the methods only arise when the manager's work environment does not fit conveniently into the categories laid down by the framework, or when the analytical approach dictated by the framework cannot be adapted to the manager's particular problem.

By contrast, the comparative method presents the manager with two or more frameworks which are different from each other; but all internally consistent, and capable of explaining a given situation, usually provided by a case study. By having to choose between the frameworks, the manager learns the skills of relating one framework to another. Case studies, however, contain a built-in bias in the form of the casewriter's framework, so that the use of a biased case study can reduce this method to another form of the normative method. Even with the very best teachers

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and cases, the sheer size of a class may make it impossible for the teacher to ensure that more than a handful of managers develop the comparative skills in any great depth.

Both normative and comparative methods are open to a more fundamental criticism however: neither method develops the manager's use of his subject-referenced knowledge, which he might use when faced with a non-routine decision – the part of his knowledge so essential to the quality of his decision. Some teachers have evolved a special use of comparative methods using case studies to overcome this problem using role-play. However, this is not using comparative method any longer, but turning to the *reflective* method: the manager is being taught to make his own framework explicit, drawing upon relevant objective knowledge and upon his own past experience. This is a reflective method because instead of using frameworks provided by the teacher, the managers are using their own.

Working with case material reflectively is very difficult however, both because of problems similar to those besetting the comparative method; and because relating to other manager's experience-based interpretations requires a very different type of skill to the comparative skill referred to previously – discussion has to be open and divergent, rather than closed and convergent. To achieve development of the manager's own framework, therefore, reflective methods must create a learning environment which is not wholly determined by objective knowledge. These methods have to leave space for managers to exercise their own judgement, as well as providing time under the manager's own control for him to reflect. Most importantly, however, they must not operate within a power framework which implicitly makes one individual's framework dominant – particularly not that of the teacher.

Course evaluation, the pressure produced by maintaining numbers of course participants, and conflicting self interests, make it very difficult for the teacher to insulate his teaching from the implicit power structure of the educational institution. For this reason reflective methods have evolved faster within organisations (Mant 1976; Mansell 1977), where their application is easier, not only because the work environment is directly available, but also because timescales for such learning can be much longer, and the dependent expectations of the managers, inherited from remembering schooldays, more easily contained; although educational institutions have evolved in-company training, project-based leaning and experiential methods. Regardless of whether the experience base is provided from the organisation or the institution, however, a crucial role is played by the teacher (Casey 1976). In addition to all his normal skills, the teacher has to be skilful at working within many different managers' frameworks. He has also to be content working as a catalyst, developing the managers' own frameworks by raising their awareness of how they use them: in essence he is helping the managers to test the implications of their own interpretations, rather than proving the superiority of his own.

Why then do educational institutions make the gap larger? Because institutions are set up primarily to use normative and comparative methods, thus discouraging the teaching staff from developing reflective methods, and the institutions reinforce the tendency for teachers, good at reflective teaching, to work within organisations rather than a course context. The consequent failure of institutions to provide a broad base within which teachers can develop both reflective methods and the teaching skills needed to use them has ensured not just that the methods have been developed piecemeal, but also that the institutions have been unable to provide the means of bridging the gap between their own 'academic' knowledge and the 'practical' experience of managers.^v

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Conclusions

Organisations depend for their day-to-day survival on being able to systematise their activities, thus ensuring their operational efficiency. Some of their activities, however, are essentially non-routine and, as organisations and their environment change more rapidly, so the numbers of managers required to exercise judgement on these non-routine decisions increases.

By contrast the educational institutions depend for their day-to-day survival on being able to systematise their knowledge in order to ensure that it can be passed on efficiently. As the institution's skill at passing on this knowledge increases, so its teachers are drawn more to the problems of applying that knowledge and therefore ultimately to the non-routine decisions. The dilemma facing the teacher is that in satisfying the expectations of an increasingly heterogeneous group of managers for more knowledge, he will not be developing his own capacity to teach them the reflectiveness they need in order to actually use that knowledge. Equally the institutional environment will tend to exclude the experience-based resources the teacher needs to use for developing the quality of their judgement, through its tendency to upset the institution's normal systems of activity.

Business organisations do not bridge the gap because at any one time the majority of their managers are involved with making routine decisions, while institutions make the gap worse by being organised around the teaching methods which reinforce the polarisation between 'academic' knowledge and 'practical' experience. What then can the institutions do about it? The institutions need to develop reflective methods, against their present short-term interests, which will allow them to incorporate an experience base, as part of their existing learning resources, capable of supporting reflective learning. Such methods and their associated theories are needed to enable managers to identify and develop the quality of their judgement.

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ⁱ A more current way of expressing this, anticipating C.S. Peirce's late development of the notions of vagueness (Peirce, C. S. (1905). "Issues of Pragmatism." The Monist XV(4): 481-499.), is to say that the meaning of object-referenced statements may be established independently of the speaker.

ⁱⁱ The point being that such objectivity arises because of inter-subjective agreement over the meaning of such statements (Popper, K. (1959). The Logic of Scientific Discovery, Routledge.).

ⁱⁱⁱ Following on from point [i] above, the meaning of such subject-referenced statements may only be established by reference to the speaker. Peirce referred to such statements as vague, reflecting assumptions made by the speaker that, to the extent that they could not be made wholly object-referenced, rested on assumptions that were held acritically as indubitable. Peirce's interest was in what remained irremediably vague to the processes of scientific enquiry (Peirce, C. S. (1908). "A Neglected Argument for the Reality of God." The Hibbert Journal 7(October): 90-112.).

^{iv} Whether or not this loss matters, of course, depends on the value to be placed on the manager's experience and/or position in the organisation. Pursuing this question opens up the whole question of the libidinal investment implicit in privileging particular forms of vagueness. See Boxer, P. J. (2014). Defences against innovation: the conservation of vagueness. Defences Against Anxiety: Explorations in a Paradigm. D. Armstrong and M. Rustin. London, Karnac.

^v I took up this question of the libidinal economy of educational institutions in a later paper: Boxer, P. J. (1985). Judging the Quality of Development. Reflection: turning experience into learning. D. Boud, R. Keogh and D. Walker. London, Kogan Page.