

# THE Environment does not ex-sist: engendering 'boundary' as the object of psychoanalytic study

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## Abstract

Digitalisation is changing the landscape in which organisations pursue their survival. There was a time when it was enough to provide a service efficiently and effectively. Now this is a necessary but no longer sufficient condition. There is an additional demand that services be provided in such a way that they are dynamically aligned to the individual customer's situation. This pull towards dynamic responsiveness to customers one-by-one means that an organisation can no longer use markets to replace the environments beyond its boundaries in which its customers are to be found.

What does this mean for an individual working for such an organisation? In this new landscape, the environment in general, i.e. THE environment, is replaced by many environments, each one being a customer situation demanding its own particular form of responsiveness. Under these conditions, the object of psychoanalytic study can no longer be the organisation *per se*, but rather must become the relationship of the organisation with each environment. So where does this leave an individual in the employ of an organisation?

The paper describes what is different about the object of psychoanalytic study under these conditions and how this difference is reflected in the way an individual is able to understand what an organisation 'is'. It does this by equating the exceptional role of Freud's primal father with the founding act of an organisation, expressed in terms of the establishment of its primary task. In these terms, the object of psychoanalytic study is the law established in the name of the Father, defining the organisation's boundaries and its structures of affiliation. Implicit in this founding act, however, is the relation of the organisation to that which remains radically Other to the founding relation. The paper argues that, in having to be responsive to its customers one-by-one, an individual working for an organisation has to take up a relation to this radical Otherness, a relation articulated by Lacan in terms of the sexual non-relation. This creates existential anxiety for the individual and new kinds of challenge to the governance of the organisation. The paper concludes by considering the consequences of this for our understanding of boundary, governance and the object of psychoanalytic study.

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## Introduction

The primary task of an organisation was originally defined as the task that the organisation must perform if it is to survive.<sup>1</sup> Its successor as a concept in the latter part of the 20<sup>th</sup> Century was that definition of an organisation that could form the basis of sustainable competitive advantage (Porter 1985; Keichell III 2010). When A.K. Rice originally wrote about the Ahmedabad experiment (Rice 1958), the primary task of the workers at Calico Mills involved managing a group of looms. The nature of the technology of production constrained the ways in which this primary task could be defined (Miller 1959). Technology does not constrain the organisation providing care for the elderly mentally ill in the same way, the constraints coming more from the nature of each person’s condition and circumstances. Rather than being constrained by the prior assumption by Calico Mills’ management of a primary output, i.e. woven cloth, effective care involves synchronising care pathways, each one designed to address some aspect of a person’s condition effectively. Care pathways must be orchestrated one-by-one, in the sense that models are built one-by-one out of lego bricks, the primary task of the care pathway in each case depending on the nature of that aspect of a person’s condition and circumstance which it is designed to address.

The organisation providing care in this way must be capable of orchestrating and synchronising many different forms of pathway from some underlying repertoire of possible services and treatments, not all provided by itself. In the place of one supply-side definition of primary task, therefore, it must span many simultaneous demand-side definitions, which potentially define the care pathways to be synchronised in relation to each person’s situation (Porter and Teisberg 2006). Given this proliferation

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<sup>1</sup> The primary task of an enterprise is “the task that it must perform if it is to survive” p25, Miller, E. J. and A. K. Rice (1967). Systems of Organization: The Control of Task and Sentient Boundaries. London, Tavistock.

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of demand-side definitions of primary task, this paper argues that an organisation responsive to demands in this way must define the basis of its survival differently to the supply-side definitions of the primary task brought to us by Miller and Rice (Miller and Rice 1967). This paper aims to explore the nature of this difference.

### **The pull towards responding to clients one-by-one**

The need to do many different things at the same time is not unique to healthcare organizations, being apparent in any industry impacted by digitalisation (Hagel III and Seely Brown 2005). Enabled by the increasing ability to connect everything digitally, including things as well as systems and people (Warrior 2013), it demands a shift in an organization’s locus of innovation from its supply-side to its demand-side (Prahalad and Ramaswamy 2003). In the place of markets, digitalisation enables a focus on the dynamic and evolving demands of customers, each within his or her context-of-use (Anderson 2006). In these environments, a ‘market’ becomes a convenient construct serving supply-side interests, enabling demand-side complexity to be ignored (Kay 2003).<sup>2</sup>

This demand-side focus means that an organization subject to these competitive pressures is no longer able to do itself everything that a customer demands, but rather must place greater emphasis on its ability to create new and multiple forms of collaboration in order to create value for its customers (Hagel III, Seely Brown et al. 2010). As a result, it must itself operate within networks of other operationally and managerially independent organisations forming ecosystems, with which it must collaborate in varying ways (Luo, Baldwin et al. 2012). Within these ecosystems, an organisation must adopt ‘shaping strategies’ enabling organised networks to become the new economic ‘entities’ shaping competition (Iansiti and Levien 2004), their ‘relationship economics’ being organized around the contexts-of-use in which demands arise (Zuboff and Maxmin 2002). In the case of the care organisation, each orchestration and synchronisation of an underlying repertoire of possible services and treatments constitutes an organised network.

These organised networks rely on underlying task systems that have become increasingly modular (Langlois 2007). They align these task systems to customers’ demands through contractual networks (Baldwin 2007) and create dynamic complementarities between them (Aoki 2006), becoming increasingly independent of institutionalised boundaries. In this environment, the horizontal task linkages that can be established in the service of these organised networks become dominant with respect to institutionalised vertical accountability linkages (Baldwin 2007). This produces the conditions in which the dynamic behaviour of the ecosystem exhibits complex adaptive behaviour (Kurtz and Snowden 2003).

In order to understand what is different about organisations that depend on organised networks, we need to appreciate the limits to defining an organisation in supply-side terms, with its hierarchical decomposition of primary task into sub-systems.

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<sup>2</sup> Note that this does not make ‘markets’ a bad thing, but it does mean that a market is not an end in itself, but rather a stage in the embedding of new capabilities in the lives of its customers.

## **What is an organisation if not a hierarchical decomposition?**

The early use of the concept of the primary task was to account for the role of the supervisor in managing the immediate boundary conditions of the worker-task relation within an organisational structure (Emery 1993). This worker-task relation constituted a bounded workgroup if the workgroup could be responsibly autonomous within definable boundaries of technology, territory and/or time (Miller 1959). Two assumptions were built into this concept of the primary task derived from a cybernetic notion of organisation, limiting the value of the concept.

### **The cybernetic notion of organisation**

The first assumption was that such workgroups were 'open systems' (Bertalanffy 1950)<sup>3</sup>. At some level of self-organisation, open systems could, despite external change, admit varying degrees of internal differentiation of task while also maintaining a continuous throughput (Emery 1993). This was referred to as 'equifinality', a key property of living systems and assumed to be the workgroup's primary task.

The second assumption concerned the causal texture of the organisation's environment and made a distinction between two kinds of environment. Environments of the first kind were predictable enough to make it possible for the senior management of an organisation to select where it wished the organisation to be at some future time, 'equifinality' becoming a "strategic objective" at the level of the organisation as a whole. In these 'predictable' environments, the cybernetic thinking of Ashby (Ashby 1956) was used to account for the way the supervisor-manager was able to achieve a strategic objective through appropriately designed processes of control and feedback. The progressive internal differentiation of tasks by the organisation in response to its environment was driven by Ashby's law of requisite variety (Ashby 1956). This task differentiation was held together through processes of integration falling to the supervisor-managers 'vertically' accountable in sustaining an overall strategic objective (Lawrence and Lorsch 1969). The 'vertical' relations were derived from the way the component workgroup tasks related to the overall strategic objective<sup>4</sup>.

The causal texture of these environments of the first kind made it possible to plan. In contrast, the causal texture of environments of the second kind was 'turbulent'. This meant that it was impossible to plan because of the dynamic nature of the interactions not only between the organisation and its environments, but also between environments themselves. Emery and Trist understood this, arguing that open-systems models could not deal "at all with those processes in the environment itself which were the determining conditions of the exchanges". More than this, they argued that the laws connecting environments to each other were themselves "often incommensurate with those laws connecting parts of the organisation to each other, or even with those which govern the exchanges"(Emery and Trist 1965). Environments of the second kind, therefore, fundamentally challenged the cybernetic notion of organisation (Boxer 2014).

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<sup>3</sup> An open system was defined by Bertalanffy as one for which there is import and export across its boundary and, therefore, change of its components. Bertalanffy, L. v. (1950). "The theory of open systems in physics and biology." Science **111**: 23-29.

<sup>4</sup> The primary task of a sub-system is therefore better defined as "the task which it is created to perform", p32 Rice, A. K. (1958). Productivity and social organization: the Ahmedabad experiment. London, Tavistock Publications.

## **The limits to the primary task of an organisation**

To reflect this distinction between environments in which it was or was not possible to plan, it was proposed to distinguish 'operative' organisations engaged in material exchange processes from 'regulative' organisations (Emery 1993). 'Regulative' organisations were "concerned directly with the psychosocial ends of their members and instilling and maintaining or changing cultural values and norms, the power and the position of interest groups, or the social structure itself" (Trist 1981). Later referred to as 'referent' organisations, they were defined by particular inter-organisational relations and boundary conditions within a larger ecosystem, functioning as a 'reference group' for the 'operative' organisations supplying them. Unlike the focus of 'operative' organisations on the exchange processes across their boundaries, the focus of 'regulative' or 'referent' organisations was on inter-organisational relations and on the way their own interests were served within the larger ecosystem (Trist 1983). These referent organisations correspond to what were described earlier as organised networks.

The limits to the primary task of an organisation emerged, therefore, on being faced by a turbulent environment. A supplier in a predictable environment could derive everything it did from its primary task through a process of functional differentiation within that overall strategic objective. Such a supplier could use hierarchy to impose a model on the way it captured value within its chosen markets, this model defining the basis of its competitive advantage (Porter 1985). In turbulent environments, it had to establish a different relationship to demand that did not rely on planning derived from an overall strategic objective. Instead, it had to behave like an outcome-focused care organisation, using organised networks to do many different things at the same time in order to relate to its customers one-by-one.

## **'Quantum' organisation**

An organization may attempt to use hierarchy to consolidate positions while also using organised networks to address the challenges of complexity and change (Kotter 2012). This is difficult in practice because of the dynamic tension created between radically different approaches (Boisot and McKelvey 2010). While the exercise of power by hierarchies is unipolar and defines what subordinates should do, the exercise of power within networks is multipolar and enables different organised networks to act from different understandings of what needs to be attended to. In doing this, each organised network considers the effective complexity it needs to take into account in choosing how to act (Gell-Mann and Lloyd 2003).

A 'quantum' organisation is an organisation that is not based on a hierarchical decomposition of tasks. It is one that uses horizontal forms of governance to enable the organisation simultaneously to respond to clients on a one-by-one basis (Boxer 2014). A care organisation is an example of a 'quantum' organization. The tempo at which such an organisation can respond to new clients is determined by the number of different organised networks it can sustain at any one time. This requires a business platform that is multi-sided in the sense of being able to support many different relationships to demand, relationships which are themselves multi-sided (Boxer 2012). Consider the example of the organisation providing care for a Great-Aunt Agatha. Her network will need to orchestrate and synchronise many underlying services, including those relating to her health, friends, shopping, in-home care, transport and finances. The care organisation will need to do this in a way that provides Great-Aunt Agatha with

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what she needs today, changing it as she changes. Moreover, each person in its care will need a different organised network. The demand-side challenges facing this care organisation are, therefore, different to the supply-side challenges facing Calico Mills, the organisation of which was defined by the constraints imposed by the technology of its looms.

The radical difference between an organisation defined as a hierarchy and one defined by many concurrent organised networks reflects, therefore, the difference between unipolar and multipolar forms of governance. This is the difference between governance dominated hierarchically by vertical accountabilities to a pre-existent model, or governance dominated by horizontal linkages within organised networks derived from chosen relations to current local situations. What kind of challenge does this present to the psychoanalytic understanding of organisations?

### **The challenge to psychoanalytic understanding**

Psychoanalytic understanding of organisations is no less essential now to the study of work, management and organizations as it was to the socio-technical challenges of the machine cultures of the post-World War II era<sup>5</sup>. It has brought its own clinical concepts, practices and focus on what enables interventions to be effective, approaching organisational entities through addressing the individual’s experience within a single organisation, or, through the metaphoric use of psychoanalytic concepts, to the organisation itself *as if* it were an individual (Arnaud 2012). Either way, the organisation has been presumed to exist as a sovereign entity in a way that fits with cybernetic notions and parallels the presumptions of a sovereign ego, ‘sovereign’ here taken to mean mastery.<sup>6</sup>

Turbulent environments and horizontal forms of governance therefore present a double challenge to the psychoanalytic understanding of organisations: not only must the individual’s relation to a workgroup be addressed, but also the workgroup’s relation to individuals in the environments of the organisation of which it is a part (Boxer 2008). In effect, what was previously the exclusive concern of the founders becomes the concern of each organised network as it interacts with its customers. Consider the position Bert finds himself in, trying to respond to Agatha’s needs, but also to keep his job by not going beyond what his organisation allows. This double challenge involves Bert holding a tension between an affiliation to the way his organisation has defined what he should be doing, and an alliance around Agatha’s needs within her context which takes the form of an organised network and which can always demand ‘more’ or ‘different’ (Boxer 1999).<sup>7</sup>

### **The double challenge facing the divided subject**

With psychoanalytic understanding comes a presumption that there is more ‘going on’ than is accessible to what may be said, referred to within the Tavistock paradigm as what is going on ‘below the surface’

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<sup>5</sup> ‘Machine culture’ was the term used by A.K. Rice, originated by Trist, to describe a culture in which machine performance is maximised. P241 *ibid*.

<sup>6</sup> ‘Mastery’ here referring to the discourse of the Master. Lacan, J. (2007[1969-70]). The Other Side of Psychoanalysis: Book XVII. New York, W.W. Norton & Company.

<sup>7</sup> This is a reference to the ‘third’ dilemma facing the formation of an organization, i.e. affiliation vs alliance. The other two are top-down vs bottom-up and espoused vs unthought known. Boxer, P. J. (1999). The dilemmas of ignorance. What is a Group? A fresh look at theory in practice. C. Oakley. London, Rebus Press: 147-168.

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(Huffington, Armstrong et al. 2004). From the early years of this paradigm, the workgroup was distinguished from its other existence as the 'basic group' (Rice 1958). In this other existence, the workgroup exhibited basic assumption behaviours as manifestations of its individual members' relation to the unconscious (Bion 1959). The starting point for working with organisations within the Tavistock paradigm was thus an entity with boundaries around an inside (Palmer 2002) and a 'workplace within' or an organisation-in-the-mind through which the individual governed his or her actions (Hirschhorn 1988; Armstrong 2005). The dependence of this approach on a prior definition of the workgroup itself limits it, however, to addressing only the first of the two challenges: the individual's relation to the workgroup as defined through structures of affiliation. Thus a role consultation with Bert would focus on how he was able to take up his role as it had been defined by the organisation, but would not go beyond that to re-define the system within which the role was itself defined (Huffington 2008).

The starting point within a Lacanian approach to psychoanalytic understanding also addresses the difference between the workgroup and the basic group but approaches it in terms of the structural division of human being. In the Lacanian approach, the human being is a divided subject, subject to both signifying structures and the structure of the unconscious. This double subjection is understood in terms of the way the relations between the Imaginary, Symbolic and Real are lived. Within this approach, 'boundary' becomes an Imaginary effect, and to be subject to an 'organisation-in-the-mind' is to be subject to a particular organisation of signifiers. The definition of Bert's role is thus caught up with the way it supports his self-identification. As within the Tavistock paradigm, this double subjection leads to a necessary 'double reading' of the relation to experience, which involves reading both 'what is going on' (*wigo*) and also the way *wigo per se is being read*. The introduction, however, of the subject's relation to the Imaginary, Symbolic and Real challenges the Imaginary reification of what 'is' an organisation (Arnaud 2012). With any challenge to Bert's role, therefore, comes existential anxiety (Armstrong 2007). What is Bert to do if not the job defined for him by the organisation?

The Lacanian approach, therefore, provides a way of approaching the second half of the double challenge as well: the workgroup's relation to individuals in the environments of the organisation of which it is a part. Within this approach, an organisation ceases to be a pre-existent entity, instead becoming an Imaginary effect, in the same sense that the ego is an Imaginary effect. The double challenge requires a different approach to the governance of the organisation itself (Boxer 2014). This different approach in turn depends on Bert understanding the implications of being subject to the signifying structures through which he relates to individuals in the environments of the organisation, while at the same time also being subject to the structure of the organisation.

### **Subjection as a relation to structure**

The individual's experience of his or her relation to an organisation is one of being constrained. If we restrict ourselves to what might be perceived as constraining, we could include but not limit ourselves to such things as its articles of association, appointed or elected officers, people in roles, contracts, assets, systems, documents, archives, accounts, buildings, communities, affiliated or contracted organisations, customers or clients, and professional advisors. The objects in this open-ended list have many possible linkages between them. These linkages 'structure' experience as we interact with them, in the course of

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our work, through the way they constrain our behaviours. The way Bert can respond to Agatha is structured by the way the care organisation has been set up.

The services available to Great-Aunt Agatha also ‘structure’ her experience, but then so too is what Bert can do for her structured by the choices she makes about what services she will accept. The constraining effects produced by the linkages between objects set up by the care organisation thus ‘subject’ individuals like Bert at the same time as the behaviours of Bert can also ‘structure’ others’ experience (Miller 2009 [1968]). This provides another way of stating the double challenge at the level of the care organisation: it both subjects those working within it, but is also itself subject to the choices made by those to whom it provides services.

In giving an account of being subjected as members of an organisation, we refer to both actual structures, in the sense of structures that structure our experience directly, and also virtual structures, being all the possible effects that we can deduce that could be attributed to an actual structure.<sup>8</sup> This led Lacan to propose that we consider structuration as writing (Lacan 2003[1971]), so that when we speak about an experience, we are referring to our reading of that-which-is-being-inscribed. Thus, our reading of a direct experience subjects actual structures to signifiers while, with virtual structures, potential direct experiences are subsumed to a way of reading.<sup>9</sup> For example, consider a protocol being designed by Bert to organise a network for Great-Aunt Agatha. Is Bert’s reading of what she ‘writes’ based on direct experience of her day-to-day life, i.e. Great-Aunt Agatha as an actual structure, or is it based on reading what she ‘writes’ as an instance of someone with her kind of background, i.e. Great-Aunt Agatha as an instance of a virtual structure. Either way, it will be expressed in terms of traits attributed to her, these traits being the signifiers of her structures.

### Distinguishing the affirmative and the negative

The primary task of a care organisation that is set up to run homes for the elderly mentally ill may originally have been to run those homes effectively for the individuals living in them. In the following figure, each of the four sectors represent a different actual experience of traits by Bert, charged with developing a protocol for Great-Aunt Agatha, adapted from Lacan’s seminar on Identification from the 17<sup>th</sup> January 1962 (Lacan 2002[1961-62]):

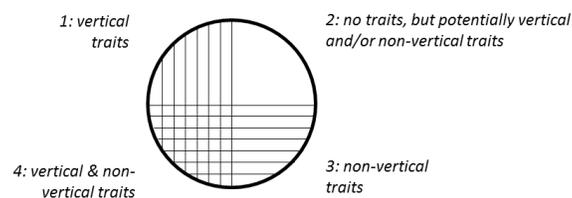


Figure 1: different experiences of traits

<sup>8</sup> This is the distinction in critical realism between the ‘actual’ and the ‘real’, the ‘real’ being made up of causal processes (structuring effects) that give rise to the ‘actual’. Collier, A. (1994). Critical Realism: an introduction to Roy Bhaskar’s philosophy. London, Verso..

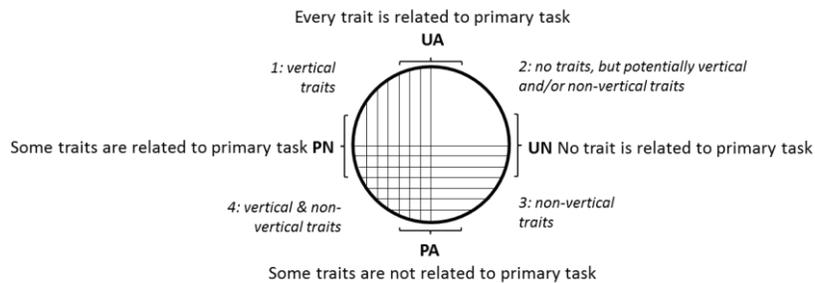
<sup>9</sup> This is the distinction Lacan makes between *phasis* (an aspect of being) and *lexis* (the word-stock of signifiers) in Identification Lacan, J. (2002[1961-62]). The Seminar of Jacques Lacan, Book IX: Identification. London, Karnac.

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‘Vertical’ traits are those traits attributed to structures that are consistent with the organisation’s primary task, and ‘non-vertical’ traits are those traits that are not. Each sector, therefore, identifies a different actual experience of Great-Aunt Agatha’s traits:

1. Only vertical traits are experienced (e.g. providing meals is part of the organisation’s work).
2. No traits are experienced, leaving open the possibility of experiencing traits that are or are not vertical (e.g. we don’t know what Agatha is doing when she visits her family).
3. Only non-vertical traits are experienced (e.g. Agatha likes to visit her family).
4. Both vertical and non-vertical traits are experienced (e.g. when we go on organised outings, we let Agatha get picked up by her family).

Two different kinds of signifying assertion can be made about these experiences, corresponding to the distinction between actual and virtual structures, the particular being attributed to actual structures, and the universal being read as an instance of a virtual structure based on a deduction. When placed within the context of the care organisation’s definition of its primary task, four different forms of assertion can therefore be made about the experience of traits, in which sector 2 is of particular interest because the absence of an actual experienced trait can be taken to support either the Universal Affirmative or the Universal Negative reading, depending on the way the trait is read (Lacan 2002[1961-62]):



**Figure 2: Possible assertions about experience, or possible ways of reading experience**

- Universal Affirmative (UA) – sectors 1 & 2: Every trait is related to the primary task (e.g. we only do things related to running the home for our residents).
- Universal Negative (UN) – sectors 2 & 3: No trait is related to the primary task (e.g. Agatha’s concern is with how she wants to live her life and has nothing to do with how this house is run).
- Particular Affirmative (PA) – sectors 3 & 4: Some traits are not related to the primary task (e.g. although our job is to run this house, we do allow our residents to make visits while we are off-duty).
- Particular Negative (PN) – sectors 4 & 1: Some traits are related to the primary task (e.g. most of what Agatha does relates to the way she chooses to live her life, but some parts of that involve the way she uses her place here).

These four define the possible ways Bert can read his experience of Great-Aunt Agatha within the care organisation’s context, and are summarised in Figure 3, placed in a traditional square of opposition (Parsons 2012). The relationship between the bottom two universals conflict with each other in the sense that if the UA is true for the care organisation, the UN cannot be true (the horizontal arrow). The relationships between the two diagonals contradict each other but are not in conflict (the two diagonal

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arrows). The relation between the universal and the particular for either the affirmative or negative is the difference between the signification of the actual experience of traits (the particular) and a generalisation based on chosen way of reading what is or is not a trait (the universal)<sup>10</sup>. Only the particulars are not contradictory in that they can be true at the same time. In distinguishing the affirmative and the negative therefore, only the particulars can be held at the same time:

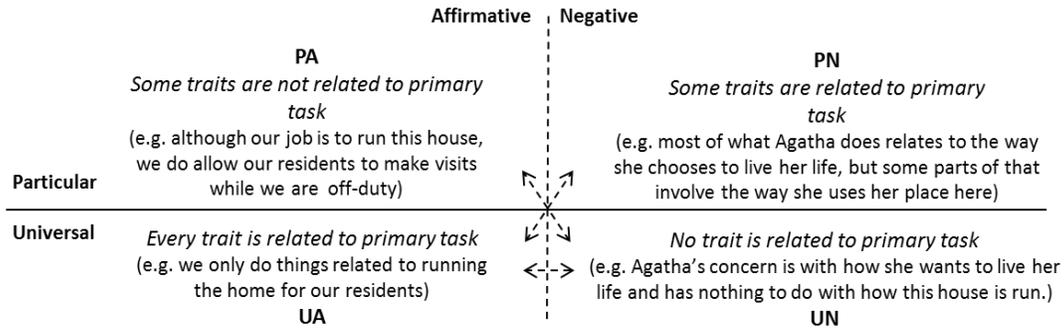


Figure 3: The Square of Opposition

As long as the organisation defines its primary task as running homes, Bert can define his work in terms of the affirmative readings on the left-hand side above. This will not be possible, however, if the organisation defines itself as a care organisation providing services through organised networks to its customers one-by-one. The situation of Great-Aunt Agatha is a Particular Negative, and while there may be overlapping traits for each particular customer situation, the generalisation of each particular negative will define organised networks that are always in conflict with any supply-side definition of primary task. So how is the care organisation to understand the relationships between affirmative and negative definitions of what it ‘is’? If it is not to rely on a supply-side definition, what is it to rely on?

**Constituting the object of psychoanalytic study**

The cybernetic notion of an organisation conceives of it as a structure intended to be experienced by its customers in a particular way. This supply-side notion of an organisation assumes that while its structure may be varied and made more complicated, this is always done in a way that can be planned. The quantum organisation of a care organisation uses a different notion, conceiving of its digitalised structures as capable of very great variation in how they can be used, so that the particular ways in which they are used is dependent on how they are organised (Evans, Hagiú et al. 2006; Boxer and Whittall 2009). This demand-side notion assumes that organisation can no longer be reified, becoming instead a dynamic and emergent process capable of delivering multiple concurrent organised networks, each one responding to a different customer situation. While with the cybernetic notion the customer is

<sup>10</sup> This definition of a set in terms of the function governing its membership is based on Frege (Frege, G. (1980). *Translations from the Philosophical Writings of Gottlob Frege*. Oxford, UK, Blackwell.), drawn on in Lacan’s Seminar (Lacan, J. (2002[1961-62]). *The Seminar of Jacques Lacan, Book IX: Identification*. London, Karnac.) and elaborated upon in David-Ménard, M. (2004 [1997]). *Is it Necessary to Look for the Universal in the Difference between the Sexes? The ‘Formulae of Sexuation’ in Lacan*. *Contemporary French Feminism*. K. Oliver and L. Walsh, Oxford University Press: 215-242.

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subjected to the organisation's structure along with the members of the organisation, with the quantum notion, it is the structure that is subjected to the members of the organisation, who in turn are subjected to customer situations (Hagel III and Seely Brown 2005). Bert's role at the 'edge' of his organisation is to subject an organised network to each of his customers, including Great-Aunt Agatha.

### The Other side of unconscious structuring

The Imaginary reification of what 'is' an organisation takes place subject to an unconscious structuring. This unconscious to which Bert is subject is also a structure that never ceases to inscribe itself, whether or not he reads its inscriptions as such. These inscriptions are reducible to their barest elemental traces, the instance of the letter in the unconscious being a way of situating us as readers in relation to the structuring effects of the unconscious (Lacan 2006[1966]c).

The non-rapport at the level of the unconscious is the identification with one side or the other of *objet petit a*, signified by Lacan's sexualisation formula and concerning subjection to signification itself ( $\Phi x$ ) (Lacan 1998 [1972-73]), through the relation of Affirmative and Negative readings to unconscious structuring (Lacan 2003[1971]). To write  $\exists x \overline{\Phi x}$  is to say that there is one (the primal father) not subject to the signifier, from which the law of affiliation that all are subject to signification is established  $\forall x \Phi x$  (Freud 1913), the negative of which is the 'lack-of-the-Other' position of  $\overline{\exists x \Phi x}$  on the basis of which the  $\overline{\forall x \Phi x}$  is established (Lacan 1998 [1972-73]).<sup>11</sup> In the case of the object of psychoanalytic study of organisations, however, the non-rapport concerns subjection, or not, to the primary task ( $\Delta x$ ) as established by the organisation's founders, the identification being to one side or the other of the relation to the care organisation's primary task. What is at stake in this identification is that while the two sides may relate to each other in the particular situation, each side takes up a different relation to it, elaborated in terms of their different relation to Das Ding (Lacan 1992 [1959-1960]). On the side of the Affirmative, this relation makes of the organisation a means to its founders' ends while, on the side of the Negative, it makes of the situations ends in themselves.

This unconscious structuring disappears behind the effects of the signifier, only to reappear in the moments in which the formations of the unconscious encounter an impossible Real as a gap or lack. This gap or lack emerges during a progression through three moments of logical time (Lacan 2006[1966]f), for example, facing Bert developing a protocol for Agatha. In the first instance of the glance, it is as if Bert can immediately recognise what Great-Aunt Agatha 'wants', in the sense of being able to be subjected to readily available signifiers – some supplier has a ready-made solution. In the second time for understanding, Bert assumes that the virtual nature of the experience is explainable in terms of some signifying structure, of which the situation is assumed to be an instance, but a time for understanding is needed to work out how to make sense of what Great-Aunt Agatha 'needs', in order to use this understanding to plan some new form of service. The moment to conclude arrives when Bert realises that there is something about the situation that escapes his ability to make sense, presenting him with an impossible Real as a gap or lack, in the face of which he must make a choice as to how to act. The work in this moment is to create a sense from which he can act. In order to do so, however,

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<sup>11</sup> Note that the way these formulae are read is derived from the Square of Opposition in the previous section.

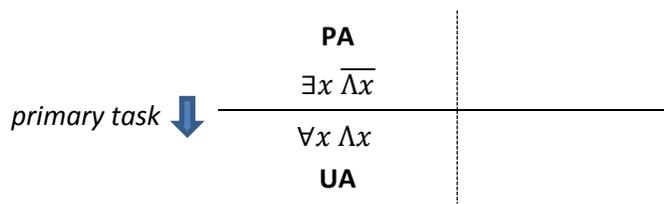
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Bert must also be working within a horizontal form of governance that supports him in so doing, if he is not to be overwhelmed by existential anxiety.

This gap or lack arises because of the dynamic and emergent nature of the customer situation to which there can only be a response in the moment in which it arises. The *objet petit a* is what comes in the place of this gap or lack, the non-rapport between the affirmative and the negative only becoming apparent in this third moment. This response is the protocol Bert offers tentatively as a way of learning more about Agatha’s situation, when he acts as if he knows what Agatha ‘wants’ while knowing that he does not. This other side of *objet petit a* is its relation to Das Ding, a relation to a radical Otherness of the other that remains unknowable, originally experienced in relation to the Mother, but under the effects of the signifier experienced as a relationship to a *plus-de-jour* (Lacan 1992 [1959-1960]).<sup>12</sup>

**‘Boundary’ as relation**

The founding act of the organisation defined by its supply-side primary task of running homes was performed by subjects whose own behaviours were not defined by that primary task (i.e. its founding ‘fathers’). We can write this in the form of the assertion by those subjects of a Particular Affirmative (PA), for whom there existed behaviours ( $\exists x$ ) that were not subject to this primary task written as  $\overline{\Lambda x}$ :  $\exists x \overline{\Lambda x}$ . From this founding act was derived an organisation as a Universal Affirmative (UA), membership of which was defined by subordination to its founding definition of the primary task such that all its behaviours ( $\forall x$ ) were subject to this primary task:  $\forall x \Lambda x$ . This relation between PA and UA on the affirmative side of Figure 3 is thus a way of signifying what an organisation ‘is’ on the basis of a supply-side definition of primary task asserted by its founders. The object of psychoanalytic study for an organisation defined in this way, therefore, becomes the unconscious basis of the founding act.



**Table 1: the relation of the particular to the universal affirmative as defining primary task**

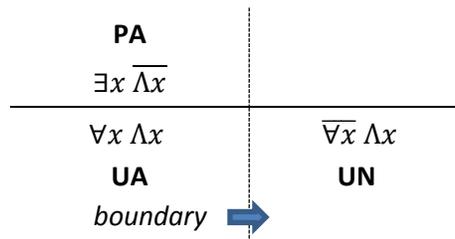
The Universal Affirmative (UA) established by this founding act implies a relation to a Universal Negative (UN) that is radically Other, being those environments to this organisation that are defined by none of their behaviours being subject to this primary task:  $\overline{\forall x \Lambda x}$ .<sup>13</sup> Looked at purely in terms of the UA definition of an organisation derived from a supply-side primary task, there are a potentially infinite number of such environments that meet the UN criterion. On this basis, the conflict between the UA and UN defines the boundary of the organisation from a supply-side perspective. The primary risk facing

<sup>12</sup> It is also the relation to the unknowable aspect of the fellow man (Nebenmensch) in Freud’s Project (Freud, S. (1950[1895]). Project for a Scientific Psychology. The Standard Edition of the Complete Psychological Works of Sigmund Freud. London, The Hogarth Press. **I (1886-1889)**: 283-397.). This distinction, as proposed in Lacan, J. (1992 [1959-1960]). The Seminar of Jacques Lacan, Book VII: The Ethics of Psychoanalysis. London, Tavistock/Routledge., rests on distinguishing Sachvorstellung from Dingvorstellung in Freud, S. (1957[1915]a). The Unconscious. The Standard Edition of the Complete Psychological Works of Sigmund Freud. London, Hogarth Press. **XIV (1914-1916)**.

<sup>13</sup>  $\overline{\forall x}$  is read as ‘there are no behaviours that...’

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the organization is that the right supply-side primary task be selected to ensure that there are enough customers across its environments to make the organisation viable (Hirschhorn 1999).

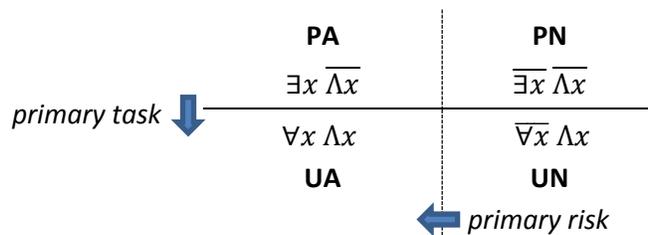


**Table 2: the conflict between universal affirmative and negative defining boundary from a supply-side perspective**

‘Boundary’ is thus a side-effect of the way the organisation has been founded, making affiliation to that originating act the essential characteristic of becoming a member of that organisation.

A different understanding of the primary risk is needed for a ‘quantum’ organisation such as a care organisation, itself made up of many concurrent organised networks. Each one of these organised networks is a relation to demand in a context such as Great-Aunt Agatha’s situation, definable in terms of a demand-side primary task. Each situation is in the first instance a Particular Negative (PN) experienced as particular traits of behaviours, some parts of which may be subject to a supply-side definition of primary task:  $\exists x \overline{\Lambda x}$ .<sup>14</sup>

Having identified a situation defined by a PN, it can become the basis of defining a Universal Negative (UN), an environment in which none of its behaviours are subject to the primary task:  $\overline{\forall x \Lambda x}$ . The relation of this situation (PN) and the environment derived from it (UN) is, therefore, like the primary task relation between PA and UA, except that this relation between PN and UN is radically Other to the PA-UA relation of a supplying organization. Great-Aunt Agatha’s situation gives rise to a demand environment, the primary task of which may be addressed by an organised network, but which has a non-relation to the primary tasks of supplying organisations.



**Table 3: the non-relation between the particular negative and positive**

In this case, primary risk depends on the ability of an organised network to create a particular alignment that can address a customer situation. ‘Boundary’ is now defined not as a radical exclusion, but rather as the particular relation addressed by an organised network between suppliers and the particular demand-side situation. From the supply-side perspective, this relation to a demand-side situation constitutes a context that stands outside it (‘ex-sists’). It is in this sense that THE Environment does not exist, i.e. an environment in general, but that particular environments do ex-sist, the differences of which have to be addressed one-by-one.

<sup>14</sup>  $\exists x \overline{\Lambda x}$  is read as ‘there is no one behaviour...’, which when applied to  $\overline{\Lambda x}$  (read as ‘not subject to primary task’) yields ‘there are some behaviours that are subject to primary task’.

## ‘Boundary’ as engendered

An organised network brings together suppliers with a demand-side situation in a way that is particular to the situation, ‘quantum’ organisation having to create the conditions in which this is possible. While some behaviours may be present within a PN situation that may also be present in a PA situation, this does not remove the non-rapport between the UA and UN situations, given that a choice to identify with one excludes identification with the other. To engender boundary is therefore to bring a particular relation into being between these two sides, not just as a founding act, but as a continuing response to customer situations. The use of the word “engender” is to emphasise the generative nature of what happens when the two sides are brought into relation in this way.

In Figure 4, the conflicts and contradictions that must be held across the affirmative and negative sides within a domain of relevance represent the domain of the ‘quantum’ organisation. The object of psychoanalytic study becomes a domain of relevance defined by these particular relations. Present within the originating moment for a supply-side organisation defined by its primary task, this engendering relation across a boundary has to happen continuously in a way that relates particular affirmatives to particular negatives. This domain of relevance is a relationship to a ‘more’ defining alliances formed as organised networks around situations. Bert has to be innovating continuously in relation to Agatha’s needs, but in a way that is sustainable for both Bert and Agatha. In the place of an affiliation to a founding act, therefore, there come alliances with respect to the lacks/gaps signified by *objets petit a*, each one taking the form of an organised network within which this lack/gap may be addressed.

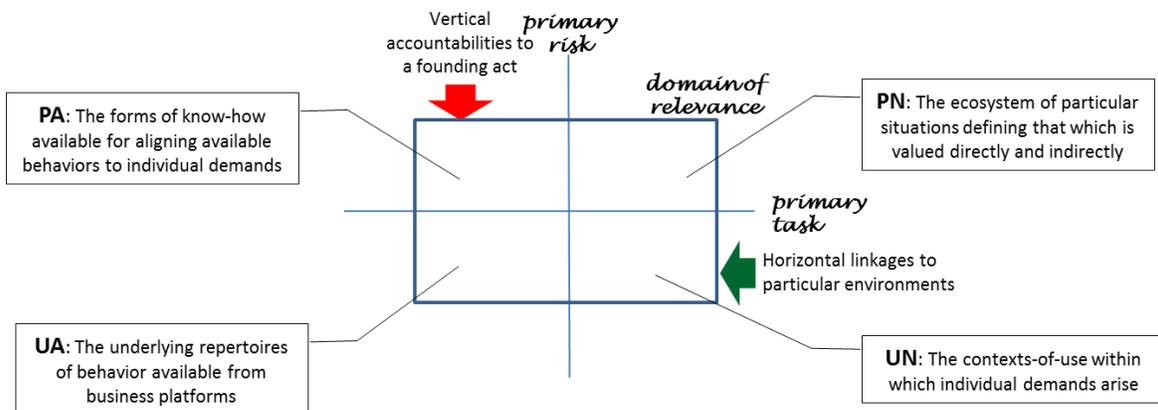


Figure 4: the domain of relevance

## Conclusion

The engendering of boundary allows us to understand the radical difference between hierarchy and organised networks in terms of their different objects of psychoanalytic study. From this comes the need for a different approach to governance that can enable the forms of continuous innovation that are needed to take place. With hierarchy, the object is the *jouissance* and *plus-de-jour* of the founding act, embodied by the organisation defined by this assertion of the primary task. With organised networks, it becomes the differences across the particular boundaries with each environment, implicit in

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the *objets petit a* around which alliances form one-by-one. This changes how we understand what an organisation 'is' from a structure defined by its consistency with the primary task established by a founding act. With 'quantum' organisation, the organisation becomes the organised networks that emerge in addressing the needs of each customer situation, the work becoming that of making meaning for each situation in such a way that organised networks may be realised (Boxer 2014). Leadership in these environments is characterised more by the discourse of the analyst than of the master (Lacan 2007[1969-70]), in the sense that the discourse of the master remains necessary, but is no longer sufficient given that the organisation must be learning continuously.

The environments in which boundary is engendered through this particular relation to lack provide a different kind of basis for the critical examination of organization, based on a critical examination of the forms of *jouis-sense* and relation to *plus-de-jouir* that they support (Stavrakakis 2007). The survival of the organisation is no longer 'simply' a question of identifying and defending market niches, but rather becomes a question of how innovations may be made in the organisation of the relation to demand itself (Aeschimann 2012). This leads us away from an object of psychoanalytic study revealed by the founding act of a hierarchy towards an object that engenders boundaries by signifying radical difference between the supply-side and the demand-side. This difference takes the form of a challenge to the ways in which their respective interests are balanced, each in relation to the other.

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