Infusing strategic planning with psychoanalytic insight: an exploratory case study

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Abstract

Purpose – This paper aims to demonstrate the value of combining the strategic planning process with psychoanalytically informed interpretation through an exploratory case study.

Design/methodology/approach – The authors present their experiences and findings from a consulting engagement that began as a strategic planning assignment and soon evolved into an opportunity to explore unconscious forces inhibiting organizational change. The authors, trained in both areas, chose to infuse the two into a combined process that ultimately benefited the organization and suggested novel ways to think about the common process of strategic planning going forward.

Findings – The organization's strategic planning process was considerably enhanced, and its outcomes sustained, by illuminating the unconscious forces at work, particularly as they pertain to issues of power and authority in a male organizational culture found to have a profound negative influence upon the quality of the work environment and employee morale. Findings suggest that without a psychoanalytically informed approach, strategic planning would have failed to produce sustainable change.

Research limitations/implications – While the findings reported are from a single case study, the themes explored are likely shared across multiple organizations. There is, therefore, significant potential in combining strategic planning with a psychoanalytic approach to improve organizational effectiveness and employee morale.

Originality/value – Although common in organizations, strategic planning is rarely augmented with psychoanalytic insights. This case study is the first of its kind to show how the two interventions may complement each other.

Keywords Strategic planning, Psychoanalysis, Organizational dynamics, Unconscious forces, Leadership, Organizational culture

Paper type Case study

Introduction

Strategic planning is perhaps the most widely used management activity in today's organizations (Rigby, 2003), but rarely viewed through the lens of psychoanalysis. This paper demonstrates the value of combining strategic planning with psychoanalytic insights into organizational dynamics through an exploratory case study. Specifically, the paper outlines the evolution of a consulting engagement that began as a strategic planning assignment and soon evolved into an opportunity to engage with issues of power and authority in a male

organizational culture that negatively impacted the quality of the work environment and employee morale. The findings suggest that without engaging with these issues, the strategic planning process would have backfired and reinforced the very culture impeding the organization.

Organizational dynamics are defined here as largely unconscious forces that, in even the best-run organizations, give rise to “pockets of irrationality and behavior” that undermine performance (Obholzer and Roberts, 1994, p. xvii). Recent scholarship indicates that these dynamics pervade the workplace (Allcorn and Diamond, 1997; Gabriel, 1999; Gould *et al.*, 2006; Levine, 2009; Diamond and Allcorn, 2009; Allcorn and Stein, 2015), disrupting even the most carefully made plans (Diamond, 2007), and above all, lending a sense of intractability and “toxicity” to organizational life (Stein and Allcorn, 2020). However, this scholarship has yet to be placed in explicit dialogue with strategic planning. This article contributes to the literature by demonstrating the potential of augmenting strategic planning with the knowledge of psychoanalysis, and particularly with a longstanding tradition of applying psychoanalysis to organizations (for a review, see Petriglieri and Petriglieri, 2020).

The article is structured as follows. First, a brief overview of the literature on strategic planning and the psychoanalytic approach to organizations is provided with a focus on their respective benefits and limitations. This is followed by a description of the authors’ (hereafter “consultants”) facilitation of a strategic planning process for the sales division of a mid-sized organization of 165 individuals located in the United States. This description unfolds in an iterative manner to reflect the sense-making and intervention process of the consultants, ostensibly under the guise of strategic planning but informed by data from surveys and interviews that reveal a pattern of unresolved conflicts pertaining to male-dominated leadership and permeated with themes of dominance, submission and profound insecurity. The article then offers a series of tentative insights at the individual, group and organizational levels of analysis that are clustered into three psychoanalytic perspectives: object-relations theory, self psychology and social-cultural theory. We conclude with noting the limitations of the study as well as directions for future research.

Strategic planning and the psychoanalytic approach to organizations

Planning, in one form or another, is a ubiquitous feature of organizations. Strategic planning in particular is a systematic process of determining an organization’s vision, mission and values, assessing its competitive environment and formulating its goals and future direction to “coordinate actions of implementation across the entire organization” (Andersen, 2004, p. 1275). First emerging in large, bureaucratic organizations in the 1960s (Ansoff, 1965; Steiner, 1969), strategic planning is now a common and recurrent activity in most work settings (Rigby, 2003; Jarzabkowski and Balogun, 2009).

Despite its broad embrace, strategic planning has delivered mixed results in empirical studies (Andersen, 2000, 2004). Moreover, academic research on the topic has largely diminished since the 1990s, and particularly after a wave of critiques relegated strategic planning to little more than an empty ritual devoid of substance (Hamel and Prahalad, 1994; Mintzberg, 1994). Since this time, research has gradually increased, with Ocasio and Joseph (2008) noting “almost 900 papers on the subject being published since 1995” (p. 249), yet negative perceptions persist (Mankins and Steele, 2006). In our view, this is common and not entirely unexpected. Too often, the actual “plan” derived from strategic planning ends up in binders on bookshelves, swept aside in favor of dealing with the problems of the day, week, month or year. This signals that strategic planning as a formal activity may add some immediately value in terms of direction and focus, but this value rapidly fades as the best laid plans meet the “enemy” of rapid environmental change. However, when strategic planning includes not only a plan on paper but also resolving deep-seated organizational dynamics there is, we assert, much value added.

For over a half-century (Jacques, 1953; Menzies, 1960), the psychoanalytic approach to organizations has helped to surface unconscious forces that undermine organizational functioning. Like clinical psychoanalysis, the psychoanalytic approach to organizations adheres to the maxim that work life has a hidden (or “repressed”) dimension, and as such, cannot be appreciated in its full complexity without taking into account this dimension when facilitating change (Obholzer and Roberts, 1994). Applied to strategic planning in particular, this approach raises up for inspection the many individual, interpersonal and organizational unconscious forces that are omnipresent but often overlooked or ignored because, in the final analysis, no one is very sure how to deal with them. The psychoanalytic approach to organizations permits this inspection process to take place in a “safe enough” context where learning might happen, and with that, meaningful and sustainable change (Diamond, 2007).

Moreover, the psychoanalytic approach to organizations implicitly challenges the assumption that change is likely to happen by simply bringing people together over a series of strategic planning sessions to revamp the vision and mission, conduct a competitive analysis and revise the goals of the organization. And yet, adhering to a “planned change model” is not something this approach tends to specialize in. Instead, psychoanalytically informed interpretation is foregrounded under the assumption that its accompanying insight serves as the primary catalyst for change. We argue, however, that the psychoanalytic approach to organizations may have greater utility when infused with concrete processes of planned change, such as those embedded in strategic planning. There is therefore significant potential in combining strategic planning with psychoanalytically informed interpretation.

Preliminary engagement with the client

The consulting engagement began with meeting a group of employees involved with a prior unsuccessful strategic planning effort. This group recommended all employees receive a survey to promote a sense of inclusion in the new planning process, followed by two weeks of interviews that included all of senior and mid-level management as well as a random sampling of employees. It is important to note that this agreed upon scope of work was significantly broader than the consultants’ original proposal and is speculated on below in light of the findings. It is also important to note that use of both the survey and interviews was action-oriented and intended to assess the organization’s history and readiness for change for consultative purposes, as well as to signal an invitation to participate in the strategic planning process. Moreover, and in keeping with the psychoanalytic approach to organizations, our intention was less to test empirical hypotheses and more to “flesh out ideas” that might deepen understanding of organizational dynamics (Stein, 2007, p. 349). The agreed upon scope of consulting work and study protocol received institutional review board (IRB) approval from the university human subjects review committee, with consent from the client organization.

The employee survey and interview process

Survey questions were developed with the help of an executive who was assigned the role of liaison with the consultants. A draft of the survey was tested on ten employees before the finalized version was agreed upon that included 33 Likert-type items (arranged by the topics of mission, work, motivation, management, organizational effectiveness and business systems and facilities) and three open-ended questions (“What is the one thing that needs improvement?”, “What do you like best about your job?” and “Is there anything else you would like to share that has not been covered?”). The surveys included a transmittal letter signed by the CEO (hereafter “Thomas”) requesting participation and promising a report of the findings. Confidentiality was assured by providing employees a blank envelope to return

their surveys. Employee support for the survey proved significant, with a 93% response rate and only five surveys were unusable.

Semi-structured interviews were scheduled approximately one month later and before survey findings were distributed. This timing allowed the consultants to study the survey results that informed the interviewing process. Twenty questions were developed and included such items as: "Please describe your organization's mission. Do you agree with it?", "What should any new plan for the organization include?", "Do you have a clear idea of what you should be doing in your job?", "What do you think ties everyone together to get things done?" and "Are there any negative aspects of working here?". Forty interviews were conducted by one consultant across all levels of the organization. Notes from the interviews were immediately typed up and independently reviewed by the second consultant before beginning a process of thematic analysis that included identifying and subsequently grouping the interview content into patterns of meaning (Seidman, 2013), both to inform the sense-making process and guide further engagement with the client. Specifically, important words or groups of words were initially coded, followed by a categorization of these codes into overarching themes. In this process, the themes identified were intentionally shaped by psychoanalytic ideas, yet rooted in the interview data and informed by both the frequency and strength of the coded material.

Survey and interview findings

Survey and interview data revealed an organization that had grown rapidly during its first ten years, but was now experiencing a leveling out of sales. Patterns of unresolved conflicts and competition for resources among the organization's executives were believed to compromise organizational performance, creating "decision voids" and interpersonal "wastelands" where little work at the top could be accomplished. This in turn hampered the ability of those lower down to plan and coordinate their own work, leading to a significant erosion of employee morale. Notably, 72% of respondents on the survey disagreed with the statement that morale was good, and 71% agreed the organization needed a better plan. This was reinforced by a prominent theme in the interview data of considerable resignation and cynicism that "anything will change" and that one should "just do your job and try to forget everything when you go home."

Intriguingly, this current picture was set against the backdrop of a reportedly traumatic departure of the prior CEO ("Richard"), who was terminated for attempting to sell organizational ideas to geographically distant competitors for personal gain. Richard's leadership style was described as one of expecting those in his immediate group of executives to take him out for lunch, drinks and golf at their expense, and in return, rewarding them with pay increases, trips and other organizational perks. This behavior created an elite group of white males at the top of the organization who enjoyed a special relationship with Richard and accompanying privileges. The current CEO (Thomas) inherited this organizational culture, and it was reported in interviews that he appeared comfortable with many of its attributes. Described as a "guy's guy" who turned business trips into golf outings (occasionally including male subordinates of female managers leaving these women uninvited), Thomas was known to tell cheap jokes and chauvinist stories about being a "ladies' man." These stories were told repetitively, boring his associates. Women reported having some success relating to him if they were assertive; however, if Thomas experienced their behavior as aggressive or threatening, he demeaned them in remarks to other colleagues. Thomas also tended to ignore employees he did not like and was reported to speak badly of some in the presence of their co-workers.

The following open-ended survey responses succinctly capture this shared perception of deficiencies in the organization's leadership and its effect on the organization:

Morale!! Morale is VERY low for a variety of reasons: lack of communication from the top down and between and within divisions; no apparent appreciation from management for doing a good job; no follow-through on the promise made of non-monetary incentives for everyone for increased sales over the past four years; misdirected management priorities; and the existence of the “Boys Club” – they get ALL the perks.

Upper management, either make them take responsibility or hit the road. They are aware of problems, but they don’t want to address them—they look the other way and hope that it goes away. If you’re a female they don’t want anything to do with you. Bust-up the Boys Club.

In all, the findings led the consultants to conclude that improving organizational performance would not only entail creating a plan for new products to market, but also addressing low employee morale. Specifically, the consultants had to consider the earlier interest in surveying all employees and doubling the number of interviews, which proved to be an avenue for the employees to highlight their dissatisfaction, helplessness and pessimism regarding the potential for meaningful change. The consultants were therefore likely seen to be potential rescuers of the organization.

Meeting with the CEO

The consultants were faced with the problem of how to provide feedback to Thomas, who was reportedly anxious about the consultation and ambivalent about the strategic planning process. Thomas was to receive a report of the survey and interview findings on a Thursday followed by a meeting with one of the consultants on Monday. Rather than a two-on-one meeting, it was thought a one-on-one meeting would be more productive by provoking less defensiveness. The consultant approached the meeting with a listening and learning attitude as opposed to one of confrontation in the hopes of creating an interpersonal context where Thomas felt secure in sharing his thoughts and feelings, thereby permitting the consultant to acquire a greater understanding of him.

Thomas began the meeting by saying he was more negative after his first reading of the report than he was currently. He went on to say he agreed with the report’s substance; however, he was anxious about the work and where it was headed. The consultant responded by sharing an outline of the strategic planning process and showing how the content of the report was to be incorporated, relieving some anxiety and defensiveness. Nevertheless, the report displayed clear patterns in the opinions of his colleagues that proved difficult to ignore. Regarding these patterns, Thomas shared the following:

- (1) First, he agreed the Boys Club existed, but believed it was more a problem of perception. The consultant suggested perhaps it symbolized the prevalence of organizational fragmentation between management and staff, men and women, and between races. While Thomas did not deny problems with sexism and racism, he defended himself by saying he gives women and minorities opportunities to compete for jobs but they had been turned down based on merit.
- (2) Second, Thomas acknowledged his tendency to micro-manage, yet defended this as a way to press staff to meet higher standards. When asked whether he had confidence in his senior management staff he said yes; however, when asked if his micro-management might indicate a lack of confidence, he acknowledged a concern with one executive. It seemed as though he wanted to avoid offering a negative evaluation of this member of his leadership group as if it also reflected negatively upon him.
- (3) Third, Thomas thought the report downplayed the problems he inherited, and that his own contributions toward improving the organization were over looked. The consultant concurred and noted the data were skewed more toward the present.

Thomas also confided that he was fired as CEO of a similar organization in the past and felt he would not survive long in his new role. He therefore had “little to lose” in becoming a forceful change advocate.

Near the close of the meeting, Thomas expressed anxiety about sharing the report with his employees. In particular he was concerned about the finding of low morale, which he felt was too sweeping a statement. Thomas also expressed doubts as to whether fundamental aspects of the culture would change. The consultant agreed that the issues raised were significant and asked that Thomas provide his employees the report and a letter indicating his willingness to address the issues. Additionally, Thomas was asked to schedule retreats with his senior level executives (in approximately one month) and with a larger group of mid-level managers and employees (soon after). Thomas agreed to the retreat plan and to write a letter of transmittal thanking staff and summarizing what he learned. A draft, it was agreed, would be reviewed by the consultant before distribution.

Insights from psychoanalysis

The already rich content of this case offers ample opportunities for psychoanalytic interpretation. In particular, its patriarchal, racial and in-group/out-group attributes encourage inspection from a number of different psychoanalytic perspectives. For present purposes, we consider the perspectives of object-relations theory, self psychology and social-cultural theory, applying each to the case to demonstrate its usefulness. It is important to note that these perspectives do not translate directly into intervention strategies, but instead offer general implications for consulting practice by enabling consideration of not-so-rational motivational variables. For heuristic purposes, the interpretations are grouped into three levels of analysis: leader, leadership group and organization.

Object relations theory

Rooted in the thinking of Melanie Klein (1992), object relations theory places anxiety at the center of psychic life. Moreover, “objects” in one’s environment—most commonly, people—are not merely external but internal entities, laden with fantasies and emotions. Just the same, groups and organizations can become internalized objects, with employees relating to them in ways informed by early relations with significant others. Insofar as these object relations stir up anxiety, one common albeit simplistic way to cope is to split the world into “all good” vs “all bad” objects. Splitting the world compromises accurate reality testing and the attendant complexity that objects may be both at times good and at times bad (hence “whole”).

Leader. Evidence of splitting is rife in the above presentation. First, Thomas is insulated from most of the organization and perhaps somewhat protected by a wall of executives. This separation is enhanced by his arrogant attitude toward many, as represented by his lack of acknowledgment and contact with staff. Additional organizational fragmentation is promoted by Thomas going around staff to get things done his way (micro-managing). Hence, employees are separated into in- vs out-groups according to Thomas’s approval, recognition and avoidance.

In addition to splitting, one may speculate that Thomas projects his undesirable attributes onto others. Specifically, he appears to project feelings of personal vulnerability and incompetence onto “bad” organization members, who subsequently need to be controlled. In his view, as evidenced by his actions, employees do not deserve respect and autonomy but require domination. Consequently, Thomas depersonalizes and dehumanizes his relations with many employees, which enables him to be more aggressive and abusive toward them.

Leadership group. The members of the leadership group are split apart from each other and do not effectively work together, which promotes further organizational fragmentation.

Each executive guards his administrative silo and encourages his employees to identify with him and their division. Splits also exist between those who are approved of and receive rewards vs those who are unworthy. In other words, like Thomas, there is an inability among leaders to deal with anxiety, which in turn leads to attempts to control/destroy persecutory objects that are filled up with their own projections. And furthermore, like Thomas, there is a sadistic gratification achieved in controlling internal and external persecutory objects. And yet, these defenses only go so far in keeping anxiety at bay, requiring a constant vigilance and paranoia.

The organization. Fragmentation at the individual and group levels combine to further polarize organizational life. First, there is a split between Thomas and everyone else; a dynamic reinforced by the fact that Thomas was acquired from “outside.” There is also the perception that Thomas expects everyone to do good work selling a questionable product while he stays clean, plays golf and gets to “call all of the shots.” Third, there is a split between the top and bottom of the organization, which creates a conflict between open communication of thoughts and feelings and maintaining unilateral control. Interviews with employees reveal persistent difficulty in getting a timely or adequate decision from management, with “buckpassing” and “backstabbing” occurring frequently. This in turn leads to the perception that “management does not care about us, or at best, provides only lip-service,” and “managers and supervisors are remote, indifferent and not in tune with employees and their desires to receive acknowledgement for a job well done.” Fourth, the work of the division is separate from the rest of the organization and not accepted. Many employees find the mission of the division reprehensible, as indicated in a dominant theme of the interviews where organizational success was readily linked to producing harm to those who consume the product, principally in the form of taking their money and providing little value in return. But this “soiled” quality of one’s job is kept apart from colleagues, whom employees express liking and enjoying working with.

Implications for the consulting engagement. Object relations theory emphasizes comparisons in the form of good/bad splits that draw attention to familiar defenses, bureaucratic rituals and patterns of belief that govern the workplace and hold it together despite fragmentation (Armstrong and Rustin, 2014). This perspective implies surfacing such divisions with an eye toward a more purposeful (less defensive) and integrated (less fragmented) whole. Arguably this begins with Thomas, who must be provided opportunities to reintegrate parts of himself lost to splitting and projection (aggression, inferiority, lack of control) by experiencing himself as a leader capable of embracing all aspects of his staff and organization. It also entails facilitating strategic planning in a manner that includes a cross-section of the organization to overcome vertical and horizontal fragmentation by promoting reflection and learning. From this more integrated process, everyone involved can begin to appreciate the history and dysfunctional organizational dynamics together, and subsequently work toward identifying mitigating actions.

Self-psychology

Self-psychology reveals the relationships that either pull people together in a common mission or pry them apart (Kohut, 1971). It also shows how excessive narcissism on the part of the leader can be counterproductive and often destructive to the fabric of human relations. In particular, Kohut (1971) asserts that “narcissistic disturbances” are coping mechanisms against the experience of “self-disintegration.” In other words, as a way to manage self-disintegration, individuals and groups retreat to various forms of thinking and behaving that constitute “narcissistic isolation” (Kohut, 1971, p. 306). To overcome such disturbances, self-psychology emphasizes the value of supporting self-esteem and self-confidence at work.

Leader. Thomas is seemingly marred by a narcissistic deficit, underscored both by his previous termination and the feeling of being blamed for problems while receiving few accolades for success. This might explain Thomas' difficulty forming meaningful workplace attachments as well as feeling he has "little to lose" by aggressing employees. Nevertheless, Thomas fulfills his affiliative needs by receiving idealization (twinship) from a group of executives and lower-level managers he plays golf with. Feeling good about himself (being valued in the eyes of others) therefore becomes an important element to maintaining his self-esteem, allowing him to cope with the stressful uncertainties and ambiguities of leadership. Ironically, however, Thomas' often sadistic, critical and controlling behavior toward others makes it more difficult for them to idealize and admire him, and in fact may assure their ultimate rejection of him.

Leadership group. The twinship of shared emotions between himself and his executive team is also critical to establishing a minimum level of trust and interdependency. The desire to be alike creates a homogeneous subculture of togetherness that provides the illusion of a social defense against fears of rejection and harmful criticism. And yet, the leadership group appears to be encouraged to idealize and merge with Thomas at the cost of trusting and respecting each other. While desiring to receive his approval in return for their admiration, they also benefit from his strong presence as their leader that enables them to feel powerful. This in turn shores up the group's self-esteem, which compensates for a collective fear of group-disintegration (Kohut, 1971).

The organization. Because the organization is perceived as producing income from selling a product of questionable social value, it receives little in the way of admiration or respect. Organization members have accepted this and the fact that they are seldom rewarded for their hard work in any meaningful way. Consequently, many employees have resigned themselves to simply doing their jobs while feeling cynical about their uncaring and insensitive organization. Thus employees, too, share in a twinship of emotions of dissatisfaction and demoralization that, while offering a sense of cohesion and mutual empathy, work against integration and self-confidence needed to improve organizational performance. Notably, this resignation undermines Thomas's effectiveness and the desired idealizing bond that often forms between leader and followers.

Implications for the consulting engagement. In this case, emphasizing more of a balance between similarities and differences would be productive. However, making these aspects of organizational life public and open to examination might once again be too threatening and thereby greeted with excessive defensiveness. Nevertheless, such aspects can be addressed through a consultant-facilitated dialogue about role relationships and performance expectations, which encourage people to examine the quality of their interpersonal connections, mutual attributions and assumptions, and norms and values to develop interpersonal trust that improves relationships and self-confidence.

Social-cultural theory

The idea that social and cultural conditions form the basis of personality can be attributed to the work of Karen Horney (1950), and particularly her notion that basic anxiety arises when a child's needs for love and affection are unmet. To manage this anxiety, Horney proposes that individuals take up three different attitudes or "neurotic trends": moving toward, moving against, and moving away from people. Moving toward is a deflationary solution to anxiety by attempting to gain affection through compliance and self-effacement. Moving against is an expansive solution that involves aggression and the appeal to mastery. And last, moving away is a detached solution that involves resignation and withdrawal (Horney, 1950). In the healthy individual, according to Horney, these trends are still very much at work, but less in tension or incompatible with each other, whereas in the neurotic they harden into rigid dispositions of character.

Leader. Thomas wants to be in control of the organization, which helps him control anxieties about himself and others. In this sense he seeks to master basic anxiety “by self-admiration and the exercise of charm” (Horney, 1950, p. 212). However, Thomas is also a critical perfectionist, arrogant and vindictive when challenged, and aspires to fulfill narcissistic desires for greatness and admiration. These personal attributes are movements against others and the expansive solution to anxiety as represented in the appeal to mastery. Excessively controlling others and the organization is understood to be filled with unconscious compulsions aimed at mastering anxieties in a stressful workplace. Thomas’s perfectionism leads him to review and approve most decision-making, while everyone understands they may be subjected to searing criticism at a moment’s notice. Moreover, Thomas’s arrogance about the proficiency of his organization and those who run it manifests in his dominating others, who he feels are not equal to his expansive sense of self.

Leadership group. The leadership group’s rivalrous, competitive and marginally cooperative interactions also appear to be an effort to control anxiety through mastery. Colleagues and their respective divisions are frequently criticized relative to Thomas’ high standards for performance. The interpersonal struggles are an indication that each is arrogant enough to not wish to give in, concede or submit to a persuasive argument of a rival colleague. Vindictiveness takes the form of overt and covert aggression that undermines the ability of employees to cooperate across divisional boundaries. Members of this group want to be admired and respected, but their needs are not met by Thomas or by each other, thereby forcing their fulfillment downward toward their employees who are expected to be supportive and admiring.

The organization. The organization as represented by its members is best described as resigned (“moving away”) (Horney, 1950). Employees, while enjoying their immediate work, are almost entirely disengaged from upper management and the mission. They have withdrawn from the organization, management and to some extent each other (both within and across divisions) in an effort to relieve anxiety relative to their stressful work experience. This withdrawal amounts to an appeal to freedom from a situation they do not like but cannot change. Their focus is narrowed to their work in an effort to block out distress. It is also noteworthy that dependency needs are frustrated to such an extent that acting dependent and as though someone will take care of the person is essentially absent. This uncaring quality of the organization appears to be driven by Thomas, who prefers images of being tough and macho vs interpersonal vulnerability.

Implications for the consulting engagement. The appeal to mastery is, perhaps, to be expected among executives. The important question is the extent to which arrogance, vindictiveness and narcissism are compulsive, unconscious drivers of leadership and interpersonal styles of relating. In this consultation, they attract attention due to their many irrational elements. Caution, therefore, must be taken to encourage an examination of the anxiety-ridden aspects of the organization and the mastery-oriented responses of Thomas and his senior executives. This work must be accomplished so as to avoid provoking additional anxiety and retreat to the appeal to mastery. Specifically, the consultants need to establish a sense of safety that enables inspection and reflection on the part of Thomas and his leadership group. At the same time, it must be appreciated that the employees have withdrawn, feeling there is little hope for change. This questioning and waiting attitude on their part rests upon years of deeply-felt work experience. The consultants need to accept they will not be readily embraced by Thomas, the leadership group, or the employees, and that the narcissistically deprived nature of the organization may also deprive the consultants of opportunities to feel good about themselves and their work. No “quick fix” will generate lasting change in this punishing organizational context.

Deepening the consulting engagement

The psychoanalytic perspectives presented above offer a series of templates that the consultants were able to use to inform their work. However, these templates constitute, at best, informed conjectures that do not directly translate into interventions. For the present case, the templates offered a sense of grounding while working that allowed the consultants to feel more confident in their need to push back against Thomas and the organizational dynamics at play, without succumbing or unwittingly reinforcing them. Specifically, this manifested in the consultants openly acknowledging a sense of foreboding when setting the stage for the management retreat, recognizing the work would be difficult and require the development of mutual trust and respect. Furthermore, it would entail participants expressing their unspoken thoughts and feelings, while the consultants remain attentive to the need to develop a safe “holding environment” for this demanding work (Winnicott, 1965).

The first retreat

The first morning of the two-day strategic planning retreat was devoted to discussing the report. Thomas and his four vice presidents (the core group of the Boys Club) were asked to confirm or disconfirm the analysis before proceeding to work in a larger group of top managers that afternoon. It is noteworthy that this was the only group Thomas initially wanted involved with the strategic planning process, a position the consultants did not support and after discussion convinced him otherwise. Starting in the afternoon, the five assistant vice presidents and staff from selected functional areas were added to create a large enough strategic planning group to provide for diversity.

The morning portion of the retreat went well. The consultants provided concrete examples of the problems sighted in the report and by noon there was general acceptance of the negative findings, although Thomas continued to be uncomfortable with the information. The work starting in the afternoon and continuing into the second day was organized around breaking the group down into cross-sectional subgroups to develop vision, mission and values statements. The groups were then called together to report on their work, after which a consensus document was developed from the combined efforts of the subgroups. The retreat concluded with the identification of four task groups which were to develop goals and objectives and cost/benefit analyses to fulfill the mission statement.

The consultants were surprised that the retreat went so well and that Thomas did not actively block the work, although he was highly opinionated at times which made it difficult to build consensus. Specifically, Thomas voiced resistance to acknowledging the presence of organizational problems, seeming anxious about discussing the possibility that problems existed and mistakes were made. His avoidance of these issues and his tendency to rationalize their presence were confronted a number of times during the course of the day by the consultants. At first, Thomas (and others for that matter) were taken off-guard by the consultants’ interventions, appearing at times offended by the challenges to his rationalizations and denials. By the end of the retreat, however, Thomas was engaged and acknowledged the retreat had gone well. In addition, Thomas conveyed that his resistance to strategic planning was his way of testing the executive group’s commitment to the process. Ironically, however, the executive team had steadfastly supported the strategic planning effort despite the appearance of lack of support on Thomas’ part.

Five post-retreat interviews were held with participants to obtain feedback for planning the second retreat. Those interviewed were generally pleased with the work but expressed skepticism that Thomas would ultimately support the planning effort.

The second retreat

The second retreat was held three months later to allow for the task groups to do their planning work. The retreat was organized around the presentation of this work. At times,

Thomas was combative during the presentations, which led to interventions by the consultants to avoid his undermining presenters and to promote a listening attitude. This retreat concluded with Thomas adopting all of the proposed goals and objectives, and led to the groups understanding that their next steps would be to further develop the cost/benefit analyses and construct a three-year timeline which placed all of the projects identified into a logical and affordable sequence. The retreat was generally felt to be a success and it was agreed that an additional one-day retreat would be held in two months to present the implementation tasks and to formally launch the strategic plan. Longitudinal follow-up by one consultant for a six-month period was also discussed.

Subsequent events

At the end of two months the designated project manager reported progress, with development of a timeline that covered the walls of his office. Thomas was actively engaged in this work. The planning process was taking a concrete form and Thomas liked the specificity and control it provided him. He eventually decided that the final one-day retreat was not needed and that any additional work by the consultants was not required. This outcome was not surprising to the consultants as Thomas had, on a number of occasions, indicated he did not have much respect nor need for consultants. An additional follow-up at the end of five months revealed substantial progress toward implementation and that the strategic plan was well-received by staff. Project management software had been purchased and used to manage and oversee implementation. The consultation was at this point concluded.

Novel ways of thinking about strategic planning

Psychoanalytic understanding has the potential to enhance strategic planning. First, insofar as strategic planning is “more than the application of any specific tool or technique” and instead a set of evolving practices that have direct bearing on decision-making, psychoanalysis can help substantiate the utility of these practices by revealing the organizational dynamics that underpin and potentially impede progress (Ocasio and Joseph, 2008, p. 268). Furthermore, if strategic planning’s enduring appeal resides in its ability to facilitate communication and participation on topics largely eclipsed by the day-to-day running of the enterprise (Ketokivi and Castañer, 2004), the often “undiscussable” topics in an organization may find easier traction to surface with the aid of psychoanalytic understanding (Diamond, 2008), and especially with the help of attuned consultants.

Second, and despite the questionable effectiveness of strategic planning in the empirical literature (Andersen, 2000, 2004), the CEO arguably plays a central role in increasing the likelihood of success. It was precisely the center of gravity around Thomas that determined the fate of the strategic planning initiative. Psychoanalytic understanding affords a view of the CEO as a central (perhaps *the* central) character in a broader workplace drama, shedding light on how the CEO’s thoughts, feelings and actions inform organizational culture as a whole (Kets de Vries, 1989). Moreover, as Gray (1986) observes, “[p]articipative strategy development, a prerequisite for successful strategy execution, often requires cultural change at the upper levels of corporations and their business units” (p. 97). The psychoanalytic interpretations offered above all point to the need for cultural change that begins with Thomas and his leadership style.

Third, and finally, in strategic planning the opportunity arises to surface and work with organizational dynamics when drafting the vision, mission and values of the organization, and formulating goals (among other tasks). Throughout this process, individuals are asked to participate in sustained reflection on the organization, articulating not just what makes its

successful but also its barriers, all of which invariably touch upon what organization members know, but have been unable or unwilling to express. In this sense, psychodynamically informed strategic planning allows for deeper work to occur under the guise of so-called “business as usual” activities. It is our view that psychoanalytic insights need not necessarily be concealed from organizational members, but rather with the right translative application, can enhance meaningful and sustainable change.

Study limitations and future directions

This paper contributes to the literature of two relatively separate but complementary domains: strategic planning and the psychoanalytic approach to organizations. The former carries the benefits of familiarity and structure (Andersen, 2004) while the latter has the merit of interpretive depth (Gabriel, 1999). When combined, these domains allow for a robust understanding of the complexities of organizational consulting and the importance of working with tacit knowledge. However, we recognize the limitations to our approach.

First, we have attempted to show how psychoanalysis provides a basis for finding meaning in data collected from surveys, interviews and consultant observation. The various psychoanalytic perspectives applied above can be viewed as templates set over these more conventional methods, helping consultants sift through the enormity of data to locate plausible explanations of behavior that often seems illogical or irrational. Nevertheless, being able to sense there is “more to the story” in an organizational setting is a challenge of its own that requires sustained familiarity with various forms of psychoanalytic knowledge.

Second, we emphasize that the use of these templates constitutes, at best, tacit knowledge. To translate such knowledge into practice, we relied upon strategic planning as our basis, making the tacit more explicit through familiar activities. However, we note that the approach used to write this article represents a challenge to those pondering the connection between theory and practice. It has been our purpose to explore how psychoanalytic theories can inform practice, while at the same time faithfully reporting the reality of our consulting engagement to convey a sense of realism and pragmatism with what might be achievable within a time-limited initiative.

Despite these limitations, this paper offers multiple avenues for future research. First, the notion of the Boys Club that surfaced is arguably not uncommon in organizations, and further research is clearly warranted that links the psychodynamic exploration of the Boys Club with a growing discourse on toxic masculinity in organizations (Linstead and Marechal, 2015). Second, comparative studies of different schools of thought in psychoanalysis, while common in the clinical domain (Willcock, 2007), have yet to be conducted in the organizational domain; something which this paper offers in preliminary form. More in-depth analysis of the relationship among various psychoanalytic perspectives is needed. In the broadest sense, the presentation of psychoanalysis in the context of strategic planning demonstrates that organizational life comes rife with unconscious forces. Psychoanalysis appears particularly well positioned to illuminate these forces in a way that can move the organization in a direction of more reflexivity, openness and honesty.

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