The Human Cost of a Management Failure: Organizational Downsizing at General Hospital

by S. Allcorn, H. S. Baum, M. A. Diamond, and H. F. Stein. Westport, Conn., Quorum Books, 1996, \$69.50.

This book is a case study of an organization undergoing painful change. The clinical data consist of three sets of semistructured interviews with 12 "General Hospital" managers taken over a 1-year period. Each set is followed by an interpretation by each of three consultants. Only the first author sees and synthesizes all of the interpretive work during the study. The book closes with a gathering of the consultants to review all of the data and interpretations gathered over the yearlong project.

The interviews were taken during a period of "downsizing," i.e., the firing of a large number of hospital employees. The firings are anticipated, experienced, and retrospected in the three interviews. The sequential presentation allows us to see the acquiescence, anger, denial, regression, and perseverance of a management staff under siege. Dr. Allcorn invites the reader to participate in a process of analysis and consultation over time as the material emerges and the interviewees' reactions evolve. The spartan report of the data—using the interviewees' words only—highlights the organizational forces at work and ignores any focus on individual psychopathology. The data presented constitute an historical, anthropological document of considerable interest: this is a report from the front lines, a tale of wanton destruction of employees' lives in the name of corporate financial security.

Each set of interviews is followed by three interpretive discussions of the group dynamics manifest in the data. Baum, Diamond, and Stein, all experienced psychoanalytic organizational consultants, each gives us an overview of how he would organize and analyze the interviews to understand and consult to the processes under way. Their analytic styles vary and their observations differ. Thus, a range of tools is demonstrated that the novice and experienced consultant alike can follow and appreciate. The organization of the book invites the reader to analyze and consult along with the authors in collegial fashion, in the style of a clinico-pathologic conference.

This book will be of interest to psychiatrists, psychoanalysts, and social scientists as well as to organizational consultants and anthropologists. The "raw data" provide a slice of American corporate life that is rarely seen by clinicians, especially from more than one person at a time. The consultants reveal interesting, powerful techniques for looking at individual and corporate behavior: their emphases vary from the organizational to the transferential, from a focus on leadership and group process to the intrapsychic and transpsychic experiences of transition, deception, and dreadful loss.

The utility of psychoanalytic tools is called into question, but there is little discussion of this point. None of the authors offers an interpretation (let alone an explanation) of why the highest executives at General Hospital were not interviewed for the study. The executives' motivation becomes an object of much speculation, and an overidentification with their subordinate managers ensues. Little regard is given to the enormous challenges of directing change in large organizations or to the projective misapprehension of leaders in tumultuous times.

The book is slow in parts: Dr. Stein's analyses wax lugubrious in his extensive, detailed discussions of his subjective reactions to the material and the social forces at work. Judicious editing might have enhanced his extremely important messages about intersubjective technique and our national ordeal with "rightsizing," with less risk of losing the reader. But the first author is understandably loathe to jeopardize Stein's lessons of both technique and context: for Stein most forcefully emphasizes the message that "The entire process of mass firings is emotionally sanitized and rationalized in the idiom of economic necessity for the survival of corporations.... I worry that downsizing is itself a nationwide euphemism for well-rationalized atrocities."

My only other complaint regards the tardiness of this work and the insights it provides. Dr. Allcorn is shocked to look back to the beginning of his study, where he "entirely failed to anticipate what [would] happen." Given the considerable powers of the authors, we can only regret that this cautionary clinico-pathologic conference focuses on a devastated patient, and hope that the postmortem will enable us to do better the next time.

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