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# XB: NEW-PARADIGM MANAGEMENT OF THE CLASSROOM AS A COMPLEX ORGANIZATION

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Management instructors may abandon the lectern to engage students in activities, but many experiential approaches can still produce the teacher's nightmare: passive, inarticulate bunglers, lost in the maze. This paper describes XB, a classroom organization that involves, orients, trains, and educates students.

#### INTRODUCTION

Students' disengagement from learning worries observers of higher education (Hersh and Merrow, 2005). Habits of passivity and apathy will ill serve graduates from industrialized countries, for they will need creativity and initiative to face global competition in the challenging "flat" world (Friedman, 2005). By contrast, employees in the workforce are increasingly engaged in their work, as businesses delegate responsibility to them in order to cope with an increasingly complex, rapidly changing business environment (Senge, 1990; Lawler, 1996; Weisbord, 2005).

If we management teachers apply our discipline, we can design education that engages students (Romme, 2003). Among organizational disciplines applied to teaching, the classroom-as-organization paradigm exploits parallels between the management content teachers are delivering and the process used to manage the classroom; the classroom-as-organization approach applies concepts directly from the core of the discipline to classrooms (Frost and Fukami, 1997).

Applying management concepts to the present situation (the here and now) is a foundational principle of Organizational Behavior (Kleiner, 1996). The classroom-as-organization, which originated at the University of New Hampshire, first applied this principle to the social architecture that is the classroom structure (Cohen, 1975).

The classroom-as-organization elaborates on the analogy between the classroom and the workplace (Lawrence, 1992: 171): student interactions with teachers in classrooms resemble the relationship between lower-level employees and managers (Christensen et al., 1991) and the class, being a group of people with a goal, itself constitutes an organization. One of chief executive's major responsibilities is to design the organization (Martin, 2004). Aalso, teachers design learning environments (Senge et al., 1994: 489).

What characteristics should the classroom-as-organization have? Lengnick-Hall and Sanders (1997) found high student satisfaction and involvement resulting from class designs with requisite variety (matching the different personalities and learning styles of students) and recognition of the student as the co-producer of learning (i.e., as an organization member without whose cooperation learning does not occur). Baldwin, Bedell, and Johnson (1997) demonstrated the efficacy of recognizing the social networks existing among students.

Critical notes do sound. Rynes and Trank (1999) caution that management education research has tended to suffer from weak research designs and to focus on satisfaction as an

outcome, neglecting student performance. Rynes et. al. (2003) find that recruiters don't actually value behavioral coursework. These criticisms apply far beyond the classroom-asorganization designs.

There are four types of classroom-as-organization designs, depending on the organization's product or service. Cohen's (1975) original model placed students in groups, each with a leader, and had them write cases that reflected the group phenomena that they were experiencing. Miller (1991) and many others form a company or several companies within the class and sell products or services outside the class; this outward focus turns the classroom-as-organization into an organization-as-classroom. Obert (1982), Tyson (1996), and others have students organize themselves and then, as teachers, act as consultants to the emerging organizations. Senge (1990), Putzel (1992), and others provide an initial structure and then focus exclusively on issues and events within the organization.

Each of these approaches has strengths and weaknesses. The more students turn their attention outward, the less they focus on the management and Organizational Behavior that usually constitute the course's learning mandate. Some aspects of a business, on the other hand, would seem impossible to replicate in the classroom. Lawrence (1966) cites selective recruitment and long-term relationships; the organization's strategy for coping with a rapidly changing environment would also be hard to recapitulate. Still, students may acquire skills and knowledge of internal organizational processes by experiencing organization behavior in a setting that requires them to articulate their experience. And perhaps most importantly, they may experience the engagement that typifies the post-industrial workplace but not most classrooms.

This paper lays out a complex classroom-as-organization design and describes how the organization's structure interacts with the informal social system among participants.

### **Experiential Learning: Four Challenges to Four Methods**

Most proponents of experiential approaches want their students to:

- Engage with enthusiasm in activities associated with learning (involvement)
- 2. Acquire management skills (training)
- Learn to accomplish objectives in a complex organization (orientation)
- 4. Articulate concepts and theories (education)

Simulations, cases, class projects, class-designed organization,

and achieve one or two of these aims but, in my experience, not all of them.

A good case mirrors the immediate group experience of students working on it, but it is a distant, fuzzy mirror. The class structure has each group doing exactly the same job as other groups in the class. In real organizations each department has its own task and must work with other departments. Students may read and talk about orientation in a complex organization, but they do not practice it.

Class projects, e.g. running a business, provide an outward, real-world focus and do give groups different jobs, but participants focus on concrete tasks of production, marketing, and finance rather than management and organizational behavior. Just as in the real world, participants work but don't articulate concepts. They may be trained but are not educated.

Students who build an organization from scratch do not have the time or background to design or implement anything very elaborate. Although they usually experience real-world frustration, no structure ensures their training in specific skills or orientation to complexity.

Computer-based simulations that involve participants in a complex organization tend to substitute screens, spreadsheets, and boxes to click for real people to deal with. Live simulations put people in make-believe roles with no real consequences and no real responsibilities except those of students everywhere. Students behave artificially. Not fully involved in the process, they pretend.

In all four cases the teacher provides the links to the real world, presents concepts and theories, conducts discussions, and, by talking a lot, relegates the students to passivity.

In most experiential learning, moreover, the four goals (involvement, orientation, training, and education) do not reinforce each other. Management classes teach the basic management tools as objects of study, one at a time, in a linear sequence. A student learns how to read an organization chart and then proceeds to the next topic.

Management principles and skills don't make a difference in students' experiences as they do when applied in real organizations. Students learn them formally but don't witness how they transform inchoate struggle into organized productivity. For instance, a student may learn the characteristics of behaviorally-stated objectives but still not see how setting such goals week-after-week makes a manager more productive.

Such revelations occur relatively rarely partly because students do not wallow in organizational ineffectiveness.

Professors manage classes efficiently; they make sure that students don't waste class time. Class-based exercises thus present formal opportunities to apply formal skills but not the experience of people in real organizations. Students learn a skill as an assignment, not as deliverance from a problem plaguing them.

The four goals can reinforce each other only when the classroom replicates the workplace. How can students experience modern management - cooperative, networked, informal - in a traditionally managed classroom - linear, formal, and top-down?

#### **X**blanation

If applied comprehensively, the classroom-as-organization concept (Cohen, 1975) elegantly resolves the issues of involvement, orientation, training, and education and exposes students to modern management. For two decades colleagues and I have taught courses in the management area by running a semester-long quasi-simulation called XB (short for The eXperience Base) where students take over and run a complex organization whose product is the enhancement of their skills, attitudes, and conceptual knowledge.

XB began as a class in Management and Organizational Behavior at a traditional undergraduate college in the United States. It has leant its structure to other undergraduate and graduate courses in the Management and Organizational Behavior areas, e.g., Human Resources, leadership, and the learning organization, and has run commercially as a basic management workshop. XB stems from simple principles:

- 1. Think of class as a complex organization.
- 2. Manage the class instead of teaching it.
- 3. Using the class itself as the case, learn from experience.

A designer might copy the departments of a business, but our product, learning does not flow naturally through marketing, production, etc. Instead XB organizes around the learning cycle (see below).

XB does not simulate life in typical, traditional organizations but instead seeks in most respects to apply the new paradigm of management (cf. Weisbord, 2004), i.e., to delegate important responsibilities, empower "associates" (employees or students) working in teams, and foster continual learning. Students experience traditional organizations in traditional classrooms. See Figure 1 for a rough comparison of these two paradigms.

Figure 1: Management Paradigms

Old Paradigm Management	New Paradigm Management
Centralized	Decentralized
Hierarchical	Networked
Simple jobs	Multi-tasking
Stable environment	Unstable environment
Mistake avoiding	Continual learning
Rules based	Culture based

In XB the teacher thinks and acts as a manager, a "Senior Manager" who leads other, associate managers. Faced with a

design issue or an emergent problem, the Senior Manager always applies (and tries to have an associate articulate) a management principle. Management seeks the twin goals of productivity and satisfaction. For the XB Senior Manager these goals become learning and student involvement. The university mandates this organization's product, learning. It is difficult but ultimately instructive to conceive of learning as a product: difficult because in organizations we try to push the product out the door and to please the customer, assumed to be outside the organization. It is instructive because learning is now considered a fundamental management process (Senge, 1990).

Experience-based learning encompasses raw experience because of its relevance to students: they begin learning where they are. Aural, visual, and kinetic learners all find their channels. Students talk and move, in contrast to a normal class where the teacher talks and moves. XB inculcates skills,

knowledge, and attitudes. Experience-based learning also includes concepts and theories, the same as in any other course, although to undergraduates we tend to present one theory in a subject area, not all of them. XB may use the same experiential exercises as in other Organizational Behavior courses but within an organizational structure (see below).

XB's rules permit neither outside cases because they implicitly tell students, "Reality is elsewhere; your experience is not real." Nor outside speakers, because they disempower students ("I'll never make it to her level.") and make them passive.

XB makes an organizational structure out of a learning cycle based loosely on Kolb (1984). Each step in the cycle becomes a department (figure 2).

Figure 2: XB Departments

Step	Department Name	Department Function	
1)	(Taking) Responsibility	The Responsibility Department secures members' commitment to the organization's mission, goals, and objectives.	
2)	Doing	The Doing Department ensures that work is being done towards personal, team, departmental, and organizational objectives.	
3)	Observing	The Observing Department ensures the flow of feedback. It gets members to perceive and describe members' behavior and its consequences without judging them.	
4)	Understanding	The Understanding Department ensures that members can articulate the theories,	

Each department contains three teams. Each of the twelve teams in the organization has distinct teaching and administrative responsibilities. It administers one aspect of the class, teaches a related theory to everyone, is evaluated on its teaching, and evaluates class members on their understanding of the theory. The Management Theory Team, for instance, makes sure that everyone recites the XB Oath at the beginning of class (administrative), runs a Prisoners' Dilemma exercise and a discussion of trust, and reads weekly memoranda to determine how well individuals absorbed the lesson. See Figure 3 for teams' tasks and Figure 4 for the organization chart. For more detailed descriptions of the teams, see Putzel (2005) and www.xbforum.com.

Teams usually give presentations, but anything that happens in the organization becomes grist for our learning mill: the structure and procedures of the organization itself and emergent behavior, who the students are, and what they do (or don't do).

Manager delegates responsibility, which can mean everything in the course except assigning letter grades to the students' ranks (see below) at semester's end (mandated to the professor). How can a manager delegate important and complex responsibilities to management novices? This question arises within XB itself and gives the Formal Organization Team an opportunity to discuss Organization Theory. The answer: formalization. The tasks of a teacher are analyzed, written down, and given to students in The XB Manual (Putzel, 2005). The manual gives instructions for every task in the organization and relates the task to Management and Organizational Behavior content, which it explains. As in any other complex organization, we departmentalize to reduce the tasks each group or person must do and standardize procedures to reduce the cost in learning time for their execution. Thus disappears the programmable part of a teacher's job.

Figure 3: XB Teams' Tasks

Team	Administrative Responsibility	Conceptual Responsibility
Formal	Manage reading	Organizational structure. High-performing organization
Informal	Host a party - ASAP. Manage learning role activity	Emergent organization. Stages of Group Development. Bion's Theory
Management Theory	Oath & exercises. Have teams graph measures	Theory X and Theory Y (trust). Organizational culture
Individual	Record, report, and encourage attendance	Describing behavior motivation
Dyad	Critique speakers and presentations	Listening skills perception
Group	Record participation	Group process, role behavior, conflict, leadership
Directing	Moderate class meetings. Train moderators	Decision making. Behavior modification
Communications	Manage individual memos and e-mail	Appropriate media, systems theory, assertiveness
Effective-ness	Manage learning cycle, dept. reps' meeting	Execution. Managing your boss
Planning	Plan presentations and future agendas	Planning strategy. Behaviorally stated goals
Control	Record ranks	Control cycle ethics
Staffing	Place people in teams HR function	Staffing, Personality theory Job Design

#### Visualize teams below at the same level

## Figure 4: The Structure of XB XB Organization Chart



Every task in the course is assigned to some team in the organization. The Directing Team, for instance, puts up the agenda for a class meeting and runs the discussion; they also teach decision-making. The Control Team keeps the grade book; they teach control theory - and ethics.

These functionally differentiated teams, XB's unique feature, transform the class into a real organization. Teams must depend on each other and work together. Each team feels responsible to the organization as a whole. Yet each job is so simple that even students who haven't bought in find it easier to do their job than to question the enterprise.

XB uses the organizational structure in Figure 4. Other structures would work, if they were elaborated in detail, differentiated functions, and delegated all administrative tasks to students.

XB aims to work and feel more like an organization than a class. Although teams make presentations, they accomplish their teaching objectives best when one person helps another do a job. A programmed example: the Planning Team teaches individuals how to set behaviorally stated goals by critiquing the goals they set in weekly memos. An unprogrammed example: a woman on the Communications Team pulls a soft-spoken man aside and coaches him on assertiveness.

The reader, perhaps by now wondering, "What (the hell) does the teacher do?" should consult descriptions of managers of new paradigm, socio-technical systems or self-managed work groups (Weisbord, 2004; Trist, 1981). The Senior Manager's most frequent and difficult task is to exercise restraint: to do nothing unless no one else can or will. Especially early in the course, participants may not perform their jobs well, perhaps an unconscious attempt to revert to the old class setup. The Senior Manager must remember to coach, not to interpret or take control.

The Senior Manager plays the role of præceptor abscondidus, the hidden teacher. One's presence is not always required or even desirable. Class goes on with or without the Senior Manager. And the very presence of the Senior Manager, like an outside speaker, can disempower students. Sometimes (,) for legitimate reasons, participants ask the Senior Manager to leave. Conflict abounds in XB, and an older person may inhibit the expression of anger. Sometimes students need to demonstrate to each other that they are not just performing for the teacher.

Outside class the Senior Manager can coach and even teach. A nimble Senior Manager may at times alternate between managing and teaching, by explaining the meaning of his or her own actions, e.g., "Like many top managers, I want you to call me by my first name. Don't let me or any other senior manager fool you with this ploy; we still have power."

#### What Happens?

Members do not settle contentedly into their jobs to work and learn peacefully ever after. At Saint Michael's many students begin the semester with considerable knowledge, having observed their roommates last semester scared, bothered, angry, gossiping, and generally obsessed with a course. "I can't explain it," the roommate had said, "It's like an addiction."

The new XB member often leaves the first couple of classes with grave apprehension after the Senior Manager invites questions: "I'll answer anything this week. Next week I will probably refer you to the appropriate department." When people finally find positions in the organization and it begins, new discoveries await.

XB starts slowly, in confusion that members later recognize and appreciate as an important initiation rite. The "smoothly functioning organization" myth usually dies early. Following the manual doesn't make this organization work (or any other): some members sit back and let others work, and then important sectors of the organization do not function. Most groups don't work effectively because they only know their own material; the organizing people don't control; the planners don't motivate etc. Each group considers its product the most important; "XB would work smoothly if everyone did what we tell them to." Those with work experience recognize the departmental mentality; thus XB begins to replicate real-world pathology.

As a work organization, XB in its early efforts falls flat. Most teachers want students coming out of every class enlightened. XB sometimes goes nowhere for days, but it wouldn't succeed as a learning organization if it functioned smoothly. Disorder creates opportunities for learning, and theories and concepts of management and organizational behavior (set forth in the manual) offer excellent diagnostic tools for understanding what is going wrong and for making the organization more effective. Groups learn to recognize situations when they can contribute their skill or theory. As they provide a missing concept or teach a relevant skill, the organization slowly begins to work. Thus a modicum of chaos motivates and provides the opportunity for people to learn the

fundamentals of management: setting and reaching objectives, rational decision making, functional authority, effective delegation, how to recover from failure, the necessity of communicating, and above all (i.e., at the meta-level), continual learning from experience.

Perhaps more importantly, members soon understand that they are dealing with an organization of real people. One hears the foul language of the dorms for the first time in the classroom as XB members realize that for once they don't have to check their personalities at the door. Truth to tell, 20 year olds like interacting with each other more than listening to some bald old geezer (the Senior Manager). The organization encourages it; The Informal Organization Team must host a party early in the semester. XB begins to intertwine with the students' own culture.

Cultural transformation begins subtly. In the beginning students dully repeat material from the book, only to have their peers complain. After seeing half-hearted work fail, a member faces a major hurdle deciding to take the job seriously. Having just established social relations with other members, they now have to influence others' behavior, to take themselves seriously as managers and to get others to take them seriously.

The evaluation system sharply accelerates individual and organization development. At several sites we insist that students grade each other face-to-face, in rank order, with no ties allowed, and often. At the end of the semester (in the American system) the Senior Manager will convert a beautiful, normal distribution of ranks (normatively defined), into criterion-based, final letter grades not noticeably different from other courses'. When first presented, delegated grading provokes a strong reaction among students and serious discussion of goals, norms, ethics, trust, and statistical methods - great opportunities for introducing theory and for having students seriously consider their values and goals. Groups of older students sometimes refuse to take responsibility for grading each other; at some sites Senior Managers don't dare ask the students to. New Senior Managers are forewarned to secure administrative support for this controversial grading system: get to the dean's office before the students! But to young students, often obsessed with grades, delegating grading in this draconian way communicates the seriousness of the learning enterprise and the Senior Manager's trust in their ability to manage themselves. They accept the responsibility and make it work. At Saint Michael's, no one has complained to the dean about grading in 15 years because our system has become a course tradition. Whether they like or accept ranking or not, students talk about it outside class.

XB was designed to become part of the culture. Early evidence that it did so came when a bemused student mentioned that she had talked about nothing but the course in a bar the night before - normally taboo.

Cultural transformation builds as the semester goes on, as more and more students take themselves seriously as managers and learners. But not everyone. Within a few weeks people know each other; they know who takes XB seriously and who doesn't. The face-to-face peer group within the class has split into the attitude factions predicted by group development theory. A manager or teacher who respects the power of the

peer group should work with it and let it resolve its internal divisions. So the group specializing in emergent organization stages a class (Beckhard, 1967) where cliques meet physically and tell other cliques how they perceive them and what they would like to see them do. They call each other names and laugh hilariously but gain tremendous insight in one day. Beckhard's classic OD intervention pulls the cover off of important social reality, and changes occur swiftly:

- Participants quickly sense that they belong in sub-groups with distinct identities. Even people classified as "isolates" get together and feel comfortable with their identity as a group of isolates.
- Factions state value positions, stand by them in opposition to what others stand for, and negotiate organizational change.
- Participants learn what others think of them. As group members they take pointed, unvarnished criticism.
- Participants reconsider their values and understand what others want from them. The "slackers" protest that they do want to learn, and, having said so publicly, begin to change their "it's just a class" attitude. The "brown-nosers" don't need to be quite so business-like and prickly.

Each class, of course, lives its own history. In candor, sometimes cliques triumph. Three or four of seventy-odd classes have actually, angrily split into two groups that continue learning in the spirit of competition. Whether in conflict or cooperation, after this confrontation, the pace of learning accelerates. Students now know each other better than in any other class; they hate missing class because no one knows what is going to happen. Learning becomes socially acceptable, and people begin to value a level of interpersonal honesty seen elsewhere only in encounter groups. Please note in this context, however, that we discuss personal issues at the level of "I asked you to let her speak, but you just kept right on jabbering!" - class issues, not depth psychology. Conflict in XB is a tempest in a teacup.

By this time (half way through the semester) all but a few participants feel responsible for the learning outcomes of the organization. And they do what managers everywhere do: they discuss organizational issues, laced with gossip, over lunch, in bars, and at parties. Members of very different social stripes greet each other all over the campus and don't hesitate to talk shop. This behavior changes an important campus norm.

Members who have jobs outside the college start seeing the organizational context that they had never thought about before. They take responsibility; they make suggestions; they speak up; they run effective meetings; they listen. Back on campus and back at home communication improves because of techniques learned and events lived through. Of course other classes teach techniques of active listening, assertiveness, and perception clarification. XB members have further developed a tolerance for anger, appreciation for differences, and patience about unresolved issues.

By the end of the course one sees a physical change in participants, evidence of self-confidence and maturity. They move each other around; they criticize each other; they tease each other. And they know that their future workplaces will work the same way, i.e., that they will not advance through meekness, passivity, conformity, or obedience. They have explored their feelings about and perceptions of authority figures and know when to act as a subordinate and when to act as a colleague. They do not like evaluating their peers but know how to do it and do not fear it.

#### **Xbenefits**

The principles of management work just as well in the classroom as in other organizations, so a professor of management may discern numerous benefits from applying them. The new paradigm of management brings as much empowerment to students as to employees in the work world.

The presenting problems of other approaches lay in the issues of involvement, orientation, training, and education: does the experience engage the student and prepare the student to work consciously in complex real-world organizations that it replicates?

In XB students take on roles, but they are not pretending. The roles involve classroom tasks and responsibilities, inescapably real in the context and seriously delegated to them by the Senior Manager. Uncertainty bonds these roles to most students; if they don't do their jobs, chaos will result, and everyone will know who let the organization down. So they do them with a will.

The face-to-face peer group ("everyone will know") exerts tremendous pressure for - and against - work in XB. Particularly in an institution where students socialize outside class, the social setting is almost coterminous with involvement. Other class members become part of a student's social environment (if they were not, to begin with). Through the informal organization (discussed in the manual and in class) their opinions matter. Their opinions also matter in the formal organization, since students determine each other's grades through a system that brooks no leniency and resists favoritism.

Students gossip about class at bars, at parties, with their parents, with their roommates. They don't like missing class because their services may be needed, they never know what's going to happen, it's often fun - and someone may talk about them.

Without causing major trauma, XB also achieves student involvement through woe: XB participants are often upset about something or angry with someone. Woe and passivity don't mix; woe involves them deeply.

Responsibility, uncertainty, gossip, evaluation, and negative experiences also exist in the real world - so much that we must remind ourselves that replication and involvement are separate issues. Obviously informal organization in XB mirrors the grapevines, politics, friendships, scandals, etc. of the work world. In many experiential exercises students taste the informal organization; in XB they swim in it.

Informal organization develops to such an extent that XB uses it to describe organizational culture. Add quirky rituals (we start class with an oath), artifacts (we illustrate behavior modification using noisemakers to punish the use of fillers in speech), and language that outsiders don't understand, and

students have no difficulty understanding that an organization has its own culture. Moreover, culture includes belief. We consider XB real; you probably think it's a simulation.

In every class leaders emerge, and political processes influence the direction of the organization. These real-world phenomena occur in XB because of its open-endedness. Once students adopt its initial structure, they can change it as they will

They rarely do, probably because they consider mastering the complexity of XB a major accomplishment. It takes them three weeks of a 14 week semester. XB's four departments, twelve teams, cross-functional reading task forces, memoranda, ranking procedures, and other divisions (other XB classes, sometimes at other universities) would daunt one newcomer, never mind the dozens in the class. After XB, students who worked unthinkingly at summer jobs return oriented the next summer, instinctively aware that their labor contributes to an organizational system. XB students experience organizational complexity.

The complexity of the XB organization has two ancillary benefits. First, each group of two or three students must do its job or feel the heat from the rest of the organization. In few other classes does a student's work matter to anyone outside the immediate work group. In XB students experience real-world engagement: task significance, responsibility, and empowerment.

Secondly, each group must coach, teach, evaluate, and secure the cooperation of other students. Early in the course some students have not bought in; a few never do. The others must deal with them. In XB, participants manage real people.

Of no small benefit is the basic management training participants acquire, such as time management, how to run a meeting, the ability to observe behavior without judging it, assertiveness, feedback, etc. Students use these skills repeatedly, both in XB and outside.

Students often report that XB helps them outside class. Here is a dramatic example: during the second week of class in 2002, a student was running a grocery store when a man brandished a knife and demanded the till. She instantly thought of XB; this real event brought XB to mind. XB helped her observe with detachment, take responsibility, set goals, and act. She gave the man the money, observing him closely to identify him to the police, and when he left, called the police and went to comfort an employee barely a year younger than she.

In addition to involvement and replication, XB imparts a sense of openness loosely associated with the new paradigm of management, i.e., with what most XB teachers have (paradoxically) long considered the cutting edge. Perpetually unresolved issues in management do not get resolved in XB. Students know that they both can and cannot trust each other and thus experience the tension between Theory X and Theory Y. When other participants don't deliver work requested, they learn to choose between formal and informal responses.

Finally, the class models a broad perspective that some students have expressed rather brazenly: "XB is life." Leigh (2003) describes XB as open, infinite simulation, meaning that it presents situations that have more than multiple-choice responses and has no natural boundaries or end. This sense of a

global, unresolved quest whose import transcends the organization itself typifies the new management paradigm. XB did not create this change but brings it into the classroom.

#### Caveats

An innovation of this scope of course has its difficulties and drawbacks, issues pertinent to replication, student involvement, and the professor contemplating using XB.

Learning in XB does not directly replicate the primary goal or environment of any real-world organization. To involve students deeply, it uses itself as the case to study. It does not discuss real-world organizations and discourages outside speakers (whose glory disempowers students). For instance, someone might describe General Electric's work-out process in a discussion of our evaluation system, but the class will not read a case on General Electric.

Student involvement includes hefty and prolonged doses of active dissatisfaction, apprehension, and anger. Although one Senior Manager has run it in conjunction with appreciative inquiry (organization development with a positive bias) most people experience it as a roller coaster. As an important part of its strategy of engaging students, XB asks them to observe the good, the bad, and the ugly. Personal, interpersonal, and group development rarely occur without risk and conflict. Students feel strong at the end of the course because they have endured stress; some compare it to boot camp. The common emotional currency in university classes and commercial training is happy detachment. In XB we also experience woe. Involvement has a price.

Caveat professor. The instructor has to want to manage. You must be willing to open the class to mistakes, to pathology, to woe. XB is a roller coaster for Senior Manager, too, and most semesters find us at some point seriously considering less daring approaches to teaching.

Experiments with the new paradigm of management regularly fail unless they have strong backing from the power structure. XB requires the same level of support. Students frequently balk at the idea of rank-order grading and occasionally take their complaints to the department chairman or the dean. Older students in particular seem to fear their peers and will readily try to avoid responsibility for grading each other. New Senior Managers should indeed get to the dean's office before the students do.

Managing a learning organization requires different skills from teaching a class. Instructors regularly report that they learn a lot about teaching from being Senior Managers. But we, too, learn by making mistakes, often painful ones. Senior Manages must learn to think twice before intervening in classroom processes and conflicts. In principle someone else is responsible for everything, and the boss must not undermine the authority and competency of associate managers.

XB does not meet the psychological needs of many traditional teachers and even of trainers. No one praises you for giving a brilliant lecture; you don't lecture. If you have something insightful to say, you think of which team should be saying it, tell them about it; they will say it and get all of the credit. From the XB perspective even the insights of an

observant trainer have a cost in that they may make students look incompetent by comparison. XB succeeds when students succeed. Picture the Senior Manager who has to miss a class. A traditional teacher would cancel class. The XB organization carries on just fine, and the Senior Manager, like the supervisor in a new paradigm organization, feels ambivalent - proud but superfluous. The XB Senior Manager does not do less work than other teachers. Associates need coaching, usually outside of class. There are memos to read. Most frustrating, you spend a lot of time fretting about how the organization is going, wondering how to intervene behind the scenes, and trying to peer over the horizon. You discover why managers envy teachers.

XB's final shortcoming is its adolescence. Although 20 years old, XB remains latent. We have instituted many tools and procedures but see endless possibilities for improvement. XB has run in both graduate and undergraduate programs, both academic and commercial, in XB and in related fields, but has it really found its niche? A class that makes such use of relations among students should be tried in a secondary school. XB might try other organizational structures or might be tried in other courses or as the organizing principle for a learning institution.

#### Conclusion

After a half-century of experimentation with the new management paradigm, cost pressures of globalization make it increasingly attractive. Although productive, it requires psychological adjustment and a new way of thinking and therefore is spreading slowly. This new paradigm will face similar resistance in the classroom. Much work remains to be done:

- The complete and detailed description of the classroom as a complex organization. Such analysis should include a description of many kinds of learning environments.
- Elaboration of structures and procedures for operating a complex classroom organization, with variations to fit particular environments.
- Training for instructors who prefer managing the classroom to traditional teaching.
- Research to verify the efficacy of this approach.

Managing the classroom as a new paradigm organization involves students and replicates the experience of working in a complex organization. The principles of modern management work in the classroom just as they do in other organizations - imperfectly but with enough promise that many senior managers and XB veterans want to carry the concept further.

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