BOOK REVIEW


behavioral systems analysis, incentive programs, job enrichment, measurement system, walden two

William Abernathy’s final book represents an attempt to distill a lifetime of endeavors into a guide explaining why and how an organization should create a self-functioning workplace. Having written several books and articles on the topic, it is difficult to find another scholar as qualified as Abernathy to discuss how to design and adopt a system driven by behavioral principles and values—that is, to minimize aversive control and to create conditions that encourage high rates of productive behavior and innovation. It is difficult to read this book without being reminded of the tragic loss for the field due to his death one year following this book’s publication. Much like his previous works, Abernathy does an excellent job of highlighting the expected problems when employees are disconnected from the financial health of the business. With the flourish of an experienced consultant, he strongly advocates the need to align individual measures with the desired organizational outcomes so that the employee behaviors that are rewarded will consistently be the same behaviors that bring greater profitability. When done correctly, Abernathy argues that this mimics the contingencies faced by self-employed entrepreneurs. As such, employees will be motivated to innovate and discover new ways of solving business problems. It is suggested that this will result in a liberated workplace where employees determine their own success and, by extension, the success of the company. The current review is intended to provide a critical evaluation of Abernathy’s success in communicating his vision, noting both the strengths and weaknesses in his descriptions as well as how they might apply to a new system in need of better measurement. Ultimately, Abernathy details the transition process in an approachable way, but may have fallen short in some of the assumptions he appears to make about his readers. An overview of the book’s basic structure and keys aspects may help illustrate the author’s aspirations.

Section 1 of the book introduces the reader to the science behind Abernathy’s unique approach, Section 2 illustrates what this approach would look like in its final form, and Section 3 details the transition process toward a liberated workplace. Abernathy begins by introducing the behavioral principles that comprise the framework of his system. Although there are times when the book seems like it is aimed at a naïve audience, it also seems to presume familiarity with technical language in quite a few places. For example, terms like “aversive” and “reinforcement” are used long before being defined properly. Certain terms (e.g., elicited, emitted, molecular approach) are never defined. When definitions are finally offered, they tend to explain behavioral concepts too quickly for the uninitiated. Abernathy’s approach means the book would probably be best suited for a context with some expert guidance to help with the introductory concepts, such as a related course or workshop, rather than as a standalone book. Within such a context, this book can be an excellent resource because Abernathy does offer many important and meaningful insights to share.
Abernathy eases into these insights with well-articulated lessons, such as cultural and historical obstacles to better managerial practices, flaws with traditional pay and measurement, and the shortcomings of overreliance on punitive control, and much of this can be understood regardless of the reader’s background with behavior analysis. The first section of the book is written in third person and is backed up with multiple quotations as well as citations to drive home the message. It reads as though Abernathy is trying to share the lessons he learned through his many years as well as the experiences of his colleagues and predecessors. This foundational section serves as a “buy-in” for the reader to convince them of the benefits of his system. Passages of the first section have Abernathy summarizing some of the points from his earlier works, such as *The Sins of Wages* (Abernathy, 1996). This section does a nice job expanding on how conventional wage-and-salary systems create many common organizational problems.

With coverage of each of his “seven sins of wages,” the reader can see how the current norm for operating a business, despite a long history of success, has many detrimental aspects when viewed through the lens of behavior analytic principles. The first sin is the common practice of employees being paid a fixed rate. This creates an unfair and combative relationship between employer and employees because when the organization does well, the employees are not rewarded for the individual performances that ultimately contributed to the current successes. When the organization does poorly, either the organization must operate at a loss by shouldering the burden of set wages or reduce costs through alternative means such as layoffs. This creates a status quo in which workers are disadvantaged by the company retaining increased revenue for themselves during times of profit and the company being disadvantaged by standardized wages during times of financial woe.

This fosters another sin in which employees are being paid for their time alone, where they earn the same amount regardless of differences in their current contributions (second sin). As such, efficiency is unintentionally discouraged at an individual level since faster performance would lead to reduced hours and income for that employee. This leads to management being more concerned with time put in by workers instead of the results of their performance. Efficiency is also discouraged at a group level because both excellent and mediocre performance result in essentially the same pay, thereby creating the third sin of a situation in which high performers are likely to adjust their efforts to be in alignment with average performers.

These factors create the sin of entitlement thinking, in which employees come to believe they are owed standard income despite variable contributions (fourth sin). Employees view management as mere dispensers of money and see organizational profits as money being withheld from the workers, whereas management views employee wages as a drain on resources. This adversarial relation is not the only source of friction, as illustrated by another sin relating to how promotions are decided (fifth sin). Promotions are often seen as the only means by which income can be substantially increased and this breeds conflict as employees compete for the same limited positions. Success in this competition will largely depend on the biased perception from management. This perception is considered Abernathy’s sixth sin because measurement is largely based on the time in which employees spend clocked in. Time alone does little to differentiate employee success, which leads to simple likeability becoming an inappropriate determinant of promotion success.

The final sin also results from an absence of objective assessment, in that supervisors lack a basis for accurately rewarding employees for engaging in desirable behaviors. Instead, they must drive performance through aversive means such as threats and dismissal, thus creating a risk-averse workforce that is avoidant of management and
further worsening the acrimonious relation. Through the collective illustration of these sins, Abernathy argues that a more efficient system would pay people for the outcomes they produce, rather than pay them for the time they spend producing the outcomes—thus reducing the need for biased appraisals and aversive control. These important points also help for buy-in for the reader since these are common struggles that will likely sound familiar to most readers.

After establishing the need for a new approach through the description of typical business sins, Abernathy then introduces his four-phase behavioral system and the steps entailed with each phase. Level I of his system involves implementing a performance measurement system that encompasses all areas of the organization. This includes the introduction of performance scorecards, which are specific to each position. Performance scorecards are a key element and represent an invaluable measurement approach in that they require designers to pinpoint the most essential contributions of each job. Each represented measure has several embedded levels of achievement to encourage improved performance of all employees, not just the initial high performers. Every organizational position has its own particularly designed scorecards with the key measures associated with that position and its outcomes. Each of these measures has two components: (a) the base at which the employee is operating at, and (b) an associated goal. Results are measured each reporting period in which each individual measure is scored, aggregated into a composite score that ranges from 0–100, and payoffs distributed accordingly. The construction of these scorecards puts the focus on the outcomes the employee needs to accomplish rather than a particular manner in which the employee needs to behave. This discretion grants the employee many opportunities to innovate while still providing a clear direction. It also has a weighted distribution feature to allow the organization to shift the value of performances as the needs and priorities of the business change. In addition to scorecards, Abernathy also focuses on positive leadership and facilitation by management as part of this level. An important part of the transition process is the training and coaching of managers to focus on new strategies involving reinforcement as well as the abandonment of old practices grounded in aversive control. Abernathy’s explanation of how results should be measured within this system is commendable. The aim of this level is to have the company produce objectives for itself, done through top management, and should be determined in terms of impact on their specific strategy. By starting the measurement process at the organizational rather than job level, key strategic results are defined for the organization that guide upper management in developing subordinate measures to positively impact the system. Once these key results are pinpointed, the next level can be implemented.

Level II of Abernathy’s behavioral system introduces profit-indexed performance pay (PIPP) to start the transition to a stakeholder pay system. At this stage, PIPP allows employees to earn a base pay, but they are offered a bonus determined by current company profits combined with individual performance on their scorecard. This approach enables pay to be contingent on performance rather than time. Despite common assumptions of low employee participation, Abernathy uses personal consulting experiences to demonstrate why so many actually volunteer to transition to this type of pay. PIPP ensures that as company profits increase, employee profits do as well. It also removes risk for the organization in that the organization does not need to pay out bonuses during time periods when it cannot afford to do so. In essence, an alliance is forged in which the employees and the company equally share in risks and rewards. Once the employees have a stake in the organization, further steps can be taken to enrich the means in which the organization works together to succeed.
With Level III he introduces the idea of job enrichment and focuses on facilitators providing consistent opportunities, flexibility, and engagement to employees. The first step is to institute an organization-wide hiring freeze, which allows the remaining employees to maximize their PIPP through cross-utilization and lateral-career paths. The new approach to compensation means that a hiring freeze represents a larger earning potential for current employees through additional work tasks, rather than hiring additional employees to take on those tasks. Attrition provides the opportunity to both reduce labor costs while also giving employees a greater variety of ways to contribute and make money. The second step involves positively reinforcing the manager for facilitating job enrichment tactics by adding a team productivity measure to the manager’s scorecard.

The fourth and final level in his approach includes the introduction of complete self-management for both individual employees and work teams. There is also a reduction in supervisor expense because the goal is to have managers overlook a larger number of employees. This increase in the manager’s span of control helps eliminate the standard practice of using promotions as a reward. Abernathy explains that an issue with using promotions to reward exceptional performance is that success in a subordinate role does not necessarily predict success in a managerial role or account for employees who might not wish to leave their current position. With Level IV, there is a decrease in the use of aversive control with a corresponding increase of reinforcement strategies for employee performance. Part of the reason for this is that as the number of managers decrease, the ability to micromanage also decreases along with the need to use aversive techniques to get employees to work.

Following the descriptive overview of his system, there is a stylistic shift beginning with the second section of the book. The fictional character Sid Murray (named in honor of Murray Sidman) is introduced and the narrative approach becomes similar to B. F. Skinner’s *Walden Two* (Skinner, 1948). Much like Skinner’s classic utopian text, the protagonist visits a small, but successful, community/organization (First National Bank filling in for the role of Walden Two) and learns how to use a team of planners to design a collective environment to better productivity and satisfaction of all members. Sid is the CEO of a struggling button manufacturing company who is hoping that the practices of this bank can solve his growing business crisis. A performance system manager named Jim Roberts acts as Sid’s guide for this radically different approach to business—much in the way that T. E. Frazier guided readers through Walden Two’s community—thus allowing the audience to join in this journey toward a liberated workplace. Abernathy clearly draws upon experiences at the real-world Virginia National Bank and Union National Bank (Abernathy, Duffy, & O’Brien, 1982) to describe the book’s fictional First National Bank. This benefits the book by creating a fully realized account of an alternative way of doing business. The writing style is inviting as it features many obstacles familiar to many managers and suggests solutions that may have not seemed feasible previously. Each individual that Sid visits explains their specific day-to-day tasks to help the reader get a more personal feel as to how the new management system operates.

In its third and final section, the book extends beyond its Walden Two homage as the fictional narrative continues with Sid’s attempt to recreate the bank’s success within his button manufacturing company. Unfortunately, in the latter parts of the book the fictional narrative begins to wear thin and can detract from some of the more important points. The buy-in process at Sid’s company has a tendency to be glossed over in a simplified manner, with any protest by fictional characters being fully resolved by a couple of pithy lines of dialogue. There are many instances of
complex ideas such as performance scorecards, PIPP, and profit multipliers being explained only through the lens of Sid’s fictional company. The book would have been better served if it had alternated between Sid’s voice regarding the specifics of his company and Abernathy’s own voice elaborating upon these lessons for other types of companies. The narrow range of examples also presented results in many potential limitations not being addressed. For example, how would a company handle cross-training when the tasks require advanced degrees or a particular level of specialization (e.g., surgeons, professors)? How should a designer handle jobs where time does seem to be one of the more appropriate measures of performance since there is little variance in productivity or quality (e.g., bus driver, toll booth operator)? These and other questions are conspicuously absent during the fictional narrative. The overuse of this style results in many bold claims being made with no evidence to back them up other than the assurances of fictional characters. The absence of citations in the latter two sections makes many of the claims appear unsubstantiated and does a disservice to the assertions. This is important because Abernathy’s points are important and moving toward his liberated workplace is a worthwhile but challenging process.

An example of this challenge was experienced by one of the authors of this review when attempting to apply Abernathy’s system to a start-up autism treatment clinic. The initial attempts to implement performance scorecards at the clinic raised many concerns among the staff that were not resolved as easily as Sid’s experiences would suggest. The collection of performance measures proved to be very time consuming and cumbersome for an enterprise without automated data collection. However, even though this clinic did not progress beyond Level I of Abernathy’s system, there were many lasting benefits. The system helped with breaking down the different components of the clinic, creating scorecards, assigning priorities, and developing feedback. The need for an in-depth understanding on how the entire business works as a system became immediately clear. Shifting organizational priorities through the weighting of scorecards for multiple positions proved quite useful. Finally, the performance scorecards provided an opportunity for open discussion regarding the clinic’s operational decisions. This brief experience demonstrated that Abernathy’s approach does appear to be beneficial, but it may not be as easy as his fictional characters would suggest.

Recently, Abernathy (2014) published a journal article in which he hoped that he had given the concepts and tools needed for practitioners. Although imperfect, The Liberated Workplace provides a practical roadmap for creating a business that would have fit well within the ideals of Skinner’s Walden Two. This is an excellent demonstration of how to use behavioral systems to engineer employee satisfaction and retention. This book can help those seeking empirical support by giving them a framework to build experiments upon. In the end, Abernathy crafted a vision of utopian workplaces that Frazier himself would have been proud of.

References


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