

Bullish on Uncertainty: How Organizational Cultures Transform Participants.

Alexandra Michel and Stanton Wortham. New York: Cambridge University Press, 2009. 280 pp. \$27.99, paper.

Reading *Bullish on Uncertainty* is like being served four entrées when you were expecting just one. Four different arguments are on the table, each of which is compelling in its own right. Gluttons for good social science will inhale this book, gourmets will pick out chapters to suit their specific interests, and the rest of us will try to appreciate every bite. Any reader must come at this book with a healthy intellectual appetite, because there is a lot to digest. The title alone provides a taste of the challenge. What does enthusiasm for uncertainty have to do with the ways that organizations “transform” their members? Plenty, it turns out. But beware—to understand the relationship between uncertainty and members’ transformations, between uncertainty and organizational culture, and between organizational culture and epistemology, the reader must follow four interrelated arguments across three levels of analysis and two competing scientific paradigms, all while saving room for dessert.

The raw ingredients of *Bullish on Uncertainty* are rich, intimate, and detailed data drawn from 7,000 hours of participant and non-participant observation, 250 interviews, and document analysis. Authors Michel and Wortham take readers on a two-year tour through a pair of dramatically different investment banks, analyzing both the individual’s experience in the organizations and the organizations’ larger corporate cultures. They argue that what they refer to as “Individual Bank” and “Organizational Bank” are organized around opposing approaches to uncertainty. Individual Bank works to reduce internal and external uncertainty so that bankers and the organization itself develop content expertise. In contrast, Organizational Bank is designed to amplify internal and external uncertainty, so that bankers and the organization can master processes for crafting situation-specific strategies. Both strategies have profound implications for the cognitive, motivational, and emotional development of their employees, leading new hires who are all alike at the start to become two very different kinds of bankers, and maybe even different kinds of people. Moreover, the authors argue, each bank’s approach puts into practice a particular academic theory about the “person in the world,” with Individual Bank enacting a traditional cognitive theory of human action, and Organizational Bank enacting a sociocultural theory of human action. As I said, it’s a lot to digest.

Bullish on Uncertainty will appeal to scholars of many tastes and traditions. Scholars in managerial and organizational cognition, organizational behavior, organizational theory, and cognitive psychology will enjoy the multilevel, embedded, and interlinked picture of these organizations and their members. Qualitative researchers will especially appreciate how Michel and Wortham seamlessly incorporate tremendous amounts of data, including feedback from the bankers being studied, as the authors test, share, and refine their analyses. Scholars who consider the relationship between epistemology and science and practice should be intrigued by the authors’

Book Reviews

demonstration of how worldviews and theories are “performed” (not the authors’ word) so that managers and scholars make our preferred theories come true in our practice. Scholars who focus on the intra-individual cognitive process or on the relationship between the individual and the organization will recognize how Individual Bank’s approach exemplifies mainstream psychological theory and conventional managerial best practices. They may also find themselves simultaneously convinced by and skeptical about the relationships between amplifying uncertainty and sociocultural theory and individual psychology, given that this discussion is both sweet in its timeliness and tart in its challenge to conventional thinking.

Bullish on Uncertainty opens with a provocative introduction to the two different banks and their approaches to uncertainty, outlines the diverging development pathways of new bankers who enter these organizations, and introduces “identity-induced” and “direct involvement” styles of engaging with the world. Different forms of psychological functioning, encouraged by organizational structure and systems, shape these involvement styles. And two different academic theories are enacted in organizations and engaged by managers and scholars to explain individual, developmental, and organizational differences.

The first full section of the book demonstrates that each bank embodies a distinct approach to uncertainty, comparing and contrasting practices of strategy, structure, staffing, feedback, and training as well as the rationales behind them. Chapter 2 describes the systems and values at Individual Bank that work to reduce uncertainty. Many of these systems are recognizable as best practices taught in business schools, where members develop and apply abstract principles across specific situations. In contrast, chapter 3 describes the less conventional approach of Organizational Bank. Organizational Bank’s systems and culture intentionally amplify the bankers’ uncertainty by withholding and inhibiting the development of abstract guidelines for analysis and action. Instead, bankers at Organizational Bank are forced to draw on resources dispersed throughout the organization as they face each new, specific challenge. They learn to “suspend the automatic activation” (p. 219) of abstract concepts and instead develop abductive skills for attending to the demands of the situation. The authors argue that these two sets of organizational practices demonstrate two distinct theories of human engagement with the world, the individual-centered and the sociocentric.

The second section zooms in on the experience of the individuals themselves. It examines the new entrants into these two different organizations and compares the arcs of their first two years. In chapter 4, the authors argue convincingly that the new hires of Individual Bank and Organizational Bank were quite similar at entry and became quite different as they responded to their particular organization’s practices. It is unsettling to realize how little prospective bankers knew about the distinctive features of either bank’s culture and how little they cared that these distinctions might affect them as professionals and people.

Chapter 5 explains the transition of new Individual bankers from “insecure high-achievers” to self-confident content experts. Individual bankers develop what the authors call an identity-centered engagement orientation, using their own identities and abstract concepts as resources for action. In stark contrast is Organizational Bank’s processes for forcing bankers to think, feel, and act with respect to the uniqueness of each situation, detailed in chapter 6. This sociocentric strategy pushes bankers to rely not on their own professional expertise but instead on the social and material resources distributed throughout the organization. Through “direct involvement,” bankers marshal resources appropriate to a specific situation “without letting abstract categories *intervene* (emphasis mine)” (p. 119).

The final chapter proposes “an alternative approach to organizational and psychological transformation” (p. 210) and is the intellectual equivalent of that class of desserts called “death by chocolate.” Michel and Wortham move from analysis to persuasion, arguing that uncertainty amplification is productive, that persistent uncertainty is beneficial, and that clearing away the self can be a great way for individuals to engage in a complex and ambiguous world. They ask us to consider how amplifying uncertainty could be especially well suited to contexts and organizations that require cognitive flexibility. And we are cautioned to recognize that in their examples, neither the organization’s approach to uncertainty nor the banker’s engagement style mitigates the Hobbesian nature of investment banking as an industry or a profession. Next, Michel and Wortham aim straight at our scholarly assumptions and practices, asking us to invert the order in which we link epistemologies, theories, actions, and understanding. They want us to see how our sophisticated, abstract scholarly theories may still be impoverished relative to the practice-based understanding of either direct engagement or identity-centered engagement as experienced by the bankers themselves. They assert that these two theories, intellectually and in action, have practical and moral implications that must be made explicit. Finally, Michel and Wortham tempt us with one last bite, to consider what their findings suggest about the contrast between “freedom for the self” and “freedom from the self.”

Ranging from a rich demonstration of ideas we have already seen (e.g., that organizations change their members), to organizational level insights about our collective posture toward uncertainty, to individual-level challenges of using or setting aside the self, to challenging our understanding of how theory and action are interlinked, *Bullish on Uncertainty* will nourish your appreciation for quality research, provocative findings, and meaningful scholarly reflection.

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