



The Empty Raincoat

Charles Handy

Review By Leena Punjabi

Charles Handy, the author in his book “The Empty Raincoat” addresses the confusion that is prevalent in today’s scenario, which is due to the constant and dynamic changes taking place around us. He urges us not to wait for this tide of confusion to pass but instead accept it as a part of everyday life that is here to stay. In his book he highlights the paradoxical situations that exist today and the importance of accepting and understanding them. The need of the hour according to him is balancing two opposites at the same time in the same situation because it is something we will have to deal with on an everyday basis. He also points out with his arguments that history is not necessarily the best guide to the future. We need to look at things from a third angle to explore new ideas that are out of the box and pragmatic in their approach and not the same tried and tested methods.

In The Dark Wood: Confused By Paradox

We are not where we hoped to be!

What we envisaged decades back was a more equitable distribution of wealth through creation of jobs instead, we have priced many jobs out of existence all over the industrialized world. People need good salaries or wages to live. Governments need taxes. Not all products or services can carry these costs.

Competition is healthy and essential but there is more to life than winning or we all would be losers but however much times have changed the trends remain the same – the rich getting richer and the poor are getting relatively poorer. ‘Burn out’ would not have become a popular jargon word if there were nothing for it to describe. We seem, in many of these very full jobs, to be cramming the 100,00 hours of a traditional lifetime’s work in to 30 years instead of the traditional 47 years, as in days gone by.

It’s a waste of all our progress if we sacrifice human spirit to get some imagined efficiency. The market is a mechanism for sorting the efficient from the inefficient and not a substitute for responsibility.

The road we have been on, throughout this century, has been the road of management, planning and control. . We have tried to plan and control world trade and world finance and to make a greener world. But the ‘complexity theory’ describes the edge of chaos as the one place where a complex system can be spontaneous, adaptive, and alive. The acceptance of paradox as a feature of our life is the first step towards living with it and managing it. The more turbulent the times, the more complex the world, the more the paradoxes. Paradox has to be accepted, coped with and made sense of, in life, in work, in community, and among the nations.

The test of a first class mind was the ability to hold two opposing ideas in the head at the same time and still retain the ability to function. This is what is required of us today, once we have mastered this, the world is your playground and the opportunities are immense.



Framing the confusion is the first step to doing something about it. There are nine principle paradoxes explaining what goes on in societies and why confusion is inevitable. These need not be resolved, just managed.

Paradox Of Intelligence

Focused intelligence, the ability to acquire and apply knowledge and know-how, is the new source of wealth called the intelligent quotient. But unlike any other form of wealth, intelligence cannot be left behind for your children, it is impossible to redistribute, even if you share it, it still stays with you, nobody can cheat you out of it and it cannot be prevented from walking out of the door.

Paradox Of Work

We seem to have made work into a god and then make it difficult for many to worship. Organizations are exporting unproductive work and workers as fast as they can. In theory, these workers are supposed to invent work to utilize their spare time and receive cash, but they lack the intelligence and inclination to be independent. Slack always costs money. It is only a question of who pays for it. These unused workers still have to have some money, which ultimately comes from the organizations they have left, usually in the form of higher taxes.

People today use money as the measure of efficiency as the more money earned proves more efficiency in a person. Organizations want more work done for least amount money whereas; people want more money for lesser amount of work.

The Paradox Of Productivity

Productivity means more and better work done by a fewer people. It is good for the customer, the organizations and also for the workers, even those who are not included in the 'fewer'. The ones who stayed got better-paid jobs, those who left found work in other growing organizations. Initially people used to do their chores themselves and were self sufficient, then got lured by money and joined formal organizations. As time went by and for some reason they get laid-off they no longer want to go back to their do-it-yourself ways, because either they don't have the tools or its not worth their time anymore. As a result the activity disappears, but we never notice it because it never got counted in the first place. Thus, by pricing work we can destroy work.

The Paradox Of Time

Organizations today want fewer people working longer hours as it helps them save money. The problem now-a-days is that time is converted into a commodity. In organizations people's time is being bought instead of their talent. Today busy people spend money to save time whereas, people who are idle spend money to spend time. Time, therefore, creates the new growth area. Personal services for the busy, to save time; health, education, travel and recreation for the affluent unbusy.

The Paradox Of Riches

The growth of an economy depends on more people buying more things. Rich people today believe in producing few kids and also living longer which hampers the growth of the economy. The rich today are fewer in number and very choosy about their products which all leads to shortage of growth potential.

The Paradox Of Organizations

Successful organizations are ones which are planned and are yet flexible, they are global as well as local, centralized as well as decentralized when necessary, they should be able to be mass



marketers and also be able to cater for niches. In short, they should be able to find a way to reconcile opposites instead of choosing between the opposites.

The Paradox Of Age

Each generation ages differently. It is unlikely that my children will have the same sort of life-cycle as I have had, or that mine would be like my parents'. Yet every generation perceives itself as justifiably different from its predecessor, but plans as if its successor generation will be the same as them.

The Paradox Of The Individual

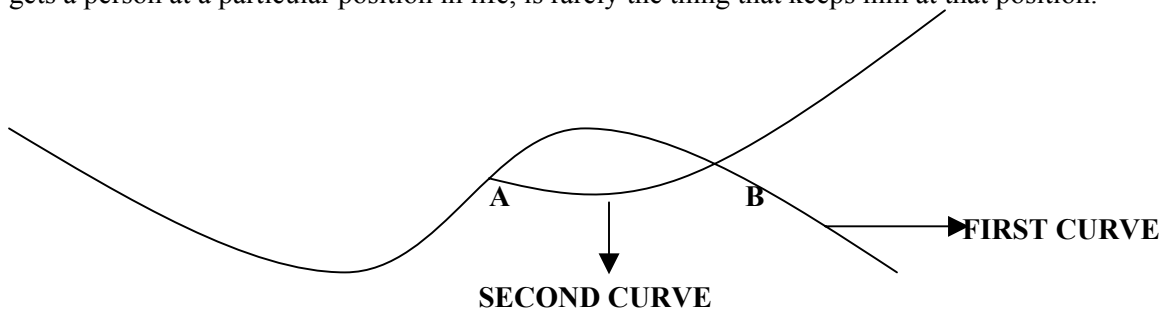
People today want to be individualistic and at the same time want to belong to an organization. The paradox lies in the 'I' and the 'We'.

The Paradox of Justice

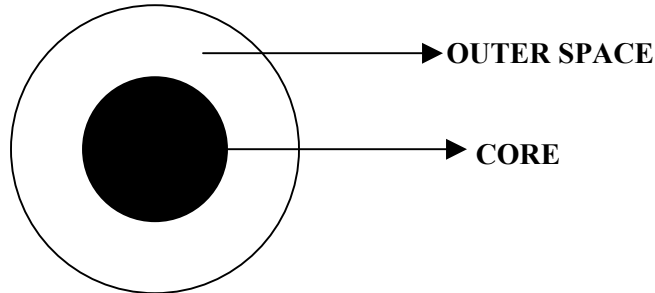
Justice is a bond of society. Injustice occurs when equals are treated unequally and unequals are treated equally. The paradox lies in the dilemma whether one should be given what one deserves or what ones basic needs are?

Finding The Balance: Pathways Through Paradox

The paradox of our times is the by the time you know where you ought to go, it's too late to go there; or, more dramatically, if you keep on going the way you are, you will miss the road to the future. The world keeps changing. Success never stays with a person. It is said that the thing that gets a person at a particular position in life, is rarely the thing that keeps him at that position.



The Sigmoid Curve: - the sigmoid curve is the s-shaped curve. It sums up the story of life itself. We start slowly, experimentally and falteringly, we wax and then we wane. The secret of constant growth is to start a new sigmoid curve before the first one peters out. The right place to start that second curve is at point A, where there is the time, as well as the resources and the energy, to get the new curve through its initial explorations and floundering before the first curve begins to dip downwards. The pathway to paradox is to build a new future while maintaining the present. We thought we knew how to run organizations, but the organizations today bear no resemblance to the ones we knew, and so we have to think again, to find the second curve of management before it is too late. Meanwhile, we have to keep the first curve going. As long as we can do that, we will keep the balance between the present and the future; we can manage to live with paradox because we understand what is happening. Also the people who manage the second curve have to be different from the first. This is because the original managers are to keep that first curve going long enough to support the early stages of the second curve. Also they will find it temperamentally difficult to abandon their first curve while it is doing so well, even if they recognize, intellectually, that a new curve is needed.



The Doughnut Principle: - the doughnut in question is an inside-out one. The heart of the doughnut, the core, contains all the things, which have to done, in a job or role if you are not to fail. The space beyond is our opportunity to make a difference, to go beyond the bounds of duty, to live up to our full potential. The strategic issue for organizations, nowadays, is to decide what activities and which people to put in which space. The argument again is about balance. What and how much should go in which space? Entrepreneurs revel in the space for discretion, but the successful ones are careful to give themselves targets and limits, which is represented by the boundaries of the doughnut.

We can and should, get our fulfillment out of our work. If you cannot get your existential development from your current job you should either change the job or make sure that the empty spaces in your personal doughnut are filled somewhere else. One job does not have to fill all needs.

Managing doughnuts is the new organizational challenge. It is no longer the manager and the managed, but the designer of the doughnut and the occupant; a different relationship, one built more on trust and mutual respect than on control. Doughnuts have to be adjusted to the capacity of an individual or group.

The Chinese Contract: - It highlights the importance of compromise and flexibility in any mode of life. One must be able to trust others. It is about investment-spending now in order to gain later. We have no chance of managing the paradoxes if we are not prepared to give up something, if we are not willing to bet on the future and if we cannot find it in ourselves to take a risk with people.

The morality of compromise: compromise is usually a seen as a sign of weakness, or an admission of defeat. On the contrary strong men know when to compromise and that all principles can be compromised to serve a greater principle. Most of the dilemmas which we face in this time of confusion are not choosing between right and wrong, but between the more complicated ones of right and right.

All investment involves taking something from today to improve tomorrow. It only makes sense to do that if you believe in, or want, what tomorrow may bring.

Practicing The Preaching: Managing Paradox

One can sense a growing sense of impotence, everywhere, in the face of institutions and government and transnational bodies. If we want to reconcile our humanity with our economics, we have to find a way to give more influence to what is personal and local, so that we can each feel that we have a chance to make a difference, that we matter, along with those around us.

Twin Citizenship: - All of us have twin citizenships of some kind. Organizations are also going the twin citizenship way, because they want to give a measure of independence to local units or to



specialized groups at the same time, they want to retain the benefits of scale. If there is the sense of belonging to something bigger as well as to our own smaller unit, we can see the sense in accepting some restrictions on our local independence, if it helps the larger whole. Thus believing in the concept of twin citizenship helps.

Subsidiarity: - It is the key element in learning; change, if it is to be effective, depends upon it; the work of teams requires it, as does any attempt to make individuals take more responsibilities for themselves. It preaches that the idea of stealing people's responsibilities is wrong. Subsidiarity means 'reverse delegation' and organizations work on this principle. In organizations, no longer do people feel that the ones at the top or the centre know the best but the centre should be strong and must be informed as ultimate responsibility lies on them. Subsidiarity depends on mutual confidence. Those in the centre must have confidence in their unit, while the unit needs to have confidence in the centre and also the members of the units should have confidence in each other. Subsidiarity is not easy and one has to understand his responsibilities and do what's needed and one should also be ready to face disagreements. Disagreements, Conflicts and arguments can be handled well only if there is mutual confidence. Subsidiarity is essential to differentiate between right and wrong.

The Corporate Contract: - Capitalism has, supposedly, triumphed. Some claim there is no better way to run our societies that a mix of liberal democracy and free-market enterprise. Business gives wealth and opportunity to us all. The different versions of capitalism share certain fundamentals – free markets, the private ownership of assets, private direction of investment. In each version the company operates in a space bounded by six interest groups – the shareholders, the employees, the customers, the suppliers, society and, lastly, the surrounding community and environment community. Where they differ is in the emphasis, which they give to each of the interest groups. The difference is highlighted by the answer each version would give to the question 'what is a business for?' The main aim or goal of any company is to make profits in order to continue to make things and do things in a better way and at a larger scale. Profit is a mean to other ends and not an end in itself. They are the principle yardsticks. Existentialism in business is not selfishness but a purpose to achieve something and is concerned with growth and development. Corporates should focus on the following priorities:

- Service to customers comes first
- Service to its employees and management comes second
- Service to the community comes third
- Service to stockholders comes last.

The Membership Business: - Managers and investors in organizations have different time perspectives regarding their responsibilities. Owners of companies do not take active part in business and so they should be regarded as punters i.e., they are given the privilege to vote. In any business the 'human resources' are the key assets as they are extremely creative, have technical knowledge, also have network of contacts, as well as human skills and lots of experience. Organizations are communities of people and a community is not a property also a community has 'members' and not employers'. They don't sell their people assets and buy others. They all want to reach globally and not increase the size globally. A Company must strive to do better what it does best i.e., increase its efficiency and fully exploit the potential. The concentration on power and the need for it has led to irregularities and negligence in management rather than increased efficiency and effectiveness. Therefore, powers need to be separated. Loyalty is also



extremely important and goes first to one's team and project, then to one's profession or discipline and lastly to the organization where skills are practiced. Company loyalty should be there on a long-term basis. Ownership is not that important than membership as twin citizenship and subsidiarity in an organization can create membership. By adding value to closer teams and stressing on better boards may help owners do their role more effectively. Law always tends to follow practice and not lead it.

Organizations must change its structures and products as and when times change. One can only add meaning and value to his life by living those lives. A time of Chaos is a time of opportunity. New thinking, new information technology helps in making changes in ones workplace, work time and way of work. Work is becoming individualized, informal, invisible and unregulated.

Working time: - we all want our work clubs, places to, places to meet and greet and eat, but we no longer have to work there all the time. It is these offices with their private spaces which will gradually go and with them a way of life. We have to rethink the organizational contract, what we mean by an organization, what we expect from it and what we are prepared to give to it. There has to be a major shift in the way we think about organizations. They are now living up to their name- they are organizers as much as or more than they are employers.

For organizations the opportunity is now there to apply the doughnut principle to most of their work, devising a structure made up of muddy doughnuts, a system of interlocking double circles, in each of which the inner circle, the core, is tightly specified and controlled, as are the outer limits of authority, about where the space in the middle is to be developed. Individuals and groups may exploit their spaces to their own satisfaction. More and more we shall see organizations divide their work into project teams, task forces, small business units, clusters and work groups. These groups will change shape and membership as the needs of the organization change. It all helps to make life exciting, but much less predictable.

More and more individuals are behaving as professionals always have, charging fees not wages. They find that they are 'going portfolio', meaning, exchanging full-time employment for independence. The portfolio is a collection of different bits and pieces of work done for different clients. The word 'job' now means a client. The important difference is that the price-tag now goes on their produce, not their time.

Spliced Lives: - "Live as if u will die tomorrow, but plan to live forever" is a useful maxim because perceptions change with age. One tends to look as far ahead as one looks back. One can now bend four traditions of work and the four types of work. One can also put work in a variety of combinations and make a new life. Work is a useful activity and comes in four varieties. First is paid work - it comes in various forms like wages, fees, etc. Second is gift work, which is done for free. Third is home work, which relates to homely chores and does not mean the usual school work. Fourth is study work, which pertains to the development and acquisition of intelligence. A balanced life is a mixture or blend of all the four different types of works. A full 'portfolio' has little of all the four different types of work. Like work there are four different types of ages. The first age is the age of preparation for life and work including schooling, work experience, etc. It is the age of forming oneself and includes much more than formal education. The second age is time of the main attempt in the form of parenting, paid work or home work. At this stage one can keep oneself extremely busy or totally idle. The third age is the time for living a second life, which could be a continuation of the second age or something entirely different. To do nothing is not a realistic option anymore. This age is not the retirement stage but to start something different. It's an opportunity to be another person altogether. The fourth age is the age of dependency. It is the anteroom to death and the more one tries to postpone this age the better it is. The success of any of the ages depends on the earlier ages. One must see life completely or as a whole to use the opportunities of the three ages to live a happy life. Every generation's life paths



or courses are different. Life is long and there are difficult choices to make for all. Contradictions, problems and paradoxes in any person's life cannot be removed entirely. One cannot always get what one wants out of life at a particular time and may also not be able to give as one might like at a particular stage. The solution for this problem is the taking and giving of different things to life at different stages of life. There is always a downward beginning followed by an upward swing in anyone's life. Life is full of possibilities and opportunities for the start of a second curve. The first three ages of life can be lived in any sort of order as the new and ever changing world makes it unusually possible to be different from the normal or usual.

A State Of Justice: -The problem of an undivided society exists everywhere. The paradox of justice as well as the paradox of intelligence needs to be tackled. If the problem is not solved it gets very difficult for many of the poor to live beside the very few rich. More intelligence for some does not mean less intelligence for anyone else. Intelligence being a property it is crazy and immoral not to want to create a full property owning democracy. Justice is the bond of society, which helps everyone to live together in unity, and also helps in coming to a better understanding between the rights and responsibilities of individuals to his own fellow human beings. This justice also helps people in learning to love their neighbors as well as themselves. Justice means fairness and fairness always is complicated. Fairness is a compromise when it has to move from principles to decisions i.e., the mixing of two 'oughts' or 'strong probabilities'. Justice always finds a balance between the needs of an individual and needs of the whole society. Fairness emphasizes on people to educate themselves and give everyone a chance to live on the second curve. Everyone should get a chance to win in life and not to lose in life. Justice needs one to take out all inequalities and not stress on all people being the same.

The Intelligence Investment: - Everyone today should be educated and be allowed to invest in intelligence to have a fair and just society. To avoid inequalities and a divided society one must invest in intelligence. Real intelligence is not a product, which can be pre-packaged, sorted or delivered. Only intelligence in information form can be treated as a product or substance as it can be sorted and delivered. To be aware of everything and to know everything does not mean that one can do everything. Intelligence is classified in nine ways –

1) **Factual Intelligence:** - People who are extremely learned and whose general knowledge is good. These are people who have abundant amount of knowledge of their surroundings and business.

2) **Analytical Intelligence:** - People who like reducing complex or complicated data to a more a simple form. E.g. solving puzzles, crosswords, etc. An intellectual person is one with this kind of intelligence.

3) **Linguistic Intelligence:** - Any person knowing seven languages and can learn another language in a month.

4) **Spatial Intelligence:** - The people who see patterns in things. E.g. Artists, mathematicians etc.

5) **Musical Intelligence:** - People having low factual and analytical intelligence. E.g. Mozart, any band making music.

6) **Practical Intelligence:** - To put things together but not be able to explain how one did it. For people having this kind of intelligence find analytical and factual intelligence impractical and unworldly.



7) **Physical Intelligence:** - Talent or intelligence seen in sport stars.

8) **Intuitive Intelligence:** - Gifts, which some people have of seeing things which others, cannot see and which the person cannot explain. Women have this gift or intelligence in a greater number than men.

9) **Interpersonal Intelligence:** - The ability and wit to get things done from other people. This intelligence does not blend with analytical or information intelligence. This is an important kind of intelligence for people who are brilliant. Great minds are wasted if this form of intelligence does not exist.

Intelligence is multi-facet and is extremely useful and is known as potential property. Everyone is said to be intelligent in one of the nine ways. But intelligence one has acquired or discovered should be applied or used otherwise it is wasted. The three C's are the core of an educational doughnut. They are conceptualizing, coordinating, and consolidating. Portfolios are the way to develop one's career in organizations. Organizations encourage people to add new credentials at every level by giving them new experiences or providing them with certified tests or courses. One learns about life by living it and one learns about work through working and also a mixture of coaching and teaching.

Every young person at the age of 18 years should be presented with a double bond. A double bond is a bond where one part of the bond guarantees to pay fees for full-time study upto a defined level and at a recognized institution for an individual. The other part of the bond is to guarantee to find a full-time job for an individual who has worked for two years in the local region, either at a voluntary or a government organization, at a level equivalent to the minimum wage. The bonds can be used together or in connection if the individual so wishes. The double bond is a way to help launch individuals in the 'intelligent society'.

In life what does not get counted does not ever count. The first step in life is to measure what can be measured. The second step is to disregard what cannot be measured or give it a random quantitative value. But by doing this we are misleading and not stating the facts. The third step is to believe that what cannot be measured is not important enough. But here we are getting blinded. The fourth step is that what cannot be measured is what does not really exist. But this again is suicide. Therefore, money is the measure of all things as it is easily counted. A society appears rich, as people tend to throw away things, which stop working and buy new things instead of repairing the old things. Leisure is said to be a precious commodity as it gets counted as one spends money on it. The way one looks at things in life or the way one perceives those things, is the way one counts them too. Even a nation needs to set national accounts, one account, which records money transactions, and the other account listing the indicators of life. A Company or an organization should also follow the same policy. Both sets of figures are necessary in life for making a more balanced and just society. Any organization should count the invisible factors also as these invisible factors help in balancing the present against the future and the interest groups against each other. To measure anything, which is more in, quantity is always easy but the problem or difficulty occurs when one has to measure a thing better in quality.

The Search For Meaning: Making Sense Of Paradox

The Three senses: - It is said that nothing is particularly right or wrong in today's times. Its also wrong to suggest that one way of living life is superior to another way of living life. People to have a better stand in life and not feel lost or disoriented should build on the three senses namely - a sense of continuity, sense of connection, and a sensed of direction.



A sense of continuity: - Faith is very important today, as one has to have faith in the future to make sense or give meaning to one's present. One should believe in the continuity of life and the world and also the people residing in this world. For a country to be federal it needs a common law and a common currency and where there is a common currency, devaluation of the currency is no longer a possibility. Immorality is frightening but to believe in continuity of life helps and is a much easier option in life. To believe in the sense of continuity helps one to sacrifice one's present for one's future.

A sense of connection: - People today are very wary and unsure of commitments, as they believe in individualism and liberalism. When there is no sense of commitment among people duty and conscience loose their meaning. Community organizations help promote in making connections across boundaries and divides, both horizontally and vertically and help people meet. The sense of connection found in mixed communities is an excellent way of removing defects and flaws in people. People need to make their own connections and relations and also create one's own virtual city and one's own virtual village in life.

A sense of direction: - Everybody today needs to have a sense of direction in his or her lives. Visions are necessary to see the future of an enterprise or an organization but others should understand this vision and people should be able to relate to this vision. People should fashion or make their own places, paths and directions in life.

Conclusion

The author Charles Handy concludes the book beautifully by urging everybody to be themselves in order to live a more meaningful life. He recommends a proactive way of thinking, instead of a reactive way of dealing with situations. One should try to foresee the future and prepare oneself to the best possible. Do not wait for opportunities to knock at your door, go out and create those opportunities for yourself. Last but not the least, try to be more considerate and helpful to your fellow beings and set a good example for the generations to come. Light your own small fires in the darkness!!