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Walden Two Revisited: Optimizing Behavioral Systems

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There has been little recent discussion about Skinner’s utopian vision as presented in Walden Two. Organizational Behavior Management could revitalize interest in this topic through its discussion of Behavioral Systems Analysis. A brief review of utopian thought and Walden Two is provided. Four recommendations are offered to improve the viability and effectiveness of Skinner’s original utopian concepts: (a) experiment with utopian ideas in existing organizations rather than create new independent communities; (b) apply advances in performance measurement and performance pay to refine Walden Two’s work “credit” system; (c) address the problem of poor performing members by implementing performance management; and (d) refine Walden Two’s self-management “code” and general administration.

KEYWORDS behavior system, performance management, Walden Two

UTOPIAN THOUGHT

The word utopia translates from the Latin as “no place land” and was coined by Sir Thomas More in 1515. A utopian community is defined in the New Lexicon Webster’s Dictionary as: “Any imaginary political and social system in which relationships between individuals and the state are perfectly adjusted”; and a utopian thinker as: “Someone who believes in the immediate perfectibility of human society by the application of some idealistic scheme.” Notable historical examples of utopian proposals were Plato’s Republic (Bloom, 1991), Augustine Hippo’s The City of God (Betternson, 1972), Thomas More’s Utopia (1964), Francis Bacon’s The New Atlantis.

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(1909–14), William Morris’s *News from Nowhere* (1891), and Edward Bellamy’s *Looking Backward* (2000). The utopian vision is also expressed in mythology such as in the epics *Arcadia* and *Shangri-La*.

Utopian communities have been organized on political principles (Greece’s Sparta), religious principles (the Shaker movement), and scientific and technological principles (Buckminster Fuller’s vision). They have most often been organized around economic principles as, for example, Edward Bellamy’s *Looking Backward*. The Soviet Union was, in this sense, an economic utopian community. Generally, the goal of economic utopias is a more equitable distribution of goods with an increase in free time in which to pursue the arts and other personal interests. Consequently, the majority of these communities adopted some variation of socialism. As a reaction to the expansion of capitalism, almost 100 utopian communities were founded in the United States between 1805 and 1855 (Jacoby, 2005).

There are, however, exceptions in which economic utopias are built on free market principles. “Local Exchange Trading Systems” (LETS) are local nonprofit exchange networks in which goods and services are traded without the need for printed currency. In this arrangement, capitalism is eliminated (i.e., making money from interest or property), while free enterprise is encouraged (Feallock & Miller, 1976).

In many ways, applied behavior analysis employs utopian thinking in that its practitioners believe in the “perfectibility of human society” and attempt to change the relationships (contingencies) between the individual and the state (environment). This utopian parallel is especially evident in the area of Organizational Behavior Management (OBM). OBM uniquely focuses on changing organizational variables as well as an individual’s local work context in order to optimize performance and reduce aversive control.

The perspective most related to general utopian thinking, however, is an offshoot of OBM variously termed *behavior systems analysis* or *performance systems analysis*. This view was formulated some 30 years ago in the Western Michigan University psychology department. Two seminal works were Dale M. Brethower’s *A Total Performance System* (1972) and Dwight Harshbarger and Roger F. Maley’s (eds.) *Behavior Analysis and Systems Analysis: An Integrative Approach to Mental Health Programs* (1974).

Behavior systems analysis is, in part, a reaction to the emphasis in OBM on the interactions between the supervisor and the subordinate in the workplace. Skinner, in *Walden Two*, did not mention supervisors preferring to rely on system contingencies to manage member behavior. Examples of organizational system contingencies include job definitions; employee recruiting and selection methods and criteria; employee orientations and job training; organizational policies, procedures, and communications; performance assessment methods; grievance and disciplinary procedures; promotion procedures; compensation and benefits; employee ownership; job assignments; staffing; scheduling and work distribution; bureaucratic
structure; job resources and tools; job methods; and workflow as well as what Malott (2003) terms external metacontingencies such as vendor, customer, competitor, governmental, and general economic contingencies. Behavior systems analysis argues that these contingencies, and especially the organizational contingencies, must be reengineered to produce optimal and sustainable behavior changes and to reduce aversive control.

**WALDEN TWO**

In 1948, B. F. Skinner published *Walden Two* (Skinner, 1948). *Walden Two* was a utopian novel that described a community designed around Skinner’s “experimental analysis of behavior.” He later expanded his ideas on designing cultures in *Science and Human Behavior* (1953), *Contingencies of Reinforcement: A Theoretical Analysis* (1969), and *Beyond Freedom and Dignity* (1971). In the 1960s and early 1970s there were a number of attempts to apply the Walden Two concepts including Walden House (1969), Lake Village (1971), Los Horcones (1971), and the Twin Oaks Community (1974). Some of these applications failed, while others moved to modified versions of Walden Two. I will argue that Skinner’s objectives in 1948 were laudable, but improvements could be made to Walden Two and applied to the workplace in which most of us spend a large part of our adult lives.

Recommendations are provided that might improve the implementation and sustainability of a “behaviorist utopia” within the context of existing organizational structures. These are (a) experiment with utopian ideas in existing organizations rather than create new independent communities; (b) apply advances in performance measurement and performance pay to refine Walden Two’s work “credit” system; (c) address the utopian nemesis of poor performing members by implementing performance management; and (d) refine Walden Two’s self-management “code” and general administration.

**Recommendation 1: Refine Skinner’s Utopian Concepts within Existing Organizational Systems**

The historical failure rate of communes like Walden Two has been severe. In some cases these were due to failures of leadership in which the leader’s personal interests outweighed community interests, or due to conflicts among various factions within the community. However, one of the greatest reasons for failure was due to communes that simply could not sustain themselves economically. As a teenager in Arkansas, I witnessed first hand the influx of California “hippies” who failed at communal farming in the Ozark Mountains. In the business world this would be analogous to the failure of new companies. According to the Small Business Association Web site (sba.gov), 50% of small businesses fail in the first 5 years.
The solution to this critical problem for the utopian vision is to engage in more modest and practical experimentation. Existing organizations are an exciting alternative. Most organizations are already economically viable and have an identity and a political structure based on private, public, or employee ownership. If these organizations operated on sound behavioral principles, a more limited form of utopia would be achieved for working people. As these practices thrived, it is possible they would then spread to the society at large. OBM is in a unique position to lead this effort.

Skinner argued for developing utopian principles and techniques in smaller settings. Unlike Bellamy's (2000) and Marx's (1867) utopias, the community in *Walden Two* had a population similar to that of a medium-sized company of around 1,000 members. In his introduction to the 1976 printing of *Walden Two*, Skinner further stressed, “If we want to find out how people can live together without quarreling, can produce the goods they need without working too hard, or can raise and educate their children more efficiently, let us start with units of manageable size before moving on to larger units.” (p. ix).

There was little mention in Skinner’s writing of interactions of Walden Two members with the outside world other than selling produce and furniture to local businesses. Walden Two was a closed society. Many utopian communities have failed to meet their objectives because they were “closed” systems. As a result, aversive and dysfunctional practices evolve. Extreme examples of closed communes that went awry are the Jim Jones commune in which there were mass suicides and the Branch Davidians who were raided by the Bureau of Alcohol, Tobacco and Firearms in Texas. Though their odd behavior was typically ascribed to their religions, it is also a characteristic of closed social systems. These problems can be largely avoided by experimenting in mainstream businesses.

Business organizations are a more fertile alternative than independent communes for a number of reasons.

1. They have already proved economically viable and thus are more immune to economic failure than startup communes.
2. Existing business organizations typically have a more achievable vision of their objectives and strategies than the economic, social, or religious visions of communes.
3. The political structure in existing businesses is established, whereas new communes must develop it.
4. The work procedures and assignments are mostly developed in an existing business but not so in a new commune.
5. For-profit organizations (except monopolies) are less likely to become closed systems than communes, because to survive they must interact with customers, vendors, competitors, and the government.
A drawback to the application of behavior systems analysis to existing organizations is that we are not “engineering” the behavior system but rather “reengineering” it. Consequently, we must analyze the existing system before we can begin to reengineer. An example of behavior systems process analysis and reengineering is Rummler and Brache’s *Improving Performance: How to Manage the White Space on the Organizational Chart* (1995). The authors describe a method for describing work inputs and outputs as well as work processes within the organization.

**Recommendation 2: Implement “Profit-Indexed Performance Pay” to Refine the Walden Two Credit System**

**ISSUES WITH SOCIALISM, PROFIT SHARING, AND WAGES AND SALARIES**

In socialist utopias, the community’s goods and services are distributed equally among the members without regard to individual contributions to the society. This proves to be a fatal design flaw and should not surprise behavior analysts since the distributions are noncontingent. A serious flaw in socialist income distribution schemes is what economists term the *free rider effect* (Tuomela, 2000) and social psychologists call *social loafing* (Karau & Williams, 1993; Latane, Williams, & Harkins, 1979). Some people simply do not contribute their fair share of goods and services to the community or organization. Government welfare programs that distribute money on a noncontingent basis further illustrate these problems.

The business parallel to socialist communities is the profit-sharing program in which each employee receives an equal share of annual excess profits (Binder, 1990). More common and troublesome than profit sharing, however, is the wage-and-salary system. Because the concept of contingent reinforcement is poorly understood in the business community, the assumption is that wages and salaries are examples of pay for performance. Generally, people in the same job are paid about the same as determined by job market surveys. The wage and salary payments, however, are based on time on the job during the pay period rather than performance during the pay period. I have described this problem in the maxim, “When you pay for time, you get time. When you pay for results, you get results.” Skinner (1996) himself pointed out that most wage and salary systems are not contingent on performance and, as a result, some other form of control is required. Unfortunately, this alternate form is typically aversive control. People work to avoid criticism, suspension, or termination. They do not work for their wage or salary but rather to avoid losing it. “Society isn’t likely to convert to positive reinforcement in the control of its sheep. It couldn’t convert because it’s not raising sheep for the good of the sheep. It has no net positive reinforcement to offer. Nothing short of an
insurmountable fence or frequent punishment will control the exploited.” (Skinner, 1948, p. 302).

This reliance on aversive control has serious consequences for organizations. These include lax performance, escape and avoidance, and excessive bureaucracy. Performance is not optimal when the worker produces only enough to meet the minimum work standards to avoid criticism. There is no reinforcement for exceeding the standard. Aubrey Daniels describes this as a failure to tap the employee’s “discretionary effort.” (Daniels & Rosen, 1983). Compounding this problem, some organizations increase standards when employees consistently exceed those standards (Goomas & Ludwig, 2007).

In an aversive work environment, escape and avoidance behaviors (tardiness, absenteeism) are likely. Skinner also noted (1953) that counter control might also occur to undermine the goals for the aversive consequences (Ludwig, 2002; Ludwig & Geller 1999, 2000).

Aversive control also requires high levels of expensive supervision to function effectively. The ratio of supervisors and managers to workers is termed the “span of control.” An organization with 100 workers and 10 managers and supervisors would have a span of control of 10. For example, Entwisle and Walton (1961) surveyed three sets of organizations: 20 small businesses (100 to 1,000 employees), 20 colleges or universities, and 20 automobile dealers. The median of spans of control in colleges extends from 5 to 7 inclusive, while the span of control for companies extends from 4 to 7. Changes in the span of control increase the number of managers and organizational levels geometrically, since the addition of more supervisors necessitates the addition of more middle managers who then require additional senior managers. These layers of bureaucracy create an organization that is unresponsive to both external and internal changes.

As Skinner points out in Walden Two, an alternative is to put employees in direct contact with contingencies rather than institute a bureaucracy that serves as an intermediary between organizational contingencies and the employee. “You can’t foresee all future circumstances. You don’t know what will be required. Instead, you have to set up certain behavioral processes which will lead the individual to design his own ‘good conduct’ when the time comes.” (Skinner, 1948, p. 105).

The economist Martin Weitzman (1984) argued that the wage-and-salary system is inferior to profit sharing since it is a risky fixed cost for the organization. When revenues decline, the organization has no alternative but to lay off employees. When revenues increase, employees typically don’t share in the success. Partially or completely replacing fixed wages and salaries with profit shares would enable employees to share in the success of the organization. However, profit sharing in which each member or employee receives the same allocation regardless of personal contribution is bad behavioral technology.
THE SOLUTION: INDEX PROFIT SHARES TO PERFORMANCE

In *Managing Without Supervising: Creating an Organization-Wide Performance System* (Abernathy, 2000), an alternative pay system was described that corrects many of the deficiencies in general profit sharing as well as with wages and salaries. This system has been applied successfully in many organizations (Abernathy, 2001). Excess profits are allocated to employees. The amount of the allocation employees receive is based on personal and/or small team performance on a “performance matrix.” Thus, the dollar value of a performance score is “indexed” to the profit of the company. These allocations are distributed monthly rather than annually. Monthly allocations allow the organization to substitute profit shares for some portion of base pay, thus moving pay from a fixed to a variable expense (Weitzman, 1984).

Excess profits are defined as profits above the amount required to pay a reasonable return on investment to owners, pay down debt, invest in new business lines or technology, and build a cash reserve. Profit allocations are defined as a percentage of an individual’s base pay sufficient to keep potential compensation in line with the job market. For example, employees might be assigned a maximum profit share allocation of 20% of their base pay. These allocations are adjusted for each individual member’s performance as computed on a “performance matrix.” A member who fails to contribute will receive none of his or her allocation for the month. See Table 1 for an example of a computation of monthly performance pay.

In Walden Two, work “credits” were earned by members. A credit value was assigned to each task, and when the task was completed the credits were awarded to the member. The goal was to earn 4 hours of credit each day. It is not clear in the text whether Skinner defined credits in terms of the average time required to complete the task or on the value of the task to the community. The latter approach is how prices are set in a free market. The following quote illustrates the Walden Two credit process. “. . . we reported to the work desk. What have you to offer my friends? She referred to a small box of cards. I can give them work at 1.2 which doesn’t call for any particular experience.” (Skinner, 1948, p. 71). Did Skinner mean that the assigned task would be credited with 1.2 hours or did he mean that when the work was completed 1.2 credits would be awarded based on the value of the work to the community? If the former, Skinner was

<table>
<thead>
<tr>
<th>TABLE 1</th>
<th>Example Computation of Monthly Performance Pay Based on an Employee with a $2,000 Base Salary, an Assigned 5% of Base Pay Basis or Opportunity, and a Profit Sufficient to Multiply the 5% Basis by 2 to Provide a 10% of Base Pay Performance Pay Opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>Basis%</td>
</tr>
<tr>
<td>$2,000</td>
<td>5%</td>
</tr>
</tbody>
</table>

*Multiplier increases as organizational profit increases. Unprofitable months produce a multiplier of zero and no performance pay is awarded.*
recommending what industrial engineers refer to as a standard time system. If the latter, he was suggesting a value-based credit system.

Standard time systems determine the time required to complete a task by a well-motivated worker. The standard times are multiplied by work volumes and are summed to compute the day’s earned hours. The earned hours are then divided by the time on the job to determine a productivity ratio for each employee (Goomas & Ludwig, 2007). If an employee earns 8 hours and works 8 hours, the ratio is 100%, and the worker is considered a good performer.

There are two problems with standard time. First, standard time is typically defined for activities or behaviors rather than results. Consequently, a worker could produce a 100% productivity ratio based on various activities but never actually produce a result of value to the organization. Put another way, the ingredients for a cake are still not a cake. Second, standard time alone is a one-dimensional productivity measurement and does not consider quality, safety, and other critical performance dimensions. If Skinner’s credit system was a standard time system, additional measurements would be required beyond the credits themselves.

An alternative to standard time is a value-based credit system. At a regional bank we rated job outcomes with respect to average time to complete, task constraints, task difficulty, and task desirability. The results of this approach, like previous standard time approaches, revealed common flaws (see Abernathy, 1980). In addition to the problems of one-dimensionality mentioned earlier, there was no effective means for assigning priorities to job tasks or ensuring any sort of balance among job tasks. The average time it takes to complete an activity says nothing about the importance of the task. Without priorities, employees’ performance can become unbalanced since they may work only on low-priority tasks.

We attempted to solve these deficiencies by adding a priority dimension to the credit rating plan based on the value to the organization (how this is determined is outlined below). High-priority standard time values were multiplied by 3, average priority 2, and low priority 1. (This may have been what Skinner had in mind with his 1.2 credits for an hour’s work.) Though this helped, it was still possible for employees to choose tasks they preferred and ignore critical tasks they did not wish to perform. Further, the meaning of a “standard hour” was corrupted by these priority adjustments because some low-priority task may have taken many hours to complete but end up earning low amounts of credits.

The performance matrix developed by Felix and Riggs at the University of Oregon Productivity Center (1986) corrects two problems with time- or value-based credits: prioritization and balance. The matrix converts raw data to a common measurement scale using a “percent gain” formula (actual – base / goal – base). Over several applications we have come to realize that minimum and maximum are more descriptive terms than base
For example, for a measure of typing speed a base (minimum performance allowable) of 50 words per minute and an ultimate goal of 90 words per minute may be set. If actual performance is 60 words per minute then the percent gain is \( \frac{60 - 50}{90 - 50} = 25\% \).

Felix and Riggs's original matrix lowest percent gain was capped at \(-30\%\). Given the above typing example with a base of 50 and a goal of 90, this would represent a typing rate of 38 words per minute \( \frac{38 - 50}{50 - 50} = -30\% \). The original matrix base was 0% gain, or a typing rate of 50 \( \frac{50 - 50}{50 - 90} \) and the matrix goal of 100% gain \( \frac{90 - 50}{90 - 50} \). Capping (not allowing the percent gain to exceed \(-30\%\) or 100%) the lowest and highest performance scores ensures balance since the performer cannot simply increase one measure's score to say 200%, ignore another measure, and still receive a high score and payout. Including negative scores (up to \(-30\%\)) ensures the performer attends to all critical performances because allowing some measures to go negative subtracts from the overall performance matrix index. For example, a matrix might have two equally weighted measures: quantity of work and quality of work. If the quantity measure were at 100% with a 50% weight, but the quality measure was at \(-30\%)\), the overall performance index would be \( 100\% \times 50\% = 50\% + -30\% \times 50\% = -15\% \). An equation of \( 50\% - 15\% \) yields an overall index of 35% because 15% is subtracted from the quantity measure's 50%.

Figure 1 shows a sample matrix for a salesperson. The measures are gross revenue sold in the month, the gross profit percentage of the revenue sold, milestone completion on a sales project, and the salesperson's average customer survey score.
customer satisfaction survey rating. In this matrix the highest priority measure is meeting the project milestone deadlines with a priority weight of 40%. Though the performer's survey rating was high and the company was fairly successful on the project, the salesperson fell below personal minimum gross revenue expectations (base) and only met the base on the profit margin. Consequently, the total weighted score or performance index is 35% out a possible 100%. This is an example of how the matrix ensures balanced performance across multiple performance measures.

Each matrix measure’s priority weight is determined by the priority weightings on the organization’s “strategic matrix.” The executive group meets to define the year’s strategic goals and priority weightings for these goals. The strategic matrix defines what will be measured in each individual performer’s matrix throughout the organization and the measure’s strategic priority weighting. Ultimately, the strategic matrix is used to evaluate the effectiveness of the system at each year end. If the cascaded lower-level performance measures are valid, they should drive improvements in the strategic matrix.

After the strategic matrix is developed, all other scorecards are developed beginning with the executives, then the middle managers, line managers, and finally workers. This top-down method has been termed the method of cascading objectives (Kaplan & Norton, 1996; see Figure 2). The method of cascading objectives aligns priorities vertically across the organization. Each manager designs the matrices for direct reports. These individuals then design the matrices for their direct reports and so on to the worker level. This process ensures alignment since each “designer” wants to ensure the direct reports’ measures and priorities drive success on his or her own matrix.

In summary, to address the performance measurement and performance pay issues, it is recommended that Skinner’s Walden Two credit system be replaced by Felix & Riggs’s (1986) Performance Matrix and Abernathy’s (2000) Profit-Indexed Performance Pay. The performance matrix ensures the organization and employee work priorities are aligned by weighting each measure based on an organizational strategic scorecard. Profit-indexed performance pay ensures that payments to employees are affordable and that employees share ownership’s concern about overall profits.

Recommendation 3: Address Poor Performers by Implementing a Performance Management System Concurrent with Performance Pay

A serious flaw in utopian socialist income distribution schemes is what economists term the free rider effect (Tuomela, 2000) and social psychologists call social loafing (Karau & Williams, 1993; Latane, Williams, & Harkins, 1979). Some people simply do not contribute their share of goods and services to the community or organization. Adjusting profit shares based on
each employee’s performance index helps solve this problem. Even so, it is still likely that some employees will consistently have low scores and fail to contribute. This is particularly the case where performance pay accounts for only a small percentage of an employee’s total earnings.

If an employee’s pay is at market, he or she can economically ignore the performance pay plan. No “establishing” or “motivating” operation (Agnew, 1998; Agnew & Redmon, 1992) has been implemented. Skinner talked about motivation in terms of three types of variables: deprivation, satiation, and preexisting or antecedent aversive stimulation. For example, you cannot reinforce your dog to sit with food if the dog has not been deprived of food and isn’t hungry. An organization that introduces performance pay as an addition to market comparable base pay has not created a “deprivation” state. An employee who fails to perform and earns no performance pay cannot move to another organization and increase his earnings since the current organization pays a market-comparable base.

Those of us who have been self-employed know well this motivating factor. As a self-employed person, there was no ceiling on my earnings but also no floor. To ensure consistent motivation across an employee group, performance pay must replace rather than simply augment base pay. Since performance pay isn’t guaranteed, it is suggested that every leveraged dollar
of base pay be replaced with a $3 performance pay opportunity. Organizations have had success when base pay was allowed to fall to 85% of market with a 145% of market pay earnings opportunity (Dierks & McNally, 1987). This compensation mix was achieved by substituting annual increases in performance pay for annual increases in base pay. In production areas, several organizations implemented 100% performance pay programs with good success.

H. G. Wells, in *A Modern Utopia* (2005), proposed a tongue-in-cheek solution to the problem of poor performers: “And you see the big convict steamship standing in to the Island of Incurable Cheats. The crew are respectfully at their quarters, ready to lend a hand overboard, but wide awake, and the captain is hospitably on the bridge to bid his guests good-bye and keep an eye on the movables.” The organizational equivalent to Wells’s proposal is to implement a leveraged pay system that makes it financially untenable for “incurable cheats” to remain with the organization.

Skinner, in *Walden Two*, addressed the problem of poor performance in these ways: “We don’t condemn a man for poor work. After all, if we don’t praise him, it would be unfair to blame him.” (Skinner, 1948, p. 172). Skinner’s first point is quite valid. Simply condemning people who perform poorly deflects us from identifying the genetic, experiential, or environmental constraints that are at the root of poor performance. Even if such condemnation improved the employee’s performance, it is once again simply an example of a reliance on aversive control.

Skinner would send incorrigible poor performers to “psychologists.” “But what if a man did poor work, or none at all, in every job you put him on? . . . The disease would be quite serious, and the man would be sent to one of our psychologists.” (Skinner, 1948, p. 173). At first glance this solution seems ominous and almost humorous. However, if we substitute “behavior analyst” for “psychologist,” the proposed solution becomes more palatable and tenable. I have argued elsewhere (Abernathy, in press) that such a behavior analyst would need an expanded repertoire of techniques. Figure 3 describes the range of performance constraints the behavior analyst should be able to address.

The performance analysis considers three key performance constraints: opportunity, capability, and context. The analysis moves left to right. That is, does the employee have the opportunity to perform is first addressed. If there is no opportunity, then capability and context are irrelevant. The behavior analyst would propose improving opportunity through more consistent work input and proper scheduling. If the opportunity to perform is present, the employee’s capability to perform is considered by the behavior analyst next. Capability is improved through improving employee competence, work resources, and processes. Finally, if the opportunity and capability are present, the work context is analyzed. The key components in this analysis are prompts, feedback, and reinforcement. Other performance analysis
methods have been proposed as, for example, those of Tom Gilbert (1978) and Maria Malott (2003).

Consistently poor performers are a problem for any utopian vision. It is recommended that behavior analysts be employed to assist poor performers to improve. Further, it is recommended that base pay be set below market to ensure that acceptable performance levels are required for employee pay to achieve market levels or higher.

Recommendation 4: Refine Walden Two’s Code and Administration

Skinner refers to the “code” throughout Walden Two. For example: “The main thing is, we encourage our people to view every habit and custom with an eye to possible improvement. A constantly experimental attitude toward everything—that’s all we need.” (Skinner, 1948, p. 29). There is often no one best means to produce a good or service, and these methods must change as the environment changes. An operant is a class of behaviors that produce a common result. Measuring and paying for results frees employees to continuously seek out the best production solutions (the most effective behaviors within an operant class) for them and their unique circumstances.

The contingencies that control an operant may be “rule governed” or “contingency shaped.” Rule-governed behavior is behavior guided by instructions, while contingency-shaped behavior is developed through experiencing the consequences of behaviors. For example, you can learn to play tennis by hiring a coach who instructs you or by simply playing the
Rule-governed behavior is usually designed to satisfy contingencies, not to duplicate other features of the behavior shaped by them. Contingency-shaped behavior is therefore likely to have a greater variety or richness. As Francis Bacon said, a painter or musician excels ‘by a kind of felicity and not by rule,’ where felicity seems to refer to the happy consequences which guide the artist in lieu of rules in the production of art. Contingencies contain reasons which rules can never specify.

CREATE AND REINFORCE SELF-MANAGEMENT

Skinner’s position on supervisor praise seems diametrically opposed to current performance management practices that rely on manager praise to reinforce employee behaviors. “... I was conscious of the fact that no one thanked her or expressed gratitude in any other way ... in accordance with the Walden Two code.” (Skinner, 1948, p. 82). But is there anything wrong with admiring exceptional achievements or receiving recognition? Yes, if it points up the unexceptional achievements of others, it’s wrong. We are opposed to personal competition.” (Skinner, 1948, p. 169).

Walden Two makes no mention of conventional managers and supervisors. Instead, Skinner repeatedly refers to behavioral engineering and behavior engineers. One can interpret Skinner as arguing that organizations should eliminate the management and supervisor functions rather than try to improve them. “Governments which use force are based upon bad principles of government. ... Governments must always be right—they can’t experiment because they can’t admit doubt or question.” (Skinner, 1948, p. 194). Similar to governments, managers who rely on aversive control must also “always be right” or they lose their ability to coerce. This is why managers may be a bad choice as behavior analysts.

Bureaucratic management may naturally devolve over time. “Our way of thinking and our logical systems have hierarchical structures. If a system is too complex to be manageable—for example, a central nervous system in evolution—then it breaks apart into subsystems and thereby reduces its complexity” (Cramer, 1993). These subsystems are the various departments in an organization. In a self-managed workplace they are further refined into self-managed employee teams.

In place of military-style bureaucracies, organizations should work toward self-managed employee teams that are in direct contact with financial contingencies. These teams would voluntarily request the service of in-house behavior system analysts to assist them in removing performance constraints inherent in an organization’s behavior system. The teams would operate in accordance with something similar to the Walden Two code.
WALDEN TWO’S PLANNERS

Skinner also refers to “planners” throughout *Walden Two*. “There are six Planners . . . they may serve for ten years but no longer.” (Skinner, 1948, p. 54). Skinner limited the terms of planners to 10 years because he recommended they should not be democratically elected. In a business organization, the CEO or executive group serves as the planners. The planners should not be the sole owners in the company. Employee-owned companies or employee stock options would do much to defuse potential abuses of power by planners.

Presumably the planners determine the credit values of various tasks and perform other administrative duties. In our revised Walden Two, planners would be needed to connect the employee teams to the outside environment (Malott’s metacontingencies; 2003). Planners would be surrogate customers who analyze consumer preferences, the market, resources, governmental regulations, competition, and changes in technology. Based on these analyses, they would change performance matrix measure priority weights and in some cases add or remove measures. They would not serve as managers nor have direct command and control powers.

Once the plan was communicated through the redesigned matrices, the day-to-day management would be performed by the self-managed employee teams that share in the company’s profits based on team and personal performance. Behavior system engineers would provide technical staff functions and on-call assistance to the teams. Unlike conventional human resources, the engineers would integrate job descriptions, employee selection, training, and compensation with the performance matrix system. The functions of performance evaluation and promotion would no longer be relevant.

FREE TIME

Throughout *Walden Two*, Skinner makes the case for creating more free time for employees rather than continuously increasing pay. In Skinner’s Walden Two people work only 4 hours a day. Those readers who are university professors are well aware of the tradeoff between higher pay and free time to pursue personal interests. In many organizations, there may be limits on how much revenue can be generated. In these cases improvements in efficiency would enable employees to work shorter hours or fewer days rather than receive pay increases. For job positions that require full-time staffing of 8 hours (e.g. customer service, nursing, etc.), job sharing could be used to distribute free time. “The difference is, we get rid of the work, not the worker.” (Skinner, 1948, p. 76).
CONCLUSIONS

There is a long history of utopian thought and experimentation with utopian communities. Many of these communities failed, and the term *utopian* has taken on a pejorative connotation of unrealistic or impractical for many social planners. These failures were due to various reasons, including a lack of resources and leadership issues. However, a fundamental issue was a lack of understanding of behavioral principles and techniques. B. F. Skinner’s Walden Two was an attempt to apply the behavioral techniques available in 1948 to the design and maintenance of a utopian community.

Traditionally, Organizational Behavior Management has focused many of its efforts on improving the interaction between the supervisor and the subordinate through better prompting, feedback, and reinforcement. It is argued that this was not Skinner’s ultimate vision of how to improve society. “In general, by allowing natural consequences to take control whenever possible we generate behavior that is more likely to be appropriate to any occasion upon which it may occur again, and in doing so we promote the survival of the individual, the culture, and the species” (Skinner, 1987, p. 177).

Skinner favored placing employees (or communal members) in direct contact with the natural business contingencies. The supervisor was to shape behaviors and remove constraints for poor performers, and then get out of the way. “The contrived reinforcers of both education and therapy must eventually be terminated. Teacher or therapist must withdraw from the life of the student or client before teaching or therapy can said to be complete” (Skinner, 1987, p. 175). In his final address to the Association for Behavior Analysis, Skinner stated that he never liked the term behavior management and preferred contingency management.

Behavior Systems Analysis is a promising expansion of the traditional OBM perspective and techniques. Theorists and practitioners in this exciting field must first agree on what a behavior system is. This article argues that it is made up of *all* the contingencies that impact employee behavior. In addition to work processes, we must consider job definitions and organizational structure, employee recruiting and selection, training, performance assessment, promotions, compensation, and other variables. All of these variables are subject to improvement through a behavioral analysis. Further, these improvements should be made in an integrated fashion that considers systemic interactions.

Four recommendations were presented. First, existing business organizations are proposed as the ideal site for utopian experimentation. Second, an effective behavior system must begin with an organization-wide performance measurement and performance pay system. The performance matrix, implemented through the method of cascading objectives, is one possibility. Profit-indexed Performance Pay is an alternative pay system that conforms to behavioral principles. The author has implemented these two methods in more than 170 organizations. Third, we should address the utopian nemesis of poor performing members (free riders) through leveraged pay and
performance management. Performance management should have an expanded repertoire of techniques delivered by internal consultants rather than managers. Fourth, Behavior Systems Analysis should adopt Walden Two’s self-management “code” by applying the “free operant” concept to the design and management of a behavior system.

REFERENCES


