Psychological Perspectives, 54: 34–53, 2011

ISSN: 0033-2925 print / 1556-3030 online
DOI: 10.1080/00332925.2011.547122

Routledge
Taylor & Francis Group

Unconscious Regulatory Processes in the Organizational Psyche

Martha Blake and Pamela Buckle Henning

Jung and many of his followers distrusted organizations. As a result, Jungians are only recently beginning to explore the parallels among the dynamics of individual psychology and the dynamics of organizational psychology. Jung wrote at length about the self-regulation of the individual psyche. This article examines how the self—Jung's concept for the archetype of psychic wholeness—regulates the organizational psyche in much the same way as it regulates the individual psyche. We extend his nine manifestations of self-regulation of the individual psyche into their manifestations within in the organizational psyche. Recent news coverage of Toyota Motor Corporation, the world's largest automobile manufacturer, and BP global (British Petroleum), the world's largest private-sector petroleum company, are graphic reminders of the influence that organizations have on our lives.

The Organizational Psyche in Jungian Perspective

C. G. Jung was not an organization man. He struggled personally with the impact of organizational dynamics on the individual psyche, commenting, "No one likes or dares to mention in so many words the negative effects of group-existence, because this might bring up the frightening problem of self-knowledge and individuation" (1959, par. 892). Jung's deeper concern was the power of the collective to overwhelm the psyche of the individual and its capacity for wholeness, for healing. Jung feared that a person's tendency to adapt to others in a group could drown out the capacity for individuation, and "the individual would fall into the sea of the collective unconscious" (Blake, 2004, p. 81).

Julie Heffernan, *Self Portrait as Broken Home*
Oil on canvas, 67 × 57 inches, 2008

Jung believed that a "city, as a synonym for the self, for psychic totality, is an old and well-known image . . . conscious and unconscious united" (1935, par. 269). Some Jungians argue that organizations, like cities, are symbols of the self: "Their structures are reflections of man's soul. . . . Institutions, as reflections of the soul . . . share with all which is living, an inner necessity to grow and differentiate."[1] The idea that the organizational psyche manifests like the individual psyche is still relatively unexplored territory. Writing in 2003 to students of business and Jungian analysts, Corlett and Pearson explored the conscious and unconscious realms of the organizational psyche: "The unconscious realm of the organizational psyche has three main aspects: . . . The collective unconscious, . . . the organizational unconscious, and the Archetype of Organization are extensions of C. G. Jung's theories. . . . The Archetype of Organization parallels the archetypal Self in the individual" (p. 13).

Nowadays, the organizational unconscious is of growing interest to those Jungian analysts trained in business and, more importantly, to the many analysands who spend their lives working in the corporate world.

Jung defined the *self*[2] as the center of the individual psyche, an archetype of wholeness. He understood the self as a transpersonal, regulating center of the psyche that compensates for the tendencies of the ego. Jung maintained that psychic processes exhibit a tendency toward homeostasis—a natural balancing process. The transpersonal center within the unconscious of an individual psyche has a tendency to compensate when one aspect becomes overdeveloped at the expense of others. Depending on the ego's response to transpersonal energy, Jung observed that the self could generate energy for renewal—or, just as readily, for neurosis. Although a phenomenon such as neurosis appears to be maladaptive, it is actually an attempt to redress imbalance. Jung maintained that neurosis is an expression of an inherently wise and creative goal-directed energy, or teleology (Redfearn, 1977).

Each self-regulatory process is an attempt to bring a psyche back into balance. Some processes are regressive; some are transformative.

In an exploration of the etiology of neurosis, Jung (1913) described the regulatory processes of an individual psyche regarded by Freud and the analytic community as regressive. Jung (1911–1912), however, was also intrigued by the regulatory processes that he described as progressive. Regressive and progressive self-regulatory processes include difficulty of

adaptation, regression of energy, activation of unconscious contents, symptoms of neurosis, unconscious or half-conscious conflict, formation of symbols, activation of the transcendent function, assimilation of unconscious content, and integration of unconscious content (individuation). Each of these self-regulating processes generates purposeful energy with "unconscious 'intention'" (par. 364). Each self-regulatory process is an attempt to bring a psyche back into balance. Some processes are regressive; some are transformative. All offer the opportunity for transformation.

We propose that just as unconscious processes regulate an individual psyche, unconscious processes strive to regulate organizations. When an organizational psyche becomes one-sided, so that one aspect is overdeveloped, the self of the organization generates regulating processes to bring it back into balance. Inability to meet competitive pressures, corporate delusions of grandeur, and public demands to reckon with corporate misdoing are symptoms of organizational neurosis. An organizational neurosis suggests that the self is attempting to regulate an imbalanced organization back into a more balanced state. We offer nine historical examples here that predate Toyota Motor Corporation and British Petroleum to illustrate how unconscious processes operate within corporate environments to self-regulate the organizational psyche.

Regulatory Process #1: Difficulty of Adaptation—in the Typesetting Industry

When a person cannot naturally adapt to the changing demands of the outer world, the psyche becomes unbalanced, neurotic. One strategy of the unbalanced psyche is to generate a static experience of the outer world. A static experience of outer-world reality allows a person to feel well adjusted for a time, but to others (and eventually to him- or herself) the individual is not living in the changing, real world. The person is experiencing a difficulty of adaptation. Two static orientations toward the outer world that deceptively allow a person to feel well adjusted for a time are the archetypal orientations of the *senex* and the *puer aeternus*. Both archetypal orientations render outer-world reality in particular ways that feel acceptable to a person who has difficulty adapting to that reality. A person lacking imagination and the creative energy required to envision change, who holds on to the decisions of the past, exhibits a *senex* orientation toward the outer world. A person postponing decisions and mature life, who ignores the mandate to adapt maturely to the outer world, exhibits a *puer aeternus* orientation toward the outer world. Jungian theory examines both the *senex* and the *puer aeternus* as poles of experience that can prevent a person's adaptation to the demands of outer-world reality.

Just as individuals must adapt to survive, the survival of an organization also demands adaptation. Firms must continually innovate in order to thrive. Innovation is possible only when an organization is willing to expand its knowledge and skills to adapt to changes in business demands. Both *senex* and *puer aeternus* orientations can impede an organization's abilities to successfully adapt corporate energy to the demands of the outer-world realities of the market. For example, the reality of the market has required adaptation by the typesetting industry as the state of the art shifted from typesetters to computerized laser imagesetters.

At pivotal points in the history of typesetting, industry leaders mistakenly maintained their confidence in past decisions, failing to anticipate the demise of the products and corporate processes that had brought them success before. Holding on to past decisions and lacking the creative energy to change are classic characteristics of a *senex* orientation. For example, in 1900, the Morgenthaler Linotype company was extremely successful. However, by 1950 the hot metal typesetter technology at which the firm excelled had reached its zenith. Morgenthaler reluctantly yielded to consumer pressure to develop a modernized prototype phototypesetter. Despite the enthusiastic market reception the typesetter received, an executive's memo to Morgenthaler's sales force explained: "We developed this machine . . . to demonstrate we had available a machine that would do anything that was presently available on the market. . . . However, we do not consider this machine the answer [to technological problems then facing typewriters]. . . . Do not write in and ask us when we think our photo-composing machine will be ready—we actually don't know" (Tripsas, 1997, p. 355). Morgenthaler decided not to continue development of analog phototypesetters. Not having creative energy to adapt to the demands of a changing market is a characteristic of Morgenthaler Linotype's *senex* orientation to the world.

For individuals and industries alike, successful adaptation to the present in preparation for the future requires relinquishing the past.

Other typesetter companies collapsed because their views of consumer needs and competitive developments led them to postpone necessary decisions. Postponing necessary decisions is a characteristic of a *puer aeternus* orientation to reality. Smith Corona is an example of a once-leading firm whose corporate psyche did not adapt maturely. Smith Corona failed to anticipate the obsolescence of the electric typewriter that had brought the firm widespread success. Not acknowledging the industry's move toward

digitization, Smith Corona avoided investing in computer technology until 1992, when it scrambled to reverse its inertia much too late. Despite years of market dominance, Smith Corona failed to cultivate the creative energy to integrate industry knowledge about computerized typesetting. The company filed for Chapter 11 bankruptcy in 1995.

For individuals and industries alike, successful adaptation to the present in preparation for the future requires relinquishing the past. The history of the typesetting industry demonstrates that adaptation to the realities of the outer world is difficult. From a Jungian perspective, the emergence of the archetypal energies of *senex* and *puer aeternus* may signal that an organization is deceptively oriented to a static experience of the outer world. We may say that an organization gripped by a *senex* or *puer aeternus* orientation to the world is experiencing a difficulty of adaptation.

Regulatory Process #2: Regression of Energy—at General Motors

When a person lacks conscious energy for life, the state commonly called depression, the energy for life, according to Jung, has regressed into the unconscious. Jung maintained that although energy may not be available to consciousness, it remains active in the unconscious where it expresses in the dreams, fantasies, and longings of the depressed individual (Jung, 1970). The malaise of General Motors (GM) over the past decade reveals regressed energy. Despite its healthy past, the corporation now appears to lack conscious energy to meet the demands of corporate life.

Evidence of GM's lack of energy comes in many forms. Since 1992, the media have reported losses in the billions of dollars. GM has lost 74% of its market valuation since spring 2000 (Welch & Beucke, 2005), a staggering loss, given that GM makes up 1% of the U.S. economy, according to the Center for Automotive Research (Stone, 2005). GM has not made money on its North American auto operations since 2004, posting losses exceeding $70 billion during that time (Isidore, 2008). GM sales lag behind the levels needed to fund research and development, as well as salary and benefit commitments to more than a million employees and retirees. In short, GM "actually consumes more cash than it brings in making cars" (Welch, 2006, p. 80). Not surprisingly, GM's lack of energy in response to the demands of the automotive industry has resulted in sweeping layoffs, low employee morale, and billions in bailout dollars.

Automobile industry observers have argued for years that GM needs to make difficult decisions to reduce its size markedly—a strategy that would involve still more massive layoffs, plant closures, and the elimination of several of its product brands. For as long as outsiders have made these arguments,

GM executives have countered that substantial downsizing is unnecessary. In 2006, while shareholders criticized GM management for lacking the sense of urgency and purpose that could begin to shift the company's state of affairs, the chief executive officer coolly maintained, "I know that things will turn around" (Loomis, 2006, p. 74).

GM's malaise continued into 2009, dragging down a U.S. economy teetering on depression. Worldwide, usually productive economies and corporations ground to a halt, unable to access sufficient capital—a critical source of energy for business to function. Jung (1970) held that the images in the unconscious of a depressed person are the source of renewal and creative energy when they are consciously pursued and brought to consciousness. As GM's economic circumstances began to depress, financial leaders demonstrated great difficulty in revisiting options they had previously ruled out—options Kirk (2009) might view as unconscious possibilities for renewal. When currently unacceptable options do begin to inform the decisions of a critical mass of automobile manufacturers, history—and a Jungian perspective on the collective psyche—suggests that the auto industry will cycle upward again.

Regulatory Process #3: Activation of Unconscious Contents—at Volkswagen

When we experience an activation of unconscious contents, we may say that we do not feel like ourselves. We may feel as though we were temporarily taken over by some force. We may spend our life savings on an extravagant item or be strangely compelled to act on a fantasy. Archetypal psychologists would say that the person has become identified with an aspect of the collective unconscious. Volkswagen AG, a German corporation, exemplifies a company whose fantastical aspirations for industry supremacy reveal activation of and possession by unconscious contents.

In August 2002, Volkswagen launched a high-end, technologically advanced luxury vehicle, named the Phaeton. The company invested $1 billion to research and design the Phaeton, even developing an extravagant, glass-walled factory to manufacture the car in Dresden.

In the 1600s, the term *phaeton* referred to an elegant carriage driven by the owner rather than by a hired driver (the norm for that era). Volkswagen officials emphasized the 17th-century connotation of the word, claiming that their new car would appeal to "transcendent drivers, [who] are proud to be different . . . people not looking for status, not worrying about what their neighbours are driving" (*thephaeton.co.uk/universe/index/php,* 2004). However, the earliest known etymology of *phaeton* was quite different from its later connotation. Lodged in the recesses of the collective

unconscious lay quite another meaning that Volkswagen's choice of names had activated.

Originally, Phaeton was part of the Greek myth of Helios, the only god capable of riding the powerful sun chariot across the sky each day to light the earth. Helios had a long-abandoned mortal son, Phaeton, who grew tired of men mocking his claims about his godly father. When the boy sought out Helios to demand proof of his paternity, Helios agreed to grant his son any wish to prove their relation. Phaeton demanded that he be allowed to drive the sun chariot. Predictably, the boy could not steer his father's vehicle. The chariot careened out of control, scorching heaven and earth. Zeus saved the situation by killing the youth with a thunderbolt. Volkswagen's Phaeton website recounts this myth, concluding that, "The legend of Phaeton was a symbol for the human desire to tread new paths." Volkswagen focused on Phaeton's desire *rather than the actual outcome of his desire*. As Jungians, we read the Phaeton legend less buoyantly than Volkswagen did, seeing the Phaeton myth as a cautionary tale about difficulties that can occur when powerful technology combines with unchecked human desire for status and fame.

When unconscious contents are activated, a company may find itself acting out an archetypal drama. . . . The lengths to which Volkswagen went to develop and market the Phaeton automobile suggest that the firm unconsciously identified with the myth.

Despite Volkswagen's intentions, the Phaeton car experienced a devastating outcome. Consumer groups have puzzled over the appropriateness of the Phaeton automobile for Volkswagen consumers (*ultimatecarapage.com*, 2003). Like the mismatch between Phaeton and the sun chariot, Volkswagen failed to match the technologically advanced and pricey vehicle with its more modest customer base. Sales floundered.

We propose that Volkswagen's development of the Phaeton car activated content of the company's collective unconscious, including the Phaeton myth. Regardless of a corporation's impressive technological capacities, when unconscious contents are activated, a company may find itself acting out an archetypal drama. The overwhelming desire to tread new paths, and the lengths to which Volkswagen went to develop and market the Phaeton automobile, suggest that the firm unconsciously identified with the

myth—an identification that overrode its capacity to make conscious, effective business decisions.

Regulatory Process #4: Symptoms of Neurosis—at Enron

When people are living a conscious life that is at odds with their true purpose, they develop symptoms of the imbalance that we call *neurosis*. Jung considered neurosis a *dis-ease* accompanied by lack of meaning. Perhaps few organizations in recent memory present a more vivid example of neurosis and its unfortunate consequences than Enron.

Enron incorporated in the late 1980s, intending to remake the entire energy industry. Leaders of the company imbued staff with the message that brains and wiliness could outsmart any system. Their belief grew to a hubris that brought the company unprecedented financial success, followed by a spectacular public demise. Outwardly, Enron was an innovative company guided by its self-professed values of "respect, integrity, communication, and excellence." In reality, Enron was a collection of bizarre and elaborate legal entities designed to hide debts from money-losing ventures and give the appearance of profitability. Despite investors' confidence in the company, it was "a financial fantasyland" (Gibney, 2005).

The Enron that was living at odds with its legitimate purpose reached its zenith during California's energy crisis in 2001. Searching for ways to exploit California's newly deregulated energy market was part of an attitude that one Enron employee described as "play by your own rules. . . . We took pride in getting around the rules. It was a game" (McLean & Elkind, 2003, p. 275). *Fortune* magazine reported: "Enron executives refused to see that their best interest lay in helping the state [of California] succeed [at deregulated electricity]. A larger consideration for the business environment was utterly foreign to the company's what's-in-it-for-me culture. Greed was especially true of the traders, who viewed consideration of the business environment as lacking intellectual purity" (McLean & Elkind 2003, p. 267). Enron's culture revolved around vocal contempt for any values except the illusion of making money. The energy crisis in California, in which Enron played an active part, was catastrophic to the state's economy, costing it $300 billion and plunging the state into dangerous and repeated blackouts during an intensely hot summer.

At its peak, Enron was valued at $70 billion. Behind the billion-dollar façade, however, was an executive team gripped by feelings of superiority, a sense of entitlement to deceive the public, and a flagrant betrayal of the stated corporate purpose. Investigation of key players in the Enron scandal revealed a pathological distortion of purpose and widespread corporate disease, symptoms of a profound neurosis attempting to regulate the Enron psyche.

Regulatory Process #5: Unconscious or Half-Conscious Conflict—at NASA

When a person feels ambivalent, there is an unconscious or half-conscious conflict creating a state of inner tension, Jung maintained. The tension is experienced as a moral or ethical dilemma. Another symptom of unconscious or half-conscious conflict is defensive behavior. States of inner tension or defensive behavior can interfere with normal functioning. The National Aeronautics and Space Administration (NASA) is an organization that is consciously proud of its identity. Numerous analyses of NASA reveal, however, that the organization also exhibits characteristics of which it is not adequately conscious and that create a conflict of values within the organization. The internal conflict of values created by NASA's half-conscious characteristics results in defensive behaviors aimed at preserving certain parts of its corporate identity and downplaying others.

From its inception, NASA employees and managers saw themselves as representatives of the world's leading space power, working on the cutting edge of space flight. Early interviews of NASA's staff revealed an organization that considered itself unsullied by governmental interference. Removed from the distraction of external politics, NASA avoided normal political behavior internally as well. Regardless of rank, any technician or engineer freely raised concerns about any project until the concerns were resolved. Open communication characterized the early days of NASA's scientific culture. Pursuing never-before-achieved goals, NASA welcomed failure as a way to learn, testing and retesting each spacecraft part regardless of the cost involved. Dedication to technical excellence fueled an obsession with detail in the agency's idealistic workforce. NASA perceived itself as an organization committed to uncompromising excellence and free of the conflicts characteristic of the political milieu.

Studies of NASA, however, reveal other unconscious aspects of its identity (McCurdy, 1993). While NASA staff members were serving the ideal of manned space flight, the agency continually faced political pressure to meet government agendas. Although NASA employees may have believed that they were comfortably removed from government, NASA's existence and funding have always been beholden to government. Over time, political pressures tempered the agency's idealism. After the triumphant lunar walk in 1969, government funders expected NASA to create reusable rockets that would make manned space flight a cost-effective routine. Cost-effective, routine flight was much less appealing to NASA scientists than achieving human space flight for the first time at any cost. With increased political pressure, NASA's culture changed from one that welcomed failure as a crucial aspect of technical excellence and a necessary part of learning to one where failure

was not an option because it was inefficient. Consequently, employees no longer raised technical concerns freely, resulting in poor communication and disastrous organizational decisions.

NASA appears to have collapsed under the weight of an ethical dilemma about the importance of quality to its mission.

The tension between NASA's conscious identity as an idealistic, apolitical, technically uncompromising organization and its unconscious behavior as a pragmatic, politically reliant, technically compromising organization resulted in a self-defensive posture. Defensive posturing was visible especially when NASA mission failures occurred within public view. NASA officials defended the decisions that led to the explosions of the shuttles *Challenger* in 1986 and *Columbia* in 2003. Similarly, NASA officials defended the demise of the *Mars Climate Orbiter* that was destroyed because of unnoticed differences between imperial measurements and metric ones used by a NASA subcontractor. An organizational analyst (Handberg, 2003) characterized NASA's responses to these tragedies as "evasiveness" (p. 71), "clumsy, and self serving" (p. 63). Despite an original belief in excellence through rigorous trial and error, admitting mistakes has been extraordinarily difficult for NASA. The agency that once held a rarefied mission is nowadays engaged in a conflict of values, consumed by defensive behavior, and ambivalent about political reality. NASA appears to have collapsed under the weight of an ethical dilemma about the importance of quality to its mission.

Regulatory Process #6: Formation of Symbols—at Shell

When a person attends to inner process, he or she will notice that the psyche expresses itself in images. A symbol is an image that is the best possible expression for something unknown (Sharp, 1991). One way of becoming aware that a symbol is activated in the unconscious is to notice it with unusual clarity in the outer world: A moment may take on a glowing significance, time may stand still, or the symbol may appear synchronistically in both inner and outer reality. Jung maintained that symbols often emerge to assist a person along the path of individuation. Symbols emerge within organizational journeys as well. Shell is a petrochemical company that recently has credited the synchronistic expression of a symbol as pivotal to the progression of its corporate mission (Shell 2007).

Twenty-first century oil and gas companies face dwindling oil reserves. Because easily accessible mother lode oil reserves have all been mined, the industry's current challenge is accessing smaller deposits of oil that are often located in places that are difficult to reach; some of that oil rests in thousands of small pockets deep underwater. Shell engineers have struggled to find environmentally safe methods to extract the fuel they find. The company also works to develop alternative energy sources, none of which are currently sufficient to ameliorate reliance on petroleum. Until viable oil alternatives can be developed, small oil pockets resting in difficult places are of paramount importance to Shell and its global customers.

Like many in the industry, Shell engineers often work for months in remote areas far from family. One chief engineer, Jaap van Ballegooijen, took a break from the pressure of finding feasible means of oil extraction in the South China Sea's Brunei oilfields. Van Ballegooijen returned home to Amsterdam to spend time with his teenage son. During an afternoon together, van Ballegooijen stared in shock and amazement as his son bent his drinking straw to suck out the last puddles of a milkshake. Suddenly, van Ballegooijen encountered the mundane bendable drinking straw as a symbol in its mythic form—a hollow reed that facilitates access to untapped energy.

The drinking straw, reminiscent of the hollow reed grasses growing by the waters in the myth of Eros and Psyche, is a modern artifact with a symbolic past. The mythical Psyche was charged with the task of gathering the energy-rich wool of golden rams, not unlike Shell's task of gathering energy-rich petroleum. Like Shell's concerns about causing minimal environmental harm, a hollow reed advised Psyche not to pollute the water as she collected the rams' wool. Helped by the mythical reed, Psyche gathered the wool left behind in small clumps on trees where the rams had grazed.

Van Ballegooijen presented his idea of a drill that operated like "a bendy drinking straw" to Shell engineers. The result was a flexible, reed-like drill that could reach small oil pockets with minimal environmental harm. Shell acknowledges this drill as one of its best ideas that "come from the most unlikely places."

For Shell, as for Psyche, the symbol of the reed represented guidance from the self about how to access needed energy while avoiding polluting the waters. Having recognized the possibility of a drill that operates like a reed, Shell avoided building thousands of polluting oil rigs above each pocket of oil in the Brunei oilfields. The straw/reed became a symbol of a new kind of drill that could move flexibly beneath the waters, completing the task of accessing precious energy with minimal disturbance. Just as symbols can emerge to guide individuals on their paths toward individuation, corporations like Shell

can be guided by a symbol emerging from the self. Symbols may offer a way forward through previously insoluble business challenges in much the same way that they inspire individuals.

Regulatory Process #7: Activation of the Transcendent Function—for the "Dove" Brand

Jung called the process of engaging with difficult life challenges, continuing to stay in the struggle, "holding the tension of the opposites" (1972, para. 78). He maintained that when polar opposites are held consciously, the unconscious eventually offers up a third option that unites aspects of the poles, a quality he called the *transcendent function*. Unilever is a company that historically perpetuated the tension of opposites within its customer base by offering divergent messages to customers about its products. Rather than resolving its corporate tension by eliminating product offerings, Unilever offered a uniting product, a transcendent third that has attracted considerable media and consumer attention.

That the Campaign for Real Beauty arose out of Unilever's conscious holding of internal tension between society's vision of idealized beauty and women's fear of ugliness suggests that it fits Jung's description of the transcendent function.

In contemporary culture, a narrow version of feminine beauty is awarded enormous power that relegates anything else to the opposite pole of ugliness. Mass media communicate a powerful message that associates female beauty with thinness and a youthful, virginal physical appearance—a seductive yet unattainable possibility for most girls and women. The polar opposite of virginal, thin beauty is an older, full-bodied, sexually experienced version of the feminine physique. A mature female beauty is infrequently portrayed in the media. Hence, many girls and women obsess over unrealistic ideals of physical perfection, as evidenced by rising rates of body dysmorphia and increasing popularity of televised makeovers, Botox injections, and cosmetic surgery.

Arising out of the tension between the media-fueled fantasy of unattainable, youthful beauty and the resultant fear of ugliness is a third vision of Western female beauty promoted by Unilever, a Europe-based consumer products company. Unilever manufactures Dove, the #1 personal wash

product brand in America. In 2004, Unilever launched a marketing campaign representing a transformative alternative option between unattainable beauty and feared ugliness—The Campaign for Real Beauty. The campaign's "vision is that a new definition of beauty will free women from self-doubt and encourage them to embrace their real beauty" (Downing Street Group, 2004, p. 2). The campaign focuses on unretouched photographs of women whose appearance is outside stereotypical norms for beauty. Dove's "real women" ads appear in magazines, on national television, and on billboards in major urban U.S. centers. Related promotional activities include a Dove Self-Esteem Fund "to raise awareness of . . . body-related self-esteem in girls and young women," Real Beauty essay contests, and Internet discussion boards for sharing women's views on beauty (www.campaignforrealbeauty.com). The corporation also endowed a Program for Aesthetics and Well Being at Harvard University to research the portrayal of beauty in popular culture. Dove's Campaign for Real Beauty creates the possibility of changing stereotypes, offering healthier, more democratic views of beauty.

The Campaign for Real Beauty represents Unilever's organizational struggle with the way it has profited over women's longing for beauty and fear of ugliness. The campaign amounts to social advocacy against beauty companies like Unilever itself and beauty products like its own Dove, which have historically perpetuated the beauty–ugliness opposition. By no means has Unilever relinquished its interests in women's fears of ugliness. The firm still aggressively markets products such as the diet drink Slim-Fast to women unsatisfied with their bodies. However, the Campaign for Real Beauty arose from the tensions within Unilever and the society to which it sells. That the Campaign for Real Beauty arose out of Unilever's conscious holding of internal tension between society's vision of idealized beauty and women's fear of ugliness suggests that it fits Jung's description of the transcendent function, as it may operate within the corporate psyche.

Regulatory Process #8: Assimilation of Unconscious Content—at Nestlé

Assimilation refers to the learning that occurs when new content is added to an existing mental construct. Jung called the process of becoming conscious of previously unknown personality aspects, *assimilation of unconscious content* by the ego. Assimilation of unconscious content does not lead to dramatic changes in personality, but it does tend to temper attitudes or behavior. Nestlé is an example of a company that has been forced to assimilate unconscious content into its corporate ego. Nestlé has had to temper its behaviors to address public perception that its products have harmfully undernourished its customers' children.

Nestlé aims to be "the world's leading nutrition, health, and wellness company" (*nestle.com*, 2007). Today, breast milk substitutes are a $14 billion industry, of which Nestlé claims a share of 40–50% (Croft, 2002). Tragically, as Nestlé grew the market for breast milk substitutes by introducing infant formula to Third World countries in the 1970s, the company's marketing practices killed thousands of babies.

In Nestlé's Third World marketing campaign, salespeople dressed as nurses donated free infant formula samples to new parents. The campaign targeted poor and undernourished women. Mothers who were unable to afford buying the formula when the free samples ran out were unable to resume nursing because their breast milk had dried up. Other impoverished parents frequently overdiluted the formula to make it last longer; infants drinking overdiluted formula became malnourished and failed to thrive. In many Third World countries, water supplies are unsanitary; contaminated water combined with infant formula was lethal. Further, many parents inadvertently misused the formula because they misunderstood the English instructions. As Westerners learned of rising infant mortality rates in developing countries, they organized the world's first international grassroots boycott against Nestlé. Citizens in eight nations campaigned against all Nestlé products to protest the marketing of breast milk substitutes in developing countries (Johnson, 1981). Transcripts of court hearings concede that exactly how Nestlé salespeople marketed infant formula and the role the formula played in infant mortality are unclear (Newton, 1999). Nonetheless, Nestlé had to address an inflamed public opinion of its product and product delivery.

The Nestlé that now aspires to be a "leading nutrition, health, and wellness company" has had to assimilate feedback that its product caused thousands of infant deaths among vulnerable populations. Nestlé's responses to this information have varied. At times it has remained secretive about marketing practices and has chosen to ignore the negative press. At times, it has opted out of international programs designed to have food companies voluntarily change marketing practices in impoverished countries. At other times, it has participated in those marketing programs. Nestlé has commissioned independent audits of its infant formula marketing practices, and the audits have revealed violations of World Health Organization codes designed to police infant formula marketing (Yamey, 2000). Nestlé has hired advertising consulting firms to publicize its charitable work with children's groups and developing nations in an attempt to demonstrate its interests in improving the lives of people with limited access to nutritional foods. Nestlé's variety of approaches suggests that it has assimilated previously unconscious content into its existing corporate ego construct. The problems with introducing its infant formula to developing countries do not appear to have dramatically changed Nestlé's corporate personality, although they have tempered some of Nestlé's questionable marketing behaviors.

Regulatory Process #9: Integration of Unconscious Content—Individuation at Starbucks

From a psychological perspective, *integration* refers to learning that occurs when new content actually alters one's existing mental construct. *Integration of unconscious content* typically involves struggling with one's shadow until one's view of reality fundamentally changes. When a person accommodates previously unknown information by altering his or her mental models of reality, the individual also becomes more whole. Jung called this wholeness *individuation.* Starbucks Corporation is an example of an individuating organization, one striving to be aware of its impact on its customers, employees, and the world in which it operates. It is a corporation consciously working to integrate the previously unconscious shadow elements of the coffee industry to modify its conceptual business model.

Three Seattle teachers started the first Starbucks store in Seattle in 1971. For a decade, Starbucks sold premium dark-roasted beans and coffee machines. In 1987, Howard Schultz, an investor who was impressed by the little coffee company that was selling more drip coffeemakers than Macy's, bought the company (*http://www.mhhe.com/business/management/Thompson/11e/case/starbucks.html*).[3] As Starbuck's new and inexperienced leader struggled to introduce the premium coffee experience in new U.S. markets, the company lost millions. However, by 1992 Starbucks had a strong infrastructure and had grown to 161 stores—exceeding its original targets and outpacing the success of any previous industry attempts to establish a national chain of successful coffee shops. Starbucks' achievement is particularly notable because the company succeeded while dedicating substantial energies to relevant social and environmental concerns.

Although a cup of coffee seems like an innocent pleasure, the industry is fraught with suffering. Coffee is among the world's most-traded commodities. Many of the 70 countries in which the best coffee beans grow are politically unstable. Coffee buyers are subject to kidnapping, and crated coffee beans are attractive to smugglers and terrorists. Those laboring to harvest and produce coffee suffer from back injuries, burns, and repetitive motion injuries. In many coffee-growing countries, clean drinking water is in limited supply. In North America, coffee-shop workers are typically low-paid, college-aged, part-time employees. Starbucks works actively to address the shadow elements of the coffee industry. The company consulted widely to establish social and environmental guidelines for the production and processing of coffee—practices that are being adopted by an increasing number of growers. The company purchases Fair Trade Certified™ coffee, paying coffee farmers a premium above the negotiated price in order to fund infrastructure improvements in coffee-growing communities. Starbucks also demonstrates a level of concern for the health and wellness of employees and

customers that is atypical in the industry. It compensates employees with above-average wages, health care benefits, and stock options. Starbucks invests more money in employee training than on marketing. In 2009, the company was listed number 24 on *Fortune's* list of Best Companies to Work For. Like most of its competitors, Starbucks sells confections along with its beverages. In 2007, it initiated a plan to cut trans fats from baked goods in half of its U.S. stores by the end of the year (www.newstarget.com, 2007). The company works to consciously confront the damaging aspects of its industry.

Starbucks has become a corporation that seeks to treat stakeholders with dignity and respect and contribute positively to the communities and environment in which it does business. This company has achieved success through dedication to integrating the shadow aspects of the coffee industry into its business model. Starbucks is an example of corporate individuation through integration of unconscious contents.

Implications for Organizations

The nine examples presented in this article illustrate corporations facing a wide range of business challenges. We have explored organizations using Jung's self-regulating patterns of the psyche to illustrate how each company is shaped by forces other than the ego-driven influence of organizational leaders. Each corporate setting may be perceived as a crucible for organizational individuation, generating unconscious pressure to adapt, assimilate, accommodate, or transform. The variety of unconscious regulatory forces at work in corporate settings reveals the abundant creativity of the self to impel an organizational psyche toward individuation.

People working in organizations—including the representatives of Toyota Motor Corporation and British Petroleum—usually assume that their behaviors are consciously chosen. Organizational research and members of organizations themselves claim that anything operating beyond either individual or corporate ego control is inherently suspect. Yet, ignorance of the unconscious forces at work prevents organizations from learning and making wise business decisions. Ignorance of unconscious forces in organizations leads to "an above-ground management world, and a below-ground management world" where the real influence lies, according to management theorist Chris Argyris (Stark, 2004). The assumption that the seat of organizational influence resides in the conscious intentions of corporate leaders can lead to what Edinger called "the alienated life" (1992). Alienation of the organizational ego from the organizational self damages the health of a company and those working within it, resulting in a neurotic organization of neurotic employees. Organizations ignorant of the presence of the self—and its capacity to regulate the corporate ego—miss opportunities for wholeness, vitality, and

contribution to society. If, instead, people working within organizations learn to detect the presence of the self as it is regulating the organizational psyche, the corporate ego may begin to engage consciously with the corporate self.

Many of the men and women who come to Jungian analysis work in corporations like Toyota Motor Corporation and British Petroleum or companies represented in this article. Despite the unprecedented prevalence and power of organizations in contemporary society, Jungian psychology has tended to overlook the organization as a system engaging with individuating forces. To relegate the dynamics of organizational life to the collective shadow leaves a rich storehouse of developmental treasures unexamined within analysands and their collective corporate counterparts. Lack of awareness that the self regulates the organizational psyche with the same mechanisms that it regulates the individual psyche narrows analysts' appreciation of the potential for individuation that is the self operating on the corporation. For all their failings, corporations can have developmental value in the lives of people who comprise them. The organizational psyche is a complex, rich crucible for the individuation of individuals and of corporations themselves.

Martha Blake, MBA, NCPsyA, is a licensed psychologist and Jungian analyst who graduated from the C. G. Jung Institute, Zürich. Martha practices in Portland and Salem, Oregon. She is an adjunct instructor in the School of Business Administration at Portland State University, where she teaches Team Processes, a required course for seniors. Martha maintains that both individuals and organizations have the potential to individuate consciously as they engage with each other in autopoietic encounters on the edge of experience.

Pamela Buckle Henning, PhD, is an Assistant Professor of Management in the School of Business at Adelphi University in Garden City, New York. Pamela researches how laypeople seek to identify the presence of archetypal dynamics in workplace settings. She teaches organizational behavior, organizational theory, team dynamics, and human resources to undergraduate and graduate students.

NOTES

1. Spoken by Odermatt in a 1982 lecture to training candidates at the C. G. Jung Institute in Küsnacht, Switzerland.
2. Jung used the lowercase *self* to describe the center of the individual psyche. Some later writers use the uppercase *Self* to designate the center of the collective psyche. We use Jung's form.
3. Recently Howard Schultz was called back to Starbucks to resume the helm as CEO. The recession and social media have changed the way customers want to

receive information from organizations. Starbucks had lapsed into complacent unconsciousness, and it was time for Schultz to help the company integrate what its customers were saying. See Iagntus, Adi: "We had to own the mistakes." *Harvard Business Review*, July-August 2010, 109–115.

FURTHER READING

Blake, M. (2004). *Individuation and organizations: Autopoietic interactions with the collective*. Unpublished diploma thesis, C. G. Jung Institute, Zürich.

Corlett, J., & Pearson, C. (2003). *Mapping the organizational psyche: A Jungian theory of organizational dynamics*. Gainesville: Center for Applications of Psychological Type.

Croft, M. (2002, June 27). Nestlé's new milk run reignites old debate. *Marketing Week*, *25*, 20.

Downing Street Group. (2004). *The Dove report: Challenging beauty*. New York: Unilever.

Edinger, E. (1992). *Ego and archetype*. Boston: Shambhala.

Fortune Magazine. (2009). 100 best companies to work for. *Fortune*. Retrieved March 24, 2009, from http://money.cnn.com/magazines/fortune/bestcompanies/2009/full_list/.

Gibney, A. (2005). *Enron: The smartest guys in the room* [DVD]. USA: Magnolia Pictures.

Handberg, R. (2003). *Reinventing NASA: Human spaceflight, bureaucracy, and politics*. Westport, CT: Praeger.

Johnson, D. (1981). A glimpse at Nestlé's anti-boycott strategy. *Business & Society Review*, *37*, 65–67.

Isidore, C. (2008). *GM: Almost out of cash—No. 1 automaker posts huge loss*. Retrieved March 24, 2009, from http://money.cnn.com/2008/11/07/news/companies/gm/index.htm?postversion=2008110714.

Jung, C. G. *Collected works*. (R. F. C. Hull, Trans.). Princeton, NJ: Princeton University Press.

Vol 5. *Symbols of transformation.* (1911–1912, trans. 1952).

Vol. 4. *Freud and psychoanalysis.* The aetiology of neurosis. (1913, trans. 1955).

Vol. 18. *The symbolic life.* Tavistock Lectures. Lecture IV. (1935).

Vol. 8. *The structure and dynamics of the psyche.* (1970).

Jung, C. G. *Collected works.* Oxon, UK: Routledge.

Vol. 10. *Collected works.* (1959).

Kirk, M. (Writer & Producer). (2009). Inside the meltdown [Television series episode]. In M. Kirk, J. Gilmore, M. Wiser (Producers), *Frontline*. New York: Public Broadcasting Service.

Loomis, C. (2006, February 20). The tragedy of General Motors. *Fortune*, *153*, 58–75.

McCurdy, H. (1993). *Inside NASA: High technology and organizational change in the U.S. space program.* Baltimore MD: Johns Hopkins University Press.

McLean, B., & Elkind, P. (2003). *The smartest guys in the room: The amazing rise and scandalous fall of Enron*. New York: Penguin.

Nestlé, S. A. (2002). *The Nestlé sustainability review*. Le Mont-sur-Lausanne, Switzerland: Cham & Vevey.

Newton, L. (1999). Truth is the daughter of time: The real story of the Nestlé case. *Business and Society Review*, *104*, 367–395.

Redfearn, J. (1977). The self and individuation. *Journal of Analytical Psychology*, *22*, 125–141.

Sharp, D. (1991). *C. G. Jung lexicon: A primer of terms and concepts*. Toronto: Inner City.

Shell. (2007). *Eureka: The best ideas come from the most unlikely places* [DVD]. Shell Films Production.

Stark, M. (2004). *Surfacing your underground organization: Interview with Chris Argyris*. Retrieved August 26, 2006, from http://hbswek.hbs.edu/archive/4456.html.

Stone, A. (2005, April 26). Detroit's woe, America's worry. *BusinessWeek Online*. Retrieved July 13, 2007, from www.businessweek.com/bwdaily/dnflash/apr2005/nf20050426_7826_db035.htm.

Tripsas, M. (1997). Surviving radical technological change through dynamic capability: Evidence from the typesetter industry. *Industrial and Corporate Change*, *6*, 341–377.

Welch, D., & Beucke, D. (2005, May 9). Why GM's plan won't work. *Business Week*, *3932*, 84–93.

Welch, D. (2006, April 17). Getting out of Dodge. *Business Week*, *3980*, 80–81.

Yamey, G. (2000). Nestlé violates international marketing code, says audit. *British Medical Journal*, *321*, 8.