

Rankism—The Hidden Barrier to Success

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Organizations, like organisms, are vulnerable to maladies. They are especially prone to develop those endemic to society as a whole. For example, so long as racism and sexism were undiagnosed and untreated at large, they found many businesses to be hospitable hosts. In the aftermath of the civil rights and women's movements, most firms became alert to the symptoms of these afflictions. A company found harboring either of them today faces the choice of remedying the situation or losing business.

There's another malady to which hierarchical organizations are susceptible, but which has yet to be identified and named. It is the abuse of power by those higher up on the totem pole in relation to those lower down. When discrimination and injustice are race-based, we call it racism; when they're gender-based, we call it sexism. By analogy, "rankism" is defined as abuse or discrimination based on the differences of power attached to rank.

New words are often slow to win their way into the lexicon, but once they do, the ramifications can be great. The coinage "sexism" was at first vehemently resisted, especially by those who were unconsciously practicing it. Isolating and naming a problem can be a big part of finding a solution to it.

Once we have done so with rankism, we see examples of it everywhere. A boss bullies an employee. A customer demeans a waiter. A doctor intimidates a nurse. A teacher humiliates a student. A parent belittles a child. All are forms of this insidious scourge. Today, people with higher rank and more power in a particular setting can maintain an environment that is hostile and demeaning to those with lower rank and less power in that setting, much as most everywhere whites used to be at liberty to mistreat blacks.

Since hierarchies are all about rank and power, it's not surprising that they are incubators of rankism. It occurs within governments, corporations, businesses, families, workplaces, schools and universities, as well as religious

and healthcare organizations. Examples in the headlines include corporate corruption, sexual abuse by clergy, school hazing, and the abuse of elders.

Rankism takes hold because the power vested in rank-holders at each level of a hierarchy gives them leverage over those of lower rank, shielding them from the consequences of exploiting subordinates or shareholders for personal advantage. Sooner or later those with high rank are tempted to use their position for self-aggrandizement and personal gain instead of the institution's avowed purpose. A recent example was the board-approved \$180 million compensation package awarded to the Chairman of the New York Stock Exchange.

Like racism and sexism, rankism can cripple an organization, sometimes fatally. Even nonprofits are vulnerable. Typically they start out with the intention of doing good and providing a service. But like a parasitical disease, rankism can subvert that purpose to the narrower goal of advancing the personal security of those at the top. In subtle ways, the organization's focus gradually shifts from public service to self-preservation and the personal interests of its leadership.

The effects of rankism on its victims are not different from those of racism or sexism on minorities and women. Abuse and discrimination feel disrespectful, demeaning, and degrading to victims no matter what the excuse—race, religion, gender, age, sexual orientation, or rank. Further consequences are also the same. Rankism distorts personal relationships, undermines trust, stokes resentment and indignation, erodes the will to learn, and taxes productivity. In contrast to the other now-familiar "isms," it plays no favorites, striking at all levels from day workers to the highest echelons of management.

Early detection and prompt treatment can restore worker morale, rejuvenate executives, and improve a company's bottom line. Maintaining a strong organizational defense against rankism is practically synonymous with good management. In *Good to Great: Why Some Companies Make the Leap...and Others Don't*, Jim Collins makes the point that protecting their firms from abuses of rank and the indignity such practices sow is the hallmark of great business leaders.

As Vartan Gregorian, president of the Carnegie Foundation, says, “Dignity is not negotiable.” People acquiesce in rankism because they fear the consequences of resisting: demerit, demotion, ridicule, and ostracism. Under duress, they may seem to compromise their dignity, but they are temporizing, awaiting the first opportunity to demand the respect that everyone wants and deserves. Once the rank and file begin withholding their hearts and minds—as they do from any organization beset with rankism—the enterprise begins to decline.

None other than George Washington had this insight with respect to slavery, one of the most noxious forms of rankism. Today the inefficiency of slavery is obvious. But to Washington, himself a slave-owner, it came as a surprise. While on a visit to Philadelphia, he noticed that free men there could do in “two or three days what would employ [his slaves] a month or more.” His explanation that slaves had no chance “to establish a good name [and so were] too regardless of a bad one” was not that of a moralizer, but rather of a practical man concerned with the bottom line.

Rankism won’t yield to moralizing, but it will diminish as it becomes clear that rankist practices undermine creativity, productivity, customer service, and employee commitment. Learning not to demean workers is as beneficial to the success of a business as is realizing that “the customer is king.”

Today employers are not dealing with slaves, though it is sometimes argued that wage-earners are wage-slaves and salaried employees are only marginally more independent. Negative motivation—fear of penalties or job loss—is now becoming dwarfed by the positive incentive of being part of a team of responsible professionals. Eliminating “recognition deficiencies” in the workplace will be as good for the bottom line as eliminating nutritional deficiencies was for the productivity of day laborers.

As rankism is identified and reduced, people’s energy is catalyzed and engaged. Employees who feel recognized as individuals and who feel they have a fair chance at promotion give their companies their best. Organizations that

figure out how to give their workers a voice in management and a stake in its profitability reap the benefits.

The competitive advantages of relatively non-rankist hierarchies are most easily discernible in institutions devoted to research and development, where the very purpose of the enterprise is to discover and exploit new ideas. Such organizations are adept at making the distinction between rank and rankism and have built a culture in which this distinction is paramount. For example, Intel, like many technology firms, operates with the explicit understanding that any employee is free to call into question any other employee's professional views. A newly-hired twenty-year-old can challenge a director of research or the CEO. The policy of open, free exchange regardless of rank is seen as a vital part of keeping the company a creative, productive place. Rankism is perceived as a threat to research. Condescension and arrogance are out. Open, reciprocal interaction is valued over pride of position.

In a tragic irony, those who stoically put up with a rankist environment often do so because they covet for themselves the rewards that come with status and power and dream of someday attaining them. But so long as rankism rules, the chances of this happening are slim. In truth, such individuals are supporting the very system that is keeping them down. It is only when rankism is dismantled that they have a genuine shot at advancing instead of just illusions and false hopes of doing so.

I am not by any means proposing that we do away with rank. That would make no more sense than trying to do away with race or gender. When earned and exercised appropriately, rank is a legitimate, virtually indispensable tool of organization. The problem is not with authority per se, but with its abuse.

Making the distinction between rank and rankism actually revalidates rank when it has been properly earned. Sorting out the proper and improper uses of rank restores to it the respect it deserves. In the absence of rankism, presidents, CEOs, and leaders of every kind regain the recognition that is their due—no more, no less. The only real “boss” is a better idea or a better question.

Many may wonder whether rankism is simply human nature. In this regard, it's worth recalling that not so long ago, it was widely believed that racism and sexism were deemed to be innate, but now they are generally viewed as learned. While the impulse to exploit a power advantage for personal gain is hardly uncommon in our species, history shows it is equally in our nature to detest such abuses and to act together to limit the authority of rank-holders.

To this end, we have overthrown kings and tyrants and placed political power in the hands of the people. We have reined in monopolies with antitrust legislation. We have limited the power of employers through unionization. Blacks, women, homosexuals, and people with disabilities have all built effective movements that succeeded in replacing a once-sacrosanct social consensus with another that repudiated it and that acknowledged their right to equal dignity.

The generation now entering the workforce is notably less willing to put up with unfair treatment than any of its predecessors. Today's young are mobile, resourceful, multi-skilled, and more ready than previous generations to take chances. They are groping toward a new set of principles by which recognition is sought—principles that downplay rigid hierarchy and status and affirm the notions of equal dignity, teamwork, and a more equitable distribution of rewards.

These attitudes herald a major transformation of the workplace. Just as in the civic realm subjects evolved into citizens, likewise in the realm of work we can anticipate employees evolving into partners.

In a post-rankist workplace, rank would be awarded and held in relation to a particular task. Recognition would be given upon the completion of that task, and rank then reassigned as needed to facilitate cooperation on another project. Although it's long been a fixture of compensation packages, the correlation between decision-making and salary would be reexamined. Asking a good question—one that spares the firm the consequences of a bad decision—is as important to the bottom line as is making a good decision.

To retain the loyalty of their co-workers, executives would take care to neither show favoritism to those of high rank nor abridge the privileges of those lower down. Companies will take pride in being places where everyone

experiences equal dignity, has equal opportunity, and receives equal justice. The mailroom-to-boardroom story will become less exceptional; employee co-owners, with a share of the equity, will become more common; and the income and equity gaps between the highest and lowest paid will narrow.

Firms of the future will incorporate into their business plans scenarios for their employees' advancement. In a post-rankist environment, personnel will be seen less as workers holding down a job and more as learners progressing to different levels. In order to create room at the top so others have a chance for upward mobility, resources will be devoted to "graduating" executives. Personnel officers will assume responsibility for seeing that everyone in the firm has somewhere to go, whether inside or outside the company, and assist them in the transitions. Job tenure is an inherently rankist benefit that has outlived its usefulness.

Today, what primarily marks people for mistreatment and exploitation is not the traits that have singled them out in the past, but low rank and the powerlessness it signals. Although rankism can't be eradicated overnight, it can be put on notice as we've done with other kinds of prejudice. Authority can be democratized while simultaneously increasing organizational efficiency not only in our civic institutions but in the workplace as well. In time we may see the emergence of a broad-based "dignitarian" movement dedicated to overcoming rankism in all our social institutions.

The nations that curtailed rankism in government led the world in the 20th century. The nations that are most successful in removing rankism from the workplace will lead in the 21st. Overcoming rankism is democracy's next step.

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