



GOSEI

Second Opinions by Management Thinkers

Ari Tikka, Ran Nyman

Nov 7th 2016

Content

Joseph Tainter: Collapse of Complex Societies

Allen C. Ward: Lean Product Development

Chris Argyris: Learning Organizations

Konosuke Matsushita: Taylorism

Stephen Bungay/Clausewitz: Military vs Business management

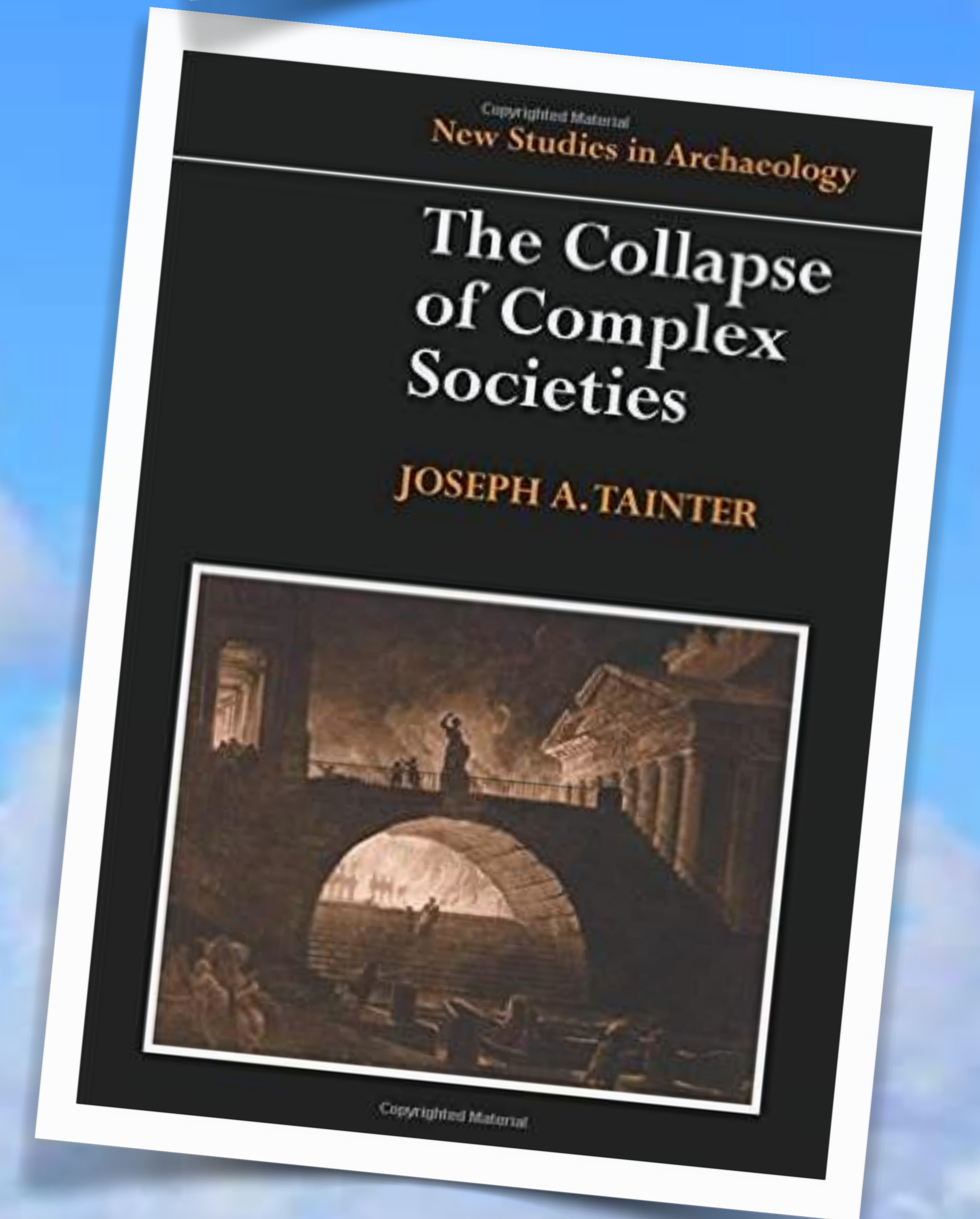
Gary Hamel: "The Future of Management"

Collapse of Complex Societies

Joseph A. Tainter

Collapse of Complex societies:

- Mayas
- Chacoan
- West Roman Empire
- Western Chou
- Mesopotamia
- Egypt
- ...



Tainter's story in brief

Innovation increases local efficiency and complexity.

Abundant resources and innovation enable the growth of the Society.

Complexity grows

- Elite creates wasteful rituals to maintain their status
- Rent instead of value creation

The complex society can no more adapt and collapses. The population drops dramatically.

The root cause of the collapse

is

the complexity

not

the depletion of resources.

Lean Product Development

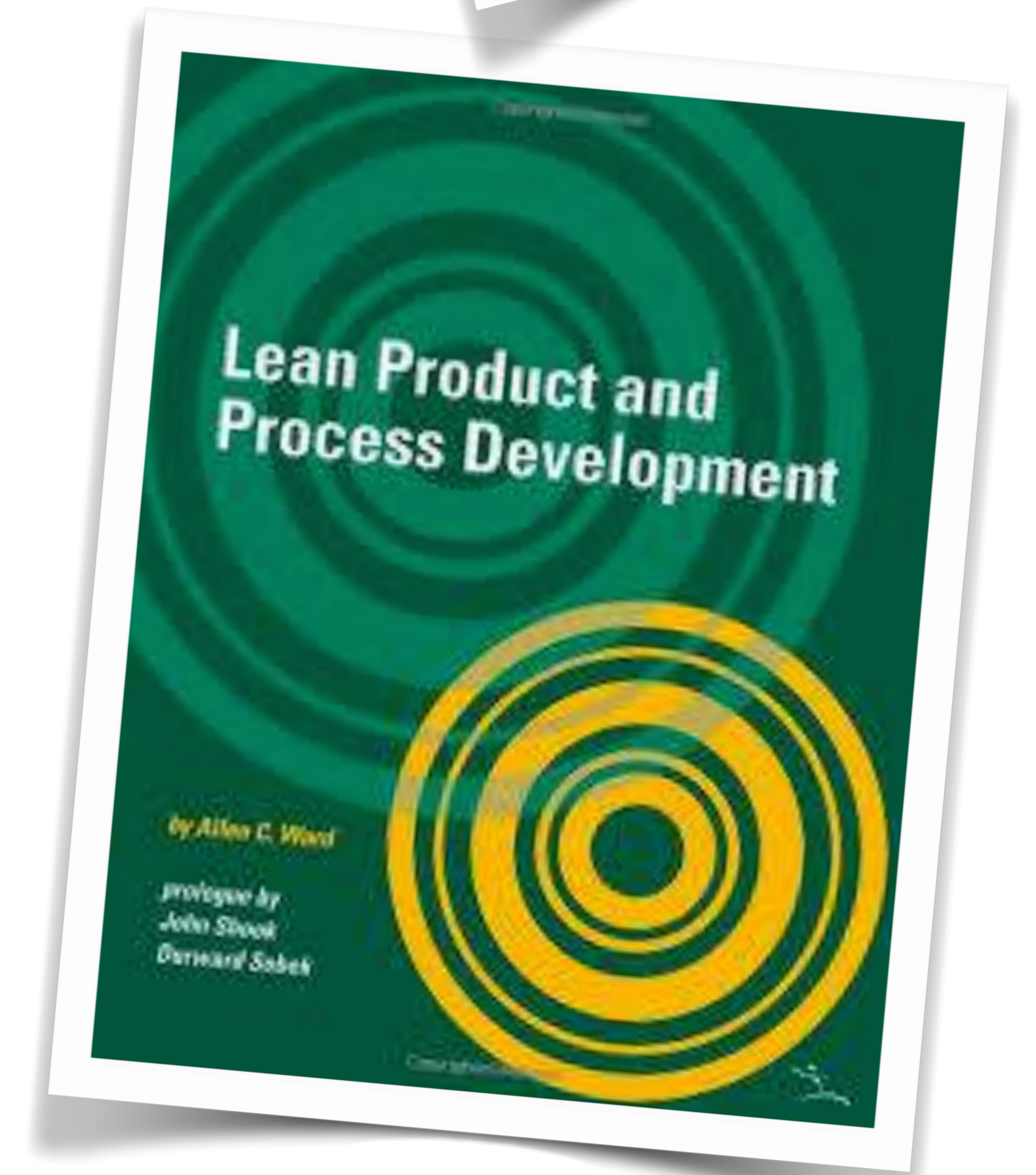
Allen Ward

Responsibility
(Business)

Feedback
(Testing)

Knowledge

Implementation



Allen Ward



Responsibility
(Business)

Feedback
(Testing)

Waiting

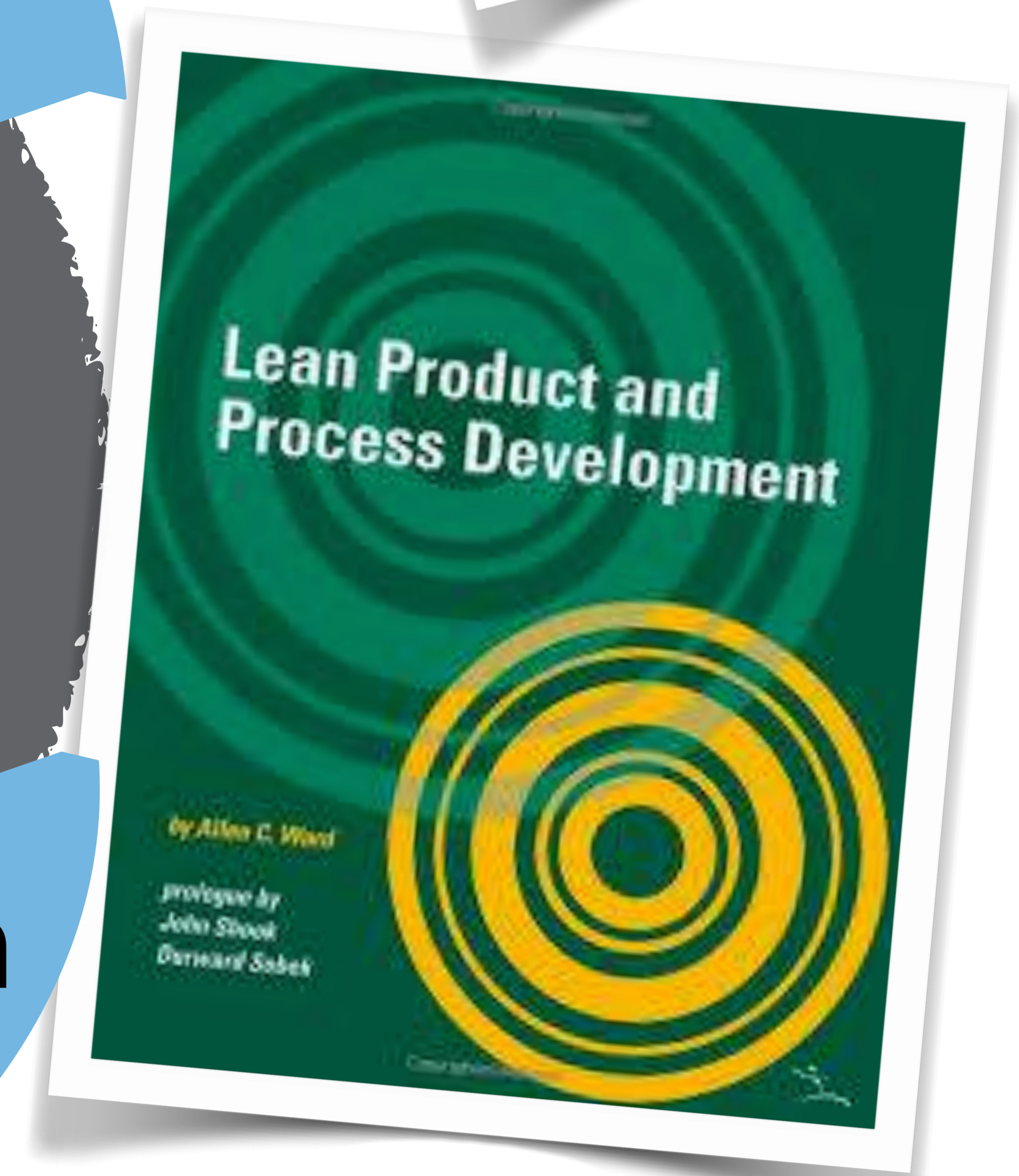
Handover (Queues)

Scatter

Wishful thinking

Knowledge

Implementation



Entrepreneur of the 20th Century on Taylorism

Konosuke Matsushita

Entrepreneur of 20th Century

"We will win and you will lose. You cannot do anything about it because your failure is an internal disease. Your companies are based on Taylor's principles. Worse, your heads are Taylorized, too. You firmly believe that sound management means executives on one side and workers on the other, on one side men who think and on the other side men who can only work. For you, management is the art of smoothly transferring the executives' ideas to the workers' hands. We have passed the Taylor stage. We are aware that business has become terribly complex.

Survival is uncertain. Therefore, a company must have the constant commitment of the minds of all of its employees to survive. For us, management is the entire workforce's intellectual commitment at the service of the company. We know that the intelligence of a few technocrats—even very bright ones—has become totally inadequate to face these challenges. Only the intellects of all employees can permit a company to live with the ups and downs and the requirements of its new environment. Yes, we will win and you will lose. For you are not able to rid your minds of the obsolete Taylorisms that we never had."



Business Leadership
150 years
behind
Military Leadership

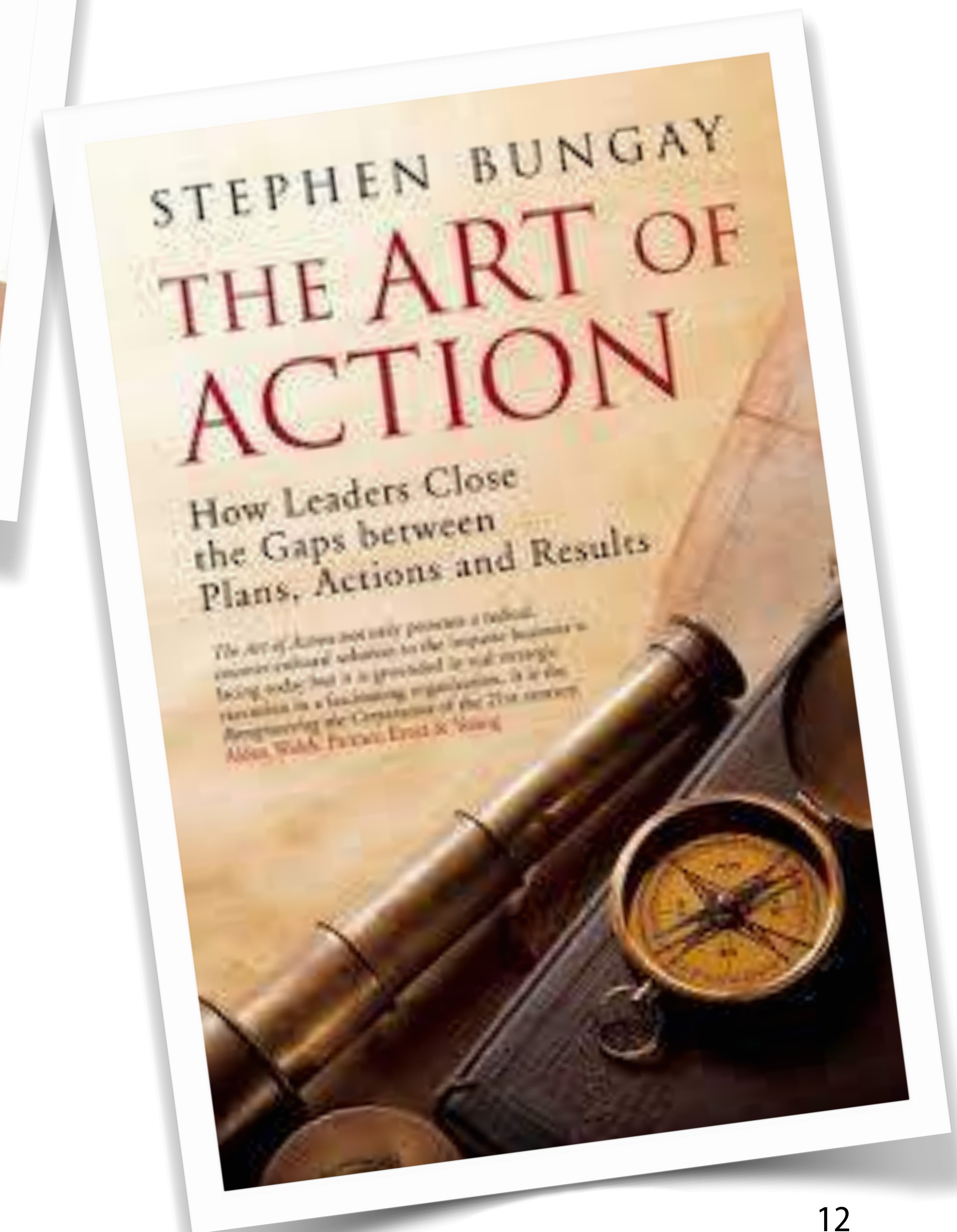
Stephen Bungay

Business is 150 years behind military.

Carl von Clausewitz:
On War 1832



Helmuth Carl Bernhard Graf von
Moltke: Guidance for Large Unit
Commanders, 1869

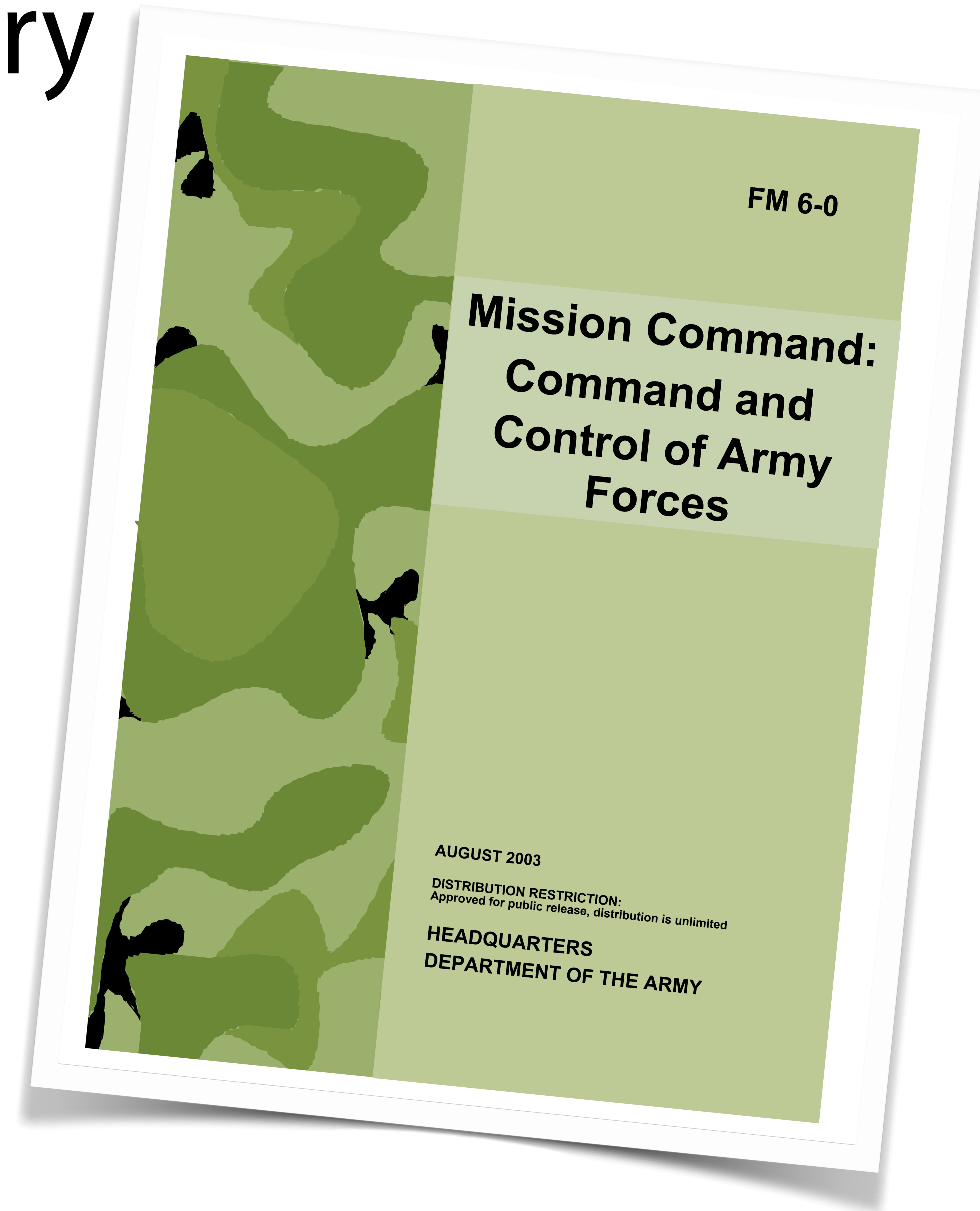


	20th Century Management	19th Century Military
World view	Business is science Organisations are machines Managers are engineers	War is an art Organisations are organisms Officers are leaders
Assumptions	Outcomes are predictable Optimize parts and you optimise whole Managers plan, workers do	Outcomes are unpredictable Do and adapt What counts is aligning and motivating people
Result	Nasty surprises Silos Paralysis	Success when followed Failure when given up

Modern military

<ul style="list-style-type: none"> • Probabilistic • Unpredictable 	Assumes war is	<ul style="list-style-type: none"> • Deterministic • Predictable
<ul style="list-style-type: none"> • Disorder • Uncertainty 	Accepts	<ul style="list-style-type: none"> • Order • Certainty
<ul style="list-style-type: none"> • Decentralization • Spontaneity • Informality • Loose rein • Self-discipline • Initiative • Cooperation • Acceptable decisions faster • Ability all echelons • Higher tempo 	Tends to lead to	<ul style="list-style-type: none"> • Centralization • Coercion • Formality • Tight rein • Imposed discipline • Obedience • Compliance • Optimal decisions, but later • Ability focused at the top
<ul style="list-style-type: none"> • Implicit • Vertical and horizontal • Interactive 	Communication types used	<ul style="list-style-type: none"> • Explicit • Vertical • Linear
<ul style="list-style-type: none"> • Organic • Ad hoc 	Organization types fostered	<ul style="list-style-type: none"> • Hierarchic • Bureaucratic
<ul style="list-style-type: none"> • Delegating • Transformational 	Leadership styles encouraged	<ul style="list-style-type: none"> • Directing • Transactional
<ul style="list-style-type: none"> • Art of war • Conduct of operations 	Appropriate to	<ul style="list-style-type: none"> • Science of war • Technical/procedural tasks

Figure 1-4. Concepts of Command and Control



Gary Hamel
Future of Management

“Have you ever asked yourself, what are the deepest principles upon which my management beliefs are based? Probably not. Few executives, in my experience, have given much thought to the foundational principles that underlie their views on how to organize and manage. In that sense, they are as unaware of their managerial DNA as they are of their biological DNA.”

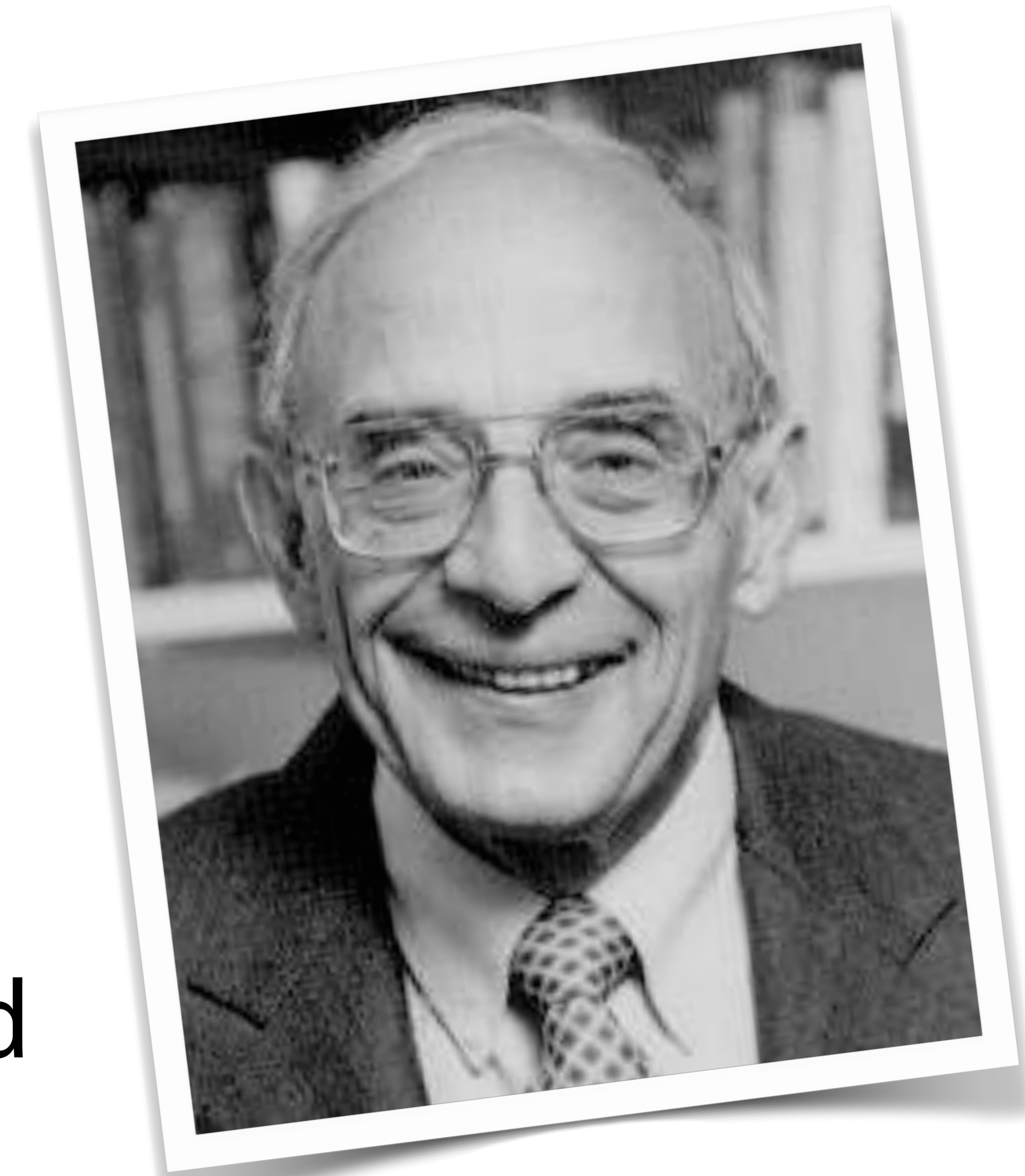
Learning Organizations

Consequences of Fear, Shame and Guilt

Organizations are designed to produce waste and error, in order to avoid embarrassment and threat, and to cover unacceptable acts.

It is indiscussable. Indiscussability is indiscussable.
But individuals know.

Indiscussability results in skilled incompetence and organizational depression.



Chris Argyris: Overcoming Organizational Defenses, Facilitating Organizational Learning. 1990.