

# Thinking Managers

Robert Heller of [www.thinkingmanagers.com](http://www.thinkingmanagers.com) explains why new challenges in a high-tech world demand a lowtech revolution in management.

## The Challenge of Change

The simple and perfectly satisfactory mobile phone of just a couple of years ago has been superseded by a device that still makes phone calls and sends messages, but also plays music, takes photographs, calculates, handles data, and so on. The proliferation has made it very difficult to make a rational choice on which wonder is the 'best buy'.

The entire process of buying has become more complicated and needs more skills from the buyer. What is happening in the high street is also changing management. Simple solutions just don't exist. Outsourcing provides a perfect, not to say chilling example.

The wisdom of buying in services from outside suppliers may seem sound. Why should an airline pose as a catering company when outsiders want the business - firms whose concentrated skills ostensibly provide better quality for lower costs?

No doubt that argument convinced British Airways before handing its in-flight catering to Gate Gourmet. The practices of the supplier, as many hundreds of unfortunate would-be passengers can testify, led to a strike whose support by BA's own workers brought the airline to a standstill and lost the customer £40 million.

Placing your key business processes in the hands of dedicated partners may seem the easiest way of coping with burning need to make full use of revolutionary advances in IT; and to do so, moreover, while making significant savings. But it's completely irrational to expect these economies.

Gate Gourmet and the IT outsourcers have to reap their due rewards by squeezing costs, lowering quality or both.

Recently the way in which intelligent people are stultified by absurd norms was highlighted to me by a roleplaying exercise conducted by Extensor. To demonstrate the effectiveness of its methods, Alistair Schofield asked the participants to act as employees of three different companies, each having to cope at speed with a different, difficult business situation.

The executives were split into Tops (the boss class), Middles (who must seek to serve both superiors and subordinates), and the Bottoms (who carry out the work, but have no control or influence over its design).

In the role-playing, the Tops failed to relate to the other two tiers, and the Middles failed to relate to their subordinates. The plain commonsense of working as a unit in order to achieve sensible and agreed ends only came to the fore when a fourth party, the Customers (played by observers), exercised their final power to force the Tops to begin to lead.

Extensor makes use of the succinct, five-point Kouzes-Posner model as a leadership tool. How does your organisation rate against the five criteria?

Does your leadership...



- 1) Model the Way? (being clear regarding personal values; setting an example and planning small wins)
- 2) Inspire a Shared Vision? (envisioning the future; enlisting the support of others)
- 3) Challenge the Process? (seeking opportunities; experimenting and taking risks)
- 4) Enable Others to Act? (fostering collaboration; giving power to others)
- 5) Encourage the Heart? (acknowledging contributions; hailing accomplishments)

If all five elements of leadership are present in your organisation, well done. But even one negative should not be tolerated. The lack of any one positive could well negate all the other four.

Emotions associated with status and the fears created by hierarchical management hold back the natural drives to achieve and improve. As Schofield points out: "Management hierarchies have been the traditional way of organising companies since the Industrial Revolution, when the process of management was exclusively 'top-down'.

"But although this predominantly top-down approach is no longer appropriate in today's fast-moving environment, where decisions need to be taken at all levels in the organisation, it is proving very resistant to change."

Schofield's hierarchs fail to see past existing businesses. They lack criteria to inform their choices. They judge progress mostly on financial metrics and underfinance their lacking ventures. No wonder they fail. If you want to succeed, stick to the Five Elements.

**About the author:** *Robert Heller is one of the world's best selling authors on business management.*