



a brief introduction to

MANAGE WITHOUT THEM

by Matthew De George

Understanding the shift towards
market-based management at
the heart of today's management
and technology trends

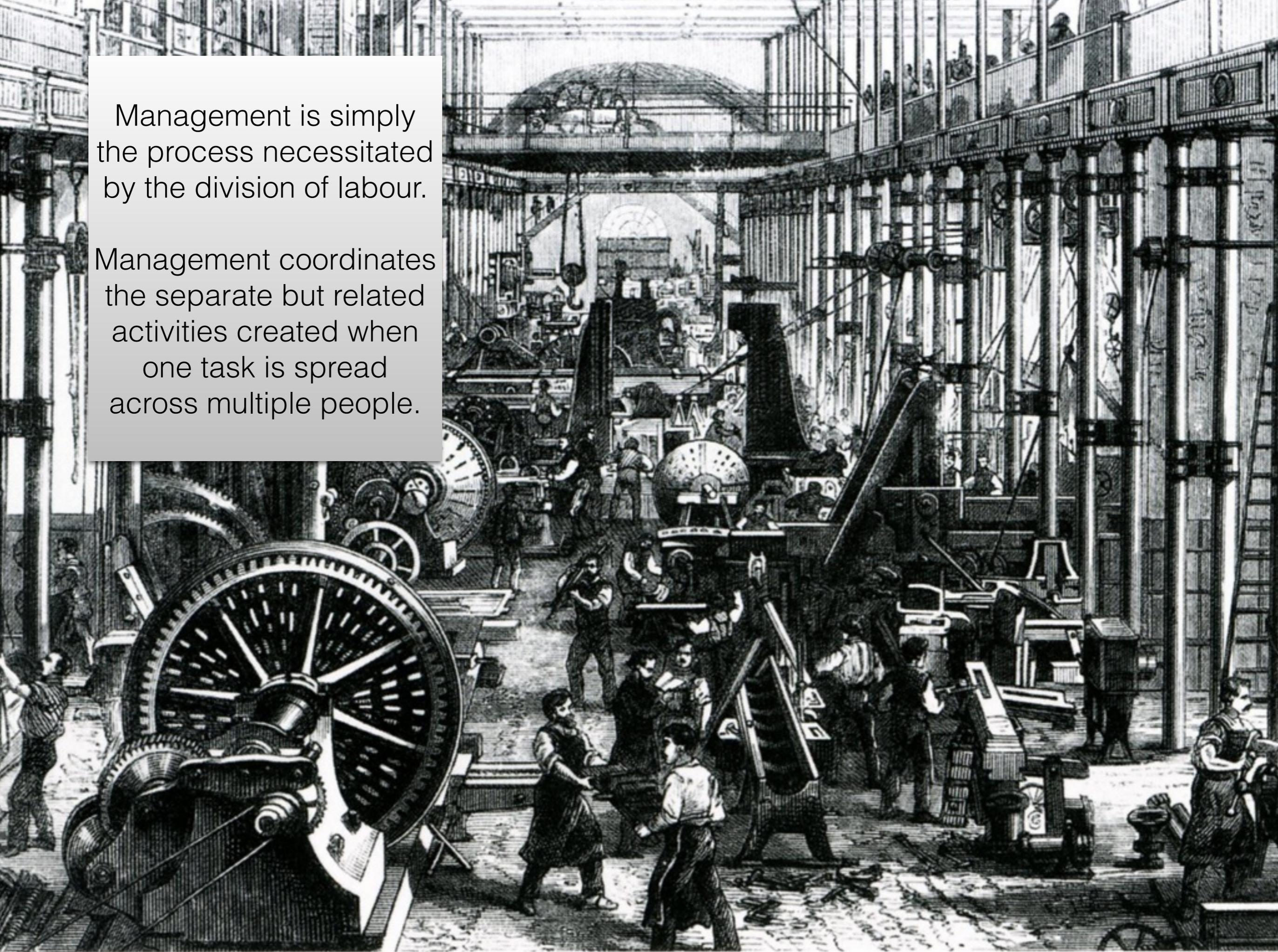
What's coming up...

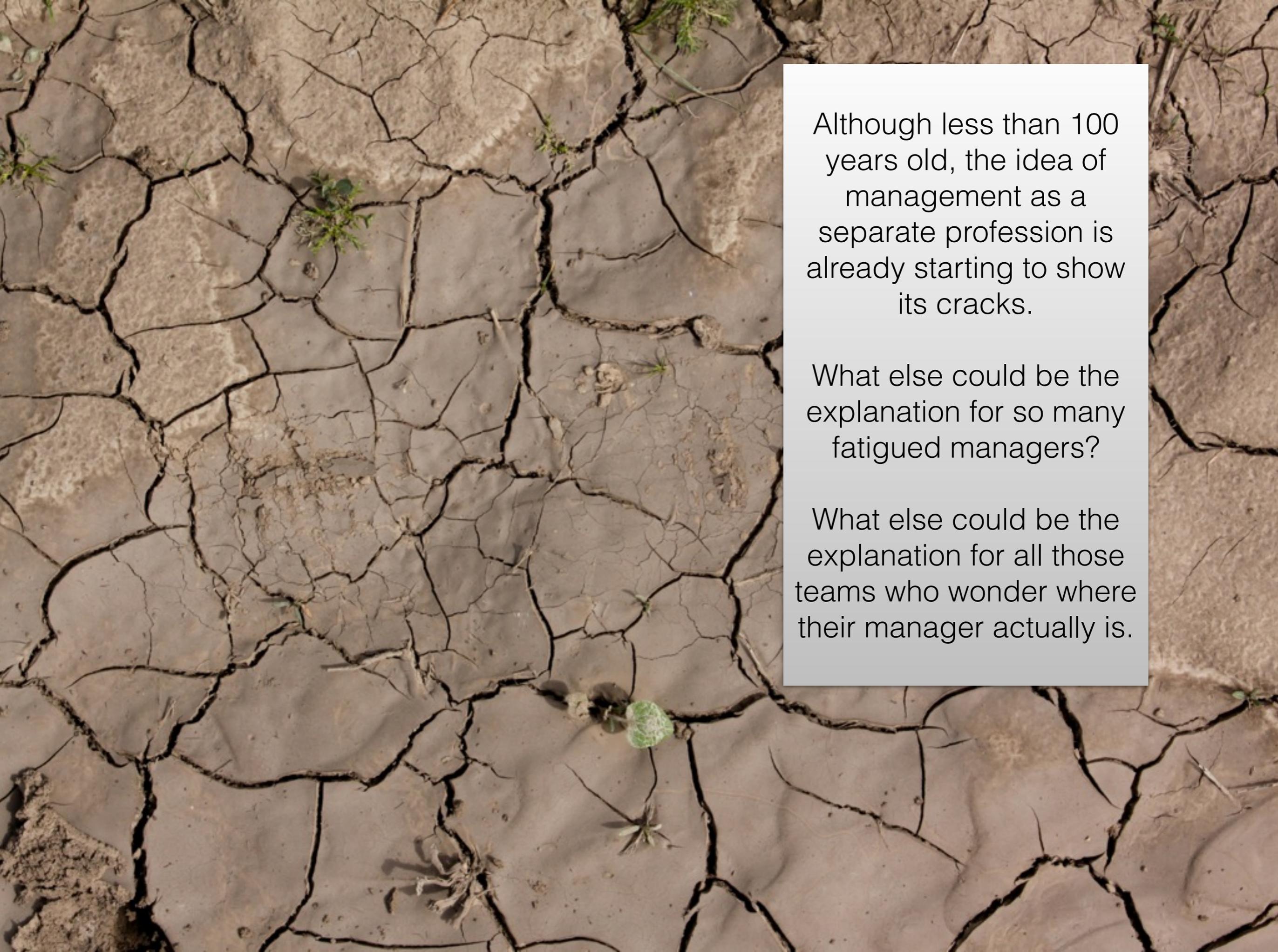
This isn't a table of contents - but it's basically what I'll talk about in more or less this order. But I won't assume you're a fool and tell you which part we're up to every few pages.

Why is Management?
What isn't Management?
Market, Markets, Everywhere
The MWT Management Transformation
The MWT Model
Starting

Management is simply the process necessitated by the division of labour.

Management coordinates the separate but related activities created when one task is spread across multiple people.





Although less than 100 years old, the idea of management as a separate profession is already starting to show its cracks.

What else could be the explanation for so many fatigued managers?

What else could be the explanation for all those teams who wonder where their manager actually is.

A photograph of the Berlin Wall in winter. The wall is made of large concrete blocks and is covered in graffiti, including the word "LOVE" in large letters. The ground is covered in snow, and there are bare trees in the background. A white text box is overlaid on the left side of the image.

What I call *The Incredible Shrinking Management* is the story of how the battle between planning and market economies that has occurred on a global scale, across countries, is now occurring across our organisational's management functions.

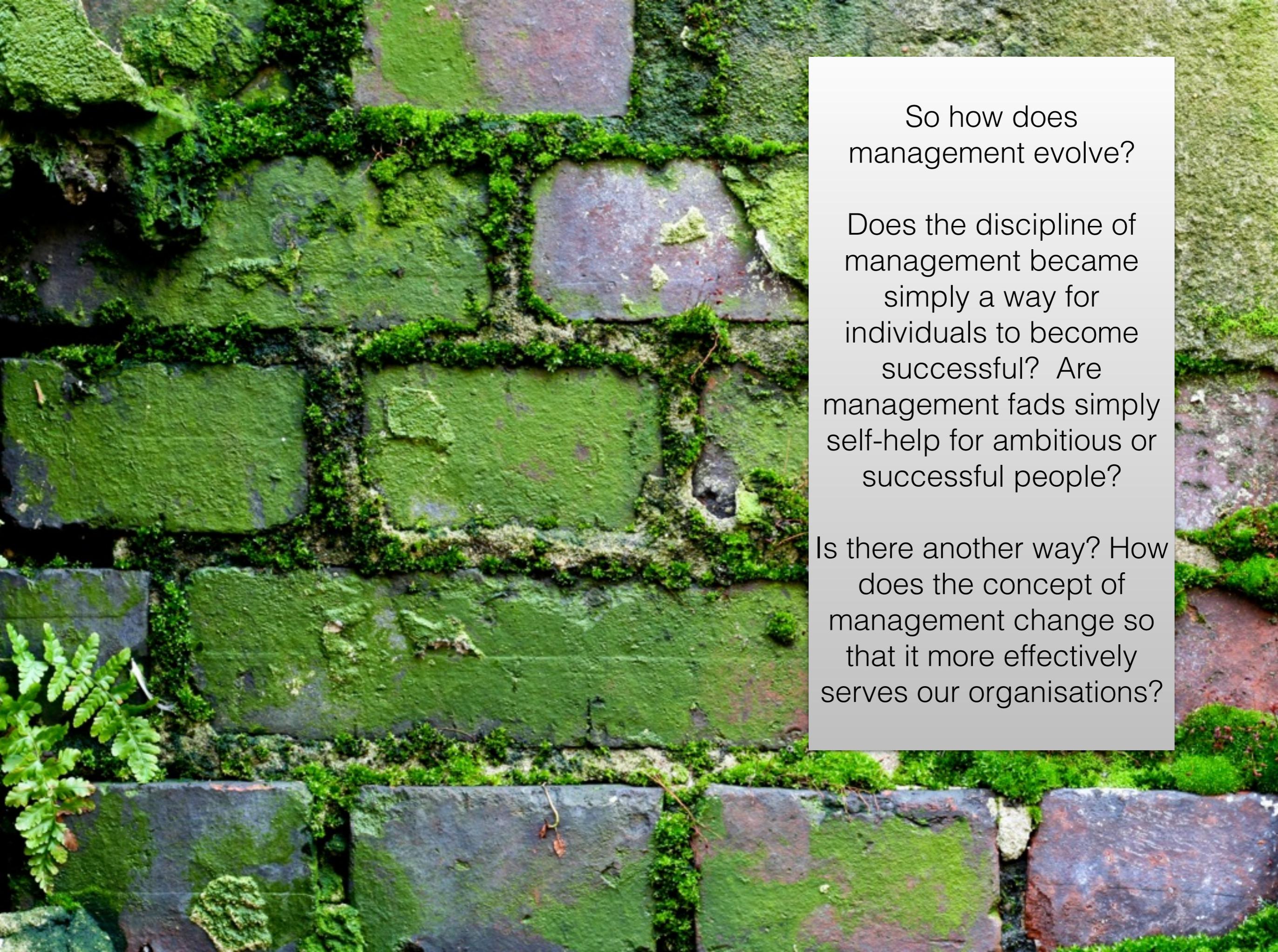
But management isn't shrinking, it's growing.

Like "big government", "big management" can always find a reason to grow.

That basic function of coordination is always growing, fragmenting, and struggling to retain control.

This is where communications management, change management, marketing management, customer relationship management, etc come from.





So how does management evolve?

Does the discipline of management became simply a way for individuals to become successful? Are management fads simply self-help for ambitious or successful people?

Is there another way? How does the concept of management change so that it more effectively serves our organisations?

That's about as much as I can fit into that fashionable sort of photo montage that is the level of detail I'm allowed to include in a presentation these days.

Anything more might be “too complicated” and I might lose my audience. Busy executives, I’m told, don’t have time for more than 4 slides.

Thing is, this isn't a very complicated idea. But we are conditioned to judge things on form rather than content. We’re told this by managers, not un-ironically, and by implication we’re told not to try to change anybody's thinking.

So, if you are going to get distracted by half-thoughts, incomplete ideas, and the need to fill in the gaps with your own research and conclusions, then maybe stop now.

Managers ask many questions. You might be right in the middle of a complex customer call, or perhaps a tricky piece of software coding if you happen to be one of the few software engineers who is still allowed to write code, and your manager will ask you how long it will take before you are finished.

She'll then ask you to qualify the length of time it will take, breaking down the time into the specific activities you will perform, and to let her know any risks or issues you have. She'll also, if she's an experienced manager who has worked with your type before, ask you to contact her immediately if you think you won't meet the deadline that you just set for yourself.

If you don't warn her that you are going to miss your deadline she'll ask even more questions. She'll ask who you report to (but you won't really know for sure) and she'll threaten to 'escalate this' if it isn't finished by the end of the day. You'll tell her quite calmly - because you don't want this to become a conversation about your attitude - that it really isn't very likely to be finished by the end of the day, and that you have to meet your wife for dinner at 6 o'clock because it's your wedding anniversary.

Apparently, you must stay back until it's finished. Through a haze of presumption and disrespect she'll tell you that this would be the 'professional' thing to do. You're a professional and expected to stay back 'until the job is done'.

You start to explain the problem to her but she evidently doesn't want to be involved in all of the 'technical details'. You try to explain that you are just waiting for something to complete at the moment and that you can check if it worked from home after dinner. But she wants you 'where she can see you'.

It's a childish impulse to blame the 'they'. I've done it myself. This 'they' really means the part of you that allows particular things to happen.

- Elvis Costello, Mojo Magazine 2002

What isn't management?

She's not staying, of course, but if she were staying this would certainly be the place where you'd need to be for her to see you. You admit you're getting annoyed now. Because suddenly it seems that after months of conspicuous absence on her part, your mere physical proximity to empty cubicles in the middle of the night will mint new time and solve the hitherto unsolvable.

Your manager finally admits that she doesn't really care where you are as long as the problem is solved tonight. Again, you try to let her know, as she has asked you to, that it's really not likely this will be finished tonight. This makes her suspicious - maybe this problem really won't be solved. You can feel the conversation turning back on itself.

You're annoyed now you'll admit - and you know it's showing. This is exactly why do didn't think it was a good idea to remove David from the project team. This was supposed to be his job but it wasn't included in his hand-over tasks because at the time this wasn't officially in the scope of the project - even though everybody know it had to get done.

You think of mentioning David's departure but now isn't the time to question your manager because this really is a big project and she is under a lot of pressure. Besides it was David's inconvenient questions that had him removed from the project in the first place. Not that it turned out to be a bad thing for David. He already has a lucrative contract role working in another division.

But David was right. The questions should have been asked long ago. Managers ask lots of questions and demand answers. They ask 'how did we get into this mess?' when you always thought it was their fault. They ask 'what are you doing at the moment?' when you thought that was what they were supposed to tell you. They even ask 'why isn't anybody more proactive?' as they leave no room for minor mistakes and add continuously to the list of constraints you need to work under.

Tough managers ask the tough questions. Hands-off managers ask high-level questions and ask you to write a summary for them. Hands-on managers ask you to hand them the wrench that you were in fact already using.

Last one...

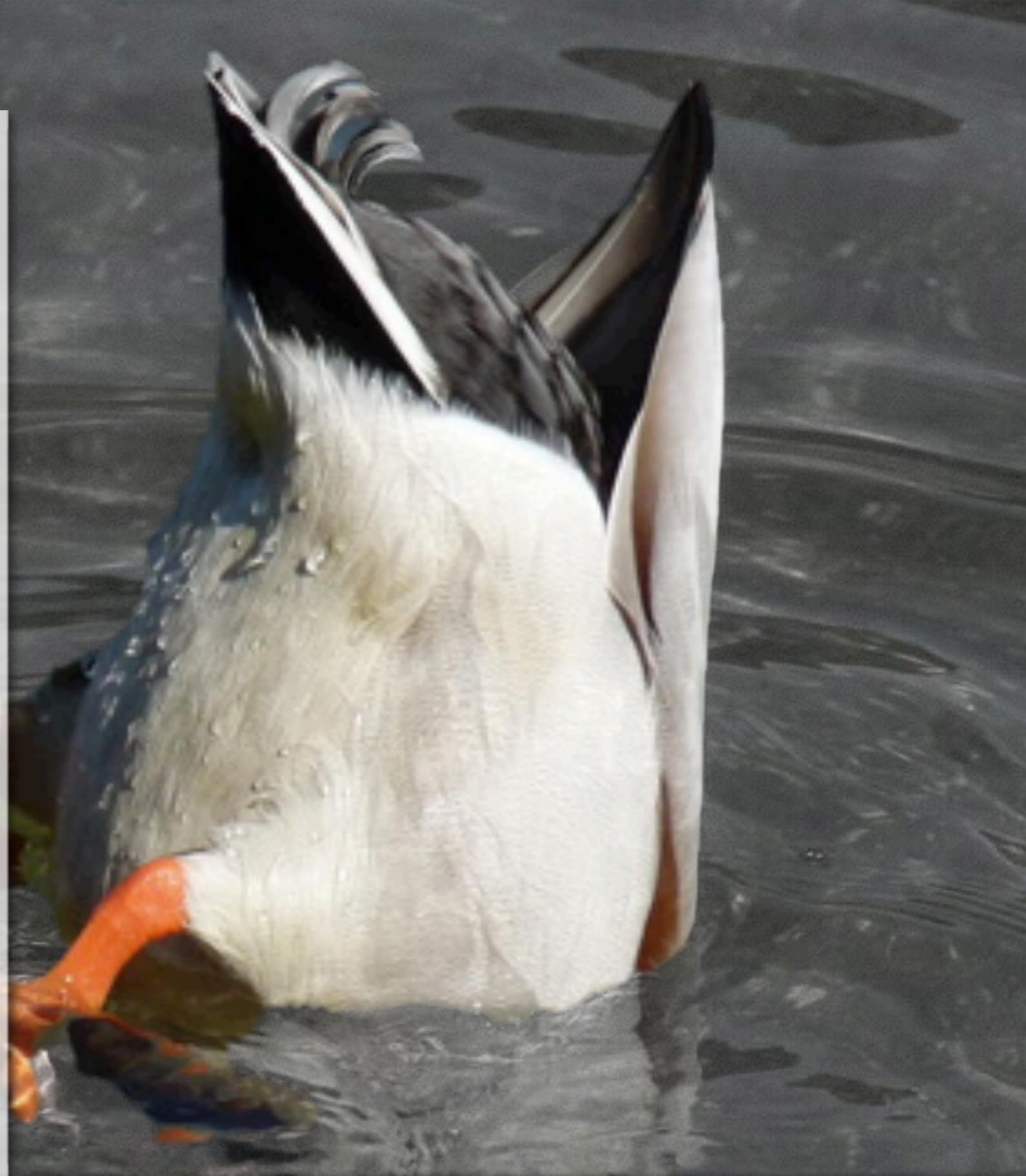
"Good managers are like a duck. On the surface all is smooth but under the surface there is furious activity."

If you've never heard that duck metaphor before I'm very surprised. But I can also guarantee you'll hear it again, and again, and again...

Maybe not about management but perhaps spoken by a manager. Because that's the sort of thing this passes as wisdom in this game.

Also be on the look out for initiatives that "will only be a success if they are supported from the top" or "putting the customer at the centre of everything you do" (*)

The truth is, this is pretend wisdom. This is having slightly interesting things to say for those all-to-often occasions when you don't know what is actually going on and you don't want to break anything.



(*) Actually, that's a whole other racket. Saying you want to put the customer at the centre of everything you do is not being customer oriented at all. The customer is at the centre of they do - not you.

Why is management?

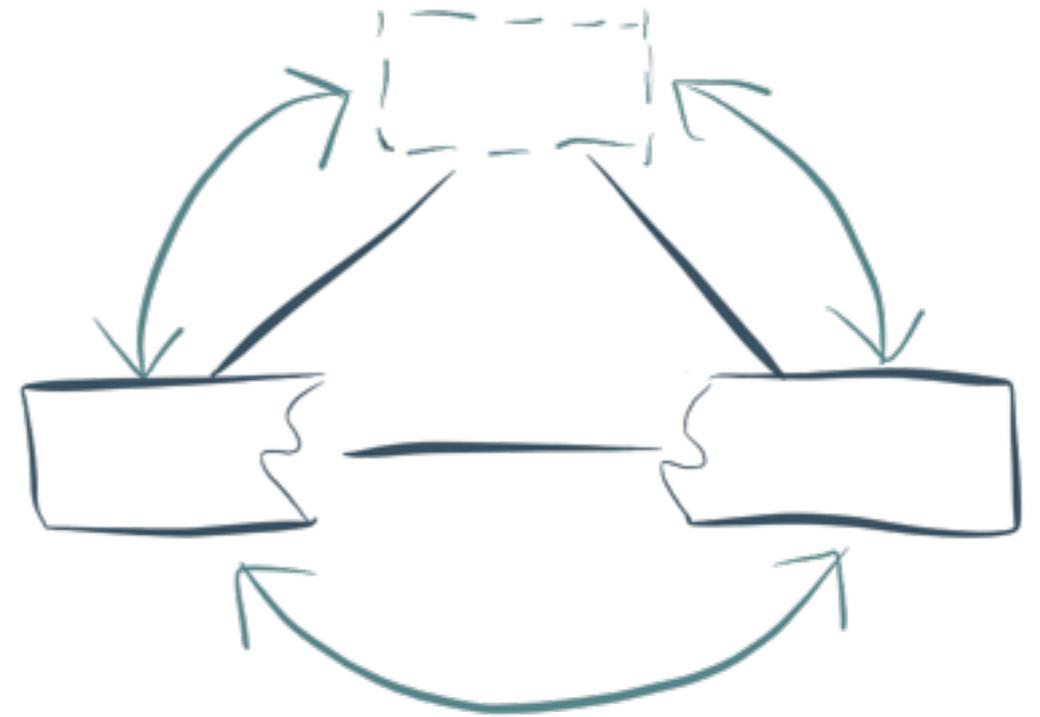
Popular management literature likes to stress the importance of 'purpose'. And it's quite true that a strong unifying and shared purpose is an effective mechanism for enhancing team effectiveness.

But what if we turn that question back onto management itself and ask what is the purpose of management?

I think the answer is simple:

Management is the coordination of separate but related activities brought about by the division of labour.

It's that simple. If you think it's more complex than that you are probably a manager. You might want to include details of planning, or strategy, or financial control, or conflict resolution, or any number of activities and skills relating to the management profession. But that's value-add.



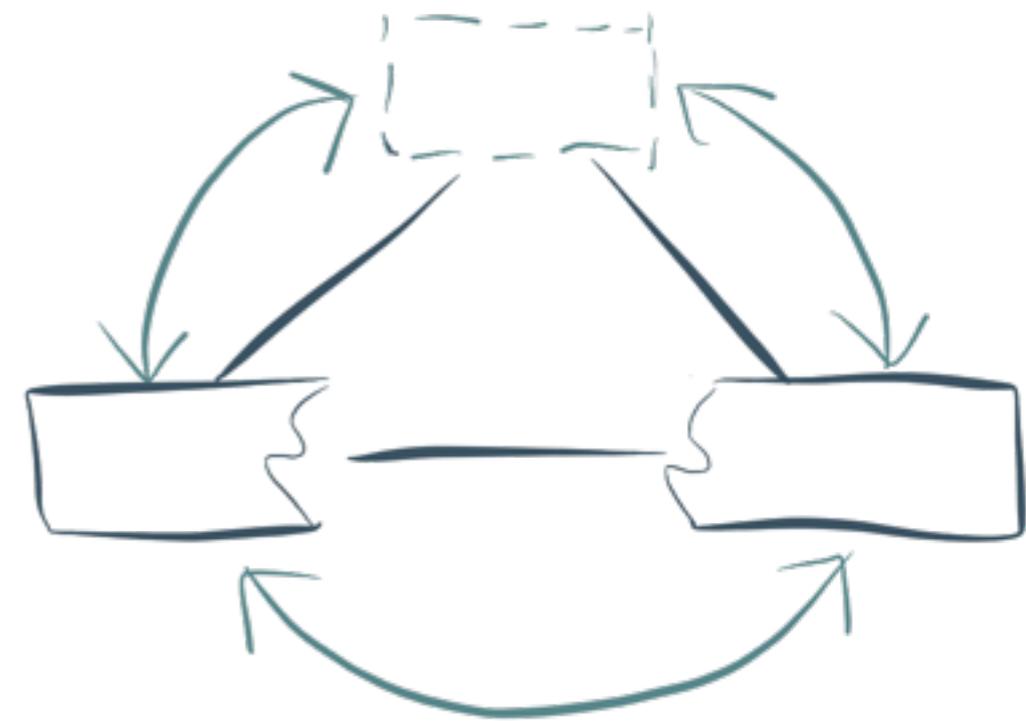
You can go on adding to the specific skills required to be a good manager all you like - but that doesn't add to the purpose of management. Those skills add to an individual manager's CV and should be learnt. But that's helpful to the careers of managers, not to organisations.

Strategy, for example, is a mechanism of management. It's not fundamental to why management exists. Rather, you need a strategy process because there remains a need for individuals to operate *as though* they are a single entity heading in the one direction as they go about their business.

To use Adam Smith's familiar example of the pin factory from *The Wealth of Nations*, if every endeavour - the manufacture of a pin in this case - was to be performed by a single person there is no need for a separate process known as 'management' to ensure that the correct activities are performed by each of the individuals involved in making each pin.

If you want to use a definition of management which doesn't reference details of it is performed, who performs it, what activities it comprises of, or how important it is, then the above definition is the best I can come up with.

True strategy is still strategy. But true strategy isn't management because it's often rightfully obscured



When you can find them there is an interesting thing you can do in a bookstore. Rather than buy books you can simply look at how the books are arranged.

The decisions that have been made to optimise the placement of different books are a combination of store owner's instincts or, in the case of large bookstore chains, probably the result of sophisticated analysis of what configurations sells the most books.

In either case, the final arrangement of books, and the changes in this arrangement over time, must say something about the ideas in the books...

So why are the management books always near the self-help books?

Management thinking isn't supposed to be the self-help section for people with more responsibility than they can handle

Update (2014):

They've moved! There is a whole new section called "Business Motivation" now. The self-help books are now closer to the Economics books. Which is satisfying, but confusing.



= Filling in the gaps between management & self-help

ECONOMICS

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SCIENCE

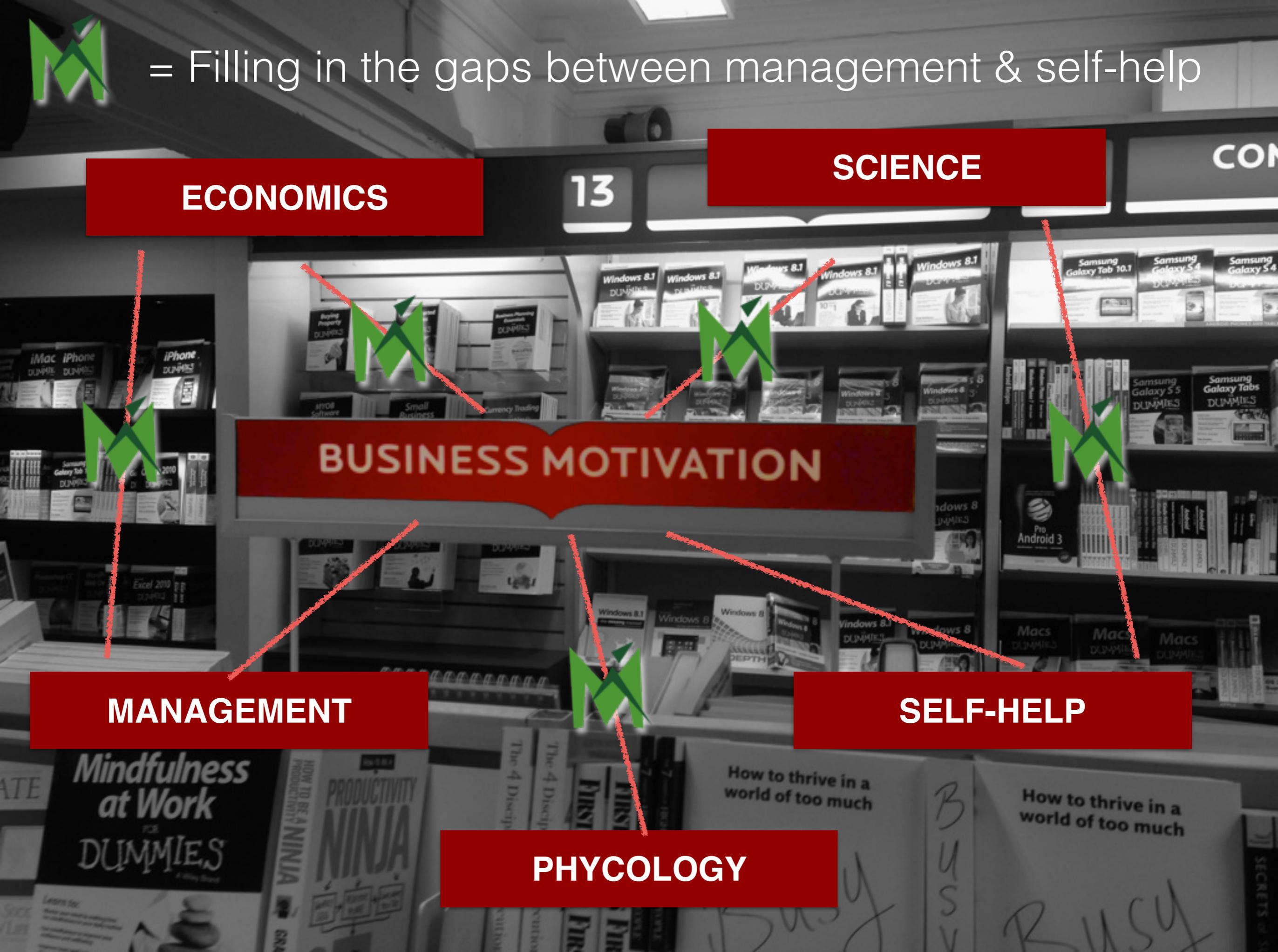
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BUSINESS MOTIVATION

MANAGEMENT

SELF-HELP

PHYSIOLOGY



The division of labour by definition has a hidden (if ineptly so) cost - an overhead - which we know as the management cost.

That isn't to say that we should reverse the division of labour. If applied appropriately, the division of labour is a more efficient method of production.

However, it's important to understand that it is the division of labour itself that drives efficiency through the resulting specialisation.

It's also the division of labour itself that enables certain endeavours which otherwise couldn't or wouldn't be profitable to be performed.

By dividing labour among multiple people the production time is also reduced from what would be possible if all activities had to be performed in a serial manner - one at a time by a single person.

So it's the division of labour that produces efficiencies - not the management process. The management process is simply a necessary overhead. That's not to say that management cannot add value to the endeavour beyond the basic coordination necessitated by the division of labour.

However, it may be that this aggregation of value-adding activities into the management function could be handled differently if a different understanding of management is achieved.

The other problem is... *Once you start adding value-add activities to the management function how do you manage that particular division of labour?*

This secondary position of management as an overhead caused the division of labour is important when considering a definition of management.

Most definitions of management include details of who is doing the managing, and what activities are being performed. In fact, thanks to Peter Drucker the concept of management as a separate class consisting of management 'professionals' is embedded into every almost every definition of management and therefore makes those definitions unhelpful for the purpose of this book.

To be fair on Drucker, he had a much more subtle understanding of management than I'm suggesting; but the point is that practicing managers want to believe that the very definition of management includes their part in it and they want to believe that it is in fact primarily defined by the existence of a separate management class that they themselves are of course a part of.

Management is not a profession. But that doesn't mean managers don't follow professional standards.

When management does resist calls for professional certification it's not because they don't want to be members of a club - but rather because they are resisting rules.

See [HBR "Management is not a Profession"](#).

The dictionary on my Macbook Air has the following definition of management:

management |'manɪjmənt|

noun

1 the process of dealing with or **controlling things or people** : the management of elk herds.

- the responsibility for and **control of a company** or similar organization : the management of a great metropolitan newspaper | a successful career in management.

- [treated as sing. or pl.] **the people in charge** of running a company or organization, regarded collectively : management was extremely cooperative.

- Medicine & Psychiatry the treatment or control of diseases, injuries, or disorders, or the care of patients who suffer from them : the use of combination chemotherapy in the management of breast cancer.

2 archaic trickery; deceit : if there has been any management in the business, it has been concealed from me.

What is this trickery?
This deceit?



That was the definition of 'management' mind you - not the definition of 'a manager'. And yet it has a strong focus on the managers themselves - people who have been given the responsibility, the people who 'control things or people'. There is a reference to having responsibility for something - but responsibility for what?

The use of some words sparks the question of definitions. **What do we mean by 'responsibility' and 'accountability'?**

Now, I know what you just thought to yourself. You just started reciting the difference between 'responsibility' and 'accountability' in your head, didn't you?

I suspect that the management literature and profession itself is responsible for muddling our minds to the definitions of such simple words.

We must cut through this confusion to be able to eventually answer questions such as 'what does it mean to be responsible and accountable for ensuring such-and-such is managed?' and **"why not hand the control over to a market?"**.

I suspect that the management literature is the cause of confusion in the definition of 'responsibility' and 'accountability' rather than the solution

What is the alternative?

Your ideas
Please
- The BOSS

Urgent!

We need a definition of management that is open to change and allows for the possibility of a transformation of what managers actually do - and even allows for the possibility that management could be performed without a separate class of managers.

But it's not that simple.
One more definition.

So the first part of my definition of management remains:

Management is the coordination of separate but related activities that are bought about by the division of labour

However, equally important is that definition needs to be of management as a noun, not a verb. So there is a second part of our definition of management which is almost too simple to make explicit:

Management is what collaborating individuals share

The advantage of this simple definition is that it retro-fits to most people's idea of management while opening the possibility of a better model.

To be slightly cynical, in general collaborating individuals within a typical organisation share the understanding that they have a manager, who may or may not be around very often, who has a peculiar style that must be understood in order to effectively work with them, who is the person that you should escalate issues to but who may choose to not address those issues, who is likely to move to a totally different role or even be promoted despite your suspicions of their incompetence. None of these may be fair assessments of the situation. But if everybody believes them they are what is managing the group.

It also separates the concepts of what management is ('what collaborating individuals share') from what management does (provides 'coordination of the separate but related activities brought about by the division of labour').

Management is
what collaborating
individuals
share

Consider these
groups - what they
share is what
manages them

- a group who share a supervisor
- a group who share a profession
- a group who share a mutual distain for one another
- a group who share a peer-to-peer communications network
- a group who share a whiteboard
- a group who share an architect's drawing
- a group who share a MS-Project plan created by one of the group
- a group who share a common vision
- a group who share a process
- A group who share a particular set of core information
- a group who share a purpose
- a group who share an understanding of each other's roles & responsibilities
- a group who share everything

The MWT Management Transformation

The MWT Management Transformation is the alternative I've come up with...

- Business Capability-based Governance
- The MWT Future Firm
- Transform Management Itself
 - Collaboration Architectures
 - Technology-enabled Markets
 - Operationalised Brands
- Customer Experience Campaigns

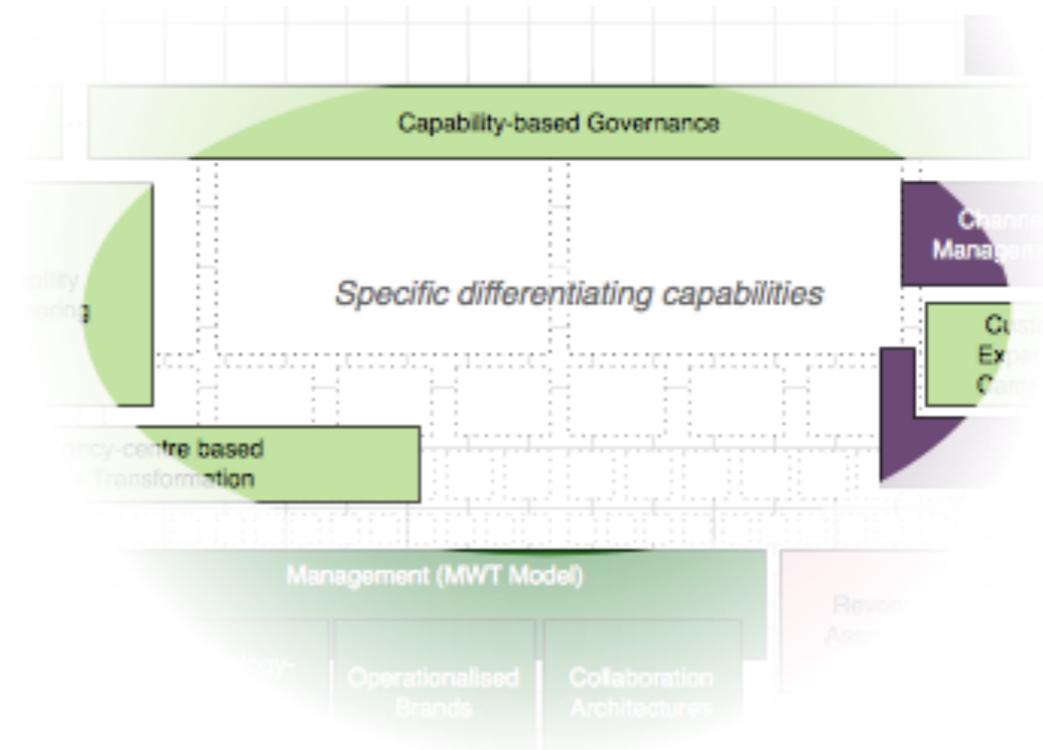
... and I can see that it's already happening

Business Capability-based Governance

Functional organisation is dead. You'll hear a lot about the death of I.T., Human Resources, Marketing, etc. in the next few years. But you'll also hear how each of these is being transformed. Both are true.

The fact is that the functional view of organisations is completely dead. The ability to easily procure / outsource a particular function means that it's defined enough to be non-differentiating. So why arrange your executive governance around these functions?

So rather than lament that "this project would have been a success if it wasn't for I.T." that language will disappear because executives will have full accountability for complete end-to-end business capabilities.

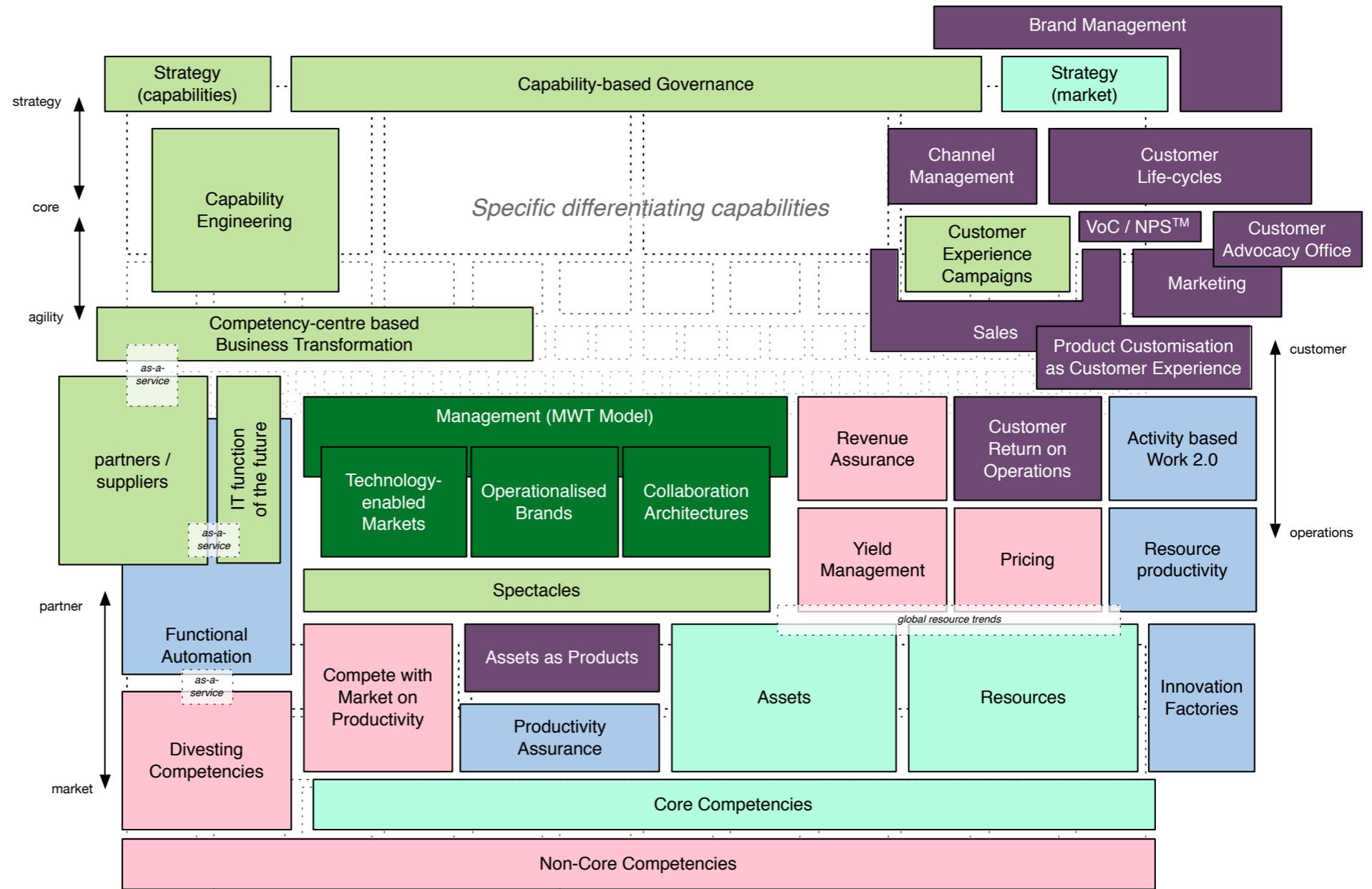


When you own a business capability you are responsible for the people, process, information, and technology components

The MWT Future Firm

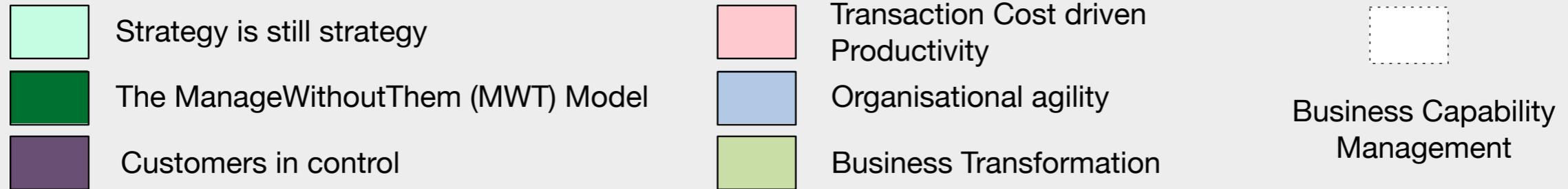
Many organisations are missing critical business capabilities they require to be competitive in a customer-driven, connected world.

These are the capabilities that the firms of the future all need - regardless of their industry, strategy, or the quality of their leadership.



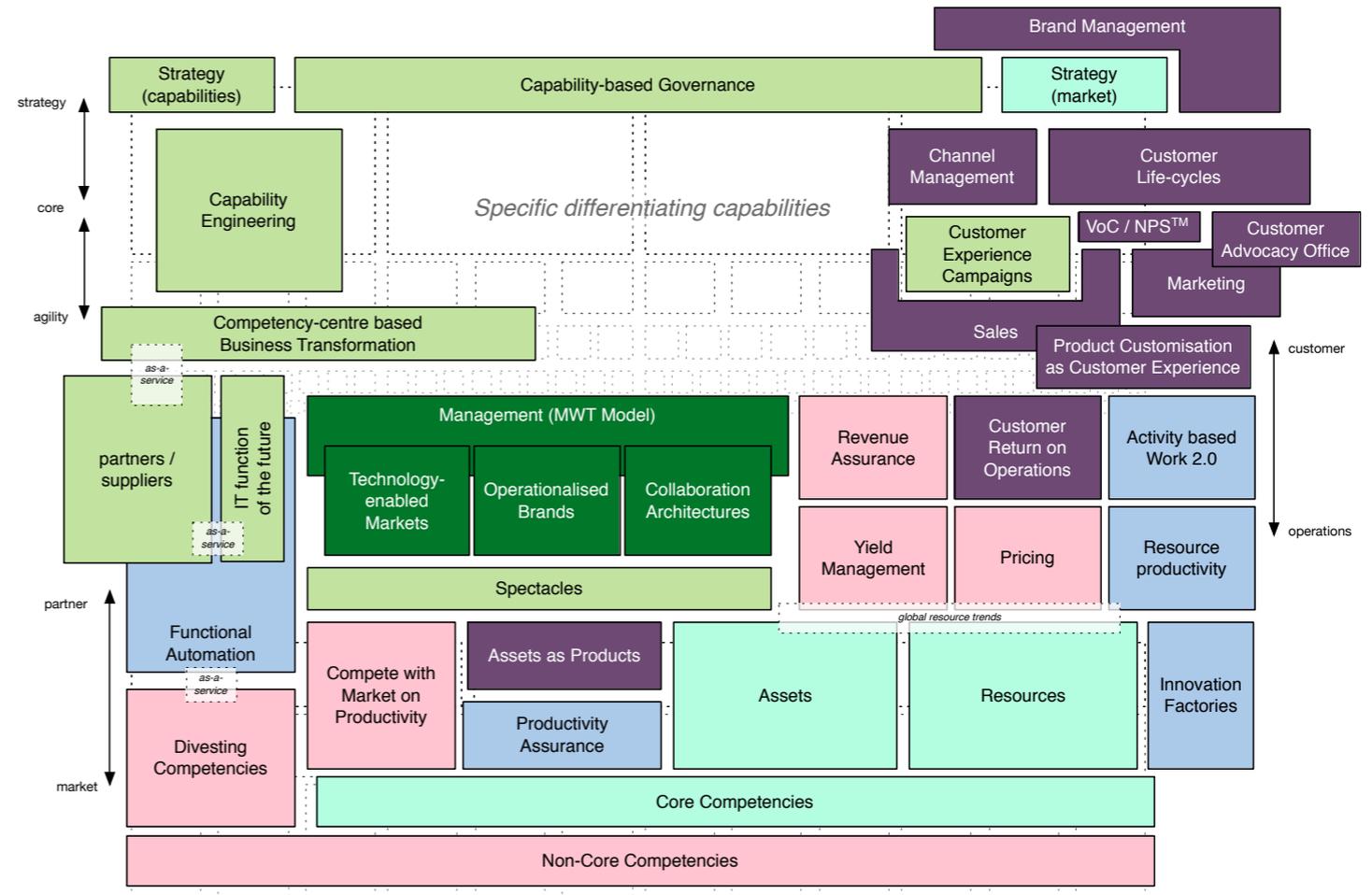
For more information visit [here](#).

The MWT Future Firm



Capability Themes

These capabilities are grouped into themes that you'll find familiar - but that need to be embedded into your organisation's design rather than into your management team's vocabulary.

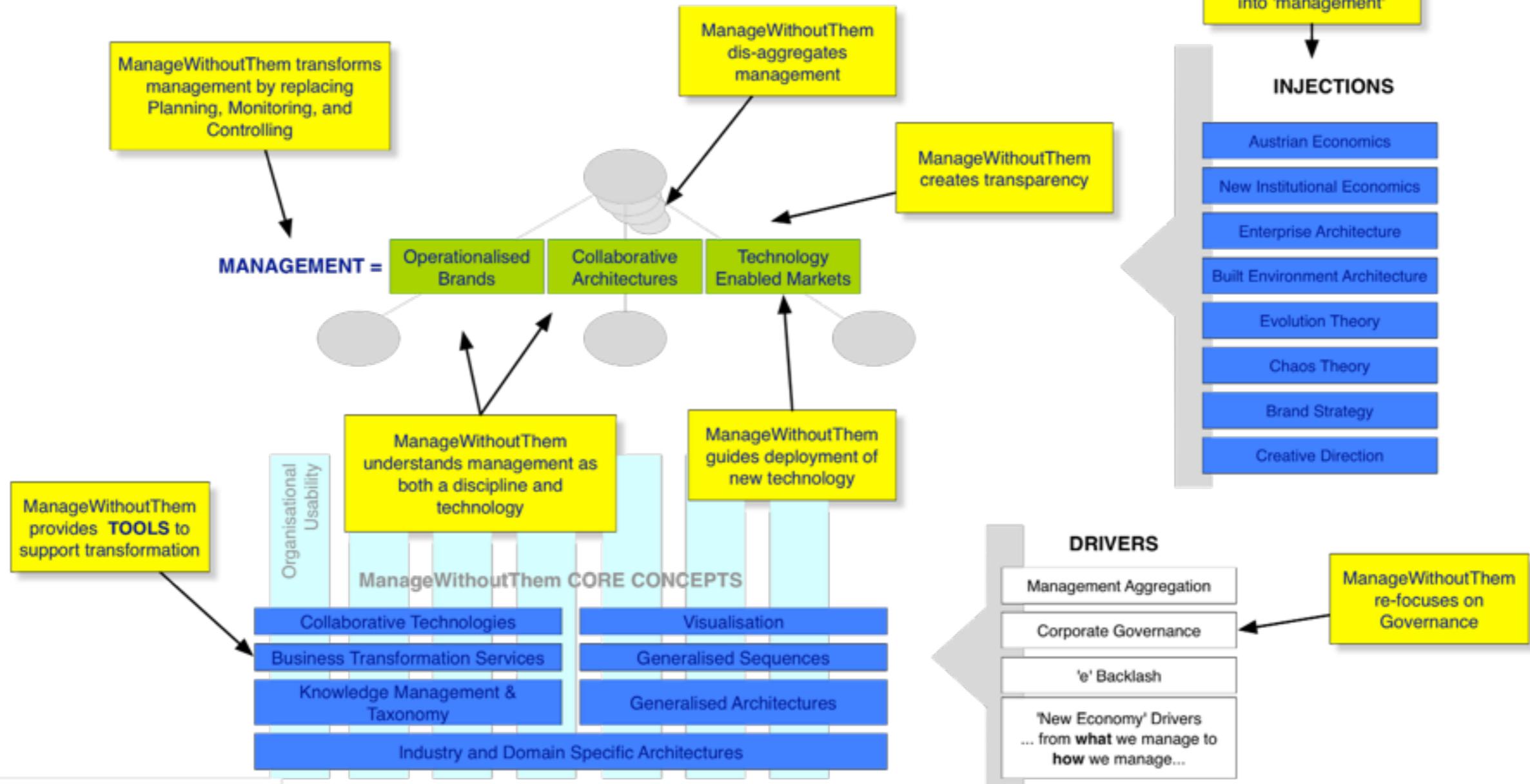


For more information visit [here](#).

Changing management itself

Management Transformation

What is the ManageWithoutThem transformation?



As at 2014 this slide is 15 years old. I could change it but it's still valid.

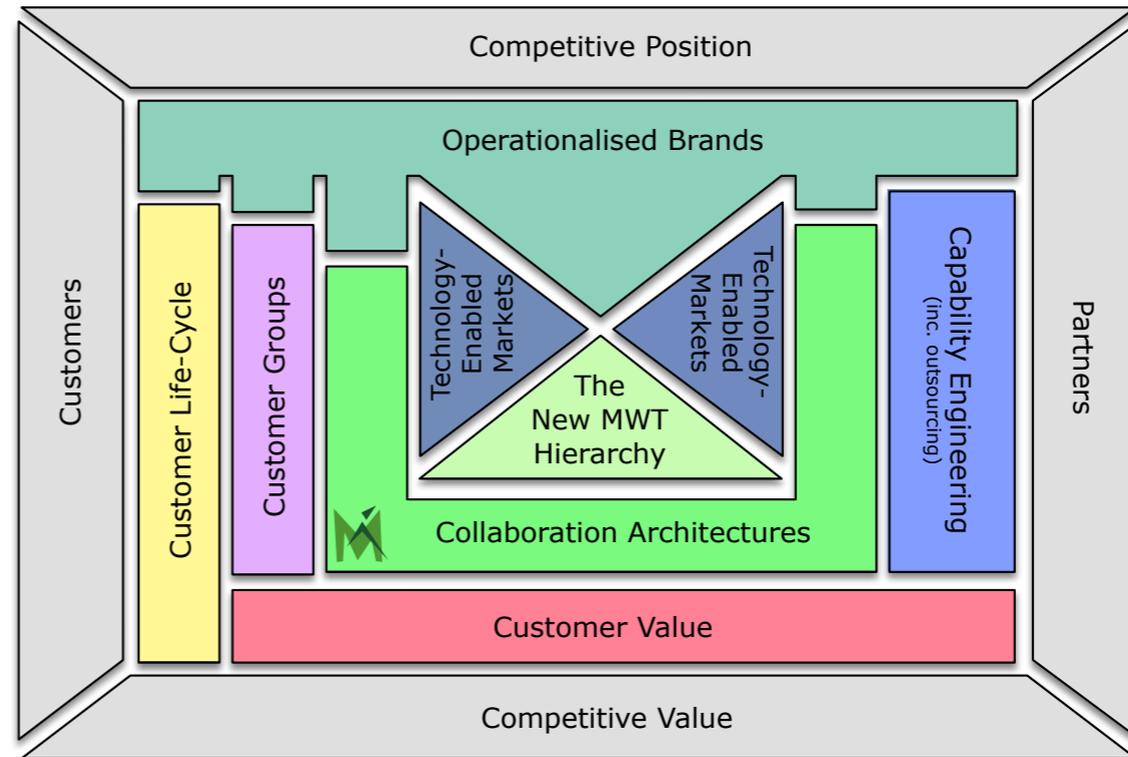
Context of the MWT Model

The ManageWithoutThem model (MWT Model) is a market-based management model for organisations.

It has been in development since 1999 and continues to evolve and become more complete (and more practical).

Far from an organisational *laissez-faire*, the MWT Model forces organisations to be explicit about their values and collaboration processes.

In such an environment management itself changes from planning, monitoring, and controlling to simply 'what collaborating individuals share' (we call this constitution-based management).

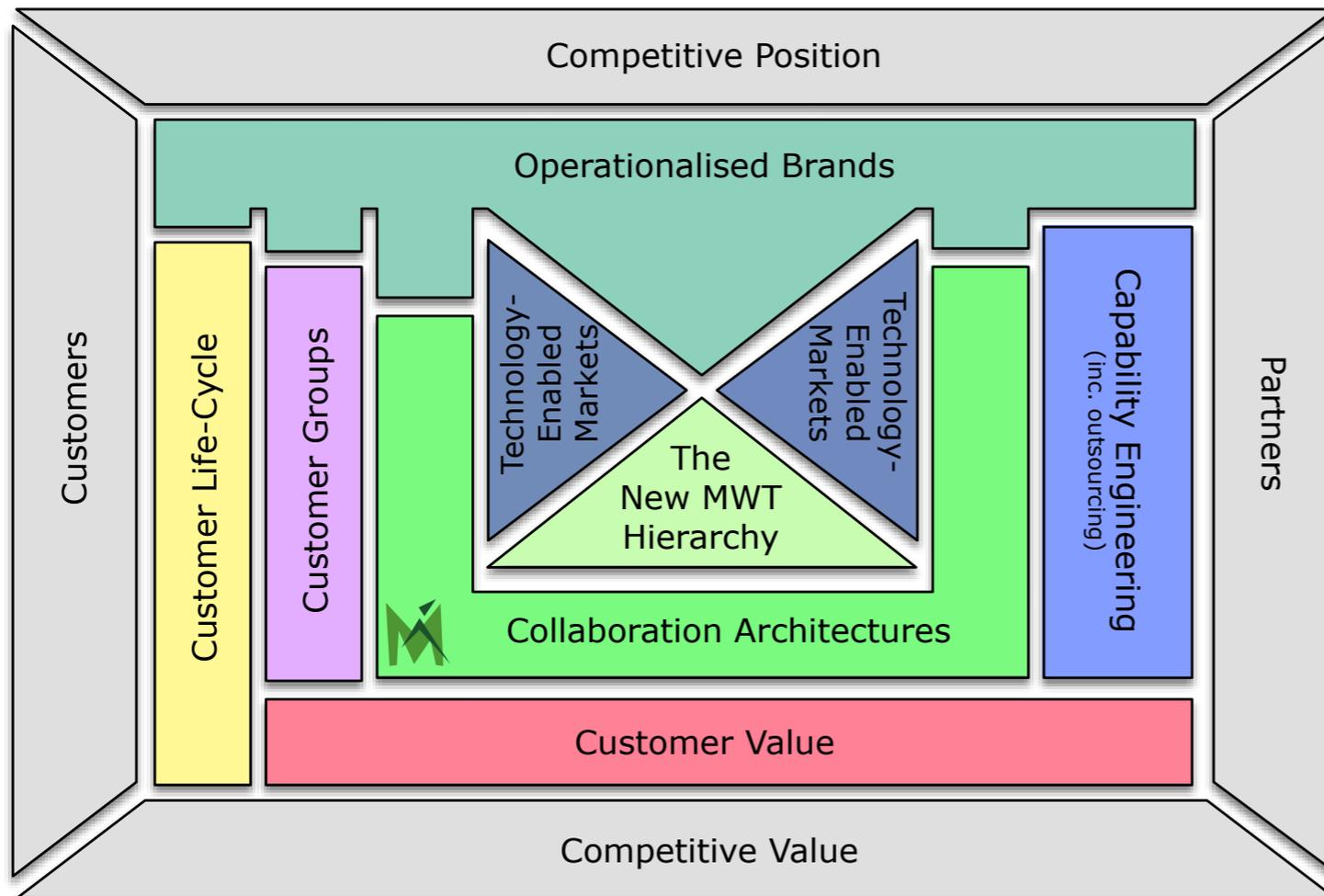


There is no need to re-invent everything. We all know the following basic truths:

- Your **Competitive Position** is Important
- Your **Partner Ecosystem** is Important
- Your **Customers** are really important
- You have to be able to manage **Value**

... and these continue to form the context of the MWT Model. But they are platitudes unless they inform everyday decision-making.

Components of the MWT Management Model



The real change is not the context of management but the way it works.

The way management works in the MWT Model is through:

- **Collaboration Architectures**
- **Technology-enabled Markets**
- **Operationalised Brands**

(*) and the customer-orientation created through continuous, fully-realised “customer experience campaigns”.

Collaboration Architectures

Collaboration architectures reintegrate management with the rest of the organisation. Architecting your way to better collaboration will dramatically improve governance and decrease delivery risks.

Collaboration architectures make “the way we collaborate” explicit - rather than assuming intermediation through a manager or even that a separate management function defines the terms of collaboration.

Your project plans will be smaller, easier to manage, and better aligned with your delivery resources.

Well architected organisations and projects practically manage themselves.

The agility of your organisation will also be improved as collaboration architectures are reused and managed as strategic assets. See also, [The New MWT Hierarchy](#).

For more information visit [here](#).

Technology-enabled Markets

Technology-augmented markets are the ‘why’ of technology implementations. This component of the MWT Model provides purpose, direction, and insight into technology-enabled business transformation projects.

Implementation of an information system which doesn't also transform management practices into a highly transparent market-based approach will not longer deliver competitive advantage.

The types of technologies currently being deployed to manage procurement and spend management are only the tip of the iceberg. Information technology solutions which provide for both market-based optimisation and demand forecasting (not just planning) will dramatically strip waste from organisations over the next 5 – 10 years.

For more information visit [here](#).

Though not dependant on technology, the MWT Model increases the value delivered by IT investments by focusing the implementation of information technology towards the creation of markets.

Operationalised Brands

Brands are about promises to your clients and customers. They are about setting the standards for what to expect when people are dealing with your organisation.

The trap is that the more time your marketing department focuses on setting expectations in the marketplace the more your organisation will have to live up to those expectations.

Operationalising your brand will help you keep those promises while at the same time streamlining decision making. To use Chris Macrae's phrasing your brand and the values it encompass will become the '*primary horizontal organising mechanism*' of your organisation'.

For more information visit [here](#).

Your brand is the *primary horizontal organising mechanism* of your organisation.

This changes everything.

An operationalised brand has a higher actionable authority than any particular manager, organisational structure, or process.

Customer Experience Campaigns

The need to design customer archetypes and end-to-end journeys / customer experiences is well understood. The problem is that these are rarely implemented or monitored.

Customer experience campaigns take the traditional marketing concept of a campaign and expand it beyond marketing messages and buy offers.

The campaign metaphor is used to manage every aspect of the customer experience that you have decided is important - or that your customer have decided is important...

Giving your customers more voice means your managers have less voice... Doesn't it?

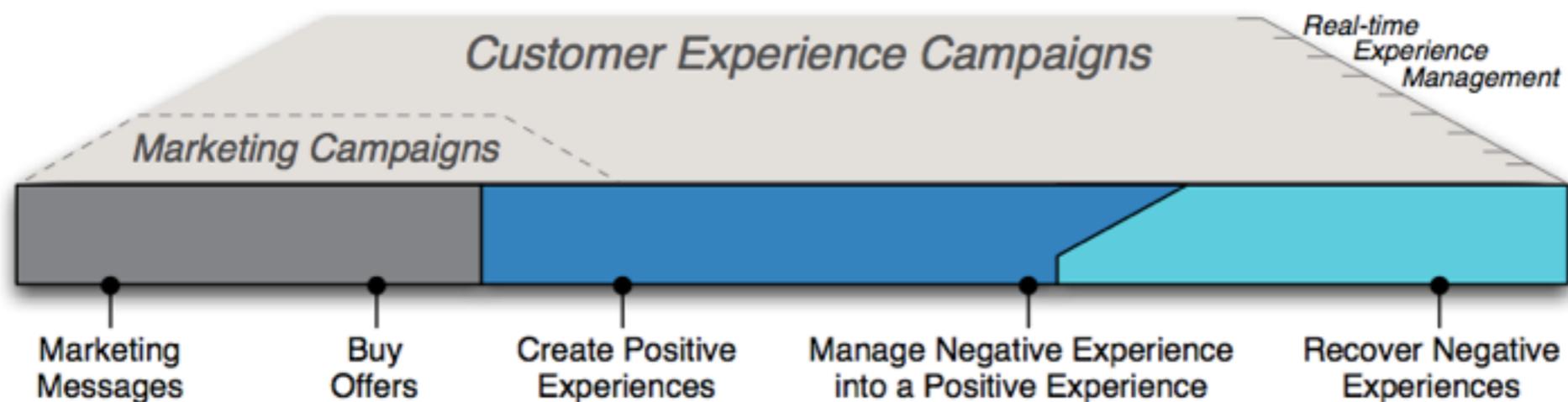


Diagram developed for
SMS Management & Technology

It should be very difficult to implement a bad idea. So let's keep this simple.

What are the next steps?

1. Teach your managers economics
2. Teach everybody else "management skills"
3. Look for opportunities to build a market where currently a management team make decisions
4. Develop an internal market-based management competency centre offering services such as [this example](#).

Alternatively, wait, and watch this happen anyway.



About Matthew De George

Matthew De George has been developing the ManageWithoutThem Model since 1997. Though that isn't all he's been doing - which is why he's not quite finished.

Matthew is also a highly-respected management consultant specialising in technology-enabled business transformation. Thankfully, this allows him to indulge his passion for market-based management while advising enlightened executive managers.

His passion to make our organisations better places means he is much more enjoyable to work with than the dreary anti-management killjoy you might expect. He's also a pretty good manager....

MANAGE WITHOUT THEM

For more information & semi-regular, semi-related blogging please see www.ManageWithoutThem.com.

