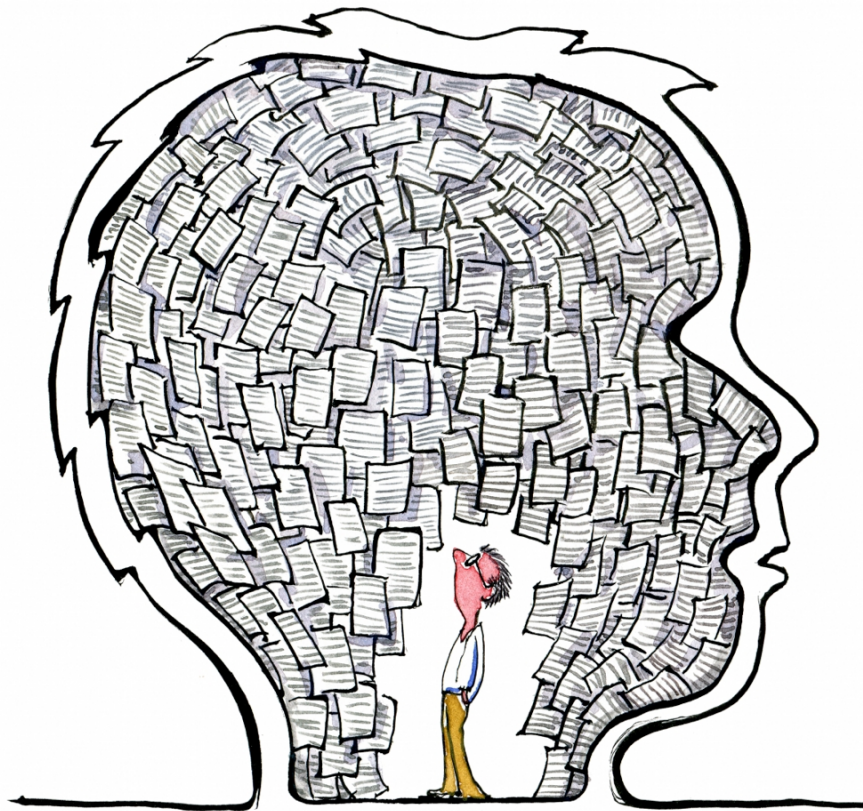


Theories of Work: Origins of the Design and Management of Work



By David Joyce

www.theoriesofwork.com

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— Summary —

THE PREVAILING LOGIC

In Part I of Theories of Work we have uncovered the origins of how we design and manage work today.

We have met many pioneers, inventors, influencers and implementers of a collection of ideas: ideas that solved problems at different points¹ in the eighteenth, nineteenth and early twentieth centuries.

Together, they created the design and management blueprint used today.

As Gary Hamel reported:

Management is undoubtedly one of “humankind’s most important inventions.

Management was originally invented to solve two problems: the first getting semi-skilled

employees to perform repetitive activities competently, diligently, and efficiently; the second coordinating those efforts in ways that enabled complex goods and services to be produced in large quantities.

In a nutshell, the problems were efficiency and scale, and the solution was bureaucracy, with its hierarchical structure, cascading goals, precise role definitions, and elaborate rules and procedures.

*For more than a hundred years, advances in management; the structures, processes, and techniques used to compound human effort, have helped to power economic progress. ... ”*⁶⁷²

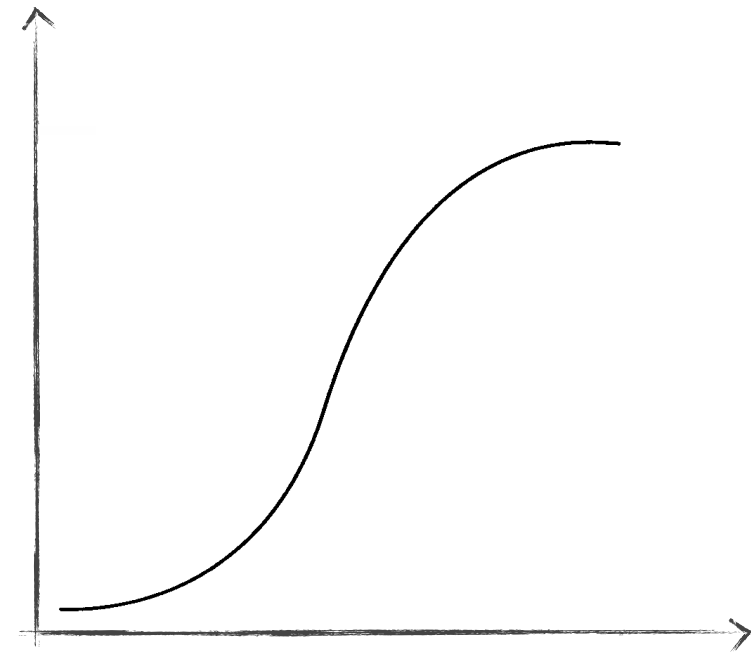
⁶⁷² Reprinted by permission of Harvard Business Review.
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These innovations proved to be extremely successful in advancing industry, and in successful advancing prosperity. It is therefore unsurprising that these design and management industrialisation methods became engrained as the keys to success in management thinking.

At the outset, innovation in the design and management of work flowed freely and was unbound. However, after a fast start, we have reached the top end of Gary Hamel's evolution of management S-curve, where, as he describes that innovation "in recent years has slowed to a crawl" ⁶⁷²

The top end of the S curve is called the slope of diminishing returns.



At the top of the S curve, many people succumb to the effects of hubris, which gives them a false sense of security because the world believes and acknowledges that they are the experts in that field. ⁶⁷⁸

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⁶⁷⁸ The S Curve, What is wrong with success?, Interesting Thing of the Day, Guest Article
by Rajagopal Sukumar, September 25, 2004 itotd.com/articles/318/the-s-curve/

This causes a problem; a reliance on current methods which repels further innovation and change. It has been well observed and documented where this type of failure leads.

Studies have shown that half a century ago, the life expectancy of a firm in the Fortune 500 was around 75 years. Now it's less than 15 years and declining even further.⁶⁹⁹

The pioneers, inventors, influencers and implementers that we have met in Part I were each trying to solve problems of their time.

The issue is not that these were of value; for it solved problems for each of these management pioneers in new ways, but we have not continued to learn.⁶⁹²

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⁶⁹² Freedom from command and control, John Seddon, Management Services, Summer 2005, p.22

Convention by design is suboptimal in the 21st century, yet the majority of what we do follows this conventional outdated design. We are conscious of this; every book written by today's management thinkers tells us our failings, yet we still do it.

In the 21st century we have different problems to solve. What is required is a new mental revolution.

A NEW MENTAL REVOLUTION

For such a revolution to occur, executives and experts must first admit that they've reached the limits of [conventional] Management; the industrial age paradigm built atop the principles of standardization, specialization, hierarchy, control, and primacy of shareholder interests.⁶⁷²

⁶⁹⁹ www.forbes.com/sites/stevedenning/2011/11/19/peggy-noonan-on-steve-jobs-and-why-big-companies-die/

As W. Edwards Deming observed:

“Most people imagine that the present style of management has always existed, and is a fixture.

Actually, it is a modern invention, a prison created by the way in which people interact.⁷⁰⁰

Dr. W. Edwards Deming



⁷⁰⁰ The New Economics: For Industry, Government, Education
By William Edwards Deming Publisher: The MIT Press; 2nd edition (July 31, 2000) p. xv

⁶⁷⁶ Hermann Hyytiälä @hemppah 30th July 2013 based on New Case Study – O2 by Stuart Corrigan www.systemsthinkingmethod.com/blog/o2-case-study

⁶⁸⁰ Smashing The Clock December, Bloomberg BusinessWeek Magazine, By Michelle Conlin, 10, 2006 www.businessweek.com/stories/2006-12-10/smashing-the-clock
www.businessweek.com/magazine/content/06_50/b4013001.htm

Phyllis Moen, a University of Minnesota sociology professor who researches work-life issues ... says most companies are stuck in the 1930s when it comes to employees' and managers' relationships to time and work. "Our whole notion of paid work was developed within an assembly line culture,"⁶⁸⁰

Steve Denning describes the prevailing logic as "Managers acting as controllers, work is co-ordinated by bureaucracy (rules, plans, reports), top down structure, the main value is efficiency and cost cutting."⁶⁸¹

The design and management of work is a direct representation of what's going on in manager's heads.⁶⁷⁶

It's how leaders think about the work, those who do the work and the way the work should be done.²⁷⁹

⁶⁸¹ Steve Denning presentation LSSC12: Making the Entire Firm Agile (& Lean)
vimeo.com/43458719

“Indeed, the thinking and behavior of almost all managers in today’s business world reflect a world-view grounded in the whole-equals-sum-of-parts and win-lose competitive principles of 19th-century mechanics and 18th-century classical physics. That explains, I believe, why virtually all improvement initiatives, including so-called lean initiatives, inevitably generate long-run financial results that fall far short of what was intended by the initiatives’ designers.” reports H. Thomas Johnson.⁶⁸²

This engineering mindset that served us so well in the past has now become outdated, and is shackling our ability to improve.

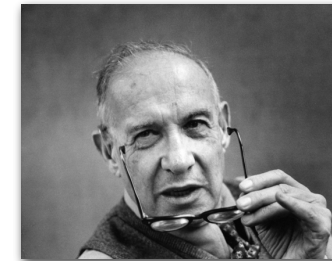
Drucker sums this up well:

⁶⁸² A Systemic Path To Lean Management, By H. Thomas Johnson, The Systems Thinker Vol. 20 No. 2 March 2009

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“So much of what we call management consists in making it difficult for people to work”⁷⁰¹

Peter Drucker



The conventional logic leads to certain methods to be applied to solve the design and management of work problem. Unfortunately method is not talked about much in organisations. Many organisational cultures do not tolerate questioning of the current methods and their implicit assumptions.¹

⁷⁰¹ Peter F. Drucker > Quotes www.goodreads.com/author/quotes/12008.Peter_F_Drucker

Image: **Peter Drucker**, Photograph Courtesy of The Drucker Institute at Claremont Graduate University

Furthermore we can observe that the theories with their resulting methods remain more or less static as people join and leave the enterprise.⁶⁷⁵

It is not even a generational thing; there have been a succession of workforces and leaders since their inception, yet the conventional logic seems remarkably impervious to change.

The conventional theory of work is seductive.

ILLUSIVE FORCES

It is a fact that many alternative theories have been proposed by various management thinkers, but these have rebounded off the prevailing theory of work.

Over and over again improvements are thwarted by commonly-known but illusive forces.⁶⁷³

It is true, that there are some companies who do not use all of what has been discussed in Part I, but even in these companies the underlying design and management logic is in use. This conventional logic is ubiquitous.

THE NEED FOR CHANGE

Its been well documented that human beings and the human spirit is designed to explore, innovate, and push boundaries in an ever ceaseless quest. This is evident in so many aspects of our lives.

For example, in the last 100 years, we have gone from the first manned flight to putting a man on the moon and living in space, from the first gasoline powered car to electric hybrid cars, from rudimentary calculating machines to computers, from basic wire

⁶⁷⁵ The Importance of Knowledge www.unreasonable-learners.com/knowledge/

⁶⁷³ www.systemsthinking.co.uk/members/library/systems1.asp Copyright © Vanguard Consulting Limited

based communication devices to mobile smart phones, from a basic understanding of human biology to organ transplants, preventative medicines and cures.

However, in that time, how we design and manage work has barely changed. Isn't that curious? Why is that?

What was appropriate for manufacturing in the industrial age, is no longer appropriate for the 21st century workplace in the age of technology.

It's the first time since the invention of the steam engine that the person doing the work is more important than the machinery or technology being used.¹⁶⁸

¹⁶⁸ CC-M Productions, Inc. 7755 16th Street, NW Washington, DC 20012
ManagementWisdom.com (800) bob@cc-m.com

⁶⁷⁹ Dr. Russell Ackoff - Keynote at ICSTM2004, SteveBrant55's YouTube Channel
www.youtube.com/user/SteveBrant55

This causes a profound change in labour management relations in the organisation of work, and in the structure of management.¹⁶⁸

Dr. Russell Ackoff would often quote Einstein who stated "We can't solve problems by using the same kind of thinking we used when we created them". Ackoff would follow this up with the fact that he had never found a manager or leader that disagreed with this statement, but he met very few that actually knew what it meant!

Ackoff stated "Its very easy to agree with something you don't understand. Leaders need to understand what is the difference between our current pattern of thought and one that's required"⁶⁷⁹

John Seddon observes:

“Managers are guilty but not to blame”²⁷⁹

John Seddon - Occupational Psychologist



W. Edwards Deming was clear in his assessment of how to solve the problem:

²⁷⁹ www.systemsthinking.co.uk Copyright © Vanguard Consulting Limited

“What’s necessary is for management to understand the theory behind the changes that are needed.”⁷⁰²

Dr. W. Edwards Deming



⁷⁰² The Essential Deming: Leadership Principles from the Father of Quality, by W. Edwards Deming (Author) , Joyce (edited by) Orsini (Author) , Diana (edited by) Deming Cahill (Author), Publisher: McGraw-Hill; 1 edition (November 20, 2012) p. 169

For this to happen Chris Argyris challenges:

“ We must now ask some hard questions.

Given all the advice from literally hundreds of books and thousands of articles that have appeared over the past decades have we witnessed a flowering of new forms of human potential?

Have we been astounded by new levels of organizational performance and creativity? ...

Anyone familiar with recent history knows the disappointing, even sad, answers to these questions.

The world continues apace and we make incremental technological improvements here and there—but on the big questions we move not an inch.

We are stuck. In fact, we are trapped.

*A great deal of the theory and practice of organizational research over the past few decades has been unable to change this situation.”*⁶⁷⁴

ESCAPE

But are we all trapped in the prison in which Deming and Ackoff both describe?

The answer to this is that a very different theory for designing and managing work has emerged in the East, specifically in Japan, who have been able to brake free of the past, and have eschewed the dominant Western management thinking.

This will be the subject of Part II of Theories of Work; “Beyond Our Mindset”.

⁶⁷⁴ By permission of Oxford University Press www.oup.com

© Organizational Traps: Leadership, Culture, Organizational Design by Chris Argyris
(2010) 478w from Chp.6 “Strengthening New Approaches” pp.195-197

In 1979, Konosuke Matsushita of Matsushita Corporation (Panasonic, National, Technics, etc.) gave a presentation to a group of American and European managers.

I will leave it to him to finish Part I and open up Part II.

Describing the commercial battle ahead [between the East and West], he quietly explained:^{677 282}

“ We are going to win and the industrial West is going to lose. There’s nothing you can do about it, because the reasons for your failure are within yourselves.

Your firms are built on the Taylor model. Even worse so are your heads.

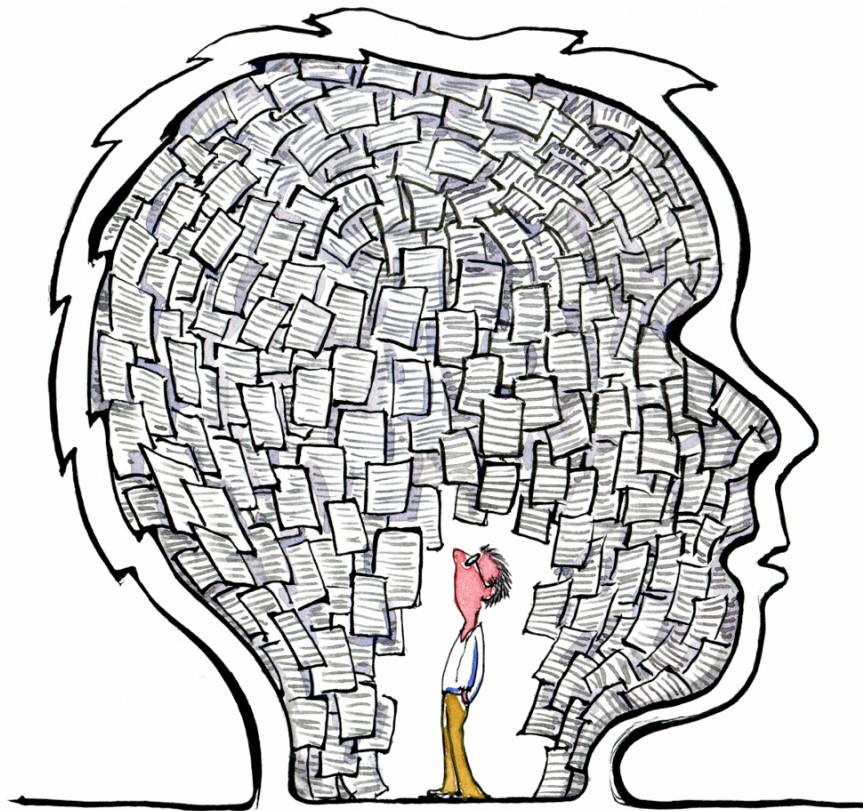
With your bosses doing the thinking while workers wield the screwdrivers, you’re convinced deep down that is the right way to run a business. For the essence of management is getting the ideas out of the heads of the bosses and into the heads of labour.

We are beyond your mindset. Business, we know, is now so complex and difficult, the survival of firms so hazardous in an environment increasingly unpredictable, competitive and fraught with danger, that their continued existence depends on the day-to-day mobilisation of every ounce of intelligence.”²⁸²

⁶⁷⁷ Price F., “Right Every Time”, Alders- hot, Gower, 1990

²⁸² "QUALITY: QUO VADIS?", The Swiss Deming Institute (December 2006): Ernst C. Glauser, p. 10 www.deming.ch/downloads/E_quo_vadis.pdf Used with kind permission.

Summary



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Peter Drucker, Photograph Courtesy of The Drucker
Institute at Claremont Graduate University

John Seddon, Provided by Charlotte Pell, Vanguard

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