

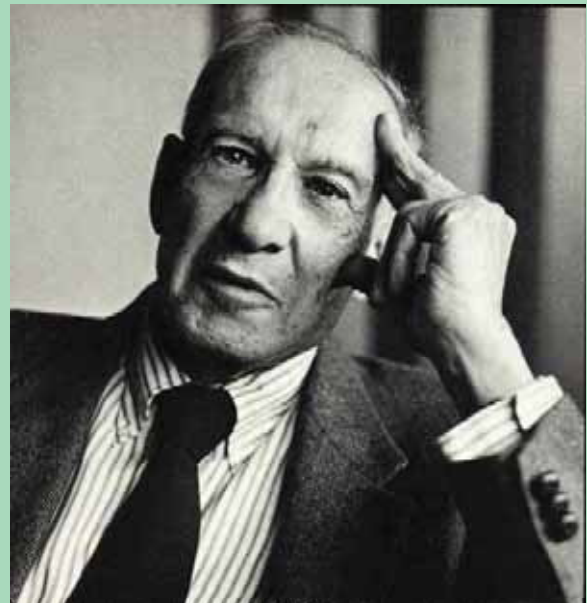


**New times,  
new songs!**

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## ***Peter Drucker***

Many things that  
are called  
management  
were invented in  
order to hamper  
people's work



## *The Goal of our presentation:*

reviewing the principles of different gurus on the issue of

What are the main features of management in 21<sup>st</sup> century

## *Whose works we caught?*

John Galbraith

M. Carney, I. Getz

Jack Myrick

Steven Spear

Mayo Clinics

ISO 9000

EFQM

ISO 9001:2008  
draft (N/A)

David Korten

Edwards Deming

Jeffrey Liker

K. & W. Hopper

Gary Hamel *et al.*

K. Matsushita

## John Galbraith - 4

*J. Galbraith has not suggested the principles of good management but only posed the causes of bad management :*

1. The so called market system actually is a corporate system.
2. The power in corporations belongs to management.
3. Management is guided by the uncontrollable craving for power and self-enrichment
4. The using of GDP growth as a measure of society progress is not a harmless mistake.

## B.M. Carney and I. Getz - 4

1. Stop telling and start listening.
2. Start openly and actively sharing your vision of the company so people will "own" it.
3. Stop trying to motivate people
4. Stay alert.

## Jack Myrick - [

1. Make them feel appreciated.
  2. See their potential [not their flaws.
  3. Lead with authority [not power.
  4. Love them first.
- [ Make them feel they are part of something special.

## Steven Spear - [

*It is impossible to predict the behavior of complex systems. So*

1. One must formulate very specific goals and start moving to them [y using the most advanced methods.
2. One control should be built into the process in order to find problems right away when and where they appear [

## Steven Spear - [

3. The problems should be solved so that root causes must be removed.  
To achieve this one should use PDCA cycle.
4. The problem solving should lead to the increase of process knowledge.
  - This knowledge should be spread all over the organization.
  - The leaders should help people and whole organization to move to self-perfection

## Mayo Clinics - [

1. Continual striving for ideal service quality and adherence to non-profit principles.
2. Constant and sincere wish to help each patient.
3. Constant commitment to professional development of each employee.
4. Inspiration to change in response to the change of society needs.
  - Constant commitment to achieve the top results in whatever one deals.
  - Utter honesty in all deeds.

## IS - [ ]

1. Customer focus
  2. Leadership
  3. Involvement of people
  4. Process approach
- System approach to management
  - Continual improvement
  - Actual approach to decision making
  - Mutually beneficial supplier relationship

## MM - [ ]

1. Achieving Balanced Results
  2. Adding Value for Customers
  3. Leading with Vision, Inspiration & Integrity
  4. Managing Key Processes
- Succeeding through People
  - Nurturing Creativity & Innovation
  - Building Partnerships
  - Taking Responsibility for a Sustainable Future

## Draft of ISO 26000- 12

1. Creating customer value
2. Focus on social value
3. Missionary leadership
4. Understanding core competence
- Involvement of people
- Collaboration with partners
- Total optimisation
- Process approach
- Practical approach
- 1□ Organizational and personal learning
- 11.□ Agility
- 12.□ Autonomy

## Davidorten - 12

1. Redirect the focus of economic policy from growing phantom wealth to growing real wealth.
2. Recover Wall Street's unleashed profits and assess fees and fines to make Wall Street theft and gambling unprofitable.
3. Implement full-cost market pricing.
4. Reclaim the corporate charter.
- Restore national economic sovereignty.
- Rebuild communities with a goal of achieving local self-reliance in meeting basic needs.

## David Forsten - 12

- Implement policies that create a strong bias in favor of human-scale businesses owned by local stakeholders.
- Facilitate and fund stakeholder buyouts to democratize ownership.
- Use tax and income policies to favor the equitable distribution of wealth and income.
- 1 □ Revise intellectual property rules to facilitate the free sharing of information and technology

## David Forsten - 12

11. Restructure financial services to serve Main Street.
12. Transfer to the federal government the responsibility for issuing money



## Edwards Deming - 14

1. Create constancy of purpose toward improvement of product and services with the aim to become competitive and to stay in business and to provide jobs.
2. Adopt the new philosophy.
3. Cease dependence on inspection to achieve quality
4. End the practice of awarding business on the basis of price tag.
  - Improve constantly and forever the system of production and service.
  - Institute training on the job
  - Institute leadership.

## Edwards Deming - 14

8. Drive out fear.
  - Break down barriers between departments.
10. Eliminate slogans, exhortations and targets for the work force asking for zero defects and new levels of productivity.
11. Eliminate work standards, quotas on the factory floor. Substitute leadership.
12. Remove barriers that rob the hourly worker of his right to pride of workmanship.
13. Institute a vigorous program of education and self-improvement
14. Put everybody in the company to work to accomplish the transformation.

## Jeffrey Liker - 14

1. Base your management decisions on a long-term philosophy—even at the expense of short-term financial goals.
  2. Create continuous process flow to bring problems to the surface.
  3. Use “pull” systems to avoid overproduction.
  4. Level out the workload (*heijunka*). Work like the tortoise—not the hare
- Build a culture of stopping to fix problems—to get quality right the first time.
  - Standardized tasks are the foundation for continuous improvement and employee empowerment.

## Jeffrey Liker - 14

- Use visual control so no problem are hidden.
  - Use only reliable—thoroughly tested technology that serves your people and processes.
  - Grow leaders who thoroughly understand the work—live the philosophy—and teach it to others.
- 1□ Develop exceptional people and teams who follow your company’s philosophy.
  11. Respect your extended network of partners and suppliers by challenging them and helping them improve.

## Jeffrey Jiker - 14

12. Go and see for yourself to thoroughly understand the situation [*genchi genbutsu*].
13. Make decisions slowly by consensus, thoroughly considering all options, implement decisions rapidly [*nemawashi*].
14. Become a learning organization through relentless reflection (*hansei*) and continuous improvement (*kaizen*).

## Brothers Jopper -2

1. All successful organizations, however simple, consist of systems within a system. *This is the Master Principle*.
2. All systems are nurtured by routines, which must be regularly reviewed and refreshed.
3. The most important sub-system in any organization is the managerial hierarchy, which is likely to be based on some form of line-and-staff.
4. The best type of hierarchy is "bottom-up".  
Leadership should as far as possible be collective or "collegiate".

## Brothers Copper - 2

- The middle manager is the keystone of the managerial arch.
- "The man one boss" which should be re-stated as "one person one boss"
- Meetings are "the medium of management work"
- "Integrated decision-making" leads to right conclusions.
- 1 □ Planning should be for the short term
  - say one to four years
  - the medium term
  - say five to eight years
  - and the long term
  - say nine years up

## Brothers Copper - 2

11. You should make a careful study of mistakes and successes of the pioneers in your field and learn from them.
12. Excellent internal communications in all directions but above all upwards are necessary in any successful organization.
13. The manager must be a leader in both a practical and a moral sense.
14. You should use consultants sparingly and "strategic" consultants never.

## Brothers Copper - 2

1. A manager should be aware of his responsibilities to society as a whole including to his company's employees as human beings.
1. If it ain't broke you should try to make it work better.
1. Avoid debt like the plague or if that is impossible use it sparingly.

## Brothers Copper - 2

1. A manager should possess or acquire what is known as "domain knowledge" i.e. a profound understanding of the technology and business of his company which can normally be gained only through a long apprenticeship in that company or in the same industry.
1. The testing and training of managers should be pragmatic and continuous.
2. Managers who wish to reach the top should start at or near the bottom.

## Brothers Obpper - 20

21. Job rotation (sometimes known as intra-company mobility) is desirable to create the "rounded" executive.
  22. Employment should in general be for the long term (by which is meant at least eight and if possible ten years..)
  23. Complementarity is one of the keys to making appointments.
  24. The remuneration system should promote and reward group effort.
- 20 Avoid ostentation like the plague.

## Gary Hamel et al. - 20

1. Ensure that the work of management serves a higher purpose.
2. Fully embed the idea of community and citizenship in management systems.
3. Deconstruct management's philosophical foundations.
4. Eliminate the pathologies of formal hierarchy.
  - Reduce fear and increase trust.
  - Reinvent the means of control.
  - Redefine the work of leadership.

## Gary Hamel et al. - 20

- 1 Expand and exploit diversity.
- 2 Reinvent strategy making as an emergent process.
- 10 Re-structure and disaggregate the organizations.
- 11. Dramatically reduce the pull of the past.
- 12. Share the work of setting directions.
- 13. Develop holistic performance measures.
- 14. Stretch executives time frames and perspectives.

## Gary Hamel et al. - 20

- 1 Create a democracy of information.
- 1 Empower the renegades and disarm the reactionaries.
- 1 Expand the scope of employee autonomy.
- 1 Create internal markets for ideas, talents and resources.
- 1 Depoliticize decision making.
- 2 Better optimize trade-offs.

## Gary Hamel et al. - 20

21. Further unleash human imagination.
  22. Challenge communities of passion.
  23. Rethink management for an open world.
  24. Humanize the language and practice of business.
- 20 Rethink managerial minds.

## Onosuke Matsushita - 33

1. Business is something that human beings do for the happiness of other human beings.
  2. Those who pursue business are artists at work on an endlessly unfolding canvas.
  3. The healthy growth of a corporation depends on solid business principles.
  4. Business is a public entity it should never be thought of as a private possession.
- If you do what naturally makes sense □ like putting up an umbrella when it rains □ your business will prosper



## Onosuke Matsushita - 33

- Recognize the fact that society knows best. If you strive to be accepted, you will prosper.
- If you manage your business with correct ideas and proper methods, it is bound to succeed.
- You cannot fail if you keep going until you do succeed.
- Success in business is not due to good times and failure is not due to bad times.
- 1 □ Believing that the world is perpetually evolving is what makes vigorous business possible.

Adler, Shper-Budapest, 2011

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## Onosuke Matsushita - 33

11. Making a profit is part of the social responsibility of a corporation. Not to realize a profit is a crime against society.
12. The outstanding entrepreneur strives to be a winner, but also to be a winner people will admire.
13. By practicing team management, you can keep your company stable and constantly growing.
14. The world is constantly moving forward. We should strive to make each day a little better than the day before.

Adler, Shper-Budapest, 2011

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## Ronosuke Matsushita - 33

- 1 Every failure contains the seeds of success and every success harbors the danger of failure.
- 1 Trust is something that takes time to build up but that can be destroyed in an instant.
- 1 To fall behind one day today could put you behind a year or for the rest of your life.
- 1 The mission of a manufacturer is to offer good affordable products and in abundant supply.

Adler, Shper-Budapest, 2011

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## Ronosuke Matsushita - 33

- 1 You must find a way to demonstrate your respect and appreciation to each and every employee.
- 2 Rely neither wholly on intuition nor completely on science.
21. In competitive sports and business alike in the last moment of the game you could win or you could lose.
22. If you do what you should do and don't do what you should not do you will never lose
23. A person who is truly successful becomes more modest and more humble with each success

Adler, Shper-Budapest, 2011

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## Коносуке Мацусита [ 33

- 2□ What kind of people you put together can determine whether their combined abilities are an asset or a liability.
- 2□ No matter what the field of endeavor or there are different roles to play but the worth of each job is the same.
- 2□ First make the decisions dispassionately and then consider feelings not the other way around.
- 2□ Much is to be learned from keeping an open mind to the opinions of others.
- 2□ When you delegate work remember that almost more than ability enthusiasm will assure the job is done well.

## Коносуке Мацусита [ 33

- 2□ When hiring focus 70 percent on a person's strong points and 30 percent on his or her weak points.
- 3□ The most effective approach to assigning work is to delegate responsibility without relinquishing involvement.
- 3□ An effective formula for training employees is 10 percent strict 90 percent gentle.
- 32. A report that says no problem exists could turn out to be the harbinger of a major problem.
- 33. No matter how able a leader cannot win the support of others unless he or she shows how to mete out appropriate rewards and punishments

# Adler & Shper [ 3

- e thin□that □ana□ement of 2□<sup>st</sup> century should be
- □eople□oriented
- 2. □ystem□oriented
- 3. □tatistical as □hewhart□□emin□saw it

## ***In order to reach this it is necessary***

- *Transfer from pursue for profit to obsession for quality;*
- *Transfer from control and manipulation of people to understanding people;*
- *Transfer from pursue for numbers and indices to understanding systems and their variability.*

# Adwards, Aemin, stated underlying principles of the system of profound knowledge

1. The understanding of systems
2. The understanding of variations
3. The understanding of the theory of knowledge
4. The understanding of psychology

Understanding of Systems	Understanding of Variations	Und. of Theory of Knowledge	Understanding of Psychology
Albraith			
Arney, Aet			Arney, Aet
			Lyric
pear		pear	pear
ayo clinic		ayo clinic	ayo clinic
orten			orten
Aemin	Aemin	Aemin	Aemin
Aler		Aler	Aler
brothers, bpper		brothers, bpper	brothers, bpper
amel et al.		amel et al.	amel et al.
atsushita			atsushita
Adler, Aher	Adler, Aher	Adler, Aher	Adler, Aher

# □onclusions

- All "guru" insist that management of the future should be humanistic system-oriented and focused not on the profit but on "something that human beings do for the happiness of other human beings".

# □onclusions

2. Most of the principles are stated as good intentions and it is not clear how to put them into practice.
3. All management "guru" unfortunately do not understand the role of variability and its effect on contemporary management and on the methods of transformation of existing management.

# □onclusions

4. The specialists in macro- and micro-economics agree that existing system of company and people assessing should be removed and replaced with such a system which takes into account non-material aspects of business activity and long-term success of organizations.