Book Review

The Missing Piece in
Henry Mintzberg Managing

Henry Mintzberg Managing

Berrett-Koehler Publishers Inc.

San Francisco, 2009

A review by:

Donald V. Fowke FCMC

Chairman of the Global Organization Design Society

Member of the New Management Network

February 2010

the New
Management
Network

The Missing Piece in
Henry Mintzberg Managing

Henry Mintzberg Managing

Berrett-Koehler Publishers Inc.

San Francisco, 2009

A review by:

Donald V. Fowke FCMC

Chairman of the Global Organization Design Society

Member of the New Management Network

February 2010

I picked up a copy of *Henry Mintzberg Managing* last week. I had been looking forward to reading this book by the pre-eminent scholar on managerial work. I set out with enthusiasm and finished with a sense of incompleteness. *Henry Mintzberg Managing* is a good book, but it could have been much better.

Henry Mintzberg is perhaps Canada's most celebrated management scholar. On the dust jacket of this his latest of 15 books, Tom Peters describes him as "perhaps the words premier management thinker." Henry is an engineer, like many other notables in organizational work, and a graduate of MIT's celebrated Sloan School – two things he and I have in common. Years ago, when he was an emerging name along with Harvard's John Kotter, in the study of what managers actually do for a living, Hickling-Johnston Limited which was my consulting firm at the time, had Mintzberg speak at our spring retreat in Muskoka. Our young turks were enamored of his managerial work theme. And he was engaging and stimulating in his interaction with our professional staff.

In subsequent years I have admired and made good use of Mintzberg's species of organizational structure: the *Entrepreneurial*, the *Machine*, the *Professional*, and the *Adhocracy* organizations. (While we at HJL aspired to be *Professional* we were clearly *Adhocracy*.)

Managing is a serious book aimed at those who practice management for a living. It is built around 29 days spent observing 29 managers in their work, ranging from the CEO of the Royal Bank of Canada to Greenpeace. To this is added a box of articles, books and papers on the subject collected over many years. This basic material is interpreted through what Mintzberg and others at McGill have learned working with their very successful executive development program aimed at mid career managers called International Masters in Practicing Management. All of this is informed by Professor Mintzberg's career in working with managers and students of management both inside and outside the university.

The book makes many important points. For example, it laments the emphasis on "leadership" as something separate from management. It makes clear that study for an MBA teaches business administration, not management. It argues that management is neither a science nor a profession, but a practice based on experience and defined by context. It underlines how false and limited was Fayol's construct of management as "planning, organizing, commanding, coordinating and controlling."After two chapters describing the dynamics of managing, that is its chaotic characteristics, and a model for considering the content of managing, Mintzberg tries to make sense of it all in

a chapter entitled "The Untold Varieties of Managing". He writes, "This has not been an easy chapter to write or perhaps to read. I spent far more time on it than any of the others, trying to make sense of that variety and struggling to express that order." After looking at the various factors involved, he was never able to make an articulate model of what was going on. This is the disappointment in the book.

In some ways the problem arises from looking at what managers do on any given day. It suffers from the same defect that plagued the old assessment center approach to evaluating management skill – where candidates are asked to respond to "in-baskets" of problems, interruptions and matters that arise. In neither case do we have a clear sense of what the manager is trying to accomplish, so we have no way of making sense of all of the varied things he is reacting to or actually doing. The missing element is context.

Mintzberg refers to, and dismisses level in hierarchy as having to do with authority and reflecting old ideas of command and control. This is where he misses the point. Managerial levels are about setting context for those accountable to them. That is really what hierarchy is for. These levels of accountability reflect different orders of complexity in the managerial roles. First line management is dealing with concrete goals that are reflected in the ordering of concrete day-to-day activities, like orders, materials, production tasks, etc. Business unit presidents are pursuing abstract goals that are reflected in the organizing of abstract processes like marketing, sales, research and development, manufacturing, etc., each function is comprised of four levels of increasingly complex concrete activities. And each of these levels requires a different level of cognitive capability to manage the random and chaotic aspects of the day-to-day work so as to get done what the manager is trying to get done.

It is the context communicated by the business unit President that bounds and shapes the tasks handled at the general management level, and the context communicated by the general manager that coordinates the functional leaders at the next level, and in turn the context defined by these middle managers that shapes the focus of the work for front line managers.

Managerial Levels in a *Machine* Organization
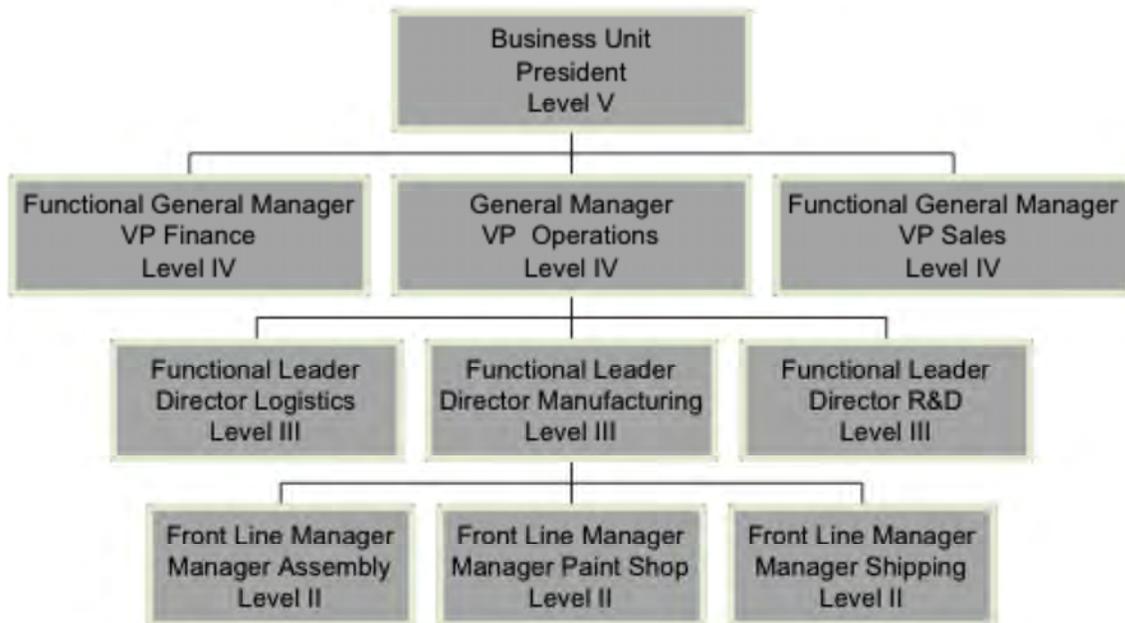
These levels of management are illustrated in the chart of a simplified manufacturing business that would be a classic Mintzberg *Machine* organization.

This is not to say that mapping Mintzberg's 29 managers according to these levels or strata would have made sense of all the variables. But looking at the different managerial roles in terms of level of complexity they are managing would make them much more understandable and informative. I think it is particularly helpful to combine the levels with Mintzberg's species of organization.

Using the examples in the chapter entitled "Eight Days of Managing", we might make the following observations:

• Bramwell Tovey, Conductor of the Winnipeg Symphony Orchestra, has a Level II managerial role in a *Professional* organization. The managerial dimensions of this role are less important than the skilled knowledge and experience in music needed to do the job. The cognitive capability needed to master the professional dimensions of the role is likely much higher than Level II.

• Fabienne Lavoie, Head Nurse, 4 Northwest, Jewish General Hospital, is also in a Level II, front line management role. In this case, the species is a Machine subset within the mixed *Professional/Machine* configuration of a hospital.

• John Cleghorn, CEO of the Royal Bank of Canada, is in a high Level VI or Level VII role in a *Machine* organization. Business unit heads at V are probably accountable to him through Group Executives at VI. None of this shows through in the narrative, which maybe underlines the limitation of trying to understand managerial roles one day at a time.

• Paul Gilding, Executive Director, Greenpeace International, is trying to hold together a politically fragmented outfit in a Level IV managerial role. The lack of an accountability structure makes it unclear just what specie this organization occupies.

• Alan Whelan, Sales Manager, Global Computing and Electronics Sector, British Telecom, is in a Level III project manager role, trying to mesh the emerging *Adhocracy* style of the new, market-oriented British Telecom with the tradition of its history as a *Machine* organization.

• Brian A. Adams, Director, Global Express, Bombardier Aerospace, is in a Level IV program manager role in what Mintzberg calls an *Extended adhocracy*. Adams' role and Whelan's role at British Telecom illustrate the difficulty in aligning functional with program accountabilities. More on that later when we look more closely at accountabilities, but Mintzberg's vivid descriptions illustrate how important clarity of accountability is where processes and programs operate horizontally and silos vertically.

• Charlie Zinkan, Superintendent of the Banff National Park occupies a high Level III or given the traditional independence of this founding park in the Canadian Park Service, a Level IV general management role. The Park Service is a *Machine* organization. The dilemma about environmental politics and policy that run through Mintzberg's description of the day remind me of Alan Gotlieb's remark, when he was Deputy Minister of Manpower and Immigration, that in his department the Minister does the case work and the field offices set policy.

• Abbas Gullet, Head of Subdelegation, Tanzania, is in a Level III managerial role. The cultural complexity of the situation makes it difficult to characterize the species of organization.

The approach to organizational levels outlined above is not mine. It comes out of an enormous body of research, design, innovation and managerial practice in stratified systems theory, sometimes called Requisite Organization, from all over the world over the past sixty years. Ken Craddock has recently published the fifth edition of the Requisite Organization Annotated Bibliography that runs to 1352 pages[1]. I scanned in vain Mintzberg's 16 page bibliography for any reference to these concepts.

I find this very puzzling indeed. It can't be that Requisite Organization has escaped his attention. The late Elliott Jaques who worked to develop these concepts in the UK, the USA, Australia and Canada was a Canadian by birth[2]. Many Canadian companies employ RO ideas, including large corporations like the Bank of Montreal, Tembec and Canadian Tire, and entrepreneurial firms like Western Canada's Graham Construction and Engineering or Haliburton Ontario's Patient News Publishing, to name just a few. The Global Organization Design Society is headquartered in Toronto and has held two of three international conferences in Toronto of academics, business leaders and consultants working in the field[3].

Henry Mintzberg Managing would be so much stronger if it reflected these important constructs for designing managerial systems. The RO literature would have helped provide coherence to interpreting the conundrums of managing he raises in his next to last chapter and in sharpening his prescriptions for managing effectively in the last.

For example:

• Some of the discussion on incompetence and misfit would be cleared up by ensuring that managers were capable of handling the complexity required by the level of the role. In other words, is the manager smart enough to juggle the components of the role?

• The many threads in Mintzberg's framework for effectiveness – energetic, reflective, proactive, collaborative, analytic, worldly and integrative – would hang together better if managerial accountabilities were clear for developing and maintaining a team of subordinates capable of producing the required outputs, to recommend and have authority to veto their appointments, to decide task-type assignments, to decide personal effectiveness appraisal and merit review and to decide to initiate removal from role.

• Similarly, fuzziness about relationships with others outside the unit would be clarified if accountability were specified for prescribing, auditing, coordinating, monitoring, service getting, service giving, advisory and collateral relationships with other units.

• Effectiveness evaluation would be much clearer and trust inducing if it focused on the specific matters identified as things for which the individual is accountable.

• Management development would benefit from attention to management practices: that is building skills in setting context, assigning tasks, coaching subordinates, developing subordinates, recruiting, team development, evaluating performance, removing underperformers from role, and also skills for assessing and developing talent at lower levels in the organization.

Being explicit about accountabilities would be helpful in understanding the various managerial roles Mintzberg details in the eight cases at the end of the book. The absence of such clarity is most evident in the Greenpeace example, where Paul Gilding was working in a no-win political environment. Charlie Zinken at the Banff National Park likely had the most clarity on the issues of managerial accountability, although its not evident from the narrative how complete and explicit that understanding within the Parks system might be.

The two *adhocracy* style roles – Alan Whelan at British Telecom and Brian Adams at Bombardier – would be greatly helped by attention to the specific accountabilities and management practices suggested above. These roles, which Mintzberg also calls project roles, often separate the line of accountability for the assignment of tasks from the line of accountability for capacity development. This is sometimes called a matrix organization, and it is increasingly common in global companies or where deep expertise is required on the one hand and its deployment on programs or projects is needed on the other. Pinning down the accountabilities clearly and ensuring the development of skills on the management practices is central to making these flexible, deployable capacities work well in the longer term. Pharmaceutical companies and major construction enterprises are good examples of where these challenges arise.

I agree with Mintzberg when he asks, "Where has all the judgment gone?" Many of the accountabilities described above can only be judged, not measured. I agree with Mintzberg that management itself is a practice, not a science. But there aspects of Requisite Organization that rest firmly on real science, where an hypothesis about levels has been validated by experimental data[4]. Determination of what level a given role occupies – what complexity of management is implied – is both a matter of judgment and science. Experience demonstrates that managers in group discussion of the matter can judge the relative weight or complexity of roles. Experimental evidence indicates that "time span" or the intended time of the longest task in a role, is an accurate proxy for the complexity of the role.

Mintzberg is incensed, as many people are in the shadow of financial collapse of 2008, with excessive executive compensation practices. But lamenting it and doing something systemically about it are two different things. The Global Organization Design principles of levels also provide a framework for relating total compensation from one level to another. This framework is sometimes called "felt-fair pay", because when pay programs are aligned with it the results seem equitable to all involved. Indeed, Elliott Jaques' breakthrough work on "progression curves" – which describe how cognitive development matures with age, emerged initially from career compensation trajectories. In 1976, Jaques had data for some 250,000 individuals in over 20 different countries[5]. Pay plans designed on this basis are robust, appropriate, and contribute to a trusting working environment.

A 2009 study of the Canadian management consulting industry drew attention to changing attitudes toward hierarchy in the workforce[6]. Speaking to key trends, the point was emphasized that while people over 60 were comfortable with hierarchial relationships, people under 30 looked to more flexible, egalitarian relationships in their work. Mintzberg's cases were from the 1990's, but even there the emerging pattern was visible.

Charlie Zinkan of the Banff National Park:

"…believed that the top down control in government was incompatible with the highly educated people attracted to work in the parks, even those doing simple jobs with the hope of moving on to more interesting ones. You 'have to be careful when talking 'empowerment'' to these people, Charlie said. 'We have mechanics reading the *Harvard Business Review*!' The people in the field are committed to their own values: 'these are the lone rangers in the organization.'"[7]

Differences in complexity of managerial work do exist, and differences in the cognitive capability to handle that complexity, as well as issues of accountability and cross-functional working relationships remain. These are the essence of Requisite Organization. And as Mintzberg himself notes his earlier concepts of organizational species are important to understanding the differences in managerial work he encountered. Indeed, the way levels and accountability work differ radically in the *entrepreneurial* and project **adhocracy** structures that are so central to the process of economic development in the modern world. Melding species, levels and a deep understanding of what managers actually do, are essential to understanding managing today.

Endnotes

1. Ken Craddock, *Requisite Organization-Annotated Bibliography,* Toronto, GO Society, Toronto, 2009.

2. Elliott Jaques, *Requisite Organization*, Cason Hall, Falls Church VA, 1998.

3. Ken Shepard ed., *Organization Design, Levels of Work & Human Capability*, GO Society, Toronto, 2007.

4. See for example Elliott Jaques and Kathryn Cason, *Human Capability*, Cason Hall, Falls Church VA, 1994.

5. Elliott Jaques, *A General Theory of Bureaucracy*, Heinemann, Hampshire, 1976.

6. Carolyn Vose & Associates, *The Canadian Management Consulting Industry: Trends and Outlook*, Toronto, CMC Canada, 2009.

7. *Henry Mintzberg Managing, op. cit.*, p. 267.

the New
Management ™
Network

www.new-management-network.com

Beijing   Penticton
Boulder   St. John's
Cape Town   Sydney
Cleveland   Toronto
Costa Rica   Vancouver
Helsinki   Windsor
Ottawa

12 Woodlawn Ave. W #301 Toronto ON CANADA M4V 1G7
Tel (416) 214-1370 or 1-800-387-2165   fowke@vianet.ca