

Management ... a Science? > Business Engineering!

Definitions:

Direction of companies and other social systems. Management is the quintessence of leadership functions and characterise a field of occupations embracing business policy, planning decision making, adoption of those decisions by giving instructions (orders) and control. [Meyer's grosses Taschenlexikon]

At the core of management stands leadership and management tools: policy, the different aspects of planning and control. The ideas about management are manifold, as well the theories of leadership, planning, decision making, organisation and learning. The focus of this chapter is on management methods close to the needs of common lands management in developing countries. The most flexible and adaptable management approach, viable under "chaotic" environmental conditions (= constant change) is "CHANGE MANAGEMENT". The major aspects that differentiate it from traditional management are:

- 1 The basic idea of traditional change: "The right knowledge will lead to the right action" is completed by the insight that: additional to rational understanding - acceptance and will are needed to lead to action. So the study of structures and rational facts has to be completed by the knowledge on processes and values (communication; behaviour, attitude). The strategical target is not "what is needed", but "what is possible".
- 2 Instead of a leadership that gives orders, it needs coaches, communicators, "translators", convincers - making self-organisation possible. Unlike the old management is not "selective and discriminating" what concerns personnel, but spends time on that resource and develops it. (... theoretically, I guess).
- 3 Instead of being forcefully optimistic: "*just do it*", change management is realistic: "Let's try it" and learn from mistakes. It does not strive for optimisation from the start, but accepts "tinkering".

1 Orientation: policy & strategy

The policy is the guideline for managers. It has to preview future developments, it has to set objectives, to motivate and to give the major clues for decisions and control. It has to be clear and short, operational, show conflicts of aims, clear statement to central problems of society - but it should not contain unfulfillable demands!

In opposition to forestry policy (chapter 7), this is a business policy - and it differs precisely in the last sentence. Management and protection of natural resources may seem unfulfillable, as "sustainable development" in general - and still we have to try, we have to find a way if the human race wants to survive on this planet.

The methods used for preview and prognostics are about the same as social forestry is using: time series, trend extrapolations, regressions, econometry, life cycles, input - output - analysis. But mostly qualitative methods (# s. next chapter): interviews (Expert panels, Delphi), scenarios, historical analogy, morphology, logical deduction from published analysis and prognostics, subjective individual opinions, esp. market research.

What makes CHANGE MANAGEMENT interesting for development, is the fact that it emphasises on the "company-culture", the shared stock of values, norms, principles, orientation and rules of behaviour, that is, written or not, aware or unaware, actively motivating the members. [after Böning, Fritschle p 61:] *"Analysis of the company's culture is more than interviews. It makes not only clear the motivational, communicative and leadership aspects as well as the state of the enterprise in respect to strategically relevant aims. Its results are as well the structural and processual problems inside the company."* [ibid p 82].

In the mid-80-ies the approach had changed from focussing on technical concepts towards processual aspects of things and processual aspects of relation-themes as leadership, cooperation and customers orientation. This fact, plus Flury's definition of **the right way of thinking is situative thinking!** and the understanding that *"permanent communication on aims, progress, results, but as well the open dialogue on problems and conflicts are unavoidable"* [ibid p. 130:] bring CHANGE MANAGEMENT even closer to the needs of management in a tribal society. What has been the base for the here presented study, the need to understand local thinking and local values, is as well the major innovation of CHANGE MANAGEMENT: In the course of each business-change-process there are always two levels of action approached: the technical and the psychological-person-related one. As known this can be well described by the picture of an iceberg: It is drifting with a well visible Part (the official, e.g. factual-technical, strategic, organisational ... themes) and with an only partly visible (= understandable) part on the water. This part that lies under the water (5/6 of the total volume) is precisely the important one in cases of collision: First the collision happens primarily under the water, only afterwards above it. Secondly, this collision can be dangerous. [ibid p. 244:].

[ibid Abb. 7.1: Der Prozess-Eisberg]

Themes on the	aims
(rational)	strategies
fact-level	preset targets
	information technology
	organisation, technique, efficiency
	degree of target reached, market niches
	financing, investment, personel capacities, ...

	informations, rumors, informal communication
feelings:	courage, curiosity, fear, needs and values
	status, recognition, security
	trust, participation, acceptance

admiration, aversion
insecurity in the face of innovation
motive/value/norms of conduct/habits/attitude
unaware attitude

status

Themes on the
(emotional) level
of relations

2 Leadership

Leadership, almost synonymous with "management", has two aspects, a) the project and fact, b) the execution and group oriented one. a) embraces all rational measures in structuring organisations, as:

- define duties of groups
- differentiate work rationally
- create communication structures that can fulfill the duties as demanded by the higher systems requirements
- guide consultative and decision making processes in the group
- take decisions

The last one - take decisions - is here as managers, leaders are traditionally "THE DECISION MAKERS". But it is undemocratic and not conform with the needs neither of change management nor of development, as for both "participation" is the key. (s. chapter 8 #)

b) embraces all measures that motivate the staff to work for the company, for the common aim:

- reinforce group identity
- give chance for personal development, demanding but not overdemanding duties
- work satisfaction: successful fulfilment of a meaningful duty!

Parallel to that there are two main types of leaders:

- a) The administrator: Introverted, focusing on formalisation.
- b) The politician: Extravert, outside-relations oriented.

In both fields, change management and development, it is clear that the decisive factors are the ability to establish personal social networks and to influence ("use") people through communication. "Leaders" need a capacity for integration and negation. An introverted competence on matters is not sufficient if it can't be communicated "outwards".

The function of information-supply through higher cadres will be made obsolete as well by modern information techniques. The old hierarchies, "*the order of the priests*" [ibid p. 333:] will be replaced by teamwork. Networks, interdisciplinarity - self steering, flexibility, intuition will be more and more important. The function of the leaders in the future will be that of giving impulses, cultivating, the ability to deal with changes, to leave space for free development, to lead with intuition and confidence. The requested profile is more the coach than the director. Future leadership, CHANGE MANAGEMENT

LEADERSHIP needs:

- a) Strategic Competence: The ability to understand complex and dynamic relations and to derive consequences for action. The change manager has to adapt his company to constantly changing demands of the market, the customers and as well of the members. He himself has to be flexible and adaptable and to master marketing instruments. Especially he has to accept that he can't know and do everything by himself. Additional to the emotional intelligence that concentrates on social interaction he needs the "change intelligence" that understands processes going on at a higher level of the system.
- b) Team development and conflict resolution need a high social competence, composed of two elements:
- The intrapersonal - the ability to get access to ones own emotions, to recognise and differentiate them. People with highly developed intrapersonal intelligence often work as writers, actors or artists.
 - Interpersonal - to understand motives and interactions of the fellow-men. Widespread with politicians, teachers, therapists and consultants.
- c) The competence to deal with chaos is strongly related to those. The major requirement is to keep quiet and disposed for action in critical situations and conflicts. This needs a) the sensitivity for "weak signals" and b) the capacity to tolerate ambiguities, to analyse and understand signals with multiple or even contradictory meaning, to bare them emotionally and to use them efficiently for future action. The competence to deal with processes in general is a combination of the technical, the social and the cultural aspects. The "chaos-manager" has to be able to know the levers that move the system - without being dependent on them. Progresses, opposition, delays, successes, failures are not just events and do not represent the process as a whole. Their action-value and code character has to be determined from case to case.

e) Power of Conviction - Influence

Def: Influence is the capacity to cause changes in thinking, emotions, behaviour and actions of others. Traditionally: To have them do what one expects from them. (s. comments up, on decision making).

Influence can be exerted in different ways, mainly by:

- formal rules (administration, "technical" management)
- professional authority (fact oriented arguments)
- personal authority ("Austrahlung")
- authority of position

To be able to communicate and to convince in such a complex environment, the leader has to be able to strip down to the core strategical, technical, economic, organisational and social facts and make them understandable for non-specialists. This needs as well the capacity to adapt information processes, decision processes and production processes carefully to the

absorption and learning capacity of individuals and groups. The change manager has to be able to translate different worlds of action, thinking and experiencing. He has to be a communication specialist, mastering the multitude of communication techniques: writing, talking, negotiate, PR, visualise, dialogue. Especially nonprofit management is primarily communication.

f) Personality

d0) The first requirements on the character of a communicator are frankness, honesty, self confidence, courage. A change manager has three mutually complementing roles has to fulfill [ibid p. 283]:

d1) The explorer (analysing scientist). His duty is to detect and understand the internal and external factors of influence that cause and drive the change and to find mental models and codes of the valid systems principle and to use them for orientation in the change process. He has to diagnose and develop the mental-cultural identity of the company, to detect and develop the potentials of the collaborators. To identify needed action in his own personal development and of the collaborators.

d2) The Designer has to develop guiding ideas, a "mission" and to inspire others: What for do we work? What for are we needed? To develop systems structures that assist learning, success and growth of the company - with a payment system based on work output, learn and change success. To model learn and change processes and coach collaborators, to create possibilities and time for learning and change. To control the development of a concern syndrome (overdone bureaucracy e.g.).

d3) The Leader should feel obliged for top performance, to strive with passion for winning, to want to be the best in competition(...). Integrity and consistency of leadership demand that he should be an ideal (model) in thinking and doing, feel obliged to learn and change - only then can he create the needed leadership and cooperation culture that leads to success. Such cooperation needs a balance between the priorities of the company and the needs of the collaborators. The leader has to assume responsibility in cases of insecurity and risks, to give and take an open and respectful feedback and to assist collaborators in learning and understanding of the systemic development of the company as a teacher.

: The research objectives of "the explorer" are largely the same ones as the ones used to study forest management in Yemen. The basic methods are as well close to ethnography and topics! Points a: the explorer and b) the designer remind us already of ICRAF's: Diagnosis and Design. So to make the analogy complete - only the leadership question is open in development science.

3 Planning (facts and values)

Definitions [after Nowak p. 16ff.]:

- > "Planning is the "political decision process to rationalise, optimise and stabilise systems". < [Nowak, p 16 ff: Bendixen, Kemmler].
- > "Planning is the rational anticipation of future action" < [after Grochla, do Stachowiak:]
- > "Planning is the systematic sketch of a rational order based on all accessible knowledge." [ibid Kaiser:]
- > Planning is 1 prognostic, 2 intellectual, 3 aim oriented, 4 develops alternatives for action, 5 selects among those, 6 fixes instructions for a rational realisation of the selected alternative. [ibid Weisser:]

Planning is one of the central management duties. Planning needs the establishment of a clear system. Planning means processing of information. Plans are only as good as the input information. It starts with the prospective recognition of developments, that means, it is future oriented. Planning pre-thinks aims and behaviour and formulates them as compulsory, that means planning is as well the formation of a policy. As it is setting priorities, a system of orientation, it should, at any rate in a democratic society, be done in cooperation with those it is made for. The members of the company or in general, of the social structures the plan is made for, have to participate already in the steering of the planning process - not only in the final execution (acceptance, vote e.g.).

The two major aims of planning are a) coordination and b) the aim of plans for complex cybernetic systems: self-steering has to be facilitated! Both are only possible if those that have to execute the plan are really concerned and motivated, if the aims of the plan are their own aims and priorities.

That is no new insight - but it is a problem that has not been solved so far. If we look e.g. at organisational models, there are:

- Classical, systematic-scientific - analysing the factor work in a mechanistic-instrumental way.
- Neoclassical - reduces motives to those of the "*homo oeconomicus*" that can be manipulated by financial stimulus.
- Bureaucratic - is hierarchical, with fixed competencies and a trend towards centralisation.
- Mathematical-decision-theoretical model - can't deal with complexity, is a very reductionist simplification excluding more than it explains, especially values and the possibility of generating consensus through dialogue.
- Behaviouristic-decision-theoretical - reduces complexity to behaviour: the inner model of environment steers the selective perception.
- Systems theoretical model - focuses on functions and processes, but is neutral in respect to values.

Facit: "*All here analysed systems of social organisation are defective in their horizontal communication and ex-ante coordination ...*" [Nowak p 196]

Planning has a) the "statistical" problem of dealing with

complexity, a problem largely discussed in this book. But there are even more difficult problems, difficult in that sense, as there is no scientific or technocratic approach to solve them. They are:

- Communicative and direct participation of the base
- The development of forms of discursive mutual understanding on planning
- The need to overcome the dichotomous grid of thinking in planning (centralised, communist - decentralised, market oriented).
- To develop empirical social research in the direction of participatory action research (said in 1984!) [Grochla p 251:]

3.1 Decision Making (facts and values)

Decision making is an integral part of planning, if we look at the definitions. Planning has to define and analyse problems - has to decide on what is the problem, why does it need to be studied, can it be solved by planning, who will do the planning and how.

Unluckily more often than not planning is seen only as a preparatory step before decision making: collection of data and facts describing states and processes and allowing a certain prognostic. Proposal of alternative solutions and scenarios. The decision maker will only decide on the alternative to choose (the most restricted participation in this respect are political elections, where the choice is most often limited to saying yes or no to one single proposal!

As most planning in development is aims oriented, needs acceptance from the part of the subjects, values, attitudes and expectations play a major role.

So decisions have to be taken all along the planning process, from the beginning: what will be planned and why, who will do the plans and how, with what methods. If planning is participatory is so decided from the start - and especially where the aims of planning are set.

After Schwarz [Schwarz p. 45:] there are three major strategies interacting in decision making the:

a) action oriented towards factual problems:

- raise understanding for problems
- develop solutions
- evaluate alternatives
- prepare decisions
- form projects and processes

b) power oriented behaviour:

- defend position
- put through interests
- exert influence
- threaten with sanctions
- drive process

- c) consensus oriented behaviour:
- remove resistance
 - settle conflicts
 - assist consensus-finding
 - enhance readiness for innovation

a) and b) are simply planning plus political tactics. The more important participation is, the more emphasis has to be put on the development of consensus. While a) and b) can be done in a "scientific-political-administrative" way and framework, that means systematically and standardised, consensus needs a dialogical, an open approach. *"Problem solving induces changes. The bigger the degree of innovation, the bigger the resistance, the more conflicts will have to be settled, the more important gets what is called the socio-emotional dimension of innovation processes"*. [Schwarz p. 279:] The more difficult the process, the more critical it is to reach consensus, the more it is important to include not only participants and promoters into the dialogue, but especially the opponents!

5 Organisation (operationalisation) (bureaucracy)

In change management the situation is comparable to development: *"The preaching is holistic, expected is bottom-up, done is top-down."* [Böhning, Fritschle p 150-1:]

The major cause of that, as seen by the author, might be the dominance of formal thinking and acting, enhanced by a narrow disciplinary thinking of scientists themselves.

"Organisation means formalisation" [Ulrich, Fluri p. 124:]. Formalisation is an intentional act of formation, done in an impersonal way and (generally) in written form. Resources and structures (finance / capital / personnel), as well as the processes of information generation and use (research / public relations, marketing) are rationally planned. "Operationalisation", the systematic, standardisation of processes differentiates duties on one side - establishes communication channels for coordination on the other.

To be executable and manageable processes have to be operative. That means that action has to be limited and tied to precise objectives to make dispositive projects plans with their time-frames possible.

Operationalisation is the key for a smoothly running project - but operationalisation is cementing a fractional approach to development. This is not the problem, but the problem is, that this fact is often forgotten. The selected, limited, specific project, even if called "integral" - is lacking adaptation, as it defines its own system.

The recommendations of Peter Senge's five disciplines [Böhning, Fritschle p 164:] in change management apply for development projects as well: 1. systemic thinking, 2. self discipline, 3. mental models, 4. common visions, 5. team learning. What the project management at headquarters is heralding is most often 2: self discipline. The project is good, keep to its objectives. What is needed for execution in the field is mainly 1, 3 and 4 as base and motive for common action - 5 is the dominant one for mutual learning on causes of failure or success. In development projects failure or success depend on the motivation of the

local partners. This one is normally not really "understood" by the foreigners. Only if both try continuously to "understand each other better" there will be progress. And that means mutual learning, participatory learning and, last not least, in my experience the hardest and most neglected one: organisational learning . # s chapter 7

6 Control (bureaucracy)

Control is an important factor of planning and makes a clear description of objectives, measures and outcomes necessary (operationalisation). When in and output are operationalised, functions and processes quantified (number of trees planted, time plan e.g.), control is easy, what concerns the quantifiable output. Difficult is the evaluation of the qualitative changes as an increased awareness, a better understanding of environmental problems, emotional, behavioural and motivational changes.

Evaluation of project management in development should embrace more than the control of the fulfilment of operational plans: *"Management is good if it assumes the responsibility for fulfilling the objectives, survival and functioning of the system"* [Schwarz, p. 30]. In the future, even in industrialised countries (change management) the control function will be of minor importance, as decentralised self-regulation is the aim, what is made possible by ever improving qualifications. Control under those aspects is replaced by feedback.

7 Learning (facts and values)

"Peter Senge sees the "learning organisation" as a place where people constantly increase their capacities in reaching the results they want; where new patterns of thinking are created that enlarge awareness; where common ambitions get a free space and where all can learn permanently how to increase knowledge together." [Böhning, Fritschle p. 165:]

What is the use of a learning institution? [ibid p. 182:]

1. Time optimized processes
2. Sensibility for weak signals
3. Increased problem solving potential of all participants, not only those that are formally responsible.
4. Self steering capacity and self-management
5. Change competence
6. Raw material "learning". Mind, education, differing intelligences and creativity are looked for.
7. Organisational awareness. Questions of productivity, organisational flows and human behaviour are treated as of similar importance. Technical aspects, processes and emotions of customers and collaborators are taken into consideration.
8. Capacity to endure tensions and conflicts
10. Capacity to survive and produce

The institution, capable of learning, is to be understood and formed as communicative organisation with the aim to increase

and optimise distribution and use of shared knowledge." [ibid p. 189: Hohmann u. Bittmann] For such an institution time gets important, as important as it is for the development of society. Time is needed for reflection and analysis of strategies, processes, group dynamics and conflicts; to develop new products and services, for talks with colleagues, customers, advisors, outsiders and those with a different opinion.

But: The strategy has to set clear objectives, has to be a guidance. So learning will primarily happen in those fields where the institution or company has its core of competence. A permanent self-reflection and control of the mental models that are ruling inside the organisation. A vision developed and sustained in common is the base for long-term success.[after ibid p. 203:]

"A major chance for future development is, that this procedure contains an individual alignment of different sites, so that the strategy of economy of scales can be given up in favour of a more customer oriented production." [ibid p. 219:]

: This means that the economic development is reorienting itself towards regionalisation - what in fact would be the same aim recommended by many development science-s, especially human ecology!

8 Conclusions and Recommendations for Development

Shrub- or woodland management is quite different from management of business. It is largely "common lands management," "non-profit-management" or - "sustainable development management". It is different due to the following Structural-functional Problems: - impossibility of quantifying and operationalising processes in shrubland management

- no profit to pay for superstructure, not even local professionals: no specialised structures - economical no institutionalised service affordable
- multifunctional, non-institutionalised users
- only qualitative control possible

Reductionism of operationalisation

In "traditional forestry" a national institution is setting general aims, is giving directions to regional offices. Those plan and supervise the operationalisation, being executed mostly by local professional services. Inventories and technical management plans are the base for action, an action focusing on production, control and marketing. All those processes are more or less well established and controllable.

With such an environment a "scientific business administration" can deal. But under more complex settings as given in the case of tribal common lands, the way of thinking of the "masters of business administration", limited to the narrow framework of economic dealings of company - is leading astray!

That is science at its worst. While using a "scientific approach", selecting and defining problems (those it is able to

deal with), isolating them from external influences - it brings forward recommendations that influence not only scientific thinking - but the lifeworld! The more scientific, the better the scientific training - the more restricted the capacity to get a clear and adapted overview of the complexity of real life.

More generally - the Problem of science's approach in dealing with environmental problems: Causalities are regarded as sufficient to induce action. The fact that action orients itself towards objectives, that most motives are final, not causal, is the big error, an error that combines well with the idealisation of science as the one big problem solver. Science is the new God we are praying to, asking to solve our problems ... and we might find out that we have been praying to hollow idols - at least in what concerns development and the future.

The major problem of international and bilateral agencies in dealing with development projects is the restricted view of headquarters on operationalisation and operationalised projects. They want a clear set of correlated facts, an operational system that promises to deliver the wanted output. So far so good - but the problems start, when headquarters take programmes and projects as blueprints - instead of sketches, when they eliminate the complex local planning and decision making out of their concerns, when they neglect local feasibility! That is the origin of the problems of all such organisations between the "field men" and the "headquarters". In the past the trouble-making fieldmen, adapted to the local "chaos-management" have been more and more replaced by "administrators" - not to the best for the projects.

Social development depends on economic development

The basic needs of humans are, after Maslow:

- physiological (food, water)
- security, social relations (family core)
- social (integration in group, love, friendship)
- self-estimate, status, recognition, power
- individuation: development of own personality and capacities

All those depend up to some extent from economy! An economic model as monetarism, where economic growth is driven by the need of capital accumulation and interest seems to me a strange thing *per se*, if the needs of the money are taken as more important than the needs of the people. Economy and management of development, what is logically a development towards the future, needs not only not only a scientific, standardised description of the past, but strategic, systems and future oriented preview. In addition this rational "finality", an understanding of local structures of thinking is an absolute must.

As well as people can't be reduced to the "*homo oeconomicus*" if we strive for a common future, only attainable through sustainable development, development needs a kind of "management" that is not limited to profit-making. Standard management methods are very useful even in such cases, but additional to prices it has to include values, and additional to the operational system, it has to take care of the social and the natural "environment".

> Development needs a management that is not profit maximisation,
but lifestyle-optimisation <

The structures and functions of an enterprise can be systematically analysed, built up, developed and controlled - not so a tribal society, probably no society at all. Development needs a kind of (qualitative, at least) "management" of the economy of whole regions and villages. For that type of management other motives than profit are needed and the inclusion and "translation" of values and expectations is as important as the study of "scientific facts".

To be able to motivate by communication, the knowledge of locally valuable and acceptable arguments is the most basic need.

Development of forestry under tribal settings, be they Islamic or else, based on subsistence economy, needs "communicatory action and learning", needs open questioning and listening - dialogue. Such an approach can't be limited to awareness raising and extension: explain and convince, whose basic tools are - nay - not science, but topics and rethorics (in its positive meaning as reasonable dialogue)! The classical circle of planning:

> observe, think, understand, communicate, act - observe, think and learn < bases on communication! (Probably, while strangely, not in democratic Switzerland, but in a tribal society it has to!).