Raising Right Realities

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If it looks like a duck, walks like a duck, quacks like a duck - it does not have to be one: This is an essential aspect of management. Management is about initiative and about creating new realities. Good management is when those realities are reached, and when they are founded on generally accepted principles and ethics. This article will explain why.

Let us start by comparing the work of a scientist with that of a manager: A scientist is looking for the specific answer to a given question. To every question, there is one exact and correct answer. At the outset, he must not even speculate about the outcome, and the results of his investigations cannot be planned. By contrast, a manager starts with the result. He sets a target and takes action to achieve it. To do so, there is no unique right way. There exist, instead, numerous possibilities to reach the target. There is no clear right or wrong. The will act to get to the target even if obstacles get in his way. A manager has to find a way to get things done to achieve his target. His boss is not interested in explanations and excuses why a target could not be met – it is simply expected that it be reached by the manager's initiative.

A manager starts his job by defining a target. By doing so, he creates a new reality – one that others cannot see yet. Be it a big vision or a small improvement – the manager defines what should be achieved. Here, he has to be both realistic and visionary. The starting situation and the resources have to be suitable for the chosen target, which should neither be too easy or too difficult to achieve. "No-brainer" targets are equally unprofessional as those that require a miracle to make them happen. In the next step, the manager sets her team on the right path to get to this target. She will follow-up along the way and coach the team to get closer and closer to the target. Once the target has been achieved, the new reality which the manager has thought about in the first place has turned into actual reality. This is now a commonly accepted reality – it has been raised and created by the manager.

As much as a manager is acting in the present, he is also concerned with the future. Her reality is a mix of the reality which the ones around her are seeing, and the one where she wants to travel to. That "reality" is not "real" in the beginning, because it is a situation that has yet to be achieved. Let us explore this thought deeper by looking at two examples:

In the first example, one team member is not particularly qualified at giving presentations. Our scientist would analyze this situation and state as a matter-of-fact that this person has or has not mastered the skill of "giving presentations" to X%. By contrast, the manager, who will realize the present shortcomings quite as well, will react differently. He will encourage the presenter by giving him reassuring comments, and by providing some hints on how to further improve. Also, the manager will provide opportunities for development to his employee. He does this because he can see a new reality – one where the presenter will be more skillful. By taking initiative to support the person, the manager can and will make the new reality become true. In the beginning, when the manager encouraged his team member by saying *"Good presentation – and it could even be better if you consider …",* his statement might not have been true to 100%. However, it was his new reality, which we wanted to and which actually has materialized after some time.

In the second example, let us reflect about US president John F. Kennedy's moon landing programme, which he has launched by proclaiming that *"…in a decade from now, we will land on the moon"*. At the time when JFK made this announcement, there were many doubtful spectators. Yet his vision became true, and today it is reality.

The 2 examples show that how raising a reality can make a difference – small and big. From the first, simple example one can also derive that a manager has to balance the current situation (reality, truth) with the new "to be" state. A manager's prime role is to communicate with others, primarily his team members, so that his new reality can become known and be created. So the first element of management is: **setting targets** (raising realities, creating a vision). They may be derived from higher organizational targets, the manager's boss, etc, or he can follow his own ideas, for instance as an entrepreneur.

There exists abundant literature and plenty of discussions on management and how to define it. Key qualifications of a manager are **passion** and **enthusiasm**. With these, he can influence others to follow his vision for a new reality. A manager is judged by his **effectiveness** and **efficiency** only. Whether he is soft or tough is not of prime concern. Neither does it matter how much time he spends to convince others to follow him and to produce a tangible result. He needs to get things done, mainly by and through others. The matters which he pursues can either be his own ideas, or those of his own boss. As with any change, he will face resistance, as people tend to maintain the status quo. Without passion and enthusiasm for keeping up his new realities against resisting and doubtful peers and team members, a manager is not likely to be very successful. Only if he deeply believed in what he is doing and what he stands in for, he is able to spread his energy to others. So element number 2 for management is: **Conviction for what you are doing**.

So who is a manager? It is not only someone high up on an organization chart. A manager is someone who takes initiative. This can be a leader who sets the direction for his team members (direct reports), or a person who works by himself. A self-employed author who writes an influential management book can be considered more a manager than someone who carries a nice title in a big organization chart. As Dr Lawrence J Peter once put it: *"In most hierarchies even high employees do not lead anyone anywhere, in the sense of pointing out the direction and setting the pace. They simply follow precedents, obey regulations, and move at the head of the crowd. They lead only as the carved wooden figurehead leads the ship."* The author whose principles are adopted by an organization might, in this respect, contribute more to managing it than its employed managers who are merely implementing. A wife who influences her partner in a certain way is as much a manager as is a politician who initiates a certain behavior in people by creating a new law, and an employee at the cashier of a fast food restaurant who manages to sell a customer more than she initially intended to purchase. She who becomes active and has an impact on the activities of other people is a manager. So the third element of management is: **acting upon oneself**, without being told to do so (becoming active, taking initative).

The fourth element of management is influencing other people. A manager gets things done through others. Other people have to, based on his influence, take their own initiative to carry out a certain piece of work. So management is **making other people act** as if they themselves want to act. A manager should, to be highest possible extend, get the "best" people to work for him. "Best" can be understood as "best fit for purpose" in this context. People make the difference in business and in organizations at large, so a manager should try really hard to get good people work for him. For maximum impact, she will utilize and further enhance her team members' individual strength and manage all available talents (talent management). **Selecting and developing the best team** is the fifth element of management.

These 5 elements can be considered the basis of management. However, they do not tell us anything about the quality of management. Aspects of the quality in a manager's work are: effectiveness, efficiency (degree to which a target is reached, considering the efforts put in), the target itself, and the way how the target is being achieved. To put it another way, good management is if the new realities which a manager creates are desirable ones, and whether they are reached in an acceptable way. They have to be based on facts (as dreams and hopes cannot become true). It is expected of a manager to get things done, i.e. to deliver an agreed target. However, there are obvious "rules of the game" by which that target can be pursued. These are the considerations which can be used to define "good" management. So good management starts from a realistic assessment of the current situation, and is characterized by the skillful use of available resources to steer towards and to finally achieve a certain target. In management no one cares about activities or how many efforts have been put into a certain endeavor – it is the results which count. Excessive efforts are to be avoided, though; If an organization wastes too much of its resources on a project which could be completed more efficiently, it will miss other opportunities, as resources are always a constraint. So when can a target that a manager creates and/or targets to achieve be considered "good"? Managers work in organization. Each organization serves a certain purpose in society, it is never a means in itself. An organization's mission and vision are the starting point for what it ought be to doing. The targets of an organization follow its stakeholders' interests. Owners are typically the most important stakeholders. While going after their interests, a manager must not neglect the – probably conflicting – interests of other concerned and interested parties. To judge the quality of management, let us consider the results first and then the process of achieving them.

"Good" with respect to a manager's results in the first place is what the main stakeholder considers to be good. When he or she wants certain results, the outcome of a manager will be measured against these expectations. Knowing expectations is hence of critical importance for a manager. There is no absolute "good" attribute to targets and results, as people tend to hold different values and believes on what is "good". So the key stakeholder of any organization will provide the benchmark.

To be considered "good", a manager has to be

- Effective (getting things done)
  Efficient (getting most out of the available resources)

To be effective, a manager will find a solution regardless of hurdles that pop up. To be efficient, he will capitalize on all strengths (including his own) in the team, so that individual weaknesses can become irrelevant. This is achieved by its managers. Any fool can achieve a target with unlimited resources. The efficient manager will do the job with whatever he has at hand. A good manager, according to Peter Drucker, will permanently ask "*What has to be done?"* – and do it.

Furthermore, for his management to be considered "good", several bordering conditions have to be met. These are, to list the most relevant ones:

- Legal requirements
- Company values
- Generally accepted ethics

- Owners' ideas

Concerning the way how a manager pursues a target, "good" can be narrowed in as follows:

- Balancing results with risks
- Balancing short-term wins (low hanging fruit) with long term (sustainable) profitability
- Adapting to change

Another aspect of "good" management is its "side effects". Here, once can distinguish between two categories: collateral damages and additional benefits. Collateral damage sometimes cannot be avoided. In a critical mission, it will be acceptable to have certain losses (Examples: higher raw material costs in case of an urgent order, a temporarily demotivated employee if there is no time to reach team consensus in a fast decision). On the other hand, if a manager, while achieving his results, also develops future leaders and contributes to the performance of the organization in a silent way, these additional benefits from his work can be considered good management. Examples are high employee retention, passing on of knowledge and experience to members of the organization, and referring a sizeable number of new employees to the organization. Focusing on the contribution instead of the title will render any manager effective in terms of positive side effects. He will pay just enough attention to his minor targets: His main attention will be devoted to his key targets, and he will keep focus on his role without neglecting the bigger picture. A "good" manager will be an advocate of change, as change is the only constant in any organization. He will be responsive to feedback to learn more about his strengths. He will permanently work on himself to improve his own performance. In general, he will believe in continuous learning and improvement.

In order to be a "good" manager, one of the critical qualifications is to motivate other people. The manager has to get them involved and wanting to follow him to work on the common target. No one manages just himself. "Good" managers focus on their contribution to the organization which they are serving. The organization is never serving them!

A misconception of "good management" certainly is to see it in absolute terms, e.g. as all action towards environmental protection, peace, love or other high ideals. "Good" can only be considered in the context of an organisation's purpose. Neither does it constitute "good management" if a manager is liked by everybody. He is solely measured by his results. Being everybody's darling does not mean that one is doing a good job.

"Good" management does not require charisma. Modern organizations need professional managers rather than *"Boardroom Elvis Presleys".* Also, "good" management must not be confused with leadership. Leadership *per se* is not "good" or "good management", as great leaders can be fatal seducers. Also, leaders often initiate new projects, which they do not bring to a successful end (this is then left for the managers), which is not "good" either in itself.

A "good" manager can make sound decisions. His judgement is clear, and he can anticipate the outcome of certain actions. He will deploy his resources well.

One word of caution: "Good" management" is hard to quantify. At the end of any given period, one can only see hard facts – the results which a manager has produced. He might have been lucky or unlucky with the condition of the economy at large, a competitor's bankruptcy, etc. Even if one measures his results against competition and peers (benchmarking) – no one can ever see the results which a manager has failed to produce. Bygone opportunities that another manager might have turned into new, huge business, cannot be quantified. Compare with the works of Peter Drucker: *„The sins of omission are bigger than the sins of commission".*

Now that we have defined what can be understood as "good" management, the next question to approach is how to become a good manager? Experience and exposure help anyone who is a manager to excel in his role. We all observe acting managers –good ones and bad ones – before we become one ourselves. By exploiting opportunities to manage, we will become more and more effective and efficient at doing it. However, experience and exposure are not enough to be a manager; As elaborated above, it is first and foremost initiative which characterizes a manager. No mentor and no book can substitute a person's own initiative to manage. So how can a manager be a "good" one? Certain tools and techniques can help a manager to achieve his targets. Countless books offer advice here. Examples of management tools – which all work by reward and punishment - are management by objectives, delegation and feedback. Good managers make themselves replaceable, by creating a perpetuating organization. They are star performers, and they set up their organizations in a way that they do not depend on them.

One in 10 people in today's organizations is a manager. They all work differently and have diverging concepts of what management is. However, the smallest common denominator of managers is initiative: The manager's own one and that of the people following him deliberately.

To summarize, "management" can be understood as taking initiative to achieve a certain result in a team. Management is more an art and a craft than it is a science. "Good" management is characterized by solid results against a pre-defined target and on the approach: Good managers are raising right realities, communicating them and achieving them with and through others.

<u>Biography:</u> Privatdozent DI Dr. Maximilian Lackner MBA, born in Austria in 1977, has studied chemical engineering. He is investor and international manager. Dr. Lackner lectures at Vienna University of Technology. From 06/2009 to present, he has planned, started up and led a grass-root manufacturing plant in Shanghai. He is author of the book "Talentmanagement spezial - (als) Hochbegabte, Forscher, Künstler, ... erfolgreich führen", (Gabler, 2011: 34,95 Euro, 978-3834923530).

<u>About the book:</u> Peter Drucker said: "*No institution can possibly survive if it needs geniuses or supermen to manage it. It must be organized in such a way as to be able to get along under a leadership composed of average human beings".* The book "Talentmanagement spezial - (als) Hochbegabte, Forscher, Künstler, ... erfolgreich führen" argues that if managers use gifted and talented employees, they can achieve extraordinary results. Likewise, gifted people can achieve more if they apply management tools and principles in their work. The book is a symbiosis of management and giftedness, two areas that were previously often considered little related.