

## THE END OF MANAGEMENT

The August 21 edition of the *Wall Street Journal* (WSJ) contained a provocative article entitled, “The End of Management.” The article has generated considerable discussion in the blogosphere and elsewhere for several reasons, not the least of which is the article’s title. There is no question mark (?) at the end. Apparently, the WSJ is not posing a question, but rather is making a declaratory statement.

To borrow an expression from Mark Twain, the death of management has been greatly exaggerated by a plethora of gurus over the years. But when a prestigious newspaper with a national circulation like the WSJ publishes management’s obituary, it ‘s a given the pronouncement will generate considerable discussion and debate. While the article is oriented towards the business community, its major tenets are relevant for government, the social or third sector and social work agencies.

The major thesis of the WSJ article is that management theory is, “nearing its existential moment.” Most management theory was developed some 100 years ago and is based on a manufacturing or factory model with efficiency as its overriding concern. But we don’t manufacture much in the United States anymore.

Most contemporary management thinkers agree that in a service and information economy, such as the United States, the factory model is outdated and something new is required. While the exact dimensions of this ‘new thing’ are not yet fully explicated, the broad outline is becoming clearer with each passing year. Gary Hamel, a leading management theorist, has stated that in the future, “. . . the work of management won’t be done by managers. It will be

pushed out to the periphery. It will be embedded in systems.” Historically, much of the work of managers has involved serving as the eyes and ears of executives who sit atop the bureaucratic pyramid. However, with modern information technology, the need for managers and particularly middle managers, has declined significantly. If management and managers are not to go the way of the doo bird, then they must change how they manage.

In terms of how managers will need to manage in the future, the WSJ suggests that they will need to be: flexible, agile, capable of adjusting quickly to environmental changes and willing to reallocate resources to take advantage of new opportunities. In short, they will have to be more like entrepreneurs and less like bureaucrats. Managers will also need to know and understand what their organization’s core capabilities are.

In terms of core capabilities, the argument can be made that *pull economics* are beginning to replace *push economics*. Traditional push economics is predicated on the mass production of standardized products and services. Pull economics is based on individualized products and services provided on demand to specialized markets. The basic idea of pull economics should resonate with social work managers. In pull economics, finding one’s niche is paramount. For social work agencies, the pull economics challenge is finding that niche (e. g., the program, service or activity that you do better than anyone else), and avoiding the temptation to chase government or foundation dollars targeted at the social issue *de jour*.

All of this, of course, is much easier to talk about than to do.

Lawrence L. Martin

To learn more about:

- The End of Management, see <http://online.wsj.com> (Keyword Search: “The End of Management.”)
- Pull Economics, see Aspin Institute: “When Push Comes to Pull” (2006).  
<http://www.aspininstitute.org>. (Keyword Search: “When Push Comes to Pull.”)