# Część I. Nowe trendy w koncepcjach zarządzania

Nowoczesne Systemy Zarządzania

## RECONSTRUCTING THE FUNDAMENTALS OF MANAGEMENT IN THE CONCEPT OF MANAGEMENT 2.0

## MAREK ŚWIĄTKOWSKI MILITARY UNIVERSITY OF TECHNOLOGY CYBERNETICS DEPARTMENT

Abstract: In this paper the current situation of the management 2.0 concept is analyzed. The key tenets of this concept are being considered and shortly defined. The main purpose and question is the matter of forming the fundamentals of "management 2.0" in the context of current problems in management practice. "The management 2.0" is being treated as an innovative concept of management, created mainly (but not solely) as a response to the development of IT technologies, especially the 2.0 Internet version. How adequate is this concept today? Does it exist in management practice? Studies of the literature on the matter, including the recent statements given by the concept creators especially Gary Hamel's, leads to the conclusion that the term "Management 2.0" is rarely mentioned. That being said, this term is not yet replaced by the idea of "Management 3.0", which hasn't been created, or by any other versions marked with respect to the popular classification of internet programs evolution. Does this mean that the concept has ceased to exist? Or maybe it did not become popular enough? Have there been new concepts created which took the place of "the new newest thing" on the market of management in theory and practice? One thing is without a doubt - this is a very profitable market, with a high level of competitive struggle and pressure on new "products" (Micklethwait, Wooldridge, 1996). According to Wall Street Journal, Gary Hamel is ranked today as #1 influential business thinker. That is why this paper is based mostly on his last published books, blogs and interviews.

Especially so called "moonshots" are considered, because they seems to be fundamentals of management 2.0. – G. Hamel presents them in that manner. Generally speaking, it may be interesting and attractive idea of reconstructing the fundamentals of management, more adequate to the digital economy conditions.

**Keywords:** management 2.0, fundamentals and principles of the management, "moonshots" of the management, de-bureaucratizing and humanizing of the organizations.

## Introduction

Management as a scientific discipline is still considered as a new branch, even though it has a long history as a practice. Even if people who were in charge for hundreds of years (whom today would be called the managers) did not in fact realize that "speak in prose". As a new field of science, management still struggles with its identity. The sole definition of management is not accepted by all of those studying the matter. It would seem that the problem occurs directly from the fact that management is strongly connected to the practice. If then the management is to be the field of science and the practice at the same time, it should not stop in the search for its identity. One of the main influence on the management concept comes from the changes in the social-economic life. According to many of researchers, such a turbulent organizations' environment, which takes place right now requires reassessment of the management basis.

Within few years the vivid concept of new generation management called management 2.0 has been created and continuously developed. It refers to the concept of Internet 2.0, which was able to use the bewildering development of information and communications technology to drastically change the social-economic reality, including the functioning of present organizations. The phenomenon of 2.0 management is still quite absent in the studies of management but it seems that there is no other concept existing which could help the management to adapt to the current needs.

Following into one of the modern management "fathers" footsteps – Henri Fayol, let us consider two key issues for the basis of Management above all. Firstly – what is the management? Secondly – what are the main rules for it to be based on.

#### 1. The essence of Internet 2.0 and the challenges for the management

The management 2.0 refers to the Web 2.0. Given that, what are the main characteristics that should be assigned to that web? It could be pointed out that the Internet 2.0 creates new opportunities for the management through, for example (Gonciarski, 2013, p. 55): "(...) organizational use of the web services, blogs, microblogs, wiki systems, social nets, browsers, communicators VoIP (Voice over IP), RSS (Really Simple Syndication) and interactive www".

How does the Internet 2.0 affect the management? The Internet 2.0 has great opportunities to adapt, attract and upgrade. According to G. Hamel (Hamel, Breen 2008, p. 320) this influence is mostly based on the following conditions, which change the functioning of organization:

- everyone here has the voice;
- creative tools are common;
- easy and cheap way to experiment is possible;
- abilities are much more appreciated than references or "papers" (!);
- participation is voluntary;
- authority is not constant and depends on the ability of value added creation;
- the only hierarchies are the natural ones;
- the society is self-reliant;
- individuals have the power of information;
- almost everything is decentralized;
- the ideas compete based on equal conditions;
- it is easy for the buyers and the sellers to find each other.

The above statements are only few years old. Despite that, it seems that the development of ICT is so spectacular, that the changes in the environment constantly create new challenges for the management. It is worth to point out one of the newest spin of these challenges referred to the participants of the 6<sup>th</sup> Global Drucker Forum in Vienna last year: "(...) there is hope that digital technologies will provide unprecedented opportunities for transforming everything – states, economies, businesses, and individual lives. These are the underlying generic technologies that spur the development in fields such as biotech, nanotechnology, robotics, alternative energy, and new manufacturing technologies like 3D printing. They have the potential to transform "old" industries as well as to create new ones. Yet the exponential development of ICTs is a double-edged sword. They could lead to a new industrial revolution by boosting innovation and creating new industries; or they might have a devastating effect on jobs and employment, if corporations continue to target primarily productivity enhancements and cost cutting" (Straub, 2014).

#### 2. New definition of the management?

H. Fayol's concept to look for the essence of the management by defining its key functions is still dominant, despite many attempts in finding new approach. According to H. Fayol the management is composed of planning, organizing, giving commands, coordinating and controlling. Since Fayol, many researchers tried to modify this concept or point out other functions. One of the most interesting ideas was the one called POSDCORB (planning, organizing, staffing, directing, coordinating, reporting and budgeting) (Gulick, 1937; cit. after Watson 2001, p. 43).

In regard of Fayol's approach, G. Hamel believes that nowadays management (including the management 2.0) is to be considered as (Hamel 2008, p. 36):

- defining and marking the target;
- organizing and division of labour;
- coordination and control of actions;
- developing and using talent;
- gathering and applying knowledge;
- accumulating and resources allocation;
- creating and developing relations;
- balancing and reaching out to fulfill the shareholders expectations.

It can be noticed that this is another "classic" attempt to define the management functions in universal manner that would be adjusted to the organization's needs. But G. Hamel is also suggesting that, in a process of 2.0 management, there is a connection with the necessary transformation of the organization. This kind of transformation, which we will talk about a little later, should start from the way we perceive the essence of management – as "the technology of human accomplishment" (Hamel, 2012, p. 184).

### 3. Humanisation of an organization as a basis of management 2.0

One of the main and extremely vivid motives in creation of management 2.0 is not accepting the bureaucracy which is still dominant in most of the organizations. "We are still dealing with Taylor's problems and spend our life in Weber's organizations" – writes G, Hamel i B. Breen (Hamel, Breen, 2008, p. 31).

In one of the interviews given at the beginning of XXI century's second decade (very popular on the Internet and spread by the platform YouTube) Gary Hamel was asked what should be the one thing (in today's conditions) that people should consider to start to think and act starting from what really matters when considering the functioning and management of organizations. G. Hamel once again stated that the first thing, which is important for developing the idea of innovation, is to be looked for in the fundaments of management ideology. This applies mostly to the world of business and the management of economic organizations. That is where, as almost always, the basics are being created, as well as main rules and methods of modern management. We need to then start with questioning and analyzing the modern business ideologies (Hamel, 2012b).

In his other paper Gary Hamel writes: "Business people typically regard themselves as pragmatists, individuals who take pride in their commonsense utilitarianism. This is a conceit. Managers, no less than libertarians, feminists, environmental campaigners and the devotees of Fox News, are shaped by their ideological biases. So what's the ideology of bureaucrats? Controlism. Open any thesaurus and you'll find that the primary synonym for the word "manage," when used as verb, is "control." "To manage" is "to control" (Hamel, 2014b).

As you can see G. Hamel underlines that most of the companies are being carved out by the ideology of controlism. Is this the end of control in management? Naturally everyone, who has to deal with the real problems of management, knows that control has always been and always will be essential in the management process. The real challenge then is the need to connect the ideology of control with the ideology of increasing the freedom. The problem here is the correspondence between freedom and discipline in organization – both of them have to coexist. G. Hamel states that organizations should not be less human than ourselves– why then wouldn't they be innovative, adaptive and inspirational? (Hamel, 2012b). This approach leads to the idea of management humanization.

# 4. "Moonshots" of the management 2.0 as a way to de-bureaucratize our organizations

The search for the rules of management efficiency is somewhat a tradition in the field of management theory and practice, which started with the works of Henri Fayol. He was the first one to create the list of rules based on his own experience as a manager. He was followed by other authors who tried to follow into his footsteps and create various rules of management efficiency (or some of its fields) in certain social-economic conditions. Among them were Peter Drucker, Tom Peters and Robert Waterman and many others.

In order for management 2.0 to serve well the organizations in the future – (...) it will require a hunt for new management principles in fields as diverse as anthropology, biology, design, political science, urban planning, and theology" (Hamel, 2012a, p. 254).

In his paperwork "What matters now" G. Hamel lists 25 so called "moonshots" as a complete set of rules for management 2.0, on which, he thinks, you should base when implementing it. It also seems right to call them principles, main rules, in which its meaning for the management, resemble the breakthrough of space flights. That casebook was created by conferees who gathered at the meeting in the end of the last decade organized by Management Lab in California, with the help of McKinsey & Company. Among the participants of this conference were many great minds contributing to the management progress, such as Andrew McAffee, Peter Senge, Chris Argyris, C.K. (Coimbatore Krishnarao) Prahalad and Henry Mintzberg. This eminent group of researchers (described as the "Renegade Brigade") all agreed that the management is the technology of human accomplishment (Hamel, 2012a, p. 245).

G. Hamel strongly emphasizes that the breakthrough limited to the frameworks of "pure" science are no longer sufficient if we want to create organizations which are deeply human. The timing of creating the "moonshots" was not very fortunate as this was the time when one of the worst economical crisis seen for the last years started to grow. This may be why the effects of this discussion were not widely known for a long time. G. Hamel writes about it in his paperwork published in 2012.

The moonshots, which are mentioned here, are not consistent and often take the form of challenges connected to the process of management 2.0 implementation rather than the rules of execution. He writes – "Making progress on these moonshots will help de-bureaucratize our organizations and unshackle human capabilities" (Hamel, 2012a, p. 255). What is also important – presented moonshots have been grouped into 6 themes (Hamel, 2012a, p. 246):

- 1. Mending the Soul,
- 2. Unleashing Capabilities,
- 3. Fostering Renewal,
- 4. Distributing Power,
- 5. Seeking Harmony,
- 6. Reshaping Minds.

Let's consider more precisely some of these themes called "moonshots", first of all taking into account these from the first and the last group, because they are strictly connected with the ideology of humanizing organizations, in striving to apply the concept of management 2.0. The first group contains 3 moonshots:

- Ensuring that Management Serves a Higher Purpose;
- Embedding the Ethos of Community and Citizenship;
- Humanizing the Language and Practice of Business.

The last group (Reshaping Minds) also contains 3 moonshots:

- Strengthening the Right Hemisphere;
- Retooling Management for an Open World;
- Reconstructing the Philosophical Foundations of Management.

Let's make a comment to the end of this set (because very often "the last is not least") – what kind of philosophical foundations should we reconstruct? It means also – which of current foundations are bad and/or out of date?

G. Hamel writes that these are scholars and practitioners who have the task of rethinking the management's philosophical foundations. And ads – "To build Management 2.0, we need more than engineers and accountants! We must also harness the ideas of artists, philosophers, designers, ecologists, anthropologists, and theologians" (Hamel, 2012, p. 254). As we can see, we are coming back to the "old" and well known postulate to give the management interdisciplinary dimension. The other thing is that, even in this field there is a battle between the academics who very often choose bureaucratic, formal clarity of scientific "boxes" over the "interdisciplinary eclecticism" (Koźmiński, 2011, p. 123-130). G. Hamel's approach gives the whole context of the management 2.0 a new glow.

The reference to the concept of organizational perfection also appears that today it the sole knowledge of operational proficiency in management is not enough. G. Hamel writes – "Tomorrow's organizations must be more than operationally excellent; they must also be adaptable, innovative, inspiring, and socially responsible" (Hamel, 2012, p. 254).

The principle "Retooling Management for an Open World" is connected with the conclusion, that many (but not all) successful business models is based on value-creating networks. Many forms of social communication and even specific production transcend organizational boundaries. This is a special environment – traditional tools of management can be even counterproductive. If contemporary world is to be really open, managers must act differently, especially in motivating or coordinating work of (very often virtually) cooperating people. "In a network of volunteers and independent agents, the job of the "leader" is to energize and empower the community rather than to manage it from above" (Hamel, 2012a, p. 254).

### Summary

Summing up, management 2.0 seems to be truly described as a really revolutionary concept, which offers the new fundamentals of contemporary management. However there are still many questions which should be asked to this theory. Although managers are rather practice oriented people it may be useful and profitable to take a part in a discussion about them.

## REKONSTRUKCJA PODSTAW ZARZĄDZANIA W KONCEPCJI ZARZĄDZANIA 2.0

**Streszczenie:** W artykule analizowany jest aktualny stan koncepcji zarządzania 2.0. W skrócie omówiono kluczowe zasady tej koncepcji.

Głównym celem i pytaniem badawczym jest kwestia kształtowania się głównych zasad "zarządzania 2.0" w kontekście bieżących problemów praktyki zarządzania. Zarządzanie 2.0 jest traktowane jako nowoczesna koncepcja zarządzania powstała głównie, aczkolwiek nie tylko, w związku z rozwojem technologii informatycznych, a zwłaszcza Internetu w wersji 2.0. Jak żywa jest ta koncepcja dziś, tu i teraz? Czy istnieje w praktyce zarządzania?

Lektura literatury przedmiotu, w tym zwłaszcza ostatnich wypowiedzi twórców tej koncepcji, szczególnie Gary'ego Hamela, prowadzi do wniosku, że termin "zarządzanie 2.0" pojawia się coraz rzadziej. Czyżby koncepcja przebrzmiała? A może nie uzyskała wystarczającej popularności? Czy pojawiły się jakieś inne koncepcje, które zajęły miejsce tzw. "nowej najnowszej rzeczy" ("the new newest thing") na rynku teorii i praktyki zarządzania? Uznając Gary'ego Hamela za głównego twórcę koncepcji "zarządzania 2.0" (określonego np. przez "Wall Street Journal" za najbardziej wpływowego obecnie myśliciela w świecie biznesu), artykuł oparto przede wszystkim na najnowszych publikacjach, blogach i wypowiedziach internetowych tego autora. Skupiono uwagę zwłaszcza na tzw. "kosmicznych wyzwaniach" (*moonshots*), traktowanych przez G. Hamela jako podstawy zarządzania 2.0. Jest to, jak się wydaje, koncepcja zarówno nowatorska, jak kontrowersyjna. Wynika to z faktu jej wysokiego stopnia abstrakcji, dość wyjątkowego w środowisku autorów zajmujących się nauką o zarządzania, wychodząca naprzeciw uwarunkowaniom zglobalizowanej gospodarki cyfrowej. Ponadto – daje szansę dyskusji interdyscyplinarnej.

Słowa kluczowe: zarządzanie 2.0, podstawy i zasady zarządzania, "kosmiczne wyzwania" zarządzania, debiurokratyzacja i humanizacja organizacji.

#### REFERENCES

- BOGDANIENKO J., PIOTROWSKI W., 2013 (ed.), Zarządzanie. Tradycja i nowoczesność, PWE, Warszawa.
- [2] GONCIARSKI W., 2013, Zarządzanie 2.0 jako radykalna i przełomowa innowacja, in: W. Gonciarski, U. Ornarowicz (ed.), Współczesne zarządzanie: różnorodność problemów i sposobów ich rozwiązywania, WAT, Warszawa.
- [3] GONCIARSKI W., Zarządzanie 2.0 przyczyny powstania i główne założenia, in: Z. Dworzecki, B. Nogalski, 2011 (ed.), Przełomy w zarządzaniu. Kontekst strategiczny, TNOiK, Toruń.
- [4] HAMEL G., 2012a, What matters now, Jossey-Bass, San Francisco.
- [5] HAMEL G., BREEN G., 2008, Zarządzanie jutra, Harvard Business School Press.
- [6] JOHNS T., GRATTON L.G., 2013, *Trzecia fala pracy wirtualnej*, "Harvard Business Review Polska", lipiec – sierpień.
- [7] KANE G., FICHMAN R., GALLAGER J., GLASER J., 2010, Budowanie społeczności 2.0, "Harvard Business Review Polska", grudzień.
- [8] Коźми́яки А.К., 2011, *Tożsamość nauki o zarządzaniu*, in: W. Kieżun (ed.), *Krytycznie i twórczo o zarządzaniu*, Warszawa.

- [9] MALONE T., LAUBACHER R., JOHNS T., 2012, *Era hiperspecjalizacji*, "Harvard Business Review Polska", lipiec sierpień.
- [10] MCAFEE A., 2011, Firma 2.0. Sukces dzięki nowym narzędziom internetowym, Oficyna Wolters Kluwer Business, Warszawa.
- [11] MICKLETHWAIT J., WOOLDRIDGE A., 1996, *The Witch Doctors. Making Sense of the Management Gurus*, Ed. Times Books, New York.
- [12] SIROTA D., MISCHKIND L.A., MELTZER M.I., 2005 (ed.), The Enthusiastic Employee. How Companies Profit by Giving Workers What They Want, Wharton School Publishing, New Jersey.
- [13] ŚwIĄTKOWSKI M., 2011, General Managers Involvement in Human Resources Management, "Nowoczesne Systemy Zarządzania", WAT, Warszawa.
- [14] Świątkowski M., 2013, Zarządzanie pracą 2.0, "Nowoczesne Systemy Zarządzania", WAT, Warszawa.
- [15] WATSON T., 2001, W poszukiwaniu doskonałego zarządzania, PWN, Warszawa.

#### INTERNET REFERENCES

- [1] HAMEL G., 2011a, *Reinventing the Technology of Human Accomplishment*, YouTube, 20.05. https://www.youtube.com/watch?v=aodjgkv65MM (15.06.2015).
- [2] HAMEL G., 2011b, *Reinventing management*, YouTube, https://www.youtube.com/watch?v=wwqvtgp9djs (18.06.2015).
- [3] HAMEL G., 2012b, G. Hamel on what matters now, YouTube, https://www.youtube.com/watch?v=ppA91gWyijc (15.06.2015).
- [4] HAMEL G., 2013, The Hierarchy of Human Capability, YouTube, https://www.youtube.com/watch?v=VlDxHfsW\_-8 (11.07.2015).
- [5] HAMEL G., 2014a, Reinventing management at the Mashup: Architecture & Ideology, http://www.managementexchange.com/blog/reinventing-management-mashuparchitecture-ideology (10.07.2015).
- [6] HAMEL G., 2014b, *Bureaucracy Must Die*, "Harvard Business Review", https://hbr.org/2014/11/bureaucracy-must-die (10.07.2015).
- [7] HAMEL G., 2014 c, *Hack management*, YouTube, https://www.youtube.com/watch?v=vKPayZ6MPK0 (13.06.2015).
- [8] HAMEL G., 2014d, Hacking management reinventing the technology of human accomplishment, YouTube, https://www.youtube.com/watch?v=Aazv3JedyuE (11.07.2015).
- [9] HAMEL G., TENNANT N., 2015a, The 5 requirement of a Truly Innovative Company, https://hbr.org/2015/04/the-5-requirements-of-a-truly-innovative-company (11.07.2015).
- [10] HAMEL G., 2015b, *The Heart of Innovation*, http://www.garyhamel.com/blog/heart-innovation (15.07.2015).
- [11] STRAUB R., 2014, *Introduction to the 6th Global Drucker Forum, Vienna*, http://www.druckerforum.org/ (12.07.2015).