

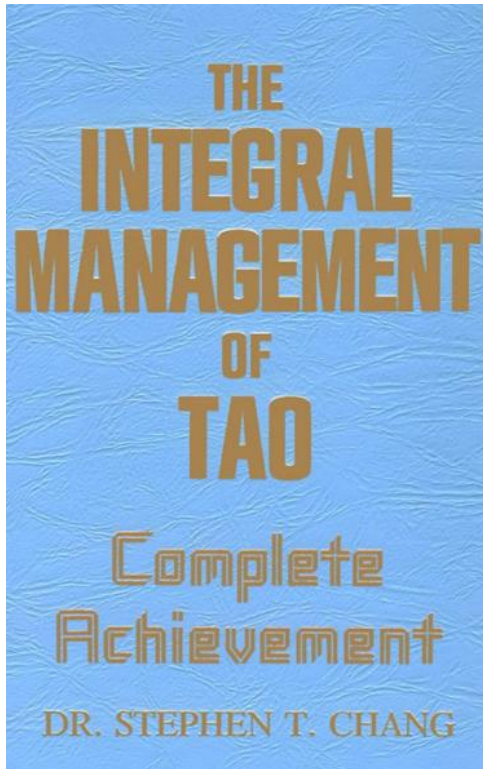
The Eight Management Strategies

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December 10, 2009



The Universal Nature of Management



Note: this presentation references materials provided in the book *The Integral Management of Tao* by Dr. Stephen T. Chang

“As long as human beings exist, management will exist. As long as two people must live together, management will be needed.”

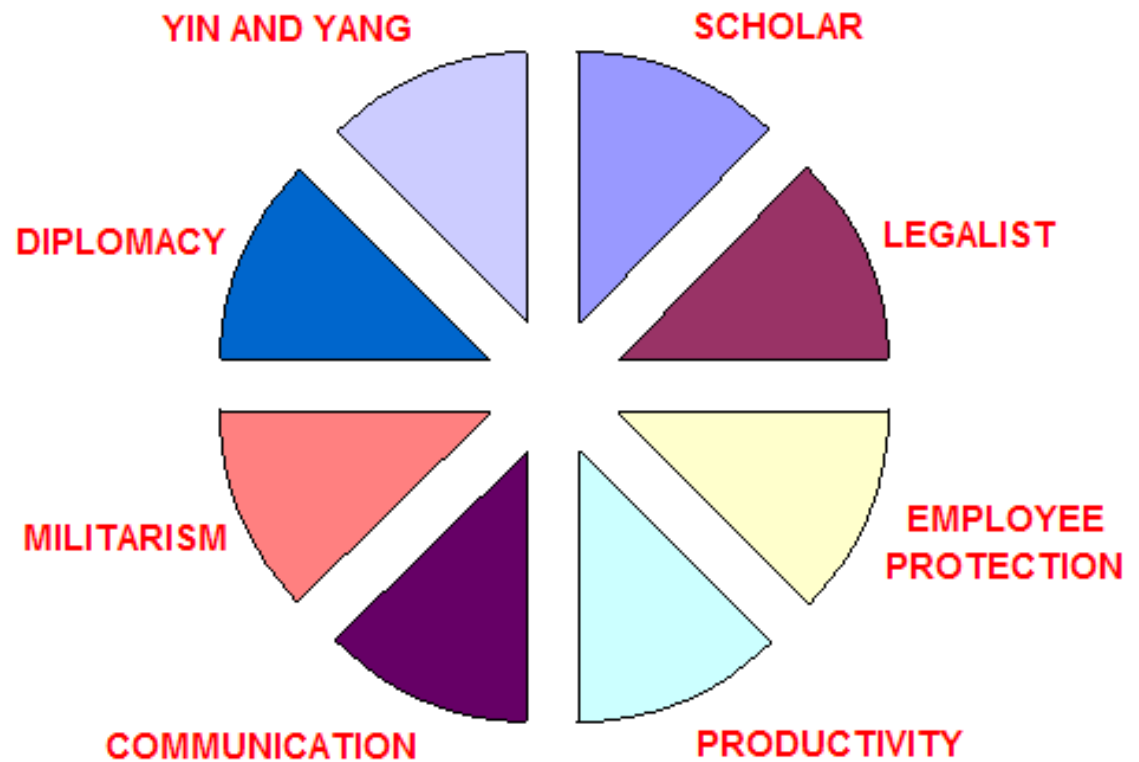
Although the instruments that enable human beings to perform may change in time, the principles of human psychology and behavior never change.

The best management has always been the key that unlocks human potential. Therefore, from the household to the White House, good management is a common necessity.”

Dr. Stephen T. Chang
Author, *The Integral Management of Tao*

The Eight Management Styles / Strategies

- I. SCHOLAR
- II. LEGALIST
- III. EMPLOYEE PROTECTION
- IV. PRODUCTIVITY
- V. COMMUNICATION
- VI. MILITARISM
- VII. DIPLOMACY
- VIII. YIN AND YANG



Style of the Scholar (Loyalist Style)

- I. SCHOLAR
- II. LEGALIST
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Description: *This style emphasizes order as most important basis for management. Under this major premise loyalty is assumed to be the basis for order.*

The style is based on the premise that if all employees are driven by absolute loyalty to the superior, to each other and to the organization, than everybody would benefit the most. Success and failure would be equally shared by all members. Such style clearly resembles family type relationships among the members of an organization.

Advantages: This style can help build trust and align personal goals with the goals of an organization and superiors. It can also dramatically improve quality of work and products a company produces.

Limitations: A managerial team driven by loyalty, rather than being problem-solving and success oriented, may turn into an effective smoke-screening mechanism to cover inefficiency, scandal and corruption. Furthermore, the absolute loyalty is almost impossible to achieve.

Legalist Style

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Description: *This style advocates establishment of unshakable laws and rules, which are further enforced by a system of rewards and punishments.*

Advantages: The clearly defined laws and rules are a “must have” in any developed organization or society. In dealing with day-to-day issues and decisions this style helps ensure that all appropriate checks and balances were met, and all “sign-offs” were obtained from the key stakeholders before any major initiative is implemented.

Limitations: Overemphasis on laws, regulations and procedures often leads to bureaucracy. Taken to extreme they can even become destructive. Any organization, where the rules and regulations prevail over common sense inevitably succumbs to bureaucracy and loses competitiveness and agility.

This style can also lead to potential abuses and manipulations. The legal defense (or offense) in many cases became the main way for dealing with conflict.

Employee Protection Style

- I. SCHOLAR
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Description: *This style advocates employee rights, for the belief that sincere efforts to secure their health, happiness, comfort, and prosperity would be rewarded with the kind of cooperation and integrity of work that would propel everyone to success.*

Advantages: This style clearly benefits and empowers individuals regardless of their social rank and status in an organization. Non-discrimination policies and equal opportunity rights have become a norm in the modern society as they are humane and reasonable in their principles.

Limitations: The style introduces a potential conflict between shareholders' and stakeholders' (employees in this case) interests. Consider, for example, an organization in financial distress.

Furthermore, taken to extreme, employee protection can lead to abuses and inefficiencies similar to those in the Legalist Style.

Style of Productivity

Description: *This style emphasizes maximized utilization of resources, particularly human resources, as the main driver of strength, wealth and success.*

Advantages: This style is very effective in getting things done and meeting production goals. The style of productivity is the style of execution – a time when it is simply necessary to roll up one’s sleeves and get the job done cutting through countless obstacles and setbacks. The productivity style allows one to tap into the elasticity of the human potential based on the empirical observation that *physical resources are limited, but human resources are elastic.*

Limitations: On a macro scale, the race for the constant increase in production fuels overconsumption, waste and unsustainable growth. Within an organization, the goal to maximize utilization of human resources can lead to keeping people “busy” but not necessarily productive.

Finally, inundating everyone with work, deadlines, etc. causes everyone to lose sight of the overall direction or goal. As a consequence, even though the organization may be heading in a wrong direction no one may be able to catch it before an irreversible damage is done.

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Style of Communication

Description: *This style focuses on devising plans and directing and inspiring their execution via effective communication.*

Advantages: The importance of planning and communication cannot be overemphasized. Clearly set and communicated organizational goals create a sense of purpose among the employees and the management. The importance of planning and communication increases dramatically with the size of a company. Aside from being able to convey a message, the communication style allows one to break down a task of any complexity into specific and manageable milestones and engage appropriate resources required to execute them.

Limitations: One of the obvious and most common limitations of this style is that it often loses the touch with reality. The goals and milestones may never come to fruition as they often reflect wishful thinking (but eloquently expressed). Another common pitfall in this style is its potential obsession with the appropriate forms and formats of the communication process itself. Oftentimes, the communication style must be complemented with the style of productivity in order for it to be effective.

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Style of Militarism

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Description: *Proponents of this style model their approach on Sun Tzu's The Art of War arguing that effective use of arms and armed forces is the most direct way for achieving one's goals.*

Advantages: One may argue that direct confrontation, as well as the command-and-control methods, may not only be helpful in resolving certain issues, but at times unavoidable (consider an organization in an extreme crisis, for example, which does not allow much time for a debate). Furthermore, the concepts behind military tactics and strategies used in the abstract form can be used as prototypes for business strategies.

Limitations: While it is true that the war-type tactics may be the most direct road to achieve results, the results themselves may not be long-lived and with the losses on both sides often overshadowing the gains. An ancient sage said, "Wherever the army has passed, briars and thorns spring up. Years of hunger follow in the wake of a great war." Even Sun Tzu himself said, "**Conquering the people's hearts is more effective than occupying their cities.**"

Style of Diplomacy

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Description: *The goal of this style is to achieve a compromise via diplomatic means, mainly through negotiations.*

Advantages: Diplomacy and negotiations are effective when dealing with opponents, where the power relationships are either non-existent or obscure. Clearly this is one of the least confrontational ways to achieve one's objectives, which, by definition, leads to some form of the win-win outcome for all parties involved.

Limitations: Negotiations and diplomacy, no matter how successful, is not management. While they may be effective in coming to consensus, many managerial decisions require taking a strong position which may or may not suit the other party and even be unpopular among the supporters. Negotiations almost always leads to compromise, too much compromise may lead to deviation from one's main objectives and, in the worst case, to a compromise of leadership.

Style of Yin and Yang

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- VIII. **YIN AND YANG**

Description: *This style is rooted in the Universal Law of Cause and Effect, reflecting on the existence of the natural equilibrium, established as a result of interaction of the opposing forces of Yin and Yang (e.g. Supply and Demand).*

Advantages: The concept of the free market economy is the closest in its principles to the Style of Yin and Yang. Just as the opposing forces of Yin and Yang counteract and balance each other, the market forces of the supply and demand create a dynamic equilibrium between the buyers and sellers.

In practice, Yin and Yang style implies that a solution to many problems is to simply wait over and let the situation resolve itself. If one avoids reacting abruptly to the external ups and downs, then one may navigate safely through the choppy waters of the markets and life in general.

Limitations: Despite its attractiveness, this style overlooks a fundamental fact that human effort is required in many instances to bring the desired outcome and keep things in control. Following the analogy with the free markets, the effective regulations and governance is required to prevent the abuse of the system (e. g monopoly, speculation and collusion of prices).

The Ninth Style: the Universal Style – Style of Water

PROPERTIES OF WATER:

Propelling: Besides being self-propelling, water also carries other objects along its currents – it moves others to action.

Soft power: When it meets resistance or obstacles, its power increases and all of its energy is converted to impact the obstacle in the most effective way.

New ways and opportunities: Water unceasingly wears away rock or land (steadfast obstacles) and searches for new paths (new opportunities).

Cleansing and improving: Water unceasingly cleanses everything it comes in contact with, but its cleansing power never diminishes.

Universal utility: No matter what form it takes (liquid, frozen or steam), it never loses itself nor its beneficence and efficiency.

Each management style has distinct advantages and limitations. Because of their unique advantages, none of the styles can be ruled out from the manager's arsenal, but, on the flip side, none of the styles can lead to success all the time due to their unique limitations. The obvious solution is to use the strength of each style when appropriate and then use a different style to cover its limitations. The universal style pursues this objective.

Water is the best proxy to the universal management style due to its natural properties.

