Managing ambiguity and change essay

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Managing Ambiguity Introduction

uiry has beenAn extensive scholarly inq made regarding over-simplification of problems and its effect on the ability of organizations to achieve desired goals and objectives. From such inquiries, scholars post that the tendency of managers to trivialize issues no matter how small they may look has got a lot to do with some of the performance problems that most organizations experience. The idea that no issue should be regarded as insignificant in management has been developed under the principle that organizations are systems. That is, they are made of various parts that coordinate with each other for sustainability of operations (Ackoff, Addison, & Bibb, 2007). As such, any ‘ infection’ to one part of the organization is likely to have ripple effects to the entire system if corrective measures are not taken at the right time. This report will be organized as follows: an identification of an over-simplified problem, a justification for the description, how the problem developed, reasons for its development and tools for addressing oversimplification of organizational problems.

In a corporate setting, a simple problem is one that leaders can find a solution at a much cheaper cost compared to complex problems. For simple issues, the goals and methods of achieving goals are easily knowable and may not involve extensive changes to the organizational structures. Additionally, they recur and may have a definite course of action. On the other hand, an issue can be termed as complex when it has many dimensions that make it hard to unravel, and a cause-and-effect relationship exists requiring that a diagnosis is made to avoid triggering detrimental effects on the organization (Sull & Eisenhardt, 2015). In management, complex issues are often interpreted as simple and vice versa.

Management and Fall of Nokia

A complex issue that has often been simplified in management is employee involvement. Employee involvement is an important management practice, but scholarly evidence has shown that many managers often regard employee participation as a non-essential element in decision-making. Yet it plays a significant role in sustaining operations of organizations, especially during transformation. Complexity suggests that individual parts of an organization are less important compared to the relationship between the parts. For instance, when organizations become more dispersed, top managers undertake fewer consultations with lower-level employees. The situation is similar in the relationship between executives and managers (Luscher & Lewis, 2008). Such situation results in diminished consultation among vital stakeholders of the organization. Ackoff, Addison, and Bibb (2007) argue that this problem is heightened by the different perceptions of various groups of people within the organization regarding performance. Senior managers think they can do it better than executives and lower-level employees reckon that they can perform better leaders than their managers. The effect of lack of employee involvement in organizational performance can be illustrated in the losses that Nokia incurred before its eventual collapse in 2013 as an established mobile phones brand.

Nokia’s Fall as a Complex Problem

As noted earlier, complex problems touch on every unit of the organization and their answers are not easily knowable. The case of Nokia's fall is reflective of a series of management failures that center on the principle of employee involvement. For an organization that specializes in communication devices such cell phones, it can be expected it was divided into various units which are involved in specialized but interdependent functions. For example, a marketing department, product design department, and finance department, among others. These units coordinate with each other for the overall benefit of the organization. However, some reports have indicated that the collapse of Nokia was a result of oversimplification of the significance of inter-departmental communication and the authoritarian character of the CEO of the company (Cord, 2014).

Investigations into the collapse of Nokia reveal that the CEO employed a conservative management style which was not sustainable in a fast-growing industry. The CEO held little regard to the principle of cooperation with top managers in strategic ventures of the company. Major decisions were made by the CEO without involving employees who had the capacity to forestall challenges from the competitors. For instance, the CEO has been described as a leader who favored mass production of gadgets with little regard to innovation (Cord, 2014). This style limited the contribution of managers in strategic decisions which eventually cost the company its position as a dominant telecommunication company in the world.

Another management plunder that faced the company is the poor utilization of the company's most valuable assets in the running of the organization. In part, the employees had done market research and concluded that Nokia needed to adopt smartphone technology for a sustainable market share in the mobile phones industry(Cord, 2014). In spite of this awareness, the company could not implement any policy to address such issues due to the leadership style of the CEO. For example, the tendency to disregard the opinions of employees prevented a timely implementation of the research findings which would have countered the penetration of other players into the mobile phones business. The impact of his decisions depicts a picture of an organization that does not recognize the significance of the relationship between units and organizational performance. To this end, the collapse of Nokia can be termed as a complex problem that was oversimplified by the top leadership.

Oversimplification and Lack Of Employees In a Business

Oversimplification of the problem began with the inadequate foresight among the top leaders. Besides, the lack of employee involvement in circumventing a change of market trends proved costly to the company. Nokia's failure solely originated from poor consultation with managers of different departments regarding market dynamics. For example, top executives considered themselves as the single source of authority that can initiate responses to market changes. The lack of consultation can also be seen in the unwillingness of the managers to launch a formal conversation with the top management in regards to the dangers businesses are likely to face if timely changes fail to be implemented (Cord, 2014). Perhaps a more intimate conversations with managers would have given the CEO the green light that the practice of mass production of goods as a strategy of sustaining market share has little relevance in the telecommunication industry. Here, companies engage in never-ending research to determine not only the customer needs but also the expected customer response to certain market trends. Put simply; the CEO oversimplified the value that is often derived from the suggestions of the workforce in regards to change of business processes. He failed to acknowledge the fact that every unit (as represented by individuals), no matter how small it may be, is a vital part of the well-being of the organization.

The Reasons that Make Managers to Oversimplify Issues

Lack of foresight is a major issue that influences managers and other leaders to implement measures that do not fit in complex problems which affect their organizations. Conversely, most leaders in the business world rely on hindsight to make decisions about the future. They use historical data to predict the future market trends. To them, what has worked is critical in decision-making despite the complexity and volatility of the business environment (Ackoff, Addison, & Bibb, 2007). As such, any information that seems to be conceived in the future has little influence on their decision-making process. For instance, the greedy managers in the housing market failed to foresee the repercussions of unscrupulous trading which resulted in 2008 global financial crisis. Even the established fact that America’s economy is widely interconnected with the rest of the world did not reveal that in the event of a crisis, many economies would be affected around the world.

Scholars have attributed the lack of foresight to the relentless pursuit of egos by managers. The egos are manifested in the tendency of managers to strive for higher perks at the expense of long-term goals of the organization. As a way of satisfying egos, they seek to accomplish those activities that would give them recognition among their peers and also before executives (Ackoff, Addison, & Bibb, 2007). In part, this strategy ignores holistic approach to organizational management. As a result, some units of the organization may be left behind which, in turn, could weaken the overall functioning of the business.

As indicated earlier, employee involvement is critical especially during the process of implementing change. Lack of participation of employees may cause several problems that would damage the long-term position of the company. When employees are involved in the change process, they tend to feel that they are part of the new aspirations. Also, if the implementers of change include employees, resistance to change can be minimized thereby increasing the chances of attaining organizational goals and objectives (Sofijanova & Zabijakin – Chatleska, 2013). Interestingly, the benefits of employee involvement are often ignored by some managers. Such tendency of disregarding workers can be attributed to the know-it-all management style that is characteristic of some business leaders (Ackoff, Addison, & Bibb, 2007). For instance, leaders who ignore the contribution of employees are likely to miss expert advice on how certain strategic issues should be handled. As a result, such managers are more likely to misinterpret scenarios and, therefore, may end up with oversimplified solutions for complex problems.

Some literature suggests that lack of self-awareness is a major contributor to the tendency of managers to oversimplify issues. Some managers are not ready to acknowledge their strengths and weaknesses in the presence of subordinates. According to Luscher and Lewis (2008), a high-level of self-awareness allows leaders to admit ignorance, which motivates them to engage subordinates especially in the areas that require a lot of expertise. The access to expert opinion makes leaders view issues from a more well-informed prism. As Lipman (2013) asserts, most successful managers make realistic assessments of their abilities and weaknesses with the intention of filling any knowledge or skill gaps. These gaps are often filled from junior employees or peers in the field.

Proposals of Effective Management Tools

Systems thinking

Systems thinking is a management approach that seeks to help managers to view organizational issues from a broad perspective which includes patterns, structures, and events instead of focusing on events on alone. The broad view of issues helps managers to assess the real causes of problems and the specific areas that need attention (McNamara, 2017). This approach is based on the notion that identification of specific areas of concern would avoid situations where a ‘ rot’ in one area of the organization spreads to departments.

For improved management, business leaders need to recognize that the overall behavior of a system depends on the status of its entire structure and not the summation of the various parts that make up the organization (McNamara, 2017). This understanding helps leaders to avoid situations where they respond to issues based on events or daily happenings. As a result, structural problems (which might bring down the whole organization) are minimized.

Systems thinking also helps to understand that there is an optimum size for organizational systems. Often, managers strive to grow parts until reality demands reduction (McNamara, 2017). Again, this deters managers from focusing on events that glorify short-sighted strategies. As Ackoff, Addison, and Bibb (2007) explain, some parts need to emigrate so as to achieve more stability in organizations as well as enhance the overall value of organizational units.

Other Tools

Critical thinking helps managers to in a variety of ways while performing the art of management. For one, it enables business leaders to gather relevant information relating management, recognize assumptions, conduct broad analysis of the problems, and come up with logical conclusions. Such approach gives little regard to experiences and historical data in arriving at decisions. This framework also allows leaders to make decisions based on the understanding that organizations are systems and such systems often follow a particular logical relationship which needs to be examined before decisions are made. For instance, critical thinkers recognize that organizations cannot exist without employees (Paul & Elder, 2013; Kallet, 2014). For this reason, any decision that seeks to reshape certain units of the organization must acknowledge such units are run by employees that need to be involved in the event of introducing changes.

Analysis of problems in organizations is an essential tool that helps managers to locate issues in the organization. The analysis is also critical since it helps managers to develop various alternatives to problems (Kallet, 2014). To accomplish this, leaders must recognize the role of the people and the role of culture for effective application of critical thinking tools. The inclusion of culture is necessitated by the fact that employees are central to all organizational activities.

Culture encompasses a set of behaviors, values, rituals, norms, reward systems of any organization. It can be manifested in work ethic, employee relations, dress code, and customer service, among other behaviors (Bersin, 2015). Culture takes a long time to be entrenched into the lives of employees. Once assimilated into the behaviors of the workforce, it represents the invisible force that keeps the organization in motion on a daily basis. The ‘ physical absence’ of culture sometimes tempts managers to underestimate its significance in influencing organizational strategy or change process.

In conclusion, any organization exists as a system. Different units of an organization interact with each other so as to accomplish organizational goals and objectives. For effective management, the literature review suggests that business leaders should involve every employee for superior outcomes in the process of decision-making. Total involvement of employees ensures that there is maximum input from all stakeholders in decision-making thereby reducing the chances of oversimplification of issues which could, in turn, cripple the market position of businesses.

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