

# The link between management and the system

[Business](#), [Management](#)



Businesses, organizations and companies have their own objectives that need to be achieved, through which the role of a manager is essential. These objectives will be accomplished through and with people in the most advantageous way of utilizing the available resources. In the article of Thomas M. Hout, he presented two interesting ideas that will make the readers contemplate whether or not the success or failure of a corporation depends solely on the management or to the different factors beyond the control of the management.

**The Management** There are people who are trained to be high-quality managers. There are a number of courses available in different universities that will teach the students to become the best managers in the world and this come with knowledge and skills. Being in a sterile environment, it would be an adjustment to these managers to go back to the real world and apply the theories, concepts and methods they learn in school. Hence, these will guide them to come up with the most-strategicallythought and meticulously-analyzed decisions for their own company or organization.

According to Peter Drucker - an influential management consultant and self-described " social ecologist", each institution has a responsibility to its society. He coined the term " knowledge workers" - these are workers whose main capital is knowledge. Indeed, these knowledge workers are ever present within the management and they work together to be able to draw the best tool for their businesses. Will the impressive and finest managers suffice in order for the corporation to survive?

**The System** With this premise, the second school of thought has surfaced - it is the system that dominates, not the management. Hout explained that <https://assignbuster.com/the-link-between-management-and-the-system/>

these are the factors beyond the control of the management. These considerations are further than the realm of management thus; he brought up the “ complexity theory”. This means that complex systems are phenomena that can’t be explained by the usual rules of nature. Everything is changing in a short period of time. Managers wouldn’t be able to analyze and understand every change that is happening within the system. The management can only get accustomed to these changes and look at it as opportunity and take advantage of it.

Hout gave an emphasis on “ creative destruction” by which Joseph Schumpeter described as the disruptive process of transformation that accompanies such innovation. This is tantamount to the idea of equivalent exchange - that people can not gain anything without sacrificing something of equal value. This school of thought teaches the managers how to be risk-takers. The management has to adapt to the system in order to survive - ensuing that these two have to be married.

The Inextricable Link between Management and System It is certain that uncertainty is endemic. The strategies that might be working today may not be effective tomorrow. There are countless uncontrollable factors that each organization may come across and the only thing left to do for the managers is to understand the current flow of the business. Today is the high time for managers to explore and learn from the trends available in the market. Management has to evolve based on what is the real deal in the bigger world.

Thomas Hout made an impressive point in this article that “ Companies that are managed in the traditional way—by executives developing analytically

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driven strategy and shaping the organization to meet the needs of the business as they see them—are obsolete.” In this account, he stressed that traditional management looks at it still from one-way or self-serving businesses. The management will craft strategies and develop approaches for them to meet what is needed but not what others need from them. This kind of management is undeniably obsolete.

In the article “ The 5 Most Prominent Management Trends of the 21st century” of Working Knowledge - part of the Harvard Business School publication, one of the trends included is the Business Ecosystems. A business ecosystem is defined as groups of firms which together provide complex products and related services to meet end-to-end requirements of users across the value chain.

This trend is the response on the requirement of the system. This is a collaborative approach among different groups in order to serve each actor within the chain. “ Innovation in ecosystems requires collective action to both invent and appraised, efficient, cross-organization knowledge flows, modular architectures, and good stewardship of legacy systems. It rests on multiple, complementary platforms.” as quoted from Professor Baldwin of Working Knowledge.

“ Every organization in the ecosystem has to be aware of the bigger picture.”. To be able to survive the global market arena, organizations should explore the idea of working with each other to attain their company’s specific objectives. The interconnectedness of each player gives a fair chance to achieve their respective goals.

## Seeing through the Development Lens

This school of thoughts are not only applicable to businesses and corporations but as well as to the development work. Development managers bring various interventions to rural countryside and the risk of the community on accepting it or not are always present. Consequently, these managers need to reinvent on ways by which the society would highly appreciate what is being brought to them.

With the aim for social change, development managers can only influence the realization of this goal. Strategies on implementation should be carefully tailor fitted to the specific stakeholders. On the field-level activities, anything that have taken place should always be seen as opportunity for learning - to discover the things that worked and did not work, to identify the actions that need to be improved, the partnership built during the process. And by capturing these things, this knowledge could be carried over to the next clients.

In order to be truly successful in the system where the only constant thing is change, managers must learn to innovate and must be ready to take risks. This will surely go a long way than just being safe and traditional.