

The New Age of Management:

The Focus on Coherency Management!



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The Development of the Organizations

As you know that the organizations have evolved over time from once in the 19th century where the organizations (companies etc.) where small and insufficient. The organizations in the United States were of the size of 1 – 4 organizations who were not selected on their ability but through their social network.

The 20th century formed organizations and created tendencies and pressures in the market that demanded that the organizations had to adapt to create the goods of a high quality for a low price so new markets could be reached. The 20th century introduced a scientific approach to management which was introduced by Frederick W. Taylor. This approach led to the creation of Taylorism and the core principle of Taylorism was to eliminate ineffective work processes.

This led to the construction of a management paradigm which has led to the foundation of the current management approach for the organizations.

Today we see organizations that are multinational or global and these have thousands if not hundreds of thousands of employees e.g., International Business Machines, Ford Motors, Microsoft, Google etc.

All of these works with a specific organizational design typically these have been hierarchical and this has led to specialization, productions increase, profit maximization etc.; however since the end of the production economy by this I mean the economy which was dominated by companies that produced physical products e.g., Cars (Ford). The Western economies evolved from focusing on

physical products into providing services and later to focus on how to produce knowledge. The knowledge economy is characterized by the employees are those who are the asset. Their knowledge is the asset which is used to create products and services; however the products and the services are normally produced or provided by a different company in the third world e.g., India, China, Vietnam or Indonesia. Since the employees are the most valued asset then the goal is to make sure that the employees don't leave the organization and enable them to create more creative and sustainable solutions of which the organization will be able to capitalize on.

This leads us to the evolution of the concept of management.

The Evolution of Management

Management is defined as:

“Management is the art to getting things done through people” - Mary Parker Follet (Barret 2003, p. 51).

Management has evolved over time like the organizations. There have been several views on how to manage organizations; however this blog post will only deal with what a Coherency Architect should conclude to be relevant.

As mentioned before then there are the first form of structured management is the Taylorism (as mentioned under Scientific Management). This form of management insufficient in the knowledge economy since *knowledge workers* needs other forms of stimulation than monetary incentives and written orders to perform.

Naturally there was a reaction to the Taylorist approach. This happened when the Japanese companies introduced cheaper products and of superior qualitative which meant that the Western companies had evaluate the way they managed and motivated their employees.

Since the 1970s have the Western companies in one way or the other tried to imitate Japanese companies by developing management and quality systems like Six Sigma, LEAN and Toyota Production System. The reason for why the Western companies haven't been successful is that they so far have simplified the systemic approach the Japanese makes use of.

The Japanese have a very different approach than Western companies when it comes to management and motivation. First of all the Japanese companies make use of a bottom up approach when it comes to how the organization articulate and implement their strategies. Second of all the Japanese companies have been known for motivating their employees by making them proud of their work and putting an honor in quality. Third of all the Japanese companies are known for

lifetime employment which means that they commit themselves to keep the employees employed and as a result of this they expect a higher degree of loyalty and commitment.

The IT waves in the 90s and early 2000s led to leadership and motivation; however to many organizations (typically IT related organizations) didn't realize how to enable more productivity or for that matter crystalize better products by applying the new forms of leadership. As a result of that many of the organizations failed to survive the IT bobble which proved that to many organizations didn't have the appeal of the market to survive or they simply didn't understand their Enterprise Architecture. If these organizations had understood their Enterprise Architecture then a lot of them would have been able to scale the need of their consumption of resources and as result they would have survived.

The new paradigm is that the employees are the asset of the organizations and these should be encouraged to enable them to develop their own products.

Coherency Management

All organizations have an architecture regardless if members of the organizations are aware of it or not (Doucet et al.).

Coherency Management then deals with how the organization can gain advantages by using Enterprise Architecture. This is done by maturing the organization by diffusing the knowledge of Coherency Management and the by applying the tools from Enterprise Architecture to other parts of the organization. This diffusion needs to be build upon the idea that these have to be embedded in the business processes and continuously be applied with the maturity of the Enterprise Architecture.

In many ways the concept of Enterprise Architecture is based on the same paradigm as the management systems of the 20th century which is defined as structuralism and according to Doucet (Doucet et al., 2009) Coherency Management and the underlying tools such as Enterprise Architecture are typically defused by the IT department to the rest of the organization. This is typically done by the *Chief Information Officer* who anchor the paradigm in the middle and top management of the organization and gives the members of the IT department the “necessary protection” to enable change within the organization.

Therefore it is safe to assume that the Coherency Management approach will lead to a top down approach as it was the case for many other Western styled organizations. This might lead to the conclusion that Coherency Management in some way will be in a different paradigm than those tools which are suggested by Gary Hamel. However Coherency Management do also have

elements which needs to be diffused via the bottom up approach and it has to be embedded into the organizational culture and employees with many different backgrounds have to apply their own views onto the concepts of Enterprise Architecture.

When this come to the consideration of Coherency Management then the drive to implement the concepts of Coherency Management and Enterprise Architecture is defining what paradigm to make use of. If Coherency Management is build upon the idea that the employees should help define the framework and tools the *Coherency Management Office* will apply in the various processes in the organization. In the other hand quite a few people are scared of change and change anchored in the hands of employees won't necessary led to change or innovation like Henry Ford mentions in relation the innovation of the mass produced car: "If I had asked them then they would have asked for faster horses". Therefore should the Coherency Architect keep in mind that the only way to enable change in an organization is to influence the organization culture. The culture can be changed in many ways by the tools of many different paradigms.

In this article I will however only deal with a few frameworks for change.

The first framework is the structuralist approach which where Kotter's framework will fit into. John P. Kotter presents in his article "Why Change Fails" and this could be supplemented by Kurt Lewin's unfreeze, move and freeze approach.

The second framework is the interpretive paradigm where the organization constructs some form of "internal" economy where the members of the organization can influence the projects which the organizations initiates. This is done by establishing a form of stock exchange where all the members can invest a fictional amount of company-money to found the projects.

The organizations that adapt this framework needs a strong Enterprise Architecture and move towards Coherency Management; otherwise will the entire change effort be in wane.

The third framework is based on the idea that the employees themselves should be able to choose their leaders and regulate their own production schedules etc.. This kind of coordination needs like the second framework a strong focus on their Enterprise Architecture and thereby also on Coherency Management to assist the employees and the management with keeping the organization on track.