



## *Management-NewStyle*

# Beer Promotes Better Management

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*by David Howard*

The story told in 'The Puritan Gift' is in itself a veritable gift to anyone in business in whatever capacity. The authors' message provides the argument favouring the adoption of a new style of management and leadership ultimately characterised by systemic thinking guiding process working and thus the best means by which a given objective can be met.

The authors' insights cast a clear and powerful analytical spotlight on the story of western management practice over the past 350 years. While the locus of the book is America, the fundamental messages revealed are shown to be applicable to any culture intent on real win-win wealth creation as opposed to win-lose financial manipulation. The book makes the case for 'management-by-means' (MBM) as opposed to the contemporary preference for 'management-by-objectives' (MBO).

The Puritans' gift to America created an ethos which informed the foundation of the American dream. Just as well-set starting blocks are vital to athletic success so the four abiding attributes of Puritanism defined by the authors\* (which I abbreviate for convenience as Idealism, Craftsmanship, Teamwork and Leadership) provide what I call a 'First Metre' advantage for new style management, thus minimising failure over the final furlong of each and every manager's commercial race to market with new offerings.

Frederick Taylor's efforts received severe treatment in this book but in my opinion the greater injustice is that resulting from what I believe to be the glaring omission of any reference to the work of a Briton named Stafford Beer (1926 – 2002). Perhaps this correctable omission may be considered offset in the short term by the authors' elegant and well founded attacks on the cancerous "Cult of the (so-called) Expert" and the bluff and bluster of the global MBA movement – both of which would be themes strongly applauded by Stafford.

Stafford Beer was from childhood a polymath. At Whitgift he wanted to study philosophy and mathematics but was told this was not a suitable combination for a schoolboy. However, in consequence he contrived to get a place at University College, London, to read for a degree in Philosophy and Psychology. A year later the war intervened and he duly found himself posted to India as Staff Captain of Intelligence for the whole of the Punjab, no less.

Returning to England in 1949 with his draft thesis on philosophy he sought a PhD for his efforts, but lacking a first degree he was required to appeal to the Dean of the Arts Faculty of his old college for support, only to discover that the Dean, knowing that Stafford had attended lectures in the Science Faculty before the war, there and then rejected his request on grounds of insubordination! Stafford stood up, saluted, and uttering, in his phrase, "just two words" left for industry.

At Samuel Fox's steel mills outside Sheffield he applied his wartime experience of operational research to devise a better way to run production lines. The factory manager said his scheme was mad and he should be sacked but, fortunately, the plant director

saw the vision in Stafford's scheme and appointed him to the post of Production Controller. He duly increased factory output by some 30%.

At this time Stafford, serendipitously, came across Norbert Wiener's book *"Control and Communication in Animals and the Machine"*. Wiener, at MIT, had coined the word 'cybernetics' in 1948 (from the Greek word for a "steersman") to describe his theory derived from his wartime work - on radar directed anti-aircraft systems - and which, he maintained, would be equally suitable for general application in the wider-world.

Stafford was impressed - for here was the essence of his work in print. He wrote to Wiener who was in turn also impressed - for here was his theory in use. By 1959 Stafford, encouraged by Wiener, had written *"Cybernetics and Management"* which was promptly translated into 26 languages.

Throughout his professional life Stafford was more interested in the organisation of connectivities between entities than in the entities themselves. His concern was to find a means by which he could better understand the performance of an organisation by reference to the arrangement and role of its intrinsic connectivities. This resulted in what he called his viable systems model (VSM). The VSM provided a means by which performance of an ensemble of entities could be improved using coherent actions rather than piecemeal tampering (and thereby avoiding the inevitable reality of sub-optimisation).

Stafford's approach reveals the behaviour of an entity that is not present in any part of it. The behaviour that emerges from an ensemble of entities is called the emergent property. To appreciate the significance of Stafford's approach consider some everyday examples of viable systems: no amount of detail searching will locate the human voice in a television set; no dismantling of a car will reveal its gift of comfortable transport; no counting of grapes will explain the essential quality of a fine wine; no single part of an aircraft can fly on its own; no laboratory dissection will explain the source of gracious rotation of a cat's body in freefall. Failure by top management to recognise the importance of designing viable systems capable of delivering the required 'emergence' will readily come to mind for travellers, investors and customers who suffer endless delays, lose benefits or suffer defective service.

Some 250 years ago Thomas Gray, contemplating Eton College, wrote that: *"where ignorance is bliss, 'tis folly to be wise."* Stafford noted that government and business leaders and managers are both only too often guilty of an ignorance of the consequences of their actions for which there can be no legitimate excuses. There are no excuses because those who lead and govern have no way to justify their failure to employ systemic - or inter-connected - thinking in place of fragmented guesswork.

Beer coined a word to highlight this condition: '**culpabliss**' - the state of *being **CULPA**ble of **Benignly Lacking In Systemic Sensibility***. It was chilling to hear the BBC interview with Robert McNamara, at the turn of the century, when he said that the biggest learning experience from the 1962 Missile Crisis was to realise how no one in authority, himself included, had clearly thought through the consequences of their proposed actions! More recent events in Iraq only go to show how we learn nothing from history. As Stafford would have said: *"Where ignorance is culpabliss, 'tis folly to be less than wise"* - or you may be impeached, or end up in jail, or, worse still, destroy the planet!

As Stafford noted we can only hope to understand the world around us through the filter of our brain and within the limitations of its ability to attenuate the infinite complexity of which we are but an infinitesimal part. How anthropomorphically arrogant of us therefore to assume that reductionist methods alone can protect us from the Law of Unintended Consequences – the very source of the poisoned fruit of reductionism.

The fourth Puritan attribute, Leadership, refers to *"an ability to gather, galvanize and marshal financial, material and human resources to a single purpose at whatever scale."* This task is laden with so much complexity and inter-connectedness that there is no way

that old style management (results driven target-hunting) can ever hope to provide sustainable solutions to counteract the simplistic excesses of today.

The inspiration for Stafford Beer's cybernetic approach to management was in no small part due to his understanding of the viable systems of life itself. Nature's ensemble of five levels of recursive processes that connect our brains to our motor-organs provide a powerful model for human understanding of how an organisation can be structured to work both efficiently and effectively.

Stafford was more than a restless visionary. He was also a singer, a musician, a poet and a *bon viveur*. His path through life is well described by the final lines of one of his favourite poems, *Caminante no hay Camino*, by Antonio Machado:

*Walker, there is no road  
only foam trails in the sea.*

The Puritans had no easy 'roads' to guide them in the New World anymore than they knew how their expeditions would turn out long after their 'foam trails' had disappeared. They simply had their set of four guiding attributes which, when implemented with care and attention to detail, eventually created a 'Mighty Economic System' from which emerged a stream of purposeful activity and innovation (the Great Engines of Economic Prosperity identified by the authors) such as the world had never seen before.

Decades later, as leaders became significantly distanced from their somatic past and introduced a results-driven management ethos in place of due process which inevitably led to the progressive abandonment of the Puritan imperatives, the 'Mighty Economic System' began to break-down - even disintegrate. Unsurprisingly the least materially well rooted activities (such as many financial activities) suffered first but by their very nature their failure then undermined better rooted activities, such as manufacturing and reflexive wealth creation and value-laden service provisioning. The Emperor's nakedness rapidly become self-evident to even the most purblind observer.

Stafford Beer has provided us with the only coherent organisational model that can help restore the *status quo ante* with a new style of management and leadership. I hope that the work of Stafford Beer can now be given its rightful emphasis in the next edition of this wonderful book and thus augment the authors' 25 injunctions for good practice that underpinned the Golden Age of Management (1920-1970). In this way Idealism, Craftsmanship, Teamwork and Leadership can be returned to centre-stage for the new economic era so necessary to the future prosperity of our (only) planet.

*Chislehurst, 1 September 2008*

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Endnote:

\* The four Puritan attributes are: 1) the purpose of life is to establish the Kingdom of Heaven on Earth; 2) an aptitude for mechanical skills; 3) a moral outlook that subordinates the interest of the individual to the group; and, 4) an ability to gather, galvanize and marshal financial, material and human resources to a single purpose at whatever scale.

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