

Managers for the Year

20000

WILLIAM H. NEWMAN
Editor

MANAGERS
FOR
THE YEAR 2000

WILLIAM H. NEWMAN, Editor

SAMUEL BRONFMAN PROFESSOR
OF DEMOCRATIC BUSINESS ENTERPRISE
GRADUATE SCHOOL OF BUSINESS
COLUMBIA UNIVERSITY

Library of Congress Cataloging in Publication Data

Main entry under title:

Managers for the year 2000.

Based on papers presented at a symposium held on the occasion of the 25th anniversary of the establishment of the Samuel Bronfman Chair in Democratic Business Enterprise at Columbia University Graduate School of Business, in April 1976.

Bibliography: p.

1. Industrial management—Congresses. 2. Economic forecasting—Congresses. I. Newman, William Herman, (date). II. Samuel Bronfman Foundation, New York.

HD29.M33 658.4 77-15458

ISBN 0-13-549378-1c

0-13-549360p

© 1978 by Prentice-Hall, Inc., Englewood Cliffs, N.J. 07632

All rights reserved. No part of this book
may be reproduced in any form or
by any means without permission in writing
from the publisher.

Printed in the United States of America

10 9 8 7 6 5 4 3

Prentice-Hall International, Inc., *London*
Prentice-Hall of Australia Pty. Limited, *Sydney*
Prentice-Hall of Canada, Ltd., *Toronto*
Prentice-Hall of India Private Limited, *New Delhi*
Prentice-Hall of Japan, Inc., *Tokyo*
Prentice-Hall of Southeast Asia Pte. Ltd., *Singapore*
Whitehall Books Limited, *Wellington, New Zealand*

CONTRIBUTORS

Theodore J. Gordon is President of The Futures Group, a consulting organization that makes technological, social, and economic forecasts for business and government. Gordon is one of the world's most sophisticated and scientifically based futurologists.

Marvin Bower, a director of McKinsey & Company, served as the firm's Managing Director during the period when it developed its worldwide reputation for consultation to senior management. Bower personally has counseled top managers in many leading U.S. corporations.

Eli Ginzberg is an international authority on manpower. In his role as Director of the Conservation of Human Resources Project at Columbia University, he has authored or co-authored more than twenty books on various aspects of manpower. Among his many public roles, he is currently serving as Chairman of the National Commission for Manpower Policy.

Anthony C. Hubert is Secretary General of the European Association of National Productivity Centres. He also serves as Editor of the journal, *International Management Development*. In these roles

he has become familiar with management development activities throughout Europe.

Robert K. Greenleaf had a long and distinguished career in A.T.&T. He was primarily responsible for many of the Bell System's pioneering efforts in executive development and is regarded as one of the most profound thinkers about the managing of business enterprises.

Harold F. Smiddy was the major architect of the reorganization of General Electric Company under Ralph Cordiner's regime. As a part of that movement, he launched the Company's Crotonville campus for executive training and sponsored what is undoubtedly one of the outstanding executive education efforts in history. He has been active in a variety of management societies, serving as President of the Academy of Management, and is a recipient of the Taylor Key.

W. Allen Wallis is currently Chancellor of the University of Rochester. He served for six years as Dean of the Graduate School of Business, University of Chicago, and was a prime mover in building that School as a strong center for quantitative approaches to business problems.

Samuel Bronfman Fellows. Each year since autumn of 1951 Columbia University has awarded five Bronfman Fellowships to outstanding students in its Graduate School of Business. These are among the most prestigious awards in the School. Now over one hundred former Bronfman Fellows are employed in widely diversified jobs throughout the world. This group served as a panel to critique the papers presented at the symposium.

William H. Newman (Editor) is Samuel Bronfman Professor of Democratic Business Enterprise at Columbia's Graduate School of Business. He pioneered Columbia's Arden House executive programs, and has been active in many other company and university management development activities—both in the United States and abroad. His books on management are widely used and have been translated into eight foreign languages.

CONTENTS

Contributors	ix
introduction	
Aim and Structure of Study	1
part I	
Shape of the World . . . in the Year 2000	5
by THEODORE J. GORDON	
A VIEW OF THE WORLD IN 2000	7
Introduction	7
The Shape of World Crises by the Year 2000	9
The Shape of Technology	19
The Shape of Change in America by the Year 2000	23
EMERGING CONTOURS AFFECTING MANAGEMENT	32

part II	
Characteristics of Managers . . . Needed in the Year 2000	37
by MARVIN BOWER	
CORPORATE LEADERS FOR THE YEAR 2000	39
<i>Processes Simple and Well Known</i>	39
<i>Managing Fundamentals Bearing on Leadership</i>	40
<i>Qualities of Leadership</i>	43
<i>Conceptual Strategic Thinking</i>	45
<i>Coping with Social Forces</i>	47
<i>Governmental Relations</i>	48
<i>Managing Human Resources</i>	49
<i>The Development Target (Summary)</i>	50
<i>Getting Future Leaders in Place</i>	51
<i>Monitoring Leadership Development</i>	51
<i>Management Style</i>	54
MANAGERIAL QUALITIES CALLING FOR SPECIAL ATTENTION	58
<i>Agility in Coping with Change</i>	58
<i>Skill in Activating Disenchanted Employees</i>	59
<i>Sensitivity to New Values</i>	60
<i>Political Ability</i>	62
part III	
Sources of Management Talent . . . for the Year 2000	65
by ELI GINZBERG	
SOURCES OF MANAGERIAL TALENT	67
The Growing Pool of Talent	68
<i>Focus on the College-Educated Pool</i>	70
<i>The Academic Preparation of Managerial Personnel</i>	71
<i>Addition of Women and Minorities to the Pool</i>	74
<i>Logistics of the Managerial Pool</i>	76
<i>Immigrant Entrepreneurs</i>	77
<i>Self-Selection for Advanced Training</i>	78
<i>More People with More Education</i>	79

The Shape of Things to Come	80
<i>Continuing Education</i>	80
<i>Women Managers</i>	82
<i>Toward Equal Opportunity</i>	83
<i>Authority versus Professionalism</i>	84
<i>The Changing Contours of Education, Work, and Leisure</i>	85
<i>Concluding Note</i>	85
RESPONSES TO OVERSUPPLY	86
part IV	
Who Should Do What . . . to Prepare for the Year 2000?	89
New European Drive for Managers	90
by ANTHONY C. HUBERT	
A NEW GENERATION OF EUROPEAN MANAGERS	91
<i>Future Pressures on European Management</i>	91
<i>Responses from Education</i>	93
ENERGETIC SEARCH FOR EFFECTIVE MANAGEMENT DEVELOPMENT	97
New Directions for Business Education	98
by ROBERT K. GREENLEAF	
CREATIVE, REALISTIC LEADERS	99
REDESIGN OF THE EDUCATIONAL PROCESS	104
by W. ALLEN WALLIS	
EDUCATING FUTURE MANAGERS	105
<i>A Broader Base</i>	105
<i>Coping with Government Regulation</i>	107
VECTORS THAT NEED DEVELOPMENT	108

<i>Continuing Education</i>	109
<i>Professional Certification</i>	109
<i>Value Standards</i>	110
<i>Diplomatic Skill</i>	110
<i>Managing Not-for-Profit Enterprises</i>	110
Business Practices that Will Nurture Managers for the Year 2000	111
by HAROLD F. SMIDDY	
THE INDISPENSABILITY OF VOLUNTARY TEAMWORK	113
COMPANY NOURISHMENT OF FUTURE LEADERS	115
<i>Monitor Leadership Development</i>	116
<i>Make Change Normal</i>	116
<i>Reward "Internal Entrepreneurs"</i>	117
<i>Have Managers Participate in Social Planning</i>	117
<i>Provide Training in Diplomacy</i>	117
<i>Make Explicit Use of Different Management Styles</i>	118
conclusion	
Irrepressible Opportunities	119
<i>Progressive Reorientation</i>	119
<i>Managers as Diplomats</i>	121
<i>Advancement and Protection via Certification</i>	123
<i>Moral Managers</i>	125
<i>Internal Entrepreneurs</i>	127
<i>Opportunities for Distinction (Summary)</i>	128
Selected References	131

INTRODUCTION

Aim AND STRUCTURE OF STUDY

World events are moving at a giddy pace. Peasants in remote villages now see on television the splendor and the slums of New York and Tokyo. Weak nations become powerful almost overnight; empires crumble. Technology gives us new industries and shatters others. Even more basic is the change in values and ethics. Increasingly, we turn to government intervention, yet we are doubtful that our democratic institutions will respond wisely. It may be trite to say we live in a world of rapid change, but it is very true—and important.

Enterprises—corporations, small firms, not-for-profit ventures—are our main instruments for relating the actual creation of goods and services to this bubbling environment. They are the intermediaries between the work each of us performs and the markets where resources are assembled and output distributed. They are the centers of initiative and of action. Unless these enterprises are well managed, unless they adjust wisely to the shifting environment, our complex, pluralistic system will collapse.

The question addressed in this short book is: What should be done now to prepare enterprise managers for the world ahead? Are we, in our colleges and companies, developing future managers with the qualifications that will be crucial during the period when they hold the reins?

“Managers for the year 2000” sounds remote. To many people

the turn of the century seems too far away to prepare for. Yet simple arithmetic shows that the men and women presently in colleges and universities will be in the prime of their careers in 2000. So in the management education arena the time to think about the needs of the next century has already arrived. Companies focus on a shorter planning horizon. Nevertheless, most of the forces we shall examine will not wait on the calendar; they are already emerging. For companies, also, "It is later than you think."

To provide perspective the present report is divided into four parts:

- I. Shape of the world . . . in the year 2000
- II. Characteristics of managers . . . needed in the year 2000
- III. Sources of management talent . . . for the year 2000
- IV. Who should do what . . . to prepare for the year 2000?

A symposium was held at Columbia University following this same format. Distinguished authorities submitted papers on each of the topics; these papers were discussed, and later additional proposals were made. This report presents the papers and the penetrating reactions they evoked.

The specific occasion for the symposium was the 25th anniversary of the establishment of the Samuel Bronfman Chair in Democratic Business Enterprise at Columbia University's Graduate School of Business. Each year since the Chair was created, five outstanding students have held Samuel Bronfman Fellowships. These men and women now hold key positions in widely diverse organizations, and we used them as the panel for the symposium discussions. Their ideas are summarized at the close of each part of the report.¹

The projected shape of the world in 2000, sketched in Part I, is by no means gloomy. But if the forecasts are correct, managers will face a very tough environment. Risks will be high, changes frequent and difficult to predict, external interference more intractable, and in spite of these difficulties the public will expect managerial results of a high order.

What kinds of managers will such a world require? Although

¹Dr. Thomas L. Berg, Bronfman Fellow 1956-57, made especially valuable proposals, and would have been joint editor if our schedules had permitted.

no quantum shift is forecast, the analysis in Part II does point to significant qualitative changes. To function well in the predicted environment, managers will need more diplomatic ability, greater sensitivity to new values, skill in activating disenchanted employees, and a lot of agility in coping with new situations. The accent will be on sophisticated social skills, but with no diminution in technical abilities.

Surprisingly, the supply side of the picture is more likely to lead to conspicuous changes in the flow of managers, for reasons outlined in Part III. An oversupply of none-too-well-qualified aspiring managers will produce a scramble for jobs. Some candidates will resort to legal measures to obtain positions. Others will seek a more constructive "product differentiation" through advanced training and professional activities. A disgruntled fringe will drop out and complain. This competition for posts will place new burdens on employers and new demands on educators.

Two groups of proposed responses to these conditions are set forth in Part IV. Suggestions for education include a major advance in continuing education, professional certification, direct confrontation of value issues, political analysis, and meaningful training in not-for-profit management. If universities and colleges do not serve these and related needs, there is ample reason to believe other institutions will.

For companies the proposals described in Part IV include more deliberate training for change, rewarding "internal entrepreneurs," encouraging managers to participate in social planning, and explicit use of different management styles.

The report clearly implies that neither business leaders nor business educators can rest on their laurels. They may not like the proposals, but they cannot safely disregard the handwriting that is already visible on the wall.

PART I

SHAPE OF THE WORLD . . . IN THE YEAR 2000

What kinds of managers we will need at the turn of the century depends on the state of the world at that time. If we could assume that economic, political, technological, and social affairs would remain substantially as at present, we could sketch—at least in major dimensions—the qualifications required. But the world is not standing still. Just as today's political map or telephone equipment may be grossly inadequate twenty years hence, the tasks of managing also are likely to differ.

To give us some feel for what the world may be like, Theodore J. Gordon outlines in the following paper an array of potential changes for the year 2000. Gordon is one of the world's top futurologists, and his views deserve thoughtful attention.

For present purposes—predicting future changes in the tasks of managers—a particular technological discovery or political event is not so important as the nature and rate of likely changes. In the jargon of the trade, a scenario will do; it will provide a base for our more specific analysis of vital managerial abilities that will be required in tomorrow's world.

by **THEODORE J. GORDON**¹

A VIEW OF THE WORLD IN 2000

1. INTRODUCTION

The year 2000 is only as distant in the future as 1952 is in the past. For some of us 1952 is yet rather fresh in memory, and from this perspective, at least, 2000 looms as tomorrow. With the new century so close, can that world be very different from our own?

One measure of the magnitude of possible change in the next 24 years is the magnitude of change over the last such interval. In that time we saw, to name only a few of the more important developments: travel to the moon; enormous changes in foreign policy and the country's view of its role in world affairs; a doubling of world population; the advent of birth control pills and incredible changes in sex mores and family structure; huge growth in wealth, consumption, publication, education, travel, housing, and mobility; the fall of many governments, including our own; cold war changing to détente; genetic manipulation emerging from arcane theory and science fiction to laboratory reality; developments in solid-state physics leading to a technology that replaced the transistor and then went on to become microelectronics. And these are only changes at the surface. Changes in economics—even the perception of

¹Prepared with the aid of Harold Becker, Lynne Heston, Robert Richmond, and Wayne Boucher—all members of The Futures Group.

economics—massive value changes, political changes in the role of society in politics: all of these are the essence of our time.

Various authors have tried to capture this essence in slogans or in titles of books. Toffler has called this the time of transience—a time of impermanence: our roots are not deep; we rent rather than own; few things are permanent. Harmon has called this the New Reformation, perhaps as important as the Old Reformation. He focuses on value change as the key element of our time. Revel calls this a peaceful revolution; to him the most important element of change is political. People are forging a new kind of relationship with their government—the notion of what it means to be a citizen is changing, not only in the United States, but throughout the world. Drucker calls this the age of discontinuity; he focuses on the rate of change itself. By almost any measure, change is accelerating, and that acceleration will make the future a different place, qualitatively, than our present time. Donald Michael calls this the unprepared society—unprepared for the onslaught of information from which there is no escape. Information descends on us from literally everywhere; the problem is not how to find out more, but rather how to turn it off and select only what is relevant. Bell sees us in a transition to post-industrialism. He argues that, in primitive societies, almost everyone had to work in agriculture. Then, as agricultural technology was improved and social organization was modified, fewer people were needed to produce the food required by society. Today, less than 5 percent of the U.S. labor force is involved in agriculture. A similar transition is apparently underway with respect to manufacturing; by 1985 fewer than one worker in four will be needed to manufacture all the goods we consume, store, or export. This will be the time of postindustrialism.

These, then, are the perspectives of change-in-progress: basic transitions are occurring in values, economics, demography, politics, and technology. Each author sees the characteristics of our time in terms of one or another of these dimensions, but they are all occurring simultaneously and all of the authors are right. The changes reinforce one another and interact in complex patterns, which we can only begin to perceive. Change, change in all of these dimensions, is the essence of our time.

These changes bring world problems—and opportunities—of unprecedented complexity and importance. Increasing agricultural