

# INTERVIEW WITH HENRY MINTZBERG

## Effective management needs a differentiated understanding of organization

Henry Mintzberg was a guest of our Distinguished Management Scholar Series in September 2019. In an interview, Simon Grand and Johannes Rüegg-Stürm talked to him about some of his central issues and concerns. The interview took place during a four-day research meeting at Mettmenalp. The retreat was an in-depth discussion between Henry Mintzberg and our team on his and our research. We discussed our insights into management, organization and strategy, core issues of the St. Gallen management model, and the implications for effective executive education

*Our first question concerns the key topic we have been discussing in our research retreat: How do you see the relationship between management, economy, and society?*

It is interesting to think of those three words because economy is a very structured kind of study, with specific prescriptions about how to deal with different problems. Society is a much looser concept. And management is looser still, because it is a practice. So the relationship can be seen in all kinds of ways. Effective managers contribute both to the economy, by managing their enterprises or organizations more effectively. But they also contribute to society when they maintain a kind of balance in their behavior. So that they are not catering to shareholders alone, but to stakeholders.

Management kind of sits in a way, because the fourth element is organization. Management kind of sits between organization, the economy, and society. Those two on the outside, and the organization on the inside. Everybody is responsible for that relationship. But managers take official responsibility.

*You have studied management, and you have worked with managers over a long period of time and in great detail. What characterizes this practice of management?*

Naturalness. It is a natural practice. There is nothing natural about slicing people open and taking out their appendix in an operating room.

Nor is there anything natural about technologies and computers. All of these things were developed and changed the world rather significantly. Management is simply a practice that relates organizations to environments. And that ensures that organizations function effectively and serve the environment in the broad sense. People were practicing management long before anybody ever used the word. Whether it is King David or whoever. I am not sure the nature of effective managers has changed that much. I didn't study King David, but it would be interesting to compare him with Steve Jobs. But you don't need the word management, you don't need management schools, to recognize that practice.



Henry Mintzberg,  
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*Management seems to be a controversial practice in today's society. What are the prerequisites and the practices of effective and also responsible management?*

Following on from the previous question, management is a natural practice that is made unnatural by misunderstanding it and by formalizing it and by developing training programs that are antithetical to how it functions naturally and normally. So the management that I am so critical of is the management that places managers on a pedestal, above what they are managing, and disconnects them as if they can manage by remote control. Remote control means you hit a button and something happens somewhere else.

Too much management is disconnected in that way, whether through financial reports or managing through the Internet or whatever it is.

And all these things get in the way of the natural practice of management, which is a social activity. It is not a technical activity. It is not an analytic activity, except in part. It is a social activity. And that means that the craft, based on experience, and the art of looking for innovation are more important than the science and the analysis. But the analysis matters too, though not in excess. We have created too many programs that overemphasize the analytic side and therefore weaken the art and the craft. You have got to be in touch to know what is going on. The managers we revere or we respect are the ones that are on the ground, who know what is going on, and know how to make something out of that. We have created this artificial view of management. It is very destructive.

I think the very notion that leadership is separate from management has exacerbated that problem because it implies that management is the regular stuff. What in medicine is called the scut work after the surgeons are finished and others come in and clean up. And that is the view of management and leadership as somehow superior. I think that is dangerously fallacious. I think it is ridiculous. Managers have to lead. Who wants to be managed by someone who doesn't lead? If a so-called leader is not managing, then he or she is not a leader. They are disconnected from what is going on.

*There is a third concept that is related to management and leadership: entrepreneurship. How does that relate to your understanding of management?*

All managers have to promote new things and build new things in part. But entrepreneurs tend to do much more of it. By the most common definition, entrepreneurs are people who create enterprises. From fresh. Most people would include what are called social entrepreneurs. The founder of Migros was probably no less an entrepreneur than the founder of Ciba Geigy. It also includes social entrepreneurs. I think it includes people who create new departments and new activities in government.

I am implying it's a different kind of management or a different emphasis in management. When people create an organization or an enterprise from scratch, they are building from nothing. There is much more emphasis on finding vision or mission. There is much more emphasis on building structure out of nothing. The emphasis is on bringing in people. You are bringing in people who are closer to you, more beholden to you, as opposed to coming in and managing an organization where people are already there. So there are kinds of responsibilities and activities that go there. The real entrepreneurs have a devotion to a business, a deep commitment to it, and they stick with it and build it in a very personal way. And that means for as long as they are there, they are looked upon much more strongly, as the body, as the embodiment, of the organization. Because after all, they created it.

The interesting thing about effective entrepreneurs is that they are very rooted on the ground. So a supermarket chief executive who founded a supermarket chain used to go shopping in his stores every Saturday, to find out how they were working. That is a very natural thing for them to do. Steve Jobs spent his time in the laboratory developing products. No management book says managers are supposed to sit in a laboratory and develop products. But he was connecting with what he saw as the critical function. The critical function in Apple was engaging new products, new products that engage people and are very, very innovative. And so he felt he had to play a major role in that. So here was this guy breaking all the rules of what managers are supposed to do and creating more shareholder value than anybody ever.

*You consider your studies on organization as your most important contribution to management research: Structures in Five. What does your emphasis on organizational archetypes mean for better understanding organizations and management?*

We categorize everything, don't we? We characterize everything because we understand them better as long as we don't take the categories too seriously or use the categories as a means of looking at hybrids. People don't have to fit the categories perfectly, but the categories provide a vocabulary, even for describing how people cross

the categories, how they move from one to the other, or how they combine them, how they are hybrids in some ways. So we need a vocabulary.

The way I introduce *Structures* is by saying "Imagine biology with no word for any of the species." So the only word we have is "mammals." Imagine two biologists who meet to discuss where mammals spend the winter. The one who studies bears says that mammals spend the winter in caves. And the one who studies beavers says, "No, mammals build these wooden structures to protect themselves by their predators." And the other biologist says, "No, mammals don't have predators." What he means is bears don't have predators, and he doesn't know about beavers. That's the state of organization theory. We don't have categories for organizations. So you have consultants running round saying, "It worked for Walmart, so it's bound to work for your hospital." We get all of this dysfunction because an organization is treated like a type A organization and it is actually a type B organization.

*How would you see the field of management science with respect to the fact that management has a strong connection with organization?*

So why the emphasis on organizational issues? It's like a potter with different kinds of clay. If you're starting with porcelain, you're going to make one kind of pot. And if you're starting with stoneware, you're going to make another kind of pot. Management doesn't exist without organization. Yesterday we were talking about different kinds of organizations. And I said what's an example of a personal enterprise organization. Somebody said "sport," somebody else said "tennis." But tennis is an individual sport (it may be doubles). Management is about organization. It's about dealing with organizations and helping to direct them and helping to build them, helping to establish their cultures or reinforce their cultures or change their cultures. And so you can't separate management from organization. They're intricately tied together. So we have to understand organizations to understand management. Good managers understand their own organizations intimately.

*What are the implications of this tight connection between management and organizations for science and for research?*

As we were saying, a lot of Harvard case studies are supposedly about the chief executive and focus on that as the prime actor. I think they do that because Harvard thinks it's training great leaders and therefore that's all that really matters. And go argue with them about strategy coming up from the roots of the organization. That doesn't fit with a lot of their views of things. So the case study method, when it is used that way, focuses in on the manager as if the organization is incidental. The same with research: You can't study an organization without appreciating its management. Or the role of its management or the nature of its management without falling into the trap that management is all that matters. And you can't study management without the context of the organization.

It's like describing mountain climbing without bothering to describe the mountain. It's like saying, "It doesn't really matter if it's a hill, if it's jagged, if it's the Matterhorn, or some hill somewhere in Montreal." There is a difference. If you want to describe hiking or mountain climbing, you had better acknowledge those differences. I think it's the same thing here. Without falling into the other trap, that management is done only by managers. The advantage of understanding different kinds of organizations is that in some types of organizations that's largely true and in other types of organization it's not false, but it's a blend of all kinds of people engaging in managerial activity. Innovation, new projects, and new ideas are important in every organization. In a professional organization, that is done largely by the professionals. Our programs do not come from the dean or the president of the university. They were aware of these things as we developed them, but they were championed by us, approved by faculty. Obviously, they supported it. But often they don't even need to support it. It just has a life of its own. So all kinds of people can be managers in one way or another, but it varies by the organization. You can no more talk about management devoid of organization than you can talk about marriage and focus on an individual or even focus on two individuals individually.

*Your understanding of management, the importance of understanding organizations, and your differentiated view of strategy, have implications for management education. How do people learn management?*

Based on what I have seen, the university can take two positions. One is that it can destroy the practice of management by doing things that I think are inappropriate. We have more and more evidence now. I did an initial study that showed that a majority of Harvard's superstars of 1990, in the sense of being chief executives of major corporations, turned out to be failures. A majority. There were two follow-up studies by my first doctoral student, but not much later, that compared the performance of MBAed CEOs with non-MBAed CEOs. Broadly speaking, the MBAed CEOs did worse and got paid more. So you can be dysfunctional. A good way to be dysfunctional is to pretend that people learn management by doing case after case after case. Which is a perfect way to teach disconnection because it says, "Give me 10 or 20 pages and I'll give you a decision." You have got these kids, literally kids, making decisions about what the chief executive could do because they have read 10 or 20 pages in some case that I prepared last night in an hour and a half. This is how we are training people. It's ridiculous. So we set out to say, you can't create a manager in a classroom. Forget it. What we can do is take people who are managers and enhance their practice by giving them a chance to reflect on their experience, share it with each other, and learn from that experience to become more reflective and to understand their practice and enhance it. It's a very, very powerful way of educating. We are not creating managers. We are enhancing the practice of people who are managers. And that works very well.

*What you emphasize very much is the importance of reflecting on managerial practice. What does that mean? How does that work?*

There are two quotes we use. One is from [Saul] Alinsky, the famous community organizer in America. The other is from F. Scott Fitzgerald. I can't remember which is which. But basically what they both said is that you don't have experiences. You have happenings. And happenings become experiences when you reflect on them and learn from them. I think that answers the question. Reflection is about learning from your experience. And if you can do it with other people sharing it, then it is much more powerful. This is my experience, that is your experience, and the outcome was different. That's very powerful pedagogy. You can't do that with 25-year-olds who haven't managed. You can teach them marketing and finance and accounting. You can teach them organization theory. But you can't teach them how to manage. Because they have nothing to reflect on. They have some things to reflect on. They work in teams, they play sports, so you can connect to their personal experience. But it's not quite managerial experience.

*Thank you very much.*