
Management Counsel

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Managerial Mystique

Abraham Zaleznik's 1989 book "The Managerial Mystique" describes the managerial mystique as a belief that one can and should separate the mind and heart, logic and common sense -- and that success comes from a reliance on process, structures, roles and indirect forms of communication. Managers learn to ignore ideas, people, emotions, and direct talk.

The result: a **leadership gap**. "[Professional Managers] brought what they learned from the business schools, namely, principles of bargaining, emotional control, human relations skills and the technology of quantitative control. They left behind commitment, creativity, concern for others, and experimentation. They learned to be managers instead of leaders."

Zaleznik sees managers as missing opportunity or taking inappropriate actions. Examples are given that support his view.

The solution? "Leaders must be able to contribute to the **substantive thinking** [and imagination] necessary to move a business beyond problems and into opportunities."

"Leadership in business goes beyond encouraging and guiding other people to seek solutions to problems."

Imagination uses experience and analogy to search for solutions using conceptual thinking, leading to identifying opportunities that can be aggressively sought, or that can be patiently tended until the right time to act arrives.

Revitalizing leadership will not mean the end of a team based or empowered organization. The leader who is "... confident of their own imaginative capacity will recognize, respect, and draw on the talents of other people."

Managers and management skills are not to be replaced. They must be supplemented by leadership: to generate new ideas; to set directions; to take responsibility.

Organizations will always need processes such as the planning process described elsewhere in this newsletter. But, we need to learn that this is not enough.

We need leaders. We need imagination. We need direction. And we cannot expect this to emerge solely by relying on good processes and a sense of team work. We need leaders too.

Planning: An Approach

Why do we plan? To determine how to achieve as much as we can with the resources available. And, a plan allows us to be flexible and respond to situations as they change.

Having considered the future and what we are trying to achieve, we are able to respond to change. We can capitalize on opportunities. We can defend against threats.

During planning the leader shares ideas of the future with others in the organization. Together they establish a common perspective on where the organization is going, and how it is going to get there.

One of our clients asks 4 questions as a way of summarizing what they must do in preparing a plan:

- Where are we?
- Where are we going?
- How are we going to get there?
- How do we know we have arrived?

Equally important, the outcome of

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actual efforts on achieving the targets set forward in the plan must be **measured**, and **refinements** made as you go.

A plan is a **living document**, enhanced and refined to meet changing circumstances. It reflects a commitment to a direction. It outlines a framework for action.

Managing Computer Software

Computer software is an important part of an organization's intellectual property portfolio. For software developers, the software represents their revenue. And for almost every organization, computer software is a fundamental part of their operation.

Computer software must be managed as it presents both advantages and critical issues.

Computer software is normally subject to a license. The license grants the licensee certain rights: how many (if any) copies may be made; how many computer processing units can use the software; what liability the licensee will assume for errors (normally very limited where allowed by law); and other terms.

Three areas that organizations should manage are: integration; outcomes; and, legal consequences.

Integration in an organization is critical to its success. Information and its supporting systems are fundamental to achieving integration. When licensing in computer software, organizations sometimes neglect to consider how this software will integrate with other software in the organization.

A common problem occurs when two groups in the same organization must work together, but each group uses different types of computer software e.g. local area networks or word processing.

The documentation from the software licensor will often state that the different systems will work together. But, the licenses for the software will almost assuredly not provide any such warranty. So, the organization is left trying to get the integration to work -- costing greatly in administrative time and lost opportunities.

Outcomes from using computer software are of significant concern. The software licenses will most likely not provide any warranty as to the correctness of calculations or results made by the software. For example, what if you use a piece of software to develop a project schedule, but there is a fault in the software logic? The organization will likely be liable for this outcome, even though the error is in the software.

Legal consequences from inappropriate use of computer software are substantial. The Canadian Alliance Against Software has been formed to identify unlicensed software usage (what amounts to software theft) and seek prosecution for copyright infringement.

Conviction under the **Copyright Act** for infringement can result in a fine of up to one million dollars, and imprisonment for up to five years (depending on the seriousness of the offence).

Often the software license will include a termination provision so that a breach of the terms (such as copying) will terminate the license. If the software is an integral part of

the business, this could have significant consequence.¹

Preventive Actions

Organizations can maximize the benefits from computer software:

- ensure software is acquired through a single point where compatibility and integrity can be examined
- insist on testing the software first: to validate its outcomes and to ensure its integration
- maintain clear and complete records of **all** software, copies, licenses and **who** has access
- establish a clear **no piracy** policy that forms part of every employment agreement: unauthorized copying is a matter of dismissal
- audit to ensure copies are not being made -- include home based PC's in this audit
- apply these principles to the documentation as well as.

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Planning, Strategy & Organization Design
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¹ There are many legal aspects of licensing. e.g. ability to assign the license; what occurs in bankruptcy; software escrow; etc. Legal counsel should be sought. Bill Page, an Associate lawyer - Ogilvie LLP (429-6276) is pleased to discuss this with you.