

## : *How complex is managing?*

Daniel J. Power

Editor, DSSResources.com

Management roles are increasingly specialized, management tasks are often complex, and projects have expanded in scope and complexity. The building, managing and operating of IT systems, managing continuous process plants, managing assets, managing investment portfolios, discovering, extracting, and processing minerals, civil engineering of physical structures, and shipbuilding are among the management practice areas where complexity is increasing rapidly. In simple management situations, time and tasks can be managed intuitively by a competent person, but complex projects require a more analytical approach. The percent of simple management situations is falling and some of them will be automated.

A manager is often working in a complex environment of rapid change. This situation is unavoidable and it is increasingly common. As part of the job, a manager must learn about his/her environment to successfully act, adapt, and understand. However, complexity itself poses several challenges to managerial learning including misinterpretation of situations, the ambiguity of feedback and information, and a lack of accurate data. Is there a solution? More professional managers.

Peter Drucker's book (1954) **The Practice of Management** examined management as a whole and recognized that a manager had identifiable and separate responsibilities. Drucker identified a need to examine management practices. His ideas promoted recognition of management as a professional discipline. Some would disagree that management is a "profession", but the need for more well-prepared "professional" managers has increased in modern, complex organizations.

Drucker emphasized the need for clarity about the meaning and purpose of a business. He argued that the questions "what is our business" and "what should it be?" are the most important questions a successful manager has to address. Answering those two questions has become more challenging because of increased complexity. In formulating corporate strategy, answering these questions is important for business analysis and for the formulation of mission statements. Managers must also ask "who are our customers?" and "what is the business trying to do for its customers?"

According to Ducker (1954), "The manager is the dynamic, life-giving element in every business" who defines the organization's mission, develops and retains productive teams, coordinates various activities, sets goals, and gets things done. The tasks remain the same, but because of increasing complexity performing them competently requires more knowledge and skill.

## : *How complex is managing?*

From Drucker's perspective, management entails farsighted thinking about the future state of things and taking appropriate risks to capitalize on opportunities. Additionally, he felt "managing a business must be a creative rather than adaptive task. The more a management creates economic conditions or changes them rather than passively adapts to them, the more it manages the business. (p. 73)"

Finally, according to Drucker managers promote the dominant cultural norms and values in the organization through their actions. These values are evident in the decisions a manager makes concerning who to recruit, who to retain and promote, the goals that are pursued, and the ethical parameters used to frame and assess her/his decisions. Managers face more ethical questions and cultural norms are often in transition or in dispute.

The practice of management in large organizations has become more complex, but tools, especially computer-based tools, have been developed to augment or assist managers in such environments. Tools include software for project management, tools for improved communication, and tools to retrieve information and help analyze data. Assisted or augmented decision making is increasingly needed and managers need to become more adept in their use and more agile in their behavior.

Management remains a rational activity "tested by performance alone". New tools help extend managerial abilities to rationally cope with complex environments and complex organizations. Management remains an emerging profession and professional management is increasingly needed to cope with complexity. Managers in many organizations require mastery of a complex set of accumulated knowledge and skills developed through formal education with appropriate qualifications and certifications.

Author: Daniel Power

Last update: 2019-08-28 02:35