BOOK REVIEWS

CURT KAMPMEIER

EDITOR

Managers Not MBAs: A Hard Look at the Soft Practice of Managing and Management Development

Henry Mintzberg (Berrett-Koehler, San Francisco; 2004; ISBN 1-57675-275-5) $27.95

REVIEWED BY ROBERT H. SCHAFFER

This book spends about 200 pages demolishing the basic concepts of the widely shared method of training students for the MBA degree in schools of business. It then spends the next 200 pages exploring alternatives—mainly extolling a new approach to graduate education developed by the author and the faculty in his own school (McGill University) and four others.

The book seems to be aimed primarily at those with some responsibility for graduate education in business and management—deans and senior faculty. Certainly the 400-plus pages of text and the 200-plus references constitute an instrument of sufficient heft to warrant the attention of this academic audience. But an abundance of provocative muckraking, stimulating question-raising, earnest advocating, and instructive anecdote-telling should be of great interest to business leaders and consultants concerned with the practice of management and the development of managers. While a condensed version would be much more suitable for this latter audience, until Mintzberg decides to produce one a trek through this book will provide serious readers with many rewards that will compensate for the effort.

Mintzberg's most profound yet obvious point is that the MBA schools provide "specialized training in the functions of business, not general educating in the practice of managing." The fact that this distinction—between knowledge of management subject areas, on the one hand, and the ability to manage, on the other—requires so vigorous an exposition is testimony to the widespread confounding of the two. This subject alone makes the book a vital contribution.

Early on, Mintzberg points out that providing training in management to graduate students who have never managed and who are not managing while being trained is wasteful, since they have no point of reference. I have always likened this to spending months or even years teaching skiing to people who have never put on a pair of skis and ventured out onto the snow and who don't do so while they are being trained to ski!

According to Mintzberg, the current status of graduate business education in most schools is that individual departments each focus on their own management discipline—finance, marketing, and so forth. But *managing*, per se, is seen as merely the amalgam of all the other skills and abilities, an amalgam that each young MBA creates for herself or himself.

The book's early chapters represent the takeoff points for a detailed bill of particulars, chapter by chapter, ascribing many "wrong consequences" to the MBA phenomenon. The first of these is the "Corruption of the Educational Process," which points out the limitations of the stereotypical MBA process. Next comes the "Corruption of Management Practice," the "Corruption of Established Organizations," and the "Corruption of Social Institutions."

The nature of Mintzberg's arguments throughout these chapters was captured for me in a talk he reports giving to the Deans of European business schools. He told them, facetiously, that McGill University was creating an MUA degree—Master of University Administration. Its graduates, regardless of skills and experience, would take over the running of universities, replacing people who (like the audience he was addressing) had wasted their early careers in teaching and research. This is an obvious allusion to the misconceived notion that MBAs, whatever their backgrounds, are qualified to run any type of organization. These chapters are filled with interesting anecdotes, research data, provocative writing, and engaging historical material.

I confess, however, that I was reminded of the district attorney in old television broadcasts who would say of the villain just arrested: "I'm going to throw the book at him." And this Mintzberg certainly does. Yet, while his arguments are cogent, logical, and even mesmerizing, I must question whether many of the ills of corporations or of society ascribed to the MBA might nevertheless exist, perhaps in some other form, even if the MBA phenomenon had evolved much differently.

The final chapter in Part One recounts a number of recent innovations in management education. Of these, Mintzberg dismisses those that he sees as mere extensions of the past—such as foreign exchange courses or computer-based case analyses—and lauds those that he sees as truly novel—such as a program at Lancaster University in England that offers a degree focused on helping managers "question conventional wisdom," or another in which the school offers a degree to a group of students all from one company. Several other examples make the point that a number of business schools throughout the world do offer significant innovation in management education.

The second half of the book focuses on developmental activities intended to actually improve the practice of managing. Part Two begins with further examples of innovations in management education—including a "discussion program" at Insead in France, a U.S. Army battle simulation training program, and a Canadian government training program. In a section called "Enough Action?" Mintzberg shares one of his basic tenets—that effective management development "requires managers to step back from action." He feels that *reflection* is missing from most programs and is a critical aspect of management development, and most of his suggestions exhibit that point of view.

Mintzberg goes on in the rest of the book to share his response to the systemic faults listed in Part One—namely, the International Masters in Practicing Management (IMPM), a program he has been creating and testing for several years with colleagues at McGill, Insead, and schools in England, India, Korea, and Japan.

Before outlining the program, however, Mintzberg describes the eight fundamental "propositions" that are its linchpins, beginning with "Management education should be restricted to practicing managers" (proposition 1). No surprise there, in view of his criticism of the MBA student population. Proposition 4 says, "Thoughtful reflection on experience in the light of conceptual ideas is the key to managerial learning." Again, note the emphasis on reflection. And finally proposition 8 says, "The curriculum, the architecture, and the faculty should accordingly be shifted from controlled designing to flexible facilitating." While the eight propositions are undisputable, they come across less as the foundation of a major shift in management education and more as a list of important ideas of which there might be a great many additional ones.

Participants in the IMPM program spend a few weeks in each of five or six locations, engaging in much besides attending conventional lectures or discussing cases in the standard way. A different theme or mind-set dominates each of the venues—ranging from "reflective" to "analytical" to "worldly" to "collaborative" to "action." Don't get the wrong idea about the last one—the only action in the program involves thinking about action and reflecting on it.

There are various kinds of participant interactions—visits, discussions, research papers, dialogues, tutoring, mentoring, personal journal-writing, and reflecting. And diligent attempts are made to relate what participants are doing in the program to application back on their jobs.

Mintzberg and his colleagues have attempted to assess the IMPM through a variety of mechanisms, virtually all of which are anecdotal. Not surprisingly, these assessments indicate that the program has achieved its aims splendidly. Mintzberg is adamant that no measurement is possible in assessing management development activities. He is not alone in this conviction, but without measurement, how can the results of huge investments in management development be validated?

In the final two chapters, having established the success of IMPM to his own satisfaction and that of his collaborators, Mintzberg discusses how to diffuse the learning from the IMPM experience and how to reform other schools of business. If the intention of these schools is to develop managers, says Mintzberg, they need to have a population of active managers and they need to reform their curricula accordingly.

Should you read this book? It offers so many interesting and provocative ideas that anyone interested in management education or management development will find parts of it stimulating. Nonetheless, only the hardiest of readers will want to read it page by page. I can see why Mintzberg did all of the reading and research necessary to prepare himself to write this book, but I wonder if he really had to share it all with us. It does feel like a bit of overkill. (His response to that might be, "You didn't see the 800-page version before I cut it back!") Yet it is well marked and easy enough to skim for the sections that attract your attention.

In terms of the future: Although he advises the abandonment of the MBA in its present incarnation, Mintzberg doesn't suggest an alternative for the hundreds of thousands of students who populate MBA programs today. Those without management experience shouldn't be trained in management, he says—but how about training them in business technologies? Maybe it boils down to the fact that he is recommending a program in *management*—the art, science, and skill of actually leading an organization (his IMPM or alternatives) for experienced managers, and a program in *business technologies* for inexperienced students.

Finally, there is a valuable opportunity for exciting management learning that Mintzberg dismisses. That is providing managers with opportunities to carry out action experiments on the job in which they try new approaches and actually accomplish real goals—all the while pausing for reflection. In the absence of such experimentation, managers will never experience the very adventures that make education and reflection truly exhilarating.

Robert H. Schaffer CMC is a consultant with RHS&A of Stamford, Connecticut. He is the author of many articles and several books on management and consulting.

On Value and Values: Thinking Differently About We in an Age of Me

Douglas K. Smith (Financial Times Prentice-Hall, Upper Saddle River, NJ; 2004; ISBN 0-13-146125-7) $25.95

REVIEWED BY G. BRUCE FRIESEN

This book is provocative. It reaches striking conclusions with disturbing implications for U.S. business and society. Savvy organization development consultants should find it a source of new service offerings; general consultants will appreciate its urgent call to temper the blind use of shareholder value analysis and to address what may be called a worrying rise of "criminal" corporate culture. But be warned! It is not easy reading.

Smith's thesis is this: America is in serious trouble because its business elite has allowed its notions of (economic) value and (social) values to separate. It seems simple, but it is not.

Human behavior (or actions) reflect critical assumptions of how the world works—assumptions more broadly known as "values." An example: most retailers currently allow prospective customers to touch their stock. They do so because of the common value they share with customers that most people can be trusted to touch—not pocket—stock. This was not always the case. Once upon a time, even retail grocers used to keep everything sold behind counters. And perhaps, as shoplifting continues to grow, "touch" will no longer be an acceptable value in the North American retailing proposition.

Values drive human behavior. People cannot live or work together without first establishing common values to shape how they will behave in each other's company. Failure of this socialization process leads to highly dysfunctional consequences. Psychopaths, for example, are extreme deviants incapable of learning or absorbing abstract values from parents or peers; their behavior derives from primal instinct. Gangs form around shared social values that deviate from general norms. And if divergent perspectives on a social value form (about the nature of God, for example), the result can be organized warfare as believers of each perspective come into contact and conflict. So values matter a great deal.

Smith examines numerous diverse contemporary trends—the rise of shareholder value as the key corporate performance metric; proliferation of computer networks; corporate malfeasance at Enron; decline of democratic symbols and rituals (political parties, voting); and the erosion of physically defined communities ("world of places")—and makes two observations about contemporary American business values.

First, economic value has split away from social values in the collective psyche of the U.S. business class. Second, many people in this class now subordinate social values (or the pursuit of "we") to economic value (the pursuit of "me"). The practical implications of these observations start with the erosion of corporate ethics.

Business has always relied on respect for property rights, and other traditional rules of law and ethics, to operate smoothly. But the idea of law is one among the many values now subordinated to economic value. Subordination allows accountants, strategic planners, or researchers to release phony balance sheets, rogue electricity traders, or genetically modified corn to the world.

Even worse, separation of value from values is leading companies to institutional schizophrenia. They invest heavily in writing values statements and drilling these values into employees even as they demand that these employees chase return on capital under the metric of shareholder value. The results leave a few people pondering what went wrong—those without stock options!

U.S. business appears to be trashing its painfully constructed, century-old operating framework. And as all systems analysts and a few executives know, systems stripped of frameworks crash. Smith is in effect suggesting that U.S. business is headed for a pervasive, systemic collapse; and further, that if the engine fails, the whole train will inevitably stop.

Unfortunately for his readers, Smith's thesis is initially obscured. It finally rises, wraithlike, from a thicket of jargon around page 70 or so. Patience is required while he wades through a swamp of new terms: thickwe, thinwe, collectivity of I's, and so on. Only then does he finally drop his bombshell on the reader.

And while this thesis is compelling, Smith's solutions for reintegrating value and values have a certain naïveté. It's as if he is recoiling from the full implications of his own argument, or that he remains caught in the culture of McKinsey & Co. (where he was co-leader of the worldwide organization practice), in which consultants are explicitly coached to avoid getting pinned down in implementing their own recommendations.

(A side comment for non-American readers. You must tune out the occasionally grating U.S.-centric tone to read this book. U.S. democracy is not global democracy; it is an American experience. Global culture is shaping up as an amalgam of local cultures, not a proliferation of U.S. culture. In fact, following Smith's own logic, there may be no single U.S. culture to proliferate. It may help to adopt the assumption that Smith writes for a U.S. business audience.)

But how did this enormous chasm between value and values come to be? Smith's basic analysis draws on both economics and psychology.

The premise of free markets is well known: Participants aim to maximize returns on scarce resources. The theory of free markets is also well known: Basic competition for value, minimally fettered by values, yields the greatest prosperity for the largest number of stakeholders.

Less well-known perhaps is the basic reason why free markets (inside frameworks of law) are so effective. They give businesses a simple objective (profit) and a clear signal of who is winning (return on capital). These basic constructs dovetail perfectly with the limited attention spans of most business organizations.

"Come on now, you can do it. Just put down those engagement status reports and slowly back away . . ."

Large organizations have limited attention spans, not because executives are "dumb," but because they must spend most of their time building and maintaining the systems that hold tens of thousands of individuals together in pursuit of a common purpose. Businesses cannot chase multiple, subtle, or even long-term objectives—the very act of trying to do so would tear them asunder by overloading these systems.

It follows that, if businesses do not separate, and subordinate, values to value, their performance falters. Evidence on this point from numerous places (the former Soviet Union, China, Europe, and U.S. states like Massachusetts and California) and numerous industries (airlines, coal, steel, and automakers) is clear. Forced by convention or law to embrace values such as assuming "mandates" to fund retiree pension and medical benefits, each industry has faltered as its retiree rosters have swelled.

This basic, but brutal, economic reality was obscured in the United States immediately after WWII. Now, however, Europe is rebuilt, the Soviet Union is no more, and India and China are substituting free markets for state socialism. As competition grows, the folly of allowing the federal and state governments to force U.S. companies to mix value and values is becoming clear.

The fact that many U.S. companies willingly chose to assume such burdens has now given rise to a "shareholder value" movement. This financial discipline is pushing business back to the single-minded pursuit of value and away from mushy post-1945 corporate social activism.

(And here, readers, is yet another great consulting opportunity: Smith rejects shareholder value as a performance metric. Why? Businesses that willingly chase values also tend to attract skilled workers at wages lower than those offered by the competition, thus reaping economic gain not captured by shareholder value. Practitioners in the field of socially and environmentally responsible investing have devised measures to remedy this defect. But the first consultant to integrate these measures into shareholder value analysis will "name" the next major consulting framework!)

Meanwhile, business organizations already predisposed to economic value are under pressure from shareholder value advocates to return to their knitting. These institutions are, in turn, the setting for a second, more psychological, element to Smith's analysis.

Most people are born followers. They passively absorb social values from the environment. They do not develop such values or value systems for themselves—as born leaders do. For each Plato, Confucius, Buddha, Luther, Mill, Marx, Mao, or Ghandi arising to challenge the social values of their time and place, there are 50 million or more "followers" content to accept exactly what they are told by the loudest voice that tells it to them.

A follower's typical source of values are childhood experiences from home, school, church, or playground. TV and the Internet might now displace church and playground or sometimes even family. But mass media can offer only "general" direction. More pointed "personal" direction tends to come from the workplace. Why?

Corporate denizens once spent a typical 40 hours a week in Smith's "world of purpose," inside an organization, and then went home to Smith's "world of place," where they could interact with family and friends in churches, malls, bars, or over barbecues. Today, with 60- to 80-hour workweeks, massive immigration, mobility, divorce, and economic stratification of housing into developments where many adults literally don't know a neighbor (much less a pastor), the world of place is increasingly a black hole.

The conclusion is inescapable. Business organizations wired for value, and managers paid to run them, are now the loudest voice of any values for millions of followers predisposed to hear them. Cut off from other sources of values, these denizens of the world of purpose get just one unsubtle message: Value counts, values do not.

The implications are striking and somewhat frightening. If the followers don't wise up, their employers will come to "own" their hearts and minds. Welcome the return of feudalism! (This is, of course, not a new idea. Union organizers spread this message at the beginning of the last century. But the more things change, the more they stay the same.)

How "true" is Smith's argument? I cite my own experience of community to suggest that it is far more real than is desirable. As an organization development consultant of German and Scot ancestry, the Mennonite religious tradition, a colony upbringing, and with an abiding interest in community political activism, I violate most of Smith's assumptions about the business elite.

First, Germany and Scotland are states of mind—not of place. The former is so because its borders keep moving; the latter is so because many residents left after the English—(and warm beer)—arrived. In Smith's terms, Germany and Scotland are anachronistic (ethnic) holdovers from the world of place. But they seem to be maintaining cohesion in the world of purpose; as are Israel, Ireland, and Norway—all with large expatriate populations in their cultural traditions.

Second, Mennonites are taught that "profit" is a dirty word. We are always ready to help our neighbors—wherever we might be. Smith says this is behavior that doesn't occur anymore. (Maybe not in his neighborhood . . . if so, he should consider moving!)

Third, my rather unusual hometown (a Mennonite colony in transition to a mixed population) operates community-owned water and fire services, has a community thrift shop, and recently raised funds for a community hall. (Smith might say that I was born in Brigadoon; except that, unlike residents of that mythical place, I can leave as often as I like. It runs on without me.)

And fourth, as a lifelong political activist, I am helping to build a new civic political party in the town where I now live. This group will mobilize residents from divergent economic, cultural, and social perspectives to vote for leaders capable of knitting them together to deliver services. (Smith might call me a counterrevolutionary. I say, that while he might be right in the long-run, I will get better garbage collection next week!)

Smith might also tell me that I don't exist. And, regretfully, he is right. There are fewer and fewer businesspeople willing to engage in civic organizations. I have to work harder every year to even get them to go out to vote. The world of purposes looms; the world of places is fading.

So what can be done to adjust? Smith offers two chapters worth of ideas—most of which can be summed up in a few words: Embrace change; understand where levers of influence reside (in markets, networks, and organizations, not neighborhoods or governments); and remember that business is subject to some of the same forces as general society.

It is a paradox and the very height of irony. But even as the business elite belts out the mantra of shareholder value, and contending voices pushing other values fade away, business has to adjust—to the new flood tide of information. Data is seeping from locked files into networks and onto the Internet; as it does, the top-down control so long associated with management is ebbing. At the moment of its triumph, suborning churches, schools, and even the state itself, management must democratize the enterprise—or witness its demise.

Corporate autarky (isolation) was always a myth. Now, management hierarchy is collapsing, infected with the virus of empowerment riding on high-speed Internet connections into every corner of business. As social employee networks form around physical computer networks, they can supplant formal management hierarchy; becoming a potential successor to the community structure once found in physical neighborhoods out in Smith's world of places.

Employees can use empowering tools like company intranets and the Internet beyond to take control of the new workplace and force employers to reintegrate value and values. How?

Smith calls it "networking with purpose." This is how IBM employees forced former CEO Lou Gerstner to back down in trying to collapse their traditional pension plan around them—after first forcing Congress to hold hearings on the subject. This is how Delta Airlines pilots managed to stymie management's attempts to impose major work-rule changes on them without consultation.

Thus far, these "sparks" of a new employee consciousness in the workplace have been fitful. But they promise to expand as people wake up to the new reality.

Consultants will find that management needs their help at numerous corners and potholes in the road between the world of places and the world of purpose. Perhaps much good will flow, to all sides, as reintegration of value and values takes place.

This is Doug Smith's final message—one of hope that the pending train wreck can be averted. (But please, Doug, find a better editor for your next book!)

G. Bruce Friesen (GBruceF@telus.net) is C2M's "From the Lab" columnist and an independent organization development consultant. He resides in Burnaby, British Columbia.

The Innovator's Solution: Creating and Sustaining Successful Growth

Clayton M. Christensen and Michael E. Raynor (Harvard Business School Press, Boston; 2003; ISBN 1-57851-852-0) $29.95

REVIEWED BY BLAISE J. ARENA

Early in my career, when I was a research chemist, I had a boss whose imagination was in constant motion and he expected the same imaginative activity from his stable of young researchers. In fact, he selected the members of his group based largely on this quality. Innovation was the goal—the new product or process. I was pretty good at this, and drawing on the vast richness of chemistry, I was able to conjure up lots of "wild" new ideas and test them in the lab. Some actually worked!

Of course, the ultimate goal of all this was to come up with new products or processes for my company to commercialize and profit from. As the years went by, I saw many of my ideas, and those of my colleagues, funded for further development. Yet, few ever reached commercial reality and fewer still ever reached the level of truly innovative, disruptive technology. Over time, this became a discouraging experience and I eventually learned that exciting ideas are easy to come by but hard to convert to a commercial innovation. The company learned this too. Little or no effort had been made to sort out the few opportunities with the highest potential by evaluating their anticipated markets. By the time the business case was made or rejected, a great deal of R&D resources had already been spent. Not surprisingly, company management became disenchanted with this kind of approach and things changed.

Gradually, the company moved to the opposite extreme by instituting processes for evaluating new ideas for business potential that were so onerous that many truly innovative ideas were just left in the file drawer. And, those that were funded for further development were often ones that had been supported by wildly "imaginative" business projections. Impossible market predictions were made, as were wishful assumptions about unanswerable technical questions. This approach gave management the illusion of providing a quantitative basis for R&D decisions. But, the results were no better.

Many companies are frustrated in trying to understand how to evaluate new ideas for their innovative potential to disrupt the marketplace. Then, if an innovative technology is identified, the challenge becomes how to commercialize a disruptive technology within the traditionally oriented business organization.

In 1997, Clayton M. Christensen of Harvard Business School published *The Innovator's Dilemma: When New Technologies Cause Great Firms to Fail* (Harvard Business School Press, reviewed in *C2M*, March 2001). This was the most in-depth, articulate description I had ever read about the challenges of commercializing innovative products. It put my experiences as a research chemist into perspective and showed that the complexities of the situation were much greater than I could see then. That book is "must" reading for all business and product development managers, as well as for those consultants who hope to offer any assistance to them.

Now, Christensen and Michael E. Raynor (a Director at Deloitte Research) have written the required sequel to the first book. After a lengthy recap of the initial "dilemma," it offers an equally in-depth and articulate discussion of how to approach the challenges of commercializing innovative, disruptive new products.

The authors' dilemma, reduced to its essence, is that "the innovations that can satisfy investors' demands for growth require taking risks that are unacceptable to those same investors."

If you define "investors" in the broadest sense to include the organization's internal investors—meaning management's commitment of internal resources to new projects—it becomes clear that this dilemma may apply to all facets of all organizations. It can apply to all levels within the organization, and it can apply enterprisewide or locally. Thus, it is a core issue.

The authors show that most companies fail most of the time at innovation and are unable to sustain growth. But, the authors reject the usual explanations for this failure: bad managers, risk aversion, and the idea that innovation is unpredictable. Rather, the authors focus on the forces that act on managers who are involved in building and growing businesses. These forces are so powerful that they dictate the behavior of even the best managers. One example of such a force is the conventional wisdom that management must tune itself to the needs of the company's most influential customers. This is sensible when making incremental product improvements, but when innovative, step-change growth is desired, the existing customers are often not capable of recognizing the potential value of a true innovation.

Rather than depend on traditional customers, the authors offer three provocative litmus tests to determine if new product ideas have innovation potential. Here they are, with a couple of corollaries:

1. Is there a large population of people who historically have not had the money, equipment, or skill to do this thing for themselves, and as a result have gone without it altogether or have needed to pay someone with more expertise to do it for them? And, to use the existing product or service, do customers need to go to an inconvenient, centralized location?

2. Are there customers at the low end of the market who would be happy to purchase a product with less (but good enough) performance if they could get it at a lower price? And, can we create a business model that enables us to earn attractive profits at the discount prices required to win business of these over-served customers at the low end?

3. Is the innovation disruptive to all of the [current] significant . . . firms in the industry? [However, if it helps one of them], then the odds will be stacked in that firm's favor, and the . . . entrant [with the disruptive technology] is unlikely to win [much market share].

The authors assert that if an idea fails the litmus tests, it cannot be shaped into a market-disrupting product. Many real-world case histories are given to illustrate this, including Xerox ink-jet printing, Hitachi air-conditioning, and Internet online banking. The analysis of the innovation of cardiac angioplasty and its disruptive effect on the open-heart surgery "market" is particularly fascinating.

In Chapter 7, Christensen and Raynor ask: "Is your organization capable of disruptive growth?" This question continues a discussion first raised in the *The Innovators Dilemma* about capabilities and what that term really means within the modern organization. The authors define it to include three core characteristics:

- *Resources:* People, equipment, technology, brands, cash, and customer relationships—that is, people or things that can be hired or fired, bought or sold.
- *Processes:* The internal patterns of interaction, coordination, communication, and decision making.
- *Values:* The standards by which management and staff make prioritization decisions—such as the determination that a particular customer is more, or less, important than another, or whether a new product idea or business opportunity is attractive or consistent with the company's values.

> "Managers whose organizations are confronting opportunities to grow must first determine that they have the people and other resources required to succeed. They then need to ask two further questions: Are the processes by which work habitually gets done in the organization appropriate for this new project? And, will the values of the organization give this initiative the priority it needs? A primary reason successful innovation seems difficult and unpredictable is that firms often employ talented people whose management skills were honed to address stable companies' problems. And often, managers are set to work within processes and values that weren't designed for the new task."

After defining organizational capabilities, the authors go on to show how to choose and tune these capabilities to achieve success in commercializing an innovative product. And they include a discussion about the special case of *acquiring* the required new capabilities and the importance of properly exploiting these either within or outside the existing organization.

The Innovator's Solution is a book densely packed with information and in-depth analysis; all are supported by referenced research studies and actual case histories. The book does not offer mere buzzword slogans that so often become the latest fad in business management thinking. This is solid, useful, thought-provoking information and is essential reading for all business managers.

The Innovator's Solution is also essential reading for any consultant who hopes to assist a client company in new product evaluation or development, market assessment, change management, acquisitions or human resources development. The book is especially valuable for those consultants who have little or no experience actually working for a large organization. Studying the insights provided by Christensen and Raynor into how companies really operate and "think" can help fill that experience gap and make you, the consultant, even more valuable.

Blaise J. Arena (blaisearena@yahoo.com; www.imcchicagoland.org/memberpages/blaisearena.htm) is an independent business development consultant based in Chicago who specializes in international alliance management, technology evaluation and commercialization, and intellectual property management.

Rasputin for Hire: An Inside Look at Management Consulting Between Jobs or as a Second Career

Michael A. Goodman (Dialogue Press, Westport, CT; 2004; ISBN 0-9702088-1-2) $19.95

Inside the Minds: Leading Consultants

Frank Rooney, et al. (Aspartore Books, 2001; ISBN 1-58762-059-6) $27.95

McKinsey's Marvin Bower: Vision, Leadership, and the Creation of Management Consulting

Elizabeth Hass Edersheim (Wiley, Hoboken, NJ; 2004; ISBN 0-471-65285-7) $29.95

REVIEWED BY FIONA CZERNIAWSKA

Jack Welch, Sam Walton, Rupert Murdoch . . . The shelves of bookstores are sagging under the weight of celebrity business autobiographies. Heaven help us: you can even buy *Go: An Airline Adventure.*

But where are the lions of the consulting industry? There's certainly no shortage of good stories to tell; after all, we could have been treated to Rajat Gupta's *McKinsey in the Era of Enron* or Doug McCracken's *Deloitte to Braxton and Back Again.* The possibilities are endless, so why the deafening silence?

Michael A. Goodman, author of *Rasputin for Hire*—an entertaining if not exactly profound look at consulting as a career—would probably say it is because the role of the consultant is to advise, not to lead. Rasputin was, of course, a power behind the throne, not on it: "the Tsarina sought his advice on how to run, whom to trust, or how to handle specific problems. She wanted his advice and guidance."

It's not just the traditional, advisory function of a consultant that causes a low profile, but also the danger of hubris. In Rasputin's case, for example, things started going horribly wrong—and we're talking about ignominious death here, not just a consulting project off the rails—when Rasputin in effect went public. *Rasputin for Hire* reprises the monk's story in that of Greg, a latter-day consultant. Goodman writes that Greg's success with clients provoked envy among his colleagues: "They were constantly being compared to the 'brilliant consultant' and coming up second best. They had to find a way to remove him or they'd live in his shadow forever [and] came up with a plan, arranging to give Greg an important assignment that no consultant possibly could deliver. When he failed, they used it as proof that 'the magic was gone' and Greg was back on the street. . . . From a career standpoint he was finished. No client would hire the high-profile consultant who lost his touch and failed." In an industry where collegiate culture remains strong, there's a tension between the desire of individuals to promote themselves and the need for a firm to ensure it's not overly dependent on a small number of star performers. Puffing up your personal brand provokes criticism from your peers and invites failure. Thus, the greats of our business are largely unknown outside their small circle of colleagues and clients.

Inside the Minds suggests a third reason for the dearth of blockbuster consulting bios—that consultants are too busy focusing on their clients to spend time building up their reputations. Part of a series subtitled *Real World Intelligence from Industry Leaders,* this book is a collection of essays written by senior figures in major consulting firms. It offers much sound common sense but little rocket science. For example: "The art [of consulting] is really about both good listening and having a point of view on what to do and how to do it," writes Frank Rooney, General Manager of IBM's Business Innovation Services.

For a book that aims to paint a broad-brush picture of the consulting industry from the perspective of leaders, there's surprisingly little said on the subject of leadership. From what there is, we can infer that the leaders of consulting firms should: have "commitment to and conviction in the direction you're taking your company in" (David Frigstad, Frost & Sullivan); be "servant leaders [doing] everything they can to ensure the success of their organization"; and be able "to earn the respect of their employees and provide an environment that fosters every individual's growth" (John C McAuliffe, General Physics Corporation). Only Pamela McNamara at A.D. Little exhibits some recognition that leading consultants do not necessarily make effective leaders: "Applying our own insights and experience to ourselves, however, is easier said than done for organizations more accustomed to dispensing advice than receiving it." Consulting firms, she believes, have an "inherently outward professional focus" that makes them reluctant to concentrate on internal issues. That includes leadership development in most firms, and reputation-building for individuals.

If Rasputin is history's reputation *noir,* then Marvin Bower is consulting's *éminence grise*. Bower epitomizes someone who wielded unofficial power through others, often privately, even secretly. Even so, he's perhaps the most famous "lion" the consulting industry has produced.

McKinsey's Marvin Bower is undoubtedly a labor of love, undertaken by someone who knew Bower as a friend and colleague; it is meticulously researched and engagingly written. Bower joined McKinsey in 1933, when it was "a nearly defunct accounting and engineering firm," and when he formally retired in 1992, the firm employed about 2,500 consultants. There's no question that Bower fitted, indeed exceeded, the model of leadership suggested by the leading consultants of *Inside the Minds*. He believed that McKinsey's reputation would come from "putting client interest first, conducting themselves ethically at all times, only taking on work where they knew they could provide true value, and maintaining their independence by always telling the truth." Pursuing his commitment to work only for chief executives—"the integrative force in organizations"—he turned down work from presidents of business. He refused to work for Howard Hughes because he didn't agree that the problem highlighted by Hughes was the most pressing one facing his business. Rather than take the firm public (as Booz-Allen & Hamilton had done in 1970), he sold his stock back to the partnership at its book value: "My purpose," he said later, "was to establish a firm that would live on after me."

In a 1953 presentation, he said: "We are what we speak—it defines us—it is our image. . . . We are management consultants only. We are not managers, promoters, or constructors." It was always "we" with Bower, never "I"; he even spoke of the firm as having a personality into which the egos of individual partners were subsumed. Yet he was highly influential: Faced with a problem, Edersheim—like many others who remember Bower—still asks herself what Bower would do in those circumstances. Outside McKinsey, Bower's impact has been, if anything, even more profound. We can trace back to him the way in which the consulting industry, in contrast to other professions, evolved around professional firms, rather than around individual professionals. Of course, the irony here is that the well-known and very influential Bower himself resisted all attempts at a personality cult, famously refusing to change the name of McKinsey & Co. because he didn't want to give clients an incentive to demand his input, rather than his colleagues'. Even so, here is one leader in management consulting about whom we have a book.

But hang on, I hear you say; what about the likes of Michael Hammer or Jim Collins? Surely gurus like these are the de facto leaders of today's consulting industry? Yes and no. There's no question that such figures provide "thought leadership"—what they say attracts the attention of clients and provides a launching pad for consulting services. But that doesn't necessarily equate to people or moral leadership. While their ideas may create entire consulting markets, they are rarely the ones to implement their ideas. They don't deliver in the same way or the same thing as management consultants do.

And delivery is important. Clients want leadership from consultants. They want them to stand up and be accountable for the results of their ideas. Obviously, this is important if you're delivering a high-profile, multimillion-dollar new system or engaged in the transformation of an entire enterprise, but I'd argue it's equally true for smaller, advisory projects. Clients want consultants to lead their teams, however small, not just stand preaching, hedging, avoiding commitment, and equivocating on the sidelines. They want thought leadership but also tangible and measurable returns from that.

By that measure, many of the thought leaders—who do have best-selling books and appear to be the lions of the industry—are not actually management consultants. They don't really consult with clients so much as preach to them, lecture them, and speak to them in groups. They deliver monologues, not the dialogical work that separates true consulting from public speaking and writing.

So, there are good, laudable reasons why our stores are not stacked with the biographies of leading consultants—their advisory role, the collegiate atmospheres, the primary focus on clients, the very nature of professional consulting firms, and the distinction between those who teach and those who consult.

But (and isn't there always a but . . .) I'm left wondering whether this modest, inclusive approach is appropriate to all parts of the consulting industry today. The advisory work that continues to be McKinsey's raison d'être today is only part of what consultants do. When it comes to systems implementation, driving costs out of a complex supply chain, or helping an organization outsource a business process, clients may need more in the way of overt leadership. They may need consultants with a vision and an ability to move heaven and earth to achieve it.

Modesty may have gotten the consulting industry to where it is today, but surely we need lions to take us where we have to go tomorrow.

Fiona Czerniawska (www.arkimeda.com) is the founder and managing director of Arkimeda, a firm that specializes in researching and consulting on strategic issues in the consulting industry. Her most recent book, Management Consulting in Practice: Award-Winning International Case Studies, *was published in September 2004.*