Managing Change, Creativity & Innovation

5th Edition

Patrick Dawson, Constantine Andriopoulos & Steven Pattinson

Sage

1 Oliver's Yard
55 City Road
London EC1Y 1SP

2455 Teller Road
Thousand Oaks
California 91320

Unit No 323-333, Third Floor, F-Block
International Trade Tower
Nehru Place, New Delhi – 110 019

8 Marina View Suite 43-053
Asia Square Tower 1
Singapore 018960

Editor: Emma Yuan
Editorial assistant: Charlotte Hegley
Production editor: Sarah Cooke
Marketing manager: Lucia Sweet
Cover design: Bhairvi Vyas
Typeset by: C&M Digitals (P) Ltd, Chennai, India
Printed in the UK

Library of Congress Control Number: 2024934792

British Library Cataloguing in Publication data

A catalogue record for this book is available from the British Library

ISBN 978-1-5296-6723-3
ISBN 978-1-5296-6722-6 (pbk)

To my grandchildren Elliot, Heidi and Naomi Dawson and Otto and Finnegan Nicholls

and

To Lydia Andriopoulou

and

To Deb, Cam, Luke and Nick Pattinson

Contents

List of figures

List of tables

About the authors

Patrick Dawson is Emeritus Professor at the University of Aberdeen. He holds a PhD in Industrial Sociology from the University of Southampton and during his early career worked at the University of Surrey and the University of Edinburgh. He moved to Australia in the 1980s and took up a lectureship at the University of Adelaide. In 1997, he took up the Salvesen Chair in Management at the University of Aberdeen, where he undertook senior administrative roles including Director of Graduate Studies and Head of the Business School. After a sabbatical in 2005, Patrick reduced his time at Aberdeen and took up a professorial appointment at the University of Wollongong (2006–16) and the University of Adelaide (2017–19), regularly travelling between the two countries. He has held visiting professorships at Roskilde University, Lund University and the Danish Technical University, as well as an adjunct professorship at Monash University.

In extended case study research in the UK and Australia, Patrick has been actively engaged in longitudinal studies on innovation and change for over 40 years in a range of organizations, including Pirelli Cables, British Rail, General Motors, Hewlett Packard, the CSIRO and Micro-X. Many of these funded projects were collaborations with scholars from other universities, resulting in the publication of over 60 refereed journal articles, 14 books, 50 book chapters and numerous conference papers.

Constantine Andriopoulos is Professor of Innovation and Entrepreneurship and the Associate Dean for MBA Programmes at Bayes Business School (formerly known as Cass), City, University of London. He holds a PhD in Marketing from the University of Strathclyde and has previously worked at the University of Strathclyde, the University of Aberdeen, Brunel University and Cardiff University.

His research focuses on how organizational paradoxes enable innovation in a diverse range of contexts. In particular, he studies how companies in high-velocity markets can excel at both incremental (exploiting current capabilities) and discontinuous innovation (exploring into new space). He also studies the role of curiosity in organizational life.

His research, funded by the Carnegie Trust and the Institute for Innovation & Information Productivity, has been published in leading academic journals such as *Organization Science*, *Journal of Product Innovation Management*, *Human Relations*, *California Management Review, Long Range Planning*, *Journal of Management Inquiry*, *European Journal of Marketing*, *European Journal of Information Systems, International Small Business Journal* and *International Marketing Review*, among others.

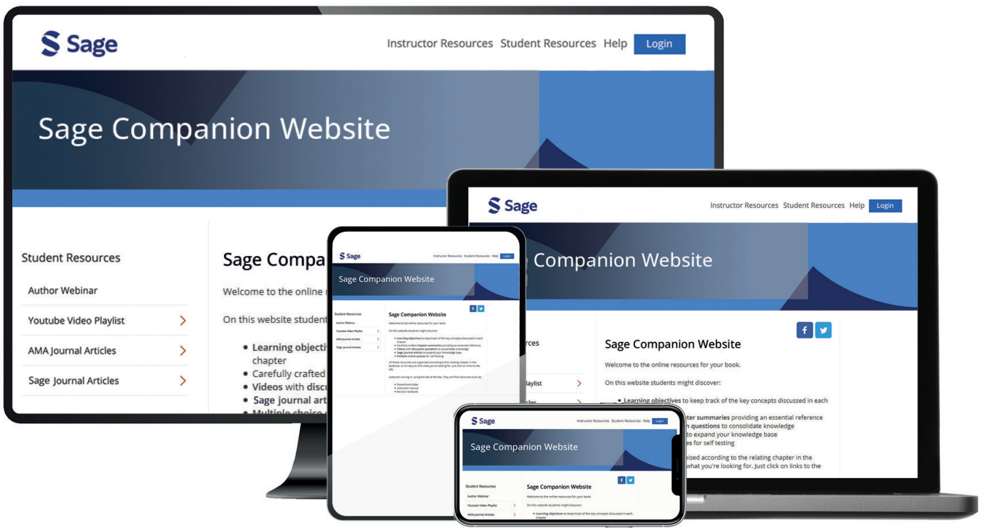
Steven Pattinson is Associate Professor of Entrepreneurship at Newcastle Business School, Northumbria University. He holds a PhD in Innovation Management from the

University of Teesside, and has previously worked at Newcastle University, University of Sheffield and Sheffield Hallam University.

His research interests lie in the area of entrepreneurship and innovation, with a focus on value creation in science-based, high-technology SMEs. Steven's research extends into other fields such as sociology, psychology, education and research methods – and across other contexts, including industrial marketing, organization studies and cross-cultural management. He is interested in the use of storytelling and sensemaking in the construction of coherent accounts of the world.

He has published in leading journals including *British Journal of Management, Management Learning, Industrial Marketing Management, Journal of Management Inquiry, Journal of Small Business and Enterprise Development, Thunderbird International Business Review, Journal of Knowledge Management* and *International Journal of Entrepreneurship and Innovation*.

Companion website



Visit **https://study.sagepub.com/dawson5e** to set up or use your instructor login to access the following resources:

- A comprehensive new **Instructor's Manual** containing chapter summaries, case study teaching notes and solutions, ideas for tutorials and seminars, and exam questions.
- Improved **PowerPoint slides**, including useful figures and diagrams from the book, which can be adapted and edited to suit your own teaching needs.
- **Testbank** with multiple choice questions that can be used for assessment.
- Additional case studies with links to relevant **Sage Business Cases** and accompanying teaching notes.

Acknowledgements

This book draws on research carried out by the authors in a number of organizations over many years. The first acknowledgement must therefore go to the organizations that we have worked with. Their time and expertise have been critical in helping us deconstruct and demystify processes of change, creativity and innovation. We would like to acknowledge the openness of these companies in allowing us access to do research, as well as the enthusiasm of many people in relaying their work experience and in being available for individual and group interviews.

In our teaching and discussions at the undergraduate and postgraduate level through to conference papers, journal articles and debates with academic colleagues, we have been able to refine and develop the presentation of what are extensive fields of study into what we hope is a highly accessible and readable textbook. To our academic colleagues and friends who have reviewed this and earlier editions of the book or engaged in ongoing conversations around new ideas and formative concepts, we offer our thanks. These include Richard Badham, David Boje, David Buchanan, Bernard Burnes, Kathryn Charles, Stuart Clegg, Lisa Daniel, Robin Dawson, Ziyun Fan, Jane Farmer, Karin Garrety, Liv Gish, Heather Marciano, Muyyad Jabri, Anne Langley, Peter McLean, Ian McLoughlin, Christopher Medlin, Steven Pattinson, Marek Piechocinski, David Preece, Julian Randall, Stephanie Reissner, Jonathan Scott, Christopher Sykes, Susan Thomson, Suzanne Watchurst, Eden Weibe and Michael Zanko. We would also like to give broad acknowledgement to all our students (undergraduate, postgraduate taught and PhD) for their useful feedback during the many hours spent in lectures, tutorials and one-to-one debates.

There are a number of close friends who have offered advice and motivation in initiating, writing and completing the book whom Costas would like to personally acknowledge: Philippos Kassimatis, Dimitris Papageorgiou, Marianne Lewis, Caroline Wiertz, Ruben van Werven and Ella Miron-Spektor. Thanks, also, to Manto for being a supportive wife and academic colleague who has shown considerable patience and understanding during the project, and for her help with proofreading various versions of the book.

Steven would like to thank Patrick and Costas for inviting him to join them as a co-author. He also offers his thanks for the support and encouragement provided by colleagues and students at the Northumbria University. In particular, he would like to thank his fellow Heads of Education, Kate Black and Gill Forster for their support and advice. Thanks to David Hart and Rebecca Prescott for their case study contributions in this latest edition of the book. Steven would also like to thank the many friends, colleagues and co-authors who have provided advice and support over the years. They include Saleh Bazi, David Brown, Emily Buchnea, Gosia Ciesielska, Phil Coombes, James Cunningham, Nadja Damij, Mark Davies, Michael Ehret, Nicole El Maalouf, Ziad Elsahn, Jarna Heinonen, Rebecca Hilliard, David Irwin, Paul Lassalle, Adam Lindgreen, Chris Low, John Nicholson, Bob Newbery, Kristiina Niemi-Kaija, Alain Nkusi, David Preece, Paul Ryan, Jonathan Scott, Chander Velu, Don Webber and Rob Wilson. Finally, and most importantly, to my wife Deb, and our children – Cam, Luke and Nick – for your love and support during my academic journey, I thank you.

Patrick would like to thank all those who have spent many hours walking in the Scottish Highlands and along Australian coastal or bush tracks, or simply enjoying a leisurely drink whilst conversing and discussing the many facets of life and academic scholarship. They include Lisa Daniel, Blair Forrest, Ziyun Fan, Martin Foyle, Ken Hathaway, William Lewis, Paul Luff, Peter McLean, Ian McLoughlin, Richard Owens, Steven Pattinson, David Preece, David Reid, Brenda Remedios, Johnathan Scott, Christopher Sykes, Leanne Taylor, Susan Thomson, Stephen Vorley, Kristian Wasen, Suzanne Watchurst, Christa Wood and Michael Zanko. Love and appreciation go to all of the family spread throughout the world, especially Rosie, James, Otto and Finnegan Nicholls, and Nichols Susan Thomson in Nowra, Robin, Julia, Elliot, Heidi and Naomi Dawson in Berlin, Gareth Dawson in Eindhoven and Nigel, Karen, Jade, David, Richard and Elizabeth Dawson in various parts of England. Finally, for the loss of my Mum, Dee Dawson, who died on Tuesday, 9 July 2019 – just a few days before her 96th birthday – I send the deepest love as I continue to relive fond memories of our regular trips and excursions to excellent restaurants, great wineries and quirky cafes around the world.

We would like to thank our publisher, Sage. Especially Charlotte Hegley, Amy Minshull, Ruth Stitt and Emma Yuan for their support in monitoring and steering the manuscript along the road to publication, also to Sarah Cooke and Mary Dalton for the professional and efficient way that they managed the production and copyediting process, and to our anonymous reviewers for their useful thoughts and feedback on how to improve the fifth edition.

Praise for previous editions

'With each successive edition, this book just gets better and better. It is essential reading for anyone who has an interest in managing and changing organizations, whether they be students, academics, managers or consultants.'

Bernard Burnes, Chair of Organisational Change, Stirling Management School, UK

'This book does a masterful job of promoting critical thinking to managing change and creativity.'

David M. Boje, Regents Professor and Distinguished Achievement Professor in Management Department, New Mexico State University, USA

'For students and practitioners, this is a benchmark text on the process of organizational change. Why do many planned changes fail to meet their goals? Change management is often presented as a reaction to business problems, but change can also be proactive, driven by entrepreneurship, leadership, creativity and innovation. Combining these perspectives in a processual framework, this text offers fresh explanations, beyond oversimplified guidelines and complex theories, with new case studies and updated material. The authors present a cross-disciplinary set of models and techniques in a style sensitive to corporate, managerial and individual concerns.'

David A. Buchanan, Emeritus Professor of Organizational Behaviour, Cranfield University School of Management, UK

'By adopting an explicitly processual and temporal stance, Dawson and Andriopoulos go beyond simple prescriptions to conceive change, innovation and creativity as continuously inter-weaving and co-emergent dynamics of social engagement. This novel perspective not only has potential to liberate students and researchers from the constraints of overly abstracted thinking, but it also resonates strongly with the lived experiences of practising managers.'

Dr Barbara Simpson, Professor of Leadership and Organisational Dynamics, Strathclyde Business School, UK

'Dawson and Andriopoulos' book makes a significant contribution to the scholarly literature on organizational change. This well-written and comprehensive book highlights the critical importance of analyzing interactions between individual, group, temporal, and environmental factors throughout the process of organizational change. Presented in an interesting and highly readable style, this book will be of considerable value to students, scholars and business practitioners alike. Highly recommended.'

Dr Kenneth J. McBey, Professor of Human Resources, Disaster & Emergency Management, and Public Policy Administration & Law, York University, Canada

'Previous editions of this book have been widely praised and rightly so. In this new version significant updates and additions have been made to ensure critical engagement with key conceptual advances, contemporary debates and practical insight. As such *Managing Change, Creativity and Innovation* deserves to remain the source of choice for the thoughtful and reflective student of innovation or change practitioner.'

Ian McLoughlin, Professor of Management, Monash University, Australia and Visiting Professor, Warwick University, UK

3

A brief history of management thought in the development of concepts, theories and business practice

We cannot fully understand the present without know something about the past … Too often in the modern world, we fall victim to the belief that the past is somehow less than relevant, that the pace of technological advances, globalization and so forth mean that the world today is so different from the world of the past that we have little to learn from the latter … One of the paradoxes of management is the need to focus on both continuity and change, simultaneously. To neglect change in favour of continuity risks falling under the dead hands of tradition and stagnation; but focusing only on change and dismissing continuity poses the equal risk of a continuous and ultimately destructive reinvention of the wheel. (Witzel, 2017: 5–7)

Learning outcomes

Reading this chapter will enable you to:

- Understand how theory is historically located and links with practical business problems.
- Appreciate the importance of the Industrial Revolution to the growth in international trade and the emergence of contemporary business organizations.
- Overview the historical movement between approaches that focus more on mechanisms and systems and those that engage more with human behaviour and processes.

(Continued)

- Outline the rise of consultant and guru management literatures and the promotion of popular ideas including best practice recipes and the need to upturn conventional assumptions in the reinvention of management.
- Examine contextual trends and prospective scenarios that raise future challenges in a transitional digital world where jobs are becoming increasingly precarious and the disparities in income and wealth are widening.
- Identify and clarify the importance of history and context in the generation of new ideas, concepts and theories.

Introduction

Understanding historical developments is important as it enables insight into why some ideas – within a certain context and time – are taken up whilst others simply fall by the wayside (see Shafritz et al., 2015). It also broadens our knowledge of management concepts and principles that enables identification of 'new ideas' which are merely old ideas repackaged and rebranded in new ways. As Witzel (2012: 4) quoting Mol and Birkinshaw (2008) indicates: 'Management thinkers are very good at reconceptualising old ideas, giving them a new twist and packaging them for an audience that wasn't exposed to the original idea.' This historical overview of the development of management thought and business practice provides a contextual background that informs and supports our discussion of theories and models of change, innovation and creativity in later chapters.

The Industrial Revolution – as a seedbed for change, creativity and innovation – is our starting point in a Cook's tour of business practice and the development in management thinking about how to organize and manage people. As we shall see, different problems, theories and issues arise in different historical periods. There have been a number of attempts to identify turning points in these developments (see, for example, Keulen and Kroeze, 2014; Wilson and Thompson, 2005; Wren and Bedeian, 2009). Many scholars make a distinction between early management thought associated with scientific management (1870–1940s), the social movement associated with the human relations approach (1930s–1970s), modernist thinking associated with contingency theory, culture, management gurus and the rise of managerialism (1970s–2000), and more fragmented, postmodernist, critical management and fusion approaches (1990s onwards). However, many of these categories are problematic. Take for example the historical division between modern and postmodern eras, we would argue that these do not represent distinct historical periods as elements of the former (postmodern) can be traced back to the work of Machiavelli (1469–1527) whilst modernist thinking is still very much in evidence today (Reynolds and Holwell, 2020). Moreover, in seeking to clarify the interplay between theory and practice it is noteworthy how mainstream academia is perhaps less entwined with management thinking and practice in the twenty-first century than it was in the twentieth century; as Burnes and Randall (2016: xiii) note: with the exotic ideas and vocabulary used in recent academic writing 'the gap has grown'. In our historical overview, we have grouped related ideas and movements into eight main categories whilst recognizing that these are not set historical periods but are ongoing (for example, the principles of scientific management are still in wide use throughout the world). The title and principal period of our categories are as follows:

1. The Industrial Revolution (1730–1850)
2. Industrial organization and the coordination and control of work (heyday 1850s–1940s, ongoing)
3. Change and the human aspects of work (heyday 1930s–1970s, ongoing)
4. Sleepers wake: the spectre of technology and innovation (heyday 1940s–1980s, ongoing)
5. Fit for purpose: the rise of contingency theory (heyday 1960s–1990s, ongoing)
6. In search of excellence: recipes for success (heyday 1980s–2000s, ongoing)
7. Guru literature, popularized ideas and the reinvention of management (1980s, ongoing)
8. Prospective futures: new ideas for a global digital economy with advanced technology, precarious employment and declining household income (2000s)

In the sections that follow we provide a selective overview of developments in management thought within the context of wider societal change and innovations at work (see also Burnes, 2017; Tidd and Bessant, 2020). Our intention is to map out a fairly broad historical terrain in charting changes in the context of business and the associated uptake and development in management ideas, whilst also considering the implications of these for understanding change, creativity and innovation (see also Clutterbuck and Crainer, 1990; Hanlon, 2015; Witzel, 2017).

The Industrial Revolution

The Industrial Revolution (c. 1730–1850) began in Great Britain in the 1700s and did not start to influence development and growth in North America until the 1800s. Debate and discussion continue on why this significant revolutionary change occurred in Britain and not in, for example, France or Germany. Many books and articles provide useful summaries of these developments (Ashton, 1998; Goloboy, 2008; Housel, 2009). The enabling factors that they identity as drivers for the British Industrial Revolution include:

- The availability of skills and knowledge that combined with a social system that encouraged and facilitated the cross-fertilization of ideas.
- A growing pool of entrepreneurs excited by innovation who were looking for ways to increase their wealth and standing through good investment opportunities.

- A banking system that supported investment funding.
- An abundance of raw materials, such as coal to fuel steam engines.
- A labour force for the emerging factories in developing towns (there were more people available than were needed to work on the land).
- A well-kept and maintained road and canal system for the movement of trade, further enhanced with the advent of the railways.
- The British government had passed legislation that supported new business ventures with the introduction of a patent system to protect innovations.

The Industrial Revolution provides us with a useful starting point, as it is during this period that new management problems emerged following the rapid expansion of the newly industrialized towns and the rise in factory organization. As people moved off the land into the growing urban centres around Glasgow, Manchester and Newcastle, new forms of industrial organization developed. The rise in commerce and the opening of markets combined with innovations in the use and application of technology. The railways provided the necessary infrastructure for the comparatively rapid transportation of goods and people to stimulate economic growth and new business activities. The steam engine that powered the locomotives revolutionized the textile industry and heralded an era of mass production in which goods, previously the preserve of the rich, became affordable to a new consumption-oriented middle class. Mechanization of tasks previously carried out by skilled artisans marked a radical departure from old ways of working (as illustrated in the textile industry with the introduction of Hargreaves' spinning jenny). In the early cotton, flax and woollen mills machine accidents and industrial diseases were commonplace through poor working conditions, fatigue and ill treatment (Henriques, 1979: 76). Within the factories of this new industrial era the transformation of raw materials into products was largely accomplished by machines rather than by the hands of the skilled worker.

These innovations did not represent the outcome of rapid technological advance, but rather resulted from the bringing together of knowledge, skills and ideas that had been around for decades and even centuries, in new, creative and innovative ways. For example, the development of the steam engine drew on the knowledge of control mechanisms long associated with the craft of creating accurate mechanical timepieces (clocks and watches), the boiler expertise from the brewing industry and the piston technology associated with military cannons. It was in combining some previously discrete forms of knowledge and expertise that marked a radical innovation that was instrumental in moving Britain from a primarily agricultural to an industrial nation. Throughout this period, there was a complex ongoing interplay between socio-political, technological and economic factors in the design, development and introduction of new forms of work organization. The use of steam power to drive machinery was utilized in new forms of transportation that were in turn supported by the abundance of rich mineral resources, especially coal and iron ore. The development of railways, the construction of bridges and tunnels and the building of steam-powered ships were all part of the new Industrial Revolution that swept across Britain and stimulated international trade. In its wake came a new breed of creative entrepreneur who grappled with the problem of how best to manage their new commercial enterprises.

Industrial organization and the coordination and control of work

For the new entrepreneurs and factory owners, the question of how best to coordinate and control the work of labour became a central issue. Their objective of profitability drew their attention to systems that would ensure that workers produced commodities that provided them with a good financial return. Employers were interested in forms of work organization that would transform a worker's capacity to work into actual work, and that the value of the work created by employees exceeded the wages paid out for their labour. On this count, it was Taylor's (1911) principles of scientific management that provided a blueprint on how best to organize work (see also Grey, 2022). His focus rested on the development of new forms of organizing that improved profitability for the employer and simultaneously increased the take-home earnings of employees. He advocated that the systematic study of work tasks – by what he termed 'first-class' workers – would provide information that could be used to design work systems to ensure that employees worked to their full capacity. For Taylor, the main problem centred on setting an acceptable work standard by getting agreement between employers and employees on what constituted a 'fair day's work'; and then to design and implement a system of motivation that would prevent 'soldiering' (what he deemed as a tendency for employees to take it easy and avoid work).

Taylor, born in America (1856–1917), was from an affluent Philadelphian family. He developed a five-step process for the coordination and control of work that rested on:

1. Identifying 10–15 of the most productive workers.
2. Studying their work behaviours and, in particular, their methods of working and their use of implements in carrying out tasks.
3. Timing the movements made in the completion of tasks in order to identify and select the most efficient methods for carrying out tasks.
4. Designing a streamline work system that eliminates all unnecessary movements.
5. Equipping employees with the best implements to carry out a prescribed set of movements in the accomplishment of clearly defined work tasks.

It was the job of management to select and train employees, to provide good working conditions and equipment, and to determine the most appropriate methods of work through the systematic analysis of job tasks. A clear standard of work performance is set and there is a financial penalty for any employee not meeting this standard. The differential piece-rate system proposed by Taylor comprised setting a low rate up to a set standard (based on time-and-motion studies), after which a bonus would be payable on reaching the standard with a higher rate payable above that set standard. His work culminated in a set of principles of scientific management that promoted the replacement of guesswork and rules of thumb with a more scientific approach to the organization and control of work. His aim was to enable each employee to reach their highest level of efficiency that would not only maximize output and increase productivity but also enable employees to benefit from higher levels of pay (advocating a 30–100 per cent increase in pay for a two- to fourfold increase in productivity).

Taylor promoted these ideas by embarking on a consultancy career, and in the publication of *A Piece Rate System* in 1895, *Shop Management* in 1903 and his most famous book *The Principles of Scientific Management* in 1911 (serialized in *The American Magazine*). Through employing his methods in the Manufacturing Investment Company (in which he invested $45,000 of his own money), he demonstrated how the introduction of a differential piece-rate system reduced labour costs and led to a threefold increase in output. His work in the Bethlehem Iron Company and the Ball-Bearing Company provide examples that illustrate the benefits of his approach; for example, the Ball-Bearing case shows how 35 employees – following the application of scientific management techniques to the redesign of work – could achieve work previously done by 120.

This change and innovation in the way work was organized replaced 'rule-of-thumb' methods with standard rates of output fixed to set financial rewards. It assumed that workers would, given the opportunity, restrict output – work-avoidance strategies that Taylor referred to as 'systematic soldiering' – and thus he sought to control and regulate work behaviour through an individual reward system that promoted economic self-interest (Knights and McCabe, 2003: 13). However, the approach over-emphasized the economic orientation of industrial workers and did not take into account the importance of *non-monetary incentives*, especially following economic growth and the movement away from subsistence levels of income among the working population. Nevertheless, elements of scientific management remain influential in the organization and design of work (Merkle, 2022), particularly in the early development and use of continuous-flow assembly lines in the automotive industry (see Littler, 1982; Walker and Guest, 1952), and as Ritzer (2022) points out, it remains within organizations in the digital age.

A healthy car-manufacturing sector is a common characteristic of the strong industrial economies of the twentieth century. Integral to these developments was the continuous-flow assembly line, which refers to the industrial arrangement of machines, equipment and workers that allows for the continuous flow of work-pieces along a moving line of assemblies in the mass manufacture of products. All movement of material is simplified, with no cross-flow or backtracking, and the worker remains in position on the line carrying out a simplified set of repetitive tasks. By 1914, Ford's new plant in

Highland Park, Michigan, was able to deliver parts, sub-assemblies and assemblies (themselves built on subsidiary assembly lines) with precise timing to a constantly moving main assembly line, turning out a complete chassis every 93 minutes. With the mass production of his Model T, Henry Ford demonstrated how this method of large-scale manufacture is able to produce goods previously unavailable, too costly and simply unimaginable to the average working family. During this period, wages increased and markets multiplied with the mass production of standardized affordable goods, as Clutterbuck and Crainer (1990: 32–3) note:

> Mass production, Ford rightly perceived, was the key to achieving uniform products. He believed in providing the market with what it wanted – an affordable practical car … In 1914 Ford promised that if people bought more than 300,000 Model Ts he'd return $50 to every purchaser. Sales hit 308,000 and Ford distributed $15 million.

Throughout the twentieth century, the manufacture of automobiles was a key industry that served as a leading example of technological advancement, innovation and change. Touraine's (1955) study of Renault and the American study by Walker and Guest (1952) both drew attention to employee experience of working under automotive assembly-line production. For Blauner (1964), worker alienation is a consequence of job fragmentation and the simplification of tasks resultant of technological progress. He investigated four industries that represented different levels of technological sophistication. These consisted of printing, cotton spinning, motor cars and petrochemicals. He found that under traditional craft-style industries work retained social meaning, while under mass production (the automotive assembly line) jobs became meaningless and employees felt increasingly isolated, self-estranged and powerless (alienated) from the work they were performing. This concern with the human side of work resulted in the development of theories that set out to tackle this growing problem of worker alienation and motivation.

Change and the human aspects of work

After the Second World War, with the growth in size of the industrial enterprise, economic prosperity and unionization, the 'problem' of dissatisfaction, alienation and industrial unrest became an organizational concern. Essentially, with the advent of relatively full employment since the late 1940s, people were able to find employment and switch jobs (the job mobility of labour increased) and consequently workers felt less compelled to submit to the authority of management (Roethlisberger, 1945: 283–98). Changes in the functional organization of work, and the substantial growth in the collective organization of employees and the power of the shop steward, had shifted attention towards leadership and the management of human relations. The classic study by Roethlisberger and Dickson (1939) into the Western Electric Company, Hawthorne Works in Chicago highlights the importance of social processes in the workplace. Their studies show the benefits of 'democratic' leadership that encouraged employee participation in decision-making. The importance of consulting and listening to employees prior to embarking on change and the need to provide open and accurate information are central tenets of this approach. In viewing industrial organization as a complex social system, the study draws attention to technical innovations and the problems of employee resistance:

> Distrust and resistance to change … was expressed whenever changes were introduced too rapidly or without sufficient consideration of their social implications; in other words, whenever the workers were being asked to adjust themselves to new methods or systems which seemed to them to deprive their work of its customary social significance. In such situations it was evident that the social codes, customs, and routines of the workers could not be accommodated to the technical innovations introduced as quickly as the innovations themselves, in the form of new machines and processes, could be made … Not only is any alteration of the existing social organization to which the worker has grown accustomed likely to produce sentiments of resistance to the change, but too rapid interference is likely to lead to feelings of frustration and an irrational exasperation with technical change in any form. (Roethlisberger and Dickson, 1939: 567–8)

The social context of change and the meanings that employees attach to their work remain an important area of concern (Hodges, 2021) and yet, following the Hawthorne studies, attention switched from more sociological concerns (social relationships and meanings) towards a barrage of psychological studies that examined job satisfaction, motivation and leadership. Knights and McCabe (2003: 19) argue that the Hawthorne studies provided fertile ground for the development of 'management innovation based on a neo-behaviourist model' and that the 'Hawthorne understanding of worker subjectivity was much more complex than the conceptualisations that flowed from those in the new-human relations school' that was to dominate thinking in North America. Within Europe, the influence of Human Relations is evident in the work carried out by the Tavistock Institute of Human Relations that was particularly influential in the 1950s (founded in 1947). Over the years, this consulting and research organization has produced a considerable body of research on the design of work structures and remains active in applying knowledge gained from social science research to contemporary problems and issues (see www.tavinstitute.org).

Sleepers wake: the spectre of technology and innovation

During the 1950s, the Tavistock Institute in the UK embarked on a series of studies into technology and innovation at work. They were concerned with improving the social aspects of working environments whilst at the same time accommodating the use of advanced technologies in the production of goods and services. In reporting on a study into the longwall method of coal mining, Trist and Bamforth (1951: 37) conclude that:

> The fact that the desperate economic incentives of the between-war period no longer operate means a greater intolerance of unsatisfying or difficult working conditions, or systems of organization, among miners, even though they may not always be clear as to the exact nature of the resentment or hostility which they often appear to feel. The persistence of socially ineffective structures at the coalface is likely to be a major factor in preventing a rise of morale, in discouraging recruitment, and in increasing labour turnover.

They discovered that the longwall method of production (the mechanization of work) was not securing the economic benefits anticipated. On the basis of some of their early results (monitoring factors such as output, absenteeism and turnover), Trist and Bamforth set out to test two hypotheses: first, that output shortfall was essentially a technical problem associated with innovation; second, that it was the social shortcomings of the longwall method of coal mining that was restricting output. In testing these hypotheses Trist and Bamforth note that prior to mechanization the technical process of coal-getting had the following cycle of stages:

- *Preparation*: coal cut by hand or undercut and blown down into cleared space.
- *Getting*: coal loaded for removal to surface.
- *Advancing*: roof supports for advancing the coal face and moving forward.

The form of work organization – the social aspect of coal-getting – that accompanied this process was termed ‘composite work organization’. Here one or two self-selected miners worked under their own supervision with picks at the face (up to 11 yards in length) doing all the tasks necessary for each cycle. There was one ‘pay note’ for both miners. However, with mechanization – which involved the use of pneumatic drills and electrical coal cutters to replace picks and the use of conveyor belts to remove coal from the face – a new technical process of coal-getting emerged known as the ‘longwall method’. This enabled the length of face that could be worked at any one time to be increased (to 80–100 metres, hence the term longwall). Introducing new forms of work organization to accommodate this technological change, the tasks involved in each cycle were broken down to constitute the work of separate shifts. In addition, a system of close supervision was set up to ensure the appropriate coordination of each stage in the cycle of operations.

From their analysis, the Tavistock researchers report that there was a misalignment between the technical and social aspects of work. This was most in evidence in a divisive payment system and an over-specialization of work tasks. The new form of work organization was causing sectional bargaining and competition between shifts, supervisory friction and the need for management to negotiate separate wage agreements. In then comparing data from an examination of an alternative social system that had emerged elsewhere, the researchers spotlight the importance of balancing the technical with the social system. The modified version – arising from the recommendations of Lodge, the Union of Miners – was far more productive than longwall methods. This alternative coal-mining operation in Durham involved 'composite working' on 'short walls' by a team of around 40 self-selected miners who carried out all the tasks necessary for the production cycle. Each shift picked up where the other shift left off, then allocated tasks accordingly and operated a single wage agreement.

The existence of another form of *social system* in combination with a similar *technical system* led the Tavistock researchers to argue that whilst the nature of production technology did not directly determine the form of work organization, some forms of work organization provided a 'better fit' than others. In this case, the socio-technical system that produced the best fit arose from the adoption of composite working. This work arrangement was more likely to lead to higher productivity than forms of work organization that broke work down into specialized tasks and subjected employees to direct forms of supervision.

On the basis of these studies, it was argued that change initiatives that focus on either the purely technical or social aspects of work are likely to have limited 'success' as they create a situation where the whole is sub-optimized for developments in one dimension. In Sweden, for example, the success of the work redesign programme at Volvo's Kalmar plant in the 1970s provided a practical example of Social Technical Systems (STS) theory, which was further supported by Uddevalla in the 1980s (prior to their displacement in the 1990s). Since these early achievements, one major criticism of the STS approach has been that whilst it purports to view organizations as organic open systems, key proponents of this approach have tended to look inwards and have consequently ignored the external business market environment. In spite of these criticisms, activity has continued in this area and with the growing uptake of team-based manufacturing, many of these original STS ideas have been further developed (see Clarke et al., 2010; Willcocks and Mason, 1987).

In Australia, the work of Richard Badham has rekindled interest in modern socio-technical approaches through claiming that it is not only necessary to address the interdependent and interpenetrating nature of the technical and the social, but also the change process through which these elements are reconfigured (Badham, 1995: 81). He puts forward a configurational process model in which technology is malleable and socially shaped. Within this model, there are technological configurations (the technical and non-human elements), operator configurations (the social and human elements of work) and configurational entrepreneurs (people involved in the change process) who configure emerging forms through championing certain developments and/or obstructing others. Unlike the traditional STS approach, Badham advances a more contextual and negotiated model in which individuals and groups may shape processes and outcomes of change (Badham, 1995). This shift in emphasis moves attention from a concern with resolving the tensions between human needs and the technical system of operation, towards the contextual process by which these systems come to be designed, implemented and used. However, this perspective maintains a prescriptive intent and action agenda towards both understanding and managing the process in a particular direction (in this the researcher becomes an active change agent and consultant). The tendency is towards less theoretical and more prescriptive models, which may mask a more rigorous analysis of the contextual shaping process and limit theoretical insight (Knights and Murray, 1994: 12).

Fit for purpose: the rise of contingency theory

A theory that has sought to look beyond the organization in accommodating the need for companies to adapt to changing business environments is contingency theory. Originating in the 1960s from the classical studies of Burns and Stalker (1961), Lawrence and Lorsch (1967) and Thompson (1967), the influential approach advocates that the best way to organize depends on the circumstances. The basic theoretical tenet is that, whilst there is no one best way of organizing, it is possible to identify the most appropriate organizational form to fit the context in which a business has to operate (Wood, 1979: 335). Regaining strategic fit with the arrival of a new organizational order is the emphasis of a number of contingency models for managing innovation and change. The contingent factors that are deemed to be of primary significance include either single variables, such as technology (Perrow, 1970; Thompson, 1967; Woodward, 1980), or the environment (Burns and Stalker, 1961; Lawrence and Lorsch, 1967), or a range of elements, such as the relationship between contextual factors and structural variables (see Pugh and Hickson, 1976).

An early study carried out by Joan Woodward and her team identified 11 different types of production system (technology) that organizations use. She grouped these into three main categories, namely: unit and small-batch production systems; large-batch and mass-production systems; and automated continuous-process production systems. Woodward discovered that commercially successful organizations using these production systems tended to have adopted a particular kind of organization structure (she found that successful firms in each technical category had structural characteristics near the average for the category as a whole). She argued that the more technically advanced firms found within the process industry tended to exhibit more harmonious and collaborative systems of employee relations, and that these relations were likely to characterize organizations of the future (Woodward, 1980: 233).

In analysing production systems, Woodward utilizes Robert Dubin's (1959) distinction between, first, the tools, instruments and machines of manufacture (the 'tool' level) and, second, the body of ideas that provides the rationale for the work methods employed and supports the managerial function (the 'control' level) (Woodward, 1980: 248). This led her to develop her work through the construction of a fourfold typology of management control systems, which can be located along two continua. First is the degree to which management control systems are integrated or fragmented; that is, the degree to which control was centralized or spread out across several divisions or departments. Second is the extent to which management control systems were human (personal) or machine-based (mechanical), that is, the degree to which control over employees was exercised directly by supervisors and managers or built into the production itself (Reeves and Woodward, 1970).

From her studies, Woodward found a strong statistical correlation between the type of production system, type of management control system and commercial success. She concluded that the firms that were most successful were those that adapted their management control system to suit their production system. As such, unit or small-batch production systems are best suited to an integrated personal control system: for example, a small business producing single or small runs of products where an owner–manager would control all aspects, functions and employees. Large-batch or mass-production systems were best suited to fragmented control systems of a personal or mechanical type: for example, the larger organization where management functions are distributed across departments and where direct supervision or machines control employees. Finally, process production systems were best suited to integrated mechanical control systems: for example, organizations such as oil refineries where management functions are highly centralized and employees highly skilled.

Woodward noted how these more advanced forms of organization were likely to exhibit the following characteristics:

- *Automated tasks*: key operations, such as the transforming of raw materials, would be incorporated into the system of production. The work tasks of operators would therefore largely centre on monitoring and preventive maintenance in ensuring the smooth and continual operations of production.
- *Multi-skilled workers*: flexible and multi-skilled work teams would be best suited to carrying out work tasks; for example, in control room operations or as maintenance crews. Moreover, these teams would be self-supervising since the key managerial decisions that might require direct management control – such as what work to do, when to do it, how fast to work – are in effect 'built-in' to the system of production.
- *Harmonious employee relations*: the absence of direct supervision of the workforce eliminates a major source of industrial conflict (visible managerial authority), and in situations where employee contributions are valued, industrial relations are likely to be far more harmonious.

These studies argue that structural adjustment should be contingency driven. They claim that a change in organizational circumstance (business market or production system) is likely to cause an imbalance, reducing performance and signalling the need for an adjustment of organizational form in order to restore effectiveness. However, many are critical of the emphasis that contingency models place on strategies for gaining an effective fit between organizational structure and functional performance (see McLoughlin and Clark, 1994; Wood, 1979). For example, Child (1972) questions the contingency-based concept of environment that ignores the role of companies in moulding the views of politicians, influencing legislation and actively shaping the business environment in which they operate. Whereas, MacKenzie and Wajcman (1985) criticize Woodward's use of the concept of technology, claiming that it is 'technological determinist' and downplays the significance of contextual and social factors. On this count, Wilkinson (1983) argues that contingency models are incomplete in elevating technology as a primary determinant; that is, even if not one best way for all it is nevertheless advocating that there is one best way for each type of production system. It is seen to ignore the politics of choice and decision-making, human agency and interpretation (Collins, 1998: 19–20). For Wood (1979: 337–8) the contingency theorist is unable to deal with change and innovation, viewing 'change as essentially an intellectual and technocratic exercise', and arguing that despite its applied orientation it remains too distant, scholastic and abstract to deal with the dynamic nature of change. In short, whilst contingency theories underplay choice and political process (see also Aldrich, 2008: 19–24; Child, 1988: 13–18; Clegg, 1988: 7–12; Karpik, 1988: 25–8), they do accommodate context in recognizing the important relationship that exists between an organization and its environment (see Dunphy and Stace's contingency change framework in Chapter 8).

In search of excellence: recipes for success

In conjunction with the persistence of new forms of scientific management, human relations, socio-technical systems and contingency approaches to innovation and change, a range of consultant-led approaches to managing these processes has also been developed. Following the publication of Peters and Waterman's (1982) best-selling book *In Search of Excellence: Lessons from America's Best-Run Companies*, there has followed a whole plethora of recipe books on how to successfully manage change. Some of the more popular publications have been written by what Huczynski (1993) terms the 'management gurus' and 'celebrity professors' – such as Handy (1984, 1994, 1996, 1999), Kanter (1983, 1989), Kotter (1996, 2002) and Peters (1989, 1993, 1997); as well as those associated with particular movements, such as Crosby (1980), Deming (1981) and Juran (1988) with Quality Management, and Schonberger (1982) with Just-In-Time (JIT). Although it is not possible to detail all these developments here, it is worth drawing out some of the main themes and approaches by some of the more popular management writers.

The book by Peters and Waterman was a landmark publication in capturing the imagination of American managers. This audience was quick to digest proposals that offered a Western route to competitive success. At the time, articles in the *Harvard Business Review* were drawing attention to the productivity gap between American and Japanese workers (see Burnes, 2017) and the success of Japanese manufacturing in the uptake of JIT techniques and quality management (Mitroff and Mohrman, 1987). In using the well-known McKinsey Seven S Framework (strategy, structure, systems, staff, style, shared values and skills), the authors argued against too much analysis and planning (although recognizing that there is the need for some planning) as this can serve simply to block action. They identified eight major determinants of organizational excellence, namely that:

1. Organizations should have a bias for action through encouraging innovation and through an active response to problem situations.
2. Organizations should develop closer relationships with their customers.
3. Organizations should foster and support the entrepreneurial spirit among their staff and aim to increase the level of responsible autonomy among their employees.
4. It is important to treat employees with respect and dignity in order to ensure productivity through people.
5. The values of the organization should be used as a driver for all employees.
6. Companies should do what they know best and should restrict diversification.
7. Flat organization structures and slimmed-down bureaucracies enable greater flexibility and provide for more rapid communication.
8. Companies should adopt simultaneously loose–tight properties through high levels of self-supervision and the development of a common cohesive organizational culture.

As Peters and Waterman state, 'We find that autonomy is a product of discipline. The discipline (a few shared values) provides the framework. It gives people confidence (to experiment, for instance) stemming from stable expectations about what really counts' (1982: 322).

This work, in putting forward a simple recipe for achieving organizational excellence, has proven to be very influential even though the basis of the research is questionable (Collins, 1998; Guest, 1992). Guest provides a damning critique of this study at both a conceptual and methodological level. Methodologically, the selection of excellent companies is questioned as being little more than an ad hoc grouping of senior executives and journalists and, conceptually, it is criticized for assuming that managers can control their own destiny without due regard to various business market and contextual influences (Guest, 1992). Collins (1998: 45) also points out how a number of these companies have since 'fallen from grace'. He indicates that it is unclear 'whether what Peters and Waterman have trumpeted as excellence in management, leading to business success, might more usefully be considered as business success built upon such features as geographic advantage, trade protection, or any one of dozens of environmental and contextual factors'.

During the 1990s, the codified blueprints for implementing particular techniques, such as World Class Manufacturing, Total Quality Management (TQM) and Best Practice Management, largely replaced the broader 'excellence-recipes' of the 1980s. Once again, they downplay the complexities of managing large-scale transitions that incorporate cultural as well as structural change. The dazzling banners that surrounded these techniques for organizational success were attractive in offering simple solutions to complex problems. For example, Tom Peters continued to promote actions for success in books such as *Thriving on Chaos* (1989), *Liberation Management* (1993) and *The Circle of Innovation* (1997). A theme running through this and much of the guru management literature is the need for managers to act as leaders of change and to be proactive in the search for strategies that will make organizations more competitive (Ulrich and Lake, 1991: 77–92; Vesey, 1991: 23–33). A central premise is that companies that are unable to manage ongoing change will cease to exist (Gray and Smeltzer, 1990: 615–16; Peters, 1989). Typically, writers advocate a revolution in the world of management, through the adoption of policies that discard traditional hierarchical structures, rigid bureaucratic systems and inflexible work practices (Dunphy and Stace, 1990: 11–12). For example, Rosabeth Moss Kanter, in her popular book *When Giants Learn to Dance*, claims that competitive corporations of the future must develop a strategic business action agenda. This centres on 'flatter, more focused organizations stressing synergies; entrepreneurial enclaves pushing new stream businesses for the future; and strategic alliances or stakeholder partnerships stretching capacity by combining the strength of several organizations' (1989: 344).

The new bias towards organizational action was seen to rest on an emergent breed of manager whose job involves successfully managing strategic change in work structures, process and product technologies, employment relations and organizational culture. These managers are expected to compete in the new 'corporate olympics' and balance the apparent contradictions between, first, centralizing resources whilst creating autonomous business units and, second, replacing staff through 'lean' restructuring programmes yet maintaining employee-centred personnel policies (Kanter, 1989: 17–31). According to Kanter, there are seven managerial skills required of these new business athletes. These consist of an ability to achieve results without relying on organizational status; to be self-confident and humble; to maintain high ethical standards; to attain cooperative competitiveness; to gain satisfaction from results rather than financial rewards; to be able to work across functions and find new synergies. Finally, there is the need to be aware of the process, as well as the outcomes, of change (1989: 359–65).

The intention behind the listing of managerial competencies is to help managers become 'masters' rather than 'victims' of change. However, Kanter's reliance on metaphors has been criticized: 'clichés and banalities depicted by chapter headings … detracts measurably from Ms Kanter's fervent and sincere hope that America's business community will be energised to change direction to compete and succeed in the current and future global business climate' (Gabor and Petersen, 1991: 98).

Like Kanter, the call for action is also evident in the work of John Kotter (1996), who provides a recipe for successful change and suggests that failure to be proactive is likely to result in business failure. He claims that it is important to push people out of their comfort zones in promoting the significance of change and that it is often complacency and a fear of the future that inhibit successful company transformation. As Kotter states:

> A strategy of embracing the past will probably become increasingly ineffective over the next few decades. Better for most of us to start learning now how to cope with change, to develop whatever leadership potential we have, and to help our organizations in the transformation process. Better for most of us, despite the risks, to leap into the future. And to do so sooner rather than later. (1996: 185–6)

From identifying eight major reasons why transformation efforts fail, Kotter (1996) then turns this around and offers eight key steps to ensuring successful change (this is discussed further in Chapter 8 which also draws on Kotter's [2012] view of an accelerating world). These involve creating a dual operating system and establishing a sense of urgency, forming a powerful guiding coalition, creating a vision, communicating that vision, empowering others to act on the vision, planning and creating short-term wins, consolidating change improvements, and institutionalizing the new approach. For Kotter, a clear vision is necessary for successful change and the focus should be on embracing the future rather than living on past success (Kotter et al., 2021). Similarly, Hamel and Prahalad (1994) argue that the downfall of companies can often arise from the unsupported belief by senior management that past strategies (which proved successful) can pave the way to future success. They suggest that the seeds of company failure arise during the years of company success and point out that the top companies today are often not those who were the top companies 10 or 20 years ago. Two key elements that they identify in competing for the future are, first, the counterintuitive claim that change is central to continuity. In other words, that due to the ongoing nature of change (regulatory change, product and competitor change, and so forth) continuity of the company will necessitate change. Second is that foresight is an essential requirement of companies that wish to influence the future world of business. This may be through creating new markets, services or products, or simply by changing the rules of the game (Hamel and Prahalad, 1994). For these authors, it is the creation of new ideas, their development and use, and the ongoing management of innovation and change that are all central to business success.

All these commentators emphasize the need to question cherished assumptions and to continually engage in critical appraisals on the way things are done. As Nordström and Ridderstråle (2007) suggest, irrelevancy may become a much greater problem than inefficiency and signal the need to break away from the straitjacket of traditional ways of thinking (Hamel, 2011). They highlight the place of imagination and emotion, and stress the importance of knowledge (Nordström and Ridderstråle, 2007, 2004). These authors also draw attention to the need for creativity, innovation and change in securing competitive survival and highlight how assumptions rooted in the past may limit our vision of the future in which we need to be relevant, or become redundant (Witzel, 2012: 234).

Guru literature, popularized ideas and the reinvention of management

The scholarly literature is generally critical of guru approaches (see Collins, 1998; Dawson, 1994) – especially those that offer n-step guides presenting neat sequential prescriptions packaged as simple recipes for success. For example, Collins (2000: 41) puts forward a scathing critique of the gurus' pronouncements, highlighting the contradictions of the practical advice presented that discourages any questioning of underlying assumptions, claiming that the advice offered is 'spuriously practical' and is 'weak conceptually, theoretically and empirically'. He recognizes, however, that the writings of academics have largely remained in the background and that the influence of scholarly research on business has been limited (see also Randall and Burnes, 2016: 1). On this count, Witzel (2017), in a history of management thought, suggests that the emergence of this guru literature has provided more insight than many academic critiques of this work give credit to. He notes how it has served to question the dominance of more positivistic and formalistic approaches to management in questioning some long-held management assumptions. Witzel (2017) argues that gurus such as Tom Peters, Rosabeth Moss Kanter, Henry Mintzberg, Kenichi Ohmae and Philip Kotler were instrumental in overturning previously held assumptions – directing attention towards the need for more leadership and less management, less bureaucracy and more flexibility in encouraging innovation and engaging employees. For Witzel (2017) it is ironic that between 2012 and 2017 in times of contextual upheaval and economic and business chaos no new theories or models of management have arisen. As he states, 'There is no equivalent to scientific management emerging today, nor are there any signs that such a thing will emerge in the near future' (2017: 1).

From this historical overview of approaches we can distil out two ideal-types. The first is a mechanistic characterization that arises from highly regulated efficiency-driven models that emphasize things like standardization, predictability and calculability. The second is a more social participative frame that is humanistic in promoting the need for involvement, task variation, autonomy, well-being, teamwork and open communication (see Table 3.1).

For Kotter (2012), it is not a question of choosing one or other approach but in moving between the two. He advocates the need for a dual operating system. Employees should spend their working day under an operations system that is performance and efficiency driven, utilizing hierarchical structures and regulatory procedures with standardized systems that enable high levels of control and predictability (our mechanistic ideal-type as

Table 3.1 Humanistic and mechanistic ideal-type orientations

Humanistic orientation	Mechanistic orientation
• Autonomy	• Control
• Intersubjective	• Objective
• Lived time	• Clock time
• Processual	• Episodic
• Historical, long-term view	• Present, short-term view
• Involvement, engagement	• Efficiency, profitability
• Autonomy, social justice	• Control, measurement
• Process, journey	• Performance, outputs
• Morality, trust, ethical values	• Low trust, surveillance
• Well-being of others	• Maximizing profits

a modern form of scientific management). After work, employees should spend time reflecting on systems and procedures in order to come up with new ideas that can inform management strategy. Although this 'innovative' attempt to combine the humanistic and mechanistic approach under a dual operating system (described in more detail in Chapter 8) might seem to offer the best of both worlds, there are drawbacks. For example, it places outside pressure on employees and breaks the boundary between work and non-work periods (work–life balance) leading to an overall intensification of work. Hanlon (2016), in his book *The Dark Side of Management*, provides an alternative history of management ideas. He argues that the development of management theory mirrors a war on employees in which management seeks to secure ever more profits whilst worsening the experience of work for employees (Kotter's dual system would be seen to be illustrative of this). Hanlon refers to this as the 'secret history' of the development of management thought.

Hamel (2012) has also called for more innovative thinking in raising concerns over the tendency to use taken-for-granted assumptions in the development of so-called 'new' ideas without considering their validity or usefulness under the changing contextual conditions in which organizations find themselves. In his book *What Matters Now: How to Win in a World of Relentless Change, Ferocious Competition, and Unstoppable Innovation*, Hamel advocates that: 'Our future, no less than our past, depends on innovation' (2012: 42) and that the fundamental make-or-break issues centre on: values, innovation, adaptability, passion and ideology (see Table 3.2). In viewing the single most important invention over the last hundred years as being the invention of management, Hamel suggests that this is now holding us back as we need to radically rethink the way we lead, plan and organize. He claims that most 'new ideas' still remain rooted in twentieth-century thinking (that is, that the various mechanistic management tools and methods which we use today are based on management principles that are legacies from earlier gurus and management thinkers) and that the way we manage has hardly changed even if the techniques have been rebranded and relabelled. He proposes the need for a more humanistic orientation in building organizations that are not only fit for the future but fit for human beings, stating that: 'you can't build an organization that's fit for the future around an ideology that *pre-emptively* and *structurally* empowers the few while disempowering the many' (2012: 188).

Table 3.2 Reinventing management and organizations

Key issue	Substance and action
Values	To develop and maintain high ethical values. A moral renaissance is needed to rebuild trust relationships and engage in a more ethical management practice that supports a humanistic orientation.
Innovation	Innovation is central to company survival and is seem as the main competitive weapon. It is not simply an activity for designated groups but is something that should engage all employees.
Adaptability	Organizations need to be adaptable, quick to change and nimble in an ever-accelerating world.
Passion	Passion motivates people to achieve more in rousing the human spirit. Passion at work is critical as mediocrity is a competitive liability.
Ideology	Organizations need to shift from old patterns of management based on bureaucracy and control (a mechanistic orientation) towards new ideological principles based on freedom and self-determination (a humanistic orientation).

Source: created from work of Hamel (2012).

In moving beyond the legacies of conventional management, Hamel identifies three major challenges in reinventing management. The first challenge is that change has changed, it is fast, unrelenting and ever surprising, accelerating at an exponential pace (examples he draws upon include data storage, internet connections and genome sequencing). The second challenge is hyper-competition where the intensity of competition creates the need for companies to be more creative and innovative. The third challenge is that knowledge itself is becoming commodified and more easily accessed by competitors and hence, it is increasingly difficult for companies to bring something new to the marketplace. For Hamel, the key to these challenges is the development of more democratic organizations in which all employees can engage in processes of creativity and innovation. As he states (2012: 248):

> The management systems of the future will need to value diversity, disagreement, and divergence as highly as they do conformance, consensus, and cohesion … We know a lot about how to engender human creativity: equip people with innovation tools, set aside time for thinking, destigmatize failure, create

> opportunities for serendipitous learning, and so on. Yet, little of this knowledge has infiltrated our management systems. Worse, many companies have institutionalized a sort of innovation class system. They give a few individuals creative roles and the time to pursue their interest while assuming that most other employees are unimaginative and therefore undeserving of the time and space to create. Tomorrow's management processes must be built around the assumption that creativity is widely distributed and must, therefore, be systematically nurtured.

New ideas for prospective futures: the global digital economy, advanced technology, precarious employment and declining household incomes

Following the global pandemic there has been an upturn in employment in industrialized countries such as the USA, Europe and Australia. However, this upturn is not in permanent secure full-time jobs but part-time, casual and low-paid work. The rise in non-standard employment (Laß and Wooden, 2020) hides underemployment, which whilst a short-term problem for some graduates (Jackson and Li, 2022), remains stubbornly high among the less skilled. The people within these low-income households are unable to secure work that affords them a decent wage and standard of living, preventing them from fully participating in society. This raises questions and debate about the need for a liveable wage as these people often find themselves needing to draw on government support in order to maintain a basic liveable income (Dobbins and Prowse, 2022). There is also concern over the effects of new technologies on the future of work and employment opportunities for those in more highly skilled and professional occupations. There are examples of work becoming more highly regulated and controlled for accountants, doctors, midwives, pilots and academics. In a piece written in the 1990s on the McDonaldization of society, Ritzer (2013) identifies four components to these earlier historical trends, namely: efficiency, calculability, predictability and control, which we have modified and adapted to include technical control and digital surveillance (see Table 3.3).

It would appear in our broad historical sweep of the legacies of innovations in management on the experience of work and employment that far from a balanced swing there has been a significant shift towards more mechanistic, calculable, regulated, economic models that seek compliant labour at low cost with minimal employment protection. This worsening of employment conditions is combining with technological developments and an intensification of work as global production networks increasingly come to the fore in the growing exploitation of labour in both established and

Table 3.3 Ultimate control through measurement mania in the McDonaldization of society

Mechanistic objectives	Process, outcomes and practice
Efficiency	Innovation and change drive towards the optimal method for accomplishing a task, that is, every aspect of the organization is geared towards the minimization of time.
Calculability	Uptake of techniques and procedures for the quantification of objectives through the imposition of key performance indicators that are linked to work appraisal schemes, pay systems and rewards. Subjective aspects that cannot be measured (e.g. taste, establishing rapport with patients/students, or in engaging in casual conversations in aged care) are devalued and peripheralized.
Predictability	Minimization of variability in the standardization of procedures and work activities. This supports the implementation of new measurement and performance methods in the continuous evaluation and monitoring of work. Overall objective is to provide uniform services and products, with tasks highly repetitive, highly routine and predictable.
Technical control	Tight technical control systems complements the drive towards standardization and predictability in regulating employees until their eventual displacement by digital equipment or other advanced non-human technologies.
Digital surveillance	Digital recording and surveillance of all activities and tasks in time-compressed environments that extend beyond the workplace to the home and social spaces through mobile digital devices.

Source: created from the work of Ritzer (2013).

newly emerging economies. Some of the key factors shaping change and innovation in business and employment are outlined in Figure 3.1.

These developments are being further exacerbated in what Wajcman (2015) refers to as a time-compressed, technology supported digital world. Digitalization shortens and intensifies the innovation process enforcing companies to deal with frequent and significant change (Hund et al., 2019). There is also a growing displacement of professional people with the introduction of digital technologies. Educated and professional groups in established economies are experiencing a decline in job opportunities. As machines are able to outperform the work of employees in an increasing range of areas it raises further questions about the future of work and employment. These worldwide trends arise from the political economy, environmental resources, developments in technology and digitalization, business markets and societal changes (see Figure 3.1). Greater interconnectivity, the networked nature of business operations, the volatility of markets and the growing divide between those at the top and the remaining majority (also taken in the context of future contractions in professional middle-income jobs), highlight the growing significance of a digital world. New digital technologies offer business opportunities whilst at the same time spotlighting the growing fragility of work and employment for humans. Case 3.1 draws attention to how digitalization can transform marketing strategies and open up new opportunities for business.

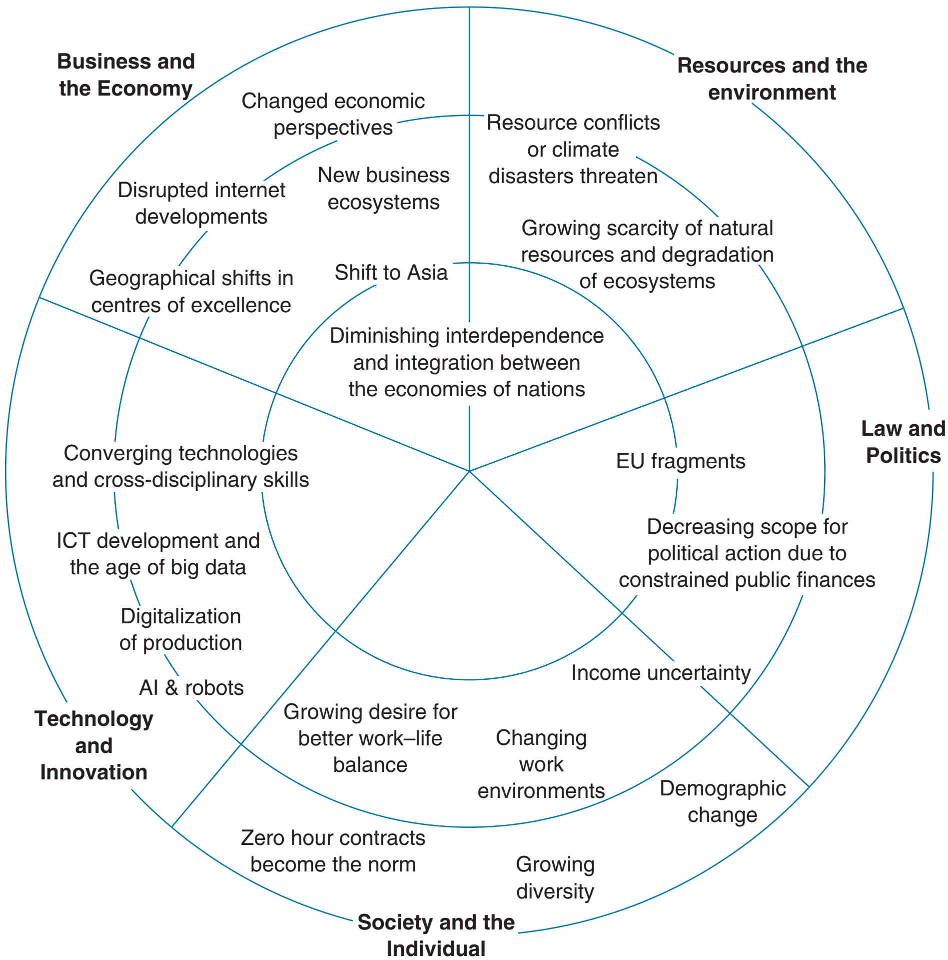


Figure 3.1 Disruption and trends shaping change and innovation in business and employment

Case 3.1

Virtual touchdown: how the National Football League went digital to take American Football overseas *by David Hart*

One of the most significant changes brought about by the digital marketing revolution is that it has enabled marketers to reach customers all over the globe – they no longer need to be able to visit your store in person. Instead customers can interact with your company via digital channels and in doing so provide you with valuable insights on their preferences, which you can subsequently use to target them effectively. This case study looks at the core facets of digital marketing strategy – understanding customers, the suite of digital communication channels available and the importance of customer data – applying them to the context of sport, specifically American Football. Even if you are not a fan, there are many lessons that can be gleaned from how the sport successfully leveraged the digital landscape to engage customers thousands of miles away from their physical product.

The National Football League (NFL) is big business in America. The 32 Franchise teams enjoy average crowds between 58,000 and 93,000 (ESPN, 2023), an average American TV viewership that exceeds 16 million per match (Statista, 2023a) and what many view as the ultimate advertising showpiece in the Superbowl, viewed by over 111 million Americans. A 30-second advertisement during this match costs around $6.5 million (Forbes, 2023). In a country that spreads its fanaticism across sports such as basketball, baseball and ice hockey, American Football proudly stands out as the nation's number one sport (World Population Review, 2023).

However, the American sports fan marketplace is very saturated. Fans are spread across multiple sports such as those named above, emerging sports such as football (soccer) and even college-level sport (many college teams match or even exceed the attendances of NFL teams). For a sport looking to grow, this leaves one feasible option: to consider how the sport can reach out to fans in other countries where the same market conditions do not necessarily exist. The challenge here then is not focused on the 'local fan', who is based near to their favourite team and as such finds it easier to attend matches, but instead to target 'satellite fans', who are based a large distance from the team location (Monaghan and Read, 2022).

Reaching NFL satellite fans

Local and satellite fans collectively form the Global Fan Nation. A satellite fan is generally referred to as any fan of a sports team that does not live in the immediate vicinity of the team's stadium – over 100 miles away according to Collins et al. (2016). In a country as vast as America it is therefore relatively easy to be a satellite fan in the same country, but the NFL focus is primarily on those based overseas. They may have an attachment to a team because they were brought up there and have since moved overseas (known as displaced fans) or have no geographical connection to the team (distant fans). These international satellite fans are likely living thousands of miles from the home of the NFL (Coombs, 2021).

Reaching these satellite fans is naturally more complicated than their local equivalents. First, American Football is not the most popular sport in any other country, so there is not necessarily a large captive audience ready to be exploited. Second, when most brands look to expand internationally they make their product or service available in said nations. Doing that with a sporting product is a much more complex venture. In 2007 the NFL

(Continued)

launched the 'International Series', which saw a selection of regular season matches played outside America. By 2023, 36 games had been played in London, England with a handful of matches also played in Germany and Mexico.

The series has helped capture the imagination of European fans (ESPN, 2022), but as a business model it has limited scope for growth. Also, the more games you play overseas the more you risk alienating core supporters back in the homeland (Behrens and Uhrich, 2020). As such, satellite fans are much more reliant on being able to watch or stream matches and engage with other forms of digital content to truly immerse themselves in the sport.

Digital marketing tools

The NFL uses a combination of digital tools in order to reach and engage its international audience, as summarized below:

- **Television rights**: Both Sky Sports and ITV currently have rights to broadcast NFL matches in the UK. Matches are also available via sports streaming giant DAZN, which is replacing a previous streaming option that could be bought directly from the NFL for around £150 per season. A notable barrier facing UK fans of NFL is the time difference: watching a New York Giants home game involves navigating a five-hour time difference, watching teams such as Seattle Seahawks is eight hours.
- **Social media**: This represents a critical channel for the league to reach overseas fans. Satellite fans can follow accounts such as @NFL (which is primarily intended for the US audience) but there is also @NFLUK (which focuses largely on the games played in London each year). Each NFL franchise also has its own accounts across social media platforms, but these do not tend to distinguish between local and satellite fans, and as such some content is not intended for an international audience (for example, advertising upcoming local events).
- **Mobile**: The NFL App is a free source of news for both local and satellite fans. In the app fans can select their favourite team. This allows them to receive wider NFL news as well as getting more in-depth data and insights on their team and players. The NFL App also allows fans to track a game live if they cannot watch it on TV or online, with play-by-play updates offered (although this can also be accessed through third party apps such as Flashscores).
- **Website**: The NFL have a UK-specific website (www.nfl.com/uk/), which is designed to make the sport more accessible for fans less familiar with what is a complex tactical sport. It includes a 'Rookies Guide' for those new to the sport, UK-specific video content and the opportunity to buy tickets for London matches and merchandise (which avoids heavy taxes on goods imported directly from the USA).
- **Email**: Website visitors or app users can also sign up to regular email updates and newsletters, which often include promotions for accessing gated digital content.

Moving forward the NFL is keen to further its footprint outside of America, which it must do at the same time as navigating sensitive issues around sports betting criticism and player safety. What is clear though, in a world where internet penetration exceeds 5 billion (Statista, 2023b) and video content is becoming a central means of consuming information (Wyzowl, 2023), the way to increase audience penetration and interest is through the use of digital technology.

Questions

1. Conduct a website audit for www.nfl.com/uk/ and consider the following:
   a. What do you think is the core objectives of the NFL in designing this website?
   b. What 'calls to action' (which instruct the visitor what to do next, such as click a link or sign up) can you find and to what extent do you find them engaging?
   c. How easy is the website to navigate?
2. When dealing with customers digitally, there are multiple opportunities to collect customer data to understand their needs. What sort of data should the NFL try to gain from satellite fans? Consider: how do they convince customers to share their data? How could the data be used?
3. Satellite fans tend to have a lower level of knowledge of key players, rules and the more detailed history of the sport. What could the NFL do to help satellite fans close the knowledge gap between themselves and local fans?
4. As well as the NFL having social media accounts, so can individual Franchise teams, individual players and even their cheerleaders. What sort of content should these accounts be sharing to engage both local and satellite fans?
5. Are there strategies that the NFL should be pursuing in seeking to extend worldwide interest in the sport?

The contextual conditions of the twenty-first century are very different from those experienced during the rise of commerce in the nineteenth and twentieth centuries. Digitalization, technological developments and a shift towards a world of jobless business growth presents a very different context. Under these new conditions with increasing fragmented, precarious job opportunities, a small percentage of the population commands most of the wealth. These restrictions on individual and family incomes compress already under-stimulated markets and raise a series of questions and challenges that need addressing. With a growing number of people on low wages, the overall disposable income of the working population is diminishing, which in turn reduces the overall purchasing power of those in employment to pay for goods and services that would further stimulate the economy. Ironically, whilst those at the bottom take the brunt in the aftermath of financial crises, wars and global pandemics, those in the higher echelons have enjoyed a significant growth in their fortunes. For example, Zucman (2019), in an article on global wealth inequality, examines wealth concentration in China, the US and Europe (represented by France, Spain and the UK). He shows how the top 10 per cent owns more than 70 per cent of the total wealth and the bottom 50 per cent owns less than 2 per cent, with the middle class (the middle 40 per cent) owning less than 30 per cent. He reports that 'The top 1% average wealth in the United States, Europe, and China has risen at 3.5% per year between 1987 and 2017' (2019: 127). In examining Forbes billionaire ranking (he notes that this has the advantage of covering all countries, but the drawback of only covering a tiny part of the population), the average wealth of the top 1/20 million (or 200,000) has grown by 5.3 per cent a year on average since 1987, and the average wealth of the top 1/100 million has grown 6.4 per cent. He concludes that 'Rising wealth inequality within countries is itself due to a number of factors, including rising income inequality amplified by inequality of savings rates and of rates of return' (2019: 127).

In his book *Capital in the Twenty-first Century* Piketty (2014) examines some of these issues in addressing increasing concerns over the impact of widening income and wealth inequalities on the future sustainability of democratic capitalist society. Drawing on 15 years of research he demonstrates how there are increasing income inequalities, especially in the US and Europe, and promotes the benefits of a system of progressive global tax. Although wealth inequality is less than what it was a century ago, he explains how wealth inequality (concentration) always exceeds income inequality and that it is moving in an upward trend (see also Zucman, 2019). In explaining the long-term trend on wealth inequality and implications for the future, he argues that the accumulation of wealth is not limited to a single generation, as wealth holders typically want to transfer their wealth to the next generation. He argues that, whilst high levels of wealth are generally sustainable, the current context is markedly different from previous historical periods. For example, the rate of return on capital was unusually low during the shocks of the 1940s World War whereas economic growth was unusually high due to the reconstruction process that occurred in the post-war period, which resulted in lower levels of wealth and income inequality during this period. However since this time, there has been an acceleration in levels of wealth and income inequality and Piketty (2014) argues for greater international transmission of banking information to increase transparency so that we can consider the appropriate policies to tackle this issue. He calls for a global registry of financial assets, global coordination of wealth taxation and the use of progressive wealth tax rates (suggesting a system for the global taxation of capital), as extremes in levels of inequality lower the capacity for growth and the creation of work and employment. As he argues: 'Progressive tax is indispensable for making sure that everyone benefits from globalization' (2014: 497) and that 'the risk is real, I do not see any alternative: if we are to regain control of capitalism, we must bet everything on democracy' (2014: 573).

These issues are also addressed by Reich (2011), who is concerned about America's future if nothing is done about the growing levels of wealth inequality. Reich points out how profits in many companies are rising through wage reduction, outsourcing and, for example, in the use of new technology in strategies of cost reduction in a market economy where sales are declining – due to a fall in purchasing power of those in employment. He argues that the share of an economy's rewards are not equitably distributed. Whilst corporate profits continue to soar (even during periods of financial crisis) the share of the income going to employees around the world has continued to decline (see Glover and Short, 2020: Figure 3, p. 52), including the wages of the highly educated (see Karabarbounis and Neiman, 2013: 61–103). In this context of declining incomes and growing wealth inequalities, Reich (2011) is concerned about the dominance of policies that are preventing needed investments to stimulate an increase in jobs and wages, and Piketty (2014) is concerned about the threat to democracy in a movement towards an inheritance-based capitalism or 'patrimonial capitalism'.

These commentators and the work of Zucman (2019) draw attention to the growing levels of wealth and income inequalities (see also Zhuang, 2023). They show that it is not the disparities in wealth per se, but the decline in purchasing power of the majority of households and the capacity to engage in public initiatives, such as health, education, infrastructure projects and those that support, for example, sustainable environmental practices or the development of alternative energy supplies. This contraction in the equal distribution of income creates an economy in which the purchasing power of low- and middle-level earners is no longer adequate to create the demand needed to keep the economy growing. In commenting on income inequality, Emmanuel Saez (2013) points out that since 2009, 95 per cent of the economic gains in America have gone to the top 1 per cent and as such, the benefits of any economic renewal is not filtering down to middle America. He argues that growing wealth inequalities combined with a surge in the income of top earners (particularly evident in English speaking countries) have created a situation where think tanks, lobbying and campaign funds are increasingly being influenced by the politics of the super-wealthy (Saez, 2013: 8). Moreover, this small number of super-rich are not able to spend enough to sustain the economy, as Reich indicates (2011: 32):

> The economic problems Eccles identified and Keynes formalised arise not because the rich live too well relative to everyone else but, paradoxically, because they live too modestly – at least compared to what they can afford. When more is concentrated in relatively few hands, the overall demand for goods and services shrinks because the very rich do not nearly spend everything they earn.

This trend is not peculiar to America but to global capitalism. For example, Zhuang in an assessment of the Asia-Pacific region notes that whilst there has been a reduction in poverty, wealth and income inequalities are widening with a growing number of super-rich:

> The Asia–Pacific region's rapid growth and poverty reduction in recent decades have been accompanied by rising income and wealth inequality. Technological progress, globalization, deregulation and market-oriented reform, and

> financialization have generated many new opportunities, but rewarded capital more than labor, benefited skilled workers more than the unskilled, widened spatial inequality, and produced a growing number of the superrich. (Zhuang, 2023: 15)

We support the view that wealth inequality is not good for income and employment growth for the majority and that it could ultimately undermine the social cohesion of democratic industrial nations. There is a need to implement redistributive policies to curb this rise in wealth inequality and promote economic growth. As Islam and McGillivray (2020: 13) state: 'institutional reforms that improve any aspect of governance and support an equitable distribution of wealth should be undertaken to reduce the negative impact of wealth inequality on growth. In particular, higher growth could be achieved indirectly by implementing policies that promote good governance to mitigate the unequal distribution of wealth among the population.'

Conclusion

> Classical management theorists and early modernists nearly always focused on how to stabilize, routinize, and rationalize organizational knowledge about effective organizational performance. In stability-oriented frameworks such as these, changes were seen as the intended result of doing more of a good thing – more routine, more structure, more rationality. A change-centred perspective, however, has gradually swept away the dominance of stability-centred views, and all … perspectives of organization theory now embrace more dynamic ideas that celebrate organizational processes. (Hatch, 1997: 350–1)

With the movement from a primarily agricultural to an industrial economy, the new industrializing countries faced the issue of how best to coordinate and control operations within large-scale factories. From drawing on Adam Smith's *Wealth of Nations* to Taylor's *Principles of Scientific Management*, new practices were introduced and adapted in a range of different business environments. Within manufacturing, the continuous-flow assembly line further divided work up into ever-simpler tasks. Workers were likened to automatons in the mass manufacture of automobiles that became an engine for economic growth and industrial development. Symmetry, formality and rigidity became associated with the classical school of thought. However, this emphasis on technical efficiency and the structure of organizations (the skeleton of organizational form) ignored the human aspects of work (the living tissue of employees). This human element became the focus of studies in the changing context of the inter-war and post-war period.

Economic growth stimulated by post-war reconstruction created a period of relatively full employment. In addition, the expectations of returning soldiers were high. They had experienced the devastation of war and quality of life and dignity at work were central.

In these very different contextual conditions of the 1940s and 1950s, employees were unwilling to accept poor working conditions and autocratic supervisory practices. There was growing unrest, industrial sabotage, absenteeism and militancy at work that created a new concern for business managers. Studies conducted at this time identified the importance of the social and human dimensions to work, drawing attention to factors such as leadership style, motivation, social relations at work and job design (for example, job enlargement/rotation). With developments in technology and the mechanization of business operations, studies carried out by the Tavistock Institute spotlight the need to accommodate both the social and the technical in reconfiguring work.

By the 1960s and 1970s, the emphasis was not only on the internal workings of organizations but also on their business market environments. Strategy and 'fit' became a focus and concern for contingency theorists who variously emphasized the environment, technology, size or a combination of contingent variables. Performance and efficiency in managing companies for competitive success takes centre stage in the development of models and prescriptive frameworks. Within America, business became a growing area of academic interest and scholarly activity, and throughout the 1980s and 1990s there has been a significant expansion in business-related courses in America and Europe, that have since the late 1990s and 2000s expanded throughout Asia and northern Europe.

Developments in communication and information technologies and the growing array of new management techniques (such as just-in-time management, business process re-engineering, cellular manufacture, computer-aided manufacture, lean production systems, total quality management, and so forth) have all drawn attention to the rapidity of innovation and change at work. New theories have emerged and the promotion of new ideas (whether fads or fashions) combine with an unprecedented growth in consultant activity and the rise of the guru professor. Popular management books are commonplace in main communication hubs, such as central railway stations, international airports and motorway services. Following the appeal of *In Search of Excellence* (Peters and Waterman, 1982), there has been a growing raft of management fashions promoted by gurus such as Hamel (2000, 2011), Hammer and Champy (1993), Handy (2001, 2012), Kanter (1989, 2011) and Kotter and Rathgeber (2006). They present simple recipes for success and call for managers to be proactive and to develop appropriate competencies to be masters rather than victims of change. From Hamel and Prahalad's (1994) advice on competing for the future through to Kotter's (1996) eight-step model of successful change and accelerators (Kotter, 2012), there is a range of new management thinkers and business leaders. Many of these highlight the competitive threat of irrelevancy, the need to be creative and innovative (Birkinshaw and Ridderstråle, 2017; Henry, 2022; Schwarzman, 2019) and how market-led innovations can stimulate economic growth (Christensen et al., 2019).

A more critical literature develops in parallel to these bestsellers arising from the growth of academics in expanding business schools (Alvesson et al., 2011). These management scholars (Grey et al., 2016; Van Bommel and Spicer, 2017) are critical of the sovereignty given to management (Alvesson and Willmott, 1992) and the simple recipe approaches that downplay the complex and processual nature of change (Dawson, 2019). They also criticize the spurious character and questionable value of the practical advice offered by management gurus (Alvesson and Willmott, 2012; Knights and McCabe, 2003). This separation in the literature – between more critical studies in management and the celebrity professors – also flags up an ongoing debate between theory and practice (Burnes, 2017). This tension between attempts to improve our theoretical understanding and the more practical needs of business is useful as it not only draws attention to central questions that need addressing, but also stimulates an interest in these areas among academic scholars and business managers. Although dialogue remains limited, there is a growing debate around key issues (Burnes and Randall, 2016). For example, on how to manage people in organizations under the changing contextual conditions of the twenty-first century (Gold et al., 2022; Jayawardena, 2023).

In the changing contextual environment of a digital economy, hyper-competition, technology enhanced work environments, pandemics and time-compressed markets, there are a range of challenges, opportunities and threats. These are not only in relation to securing company survival but also around concerns about the future of jobs and employment. Taking a pessimistic viewpoint, work could become increasingly precarious, fragmented and intensified as those in employment are expected to give 24/7 commitment in a wider socio-economic context of contracting job opportunities as developments in technology reduce levels of employment not only among the low skilled but also professional middle-income earners. In this scenario, widening income and wealth inequalities could undermine the stability of democratic industrial economies if markets stagnate and spending contracts over long periods of low jobless growth. Under such circumstances there is also likely to be a concomitant decline in public services as tax revenues reduce and further financial constraints limit active economic engagement, especially among the growing number of under-employed, zero-contract workers who ferociously compete for work in highly volatile and tightening job markets. Taking a more optimistic view, growing opportunities may arise for people to develop their own ideas and business initiatives. For example, in the development of local products or services, in using new technologies to compete in existing business markets or to launch new ideas and business ventures. Technology may widen opportunities for people to collaborate with others either via local networks or more remotely through digital network connections. New and expanding areas of the economy, in for example the growth in creative industries, technology start-ups and developments in small business growth through greater use of mobile and internet technology, may create jobs. However, the trend is away from long-term full-time employment to an increase in short-term and casual work. West (2018) in examining the uptake of artificial intelligence and digital transformation on the future of work identifies two scenarios in the near future (2020–50). First that a new social contract emerges allowing for a reduction in working hours but not income. Second, that job losses accelerate due to automation and income inequality rises (West, 2018: 219). In the wake of the COVID-19 pandemic, the Ukrainian war, financial turbulence and political tensions, there are concerns about the future of work, employment and society. In looking forward Barbosa and colleagues (2022: 1) suggest that:

> Computerization advances will further reduce the demand for low-skill and low-wage jobs; non-standard employment tends to be better regulated; new technologies will allow a transition to a personalized education process; workers will receive knowledge-intensive training, making them more adaptable to new types of jobs; self-employment and entrepreneurship will grow in the global labor market; and universal basic income would not reach its full potential, but income transfer programs will be implemented for the most vulnerable population.

But as we continually underline, the future remains ultimately unknowable as the unforeseen and unexpected will arise and even with the best laid plans of mice and men things will go array. In Part II, we examine in more detail the main approaches, theories and frameworks that enable greater understanding and insight into the processes of change, creativity and innovation.

Resources, readings and reflections

A reflective and prospective exercise

In reflecting on the past and looking prospectively at the future, examine the following issues:

1. Consider the current and future challenges that face companies wanting to remain relevant and profitable in ever-changing and fiercely competitive global markets (especially in relation to the importance of managing innovation, creativity and change).
2. Compile a list of current and future challenges – drawing on any examples with which you are familiar – then write one or two sentences on each explaining the nature of the challenge and their link (if any) to innovation, creativity and change.

Once the work is completed form into groups and discuss your findings. Ensure you prepare your answers so that you are able to present these back to the class as a whole in a review and discussion session.

(Continued)

Chapter review questions

The questions listed below relate to the chapter as a whole. The intention is to encourage reflection on the material covered, as well as serving as a source for more open group discussion and debate.

1. In considering the fast food and other industries, assess the relevance of Taylor's principles of scientific management and Ritzer's notion of McDonaldization to modern business organizations.
2. To what extent has human relations theory influenced the practice of management in organizations today?
3. The market environment, technology and the social aspects of work are all equally important in the effective design of organizations – do you agree?
4. How important has been the rise and popularity of the management guru to our knowledge and understanding of management and organization?
5. What is the relationship between historical context, management practice and theory development?
6. What are the three major implications for the future in the context of:
   - a. Technology developments in digitalization and the greater interconnectivity and networked nature of business operations
   - b. The volatility of markets and the growing income and wealth inequality in society

You may also wish to consider future potential contractions of professional middle-income jobs, the growth in short-term and casual employment, the replacement of human labour by machines and the implications of a future pandemic, wars and political unrest.

Hands-on exercise

View and make notes on a provocative and powerful video on wealth inequalities in America. You can access this at: www.youtube.com/watch?v=QPKKQnijnsM

Although there are debates around figures most commentators agree that since the 1980s there has been a marked shift with a declining share of income among the bottom 50 per cent of people in industrial economies and a rapidly expanding share among the top 1 per cent. Critically reflect on the broader issues that arise around incomes and wealth inequalities and how these relate to broader contextual changes. Once you have done this, consider the implications of these trends for the country that you are (a) a resident of and (b) currently located in as a student (if different). Three questions to consider through personal reflection (and later group discussion if time allows) are:

1. Are the trends depicted of growing wealth and income inequality likely to be of long-term significance and if so, what are their major implications for business and society?

2 What are the alternatives in the future development of business and management and are there opportunities from these trends for wider participation in more innovative and creative ventures, and in activities that are more fulfilling and engaging?
3 In drawing on this chapter and your own knowledge and experience, compare and contrast future potential scenarios and evaluate the evidence that supports optimism or pessimism in formulating your own view on the changes that may eventuate and become a reality in 2030.

Group discussion

Debate whether it is time to question conventional assumptions rooted in the history of management thought. As Hamel poses:

> How can we build organizations that can change as fast as change itself?
> How do you build organizations that are agile, adaptable, flexible and open to continual change?

(To stimulate your thinking watch: www.garyhamel.com/video/drucker-forum-keynote-hacking-management?ap=0)

> Divide the class into two groups. The first group should argue for the importance of conventional management theory for understanding change, creativity and innovation. The second group should question the value of such conventional thought and identify the key challenges and developments needed in order to reinvent management to meet the changing needs of business today.

Some useful websites and videos

There are a number of sites with lectures on the history of organization theory that can be found through search engines. There is also:

- An interesting historical video, namely: Andrew Marr's History of the World – Age of Industry at: www.dailymotion.com/video/x6nrgj5
- Peter Drucker, who is sometimes referred to as the father of modern management, continues to influence thinking through the establishment of The Drucker Institute at the Claremont Graduate University: see www.druckerinstitute.com
- Gary Hamel has a range of videos on, for example, the seven most dangerous beliefs in management, and the reinvention of management. Go to the reinvention of management website: www.managementexchange.com

(Continued)

- There are plenty of videos related to Piketty's work and the issues surrounding wealth and income inequality and the concerns about the rise of plutocracy and the threat to democratic capitalist economies; see: www.ted.com/talks/thomas_piketty_new_thoughts_on_capital_in_the_twenty_first_century?language=en; www.youtube.com/watch?v=QPKKQnijnsM; and www.youtube.com/watch?v=q2gO4DKVpa8

Recommended reading

Grey, C. (2022) *A Very Short, Fairly Interesting and Reasonably Cheap Book about Studying Organizations* (5th ed.). London: Sage.

Hanlon, G. (2015) *The Dark Side of Management: A Secret History of Management Theory.* Abingdon: Routledge.

Wren, D. and Bedeian, A. (2020) *The Evolution of Management Thought* (8th ed.). Hoboken, NJ: Wiley.

References

Aldrich, H. (2008) *Organizations and Environments*. Stanford, CA: Stanford University Press.

Alvesson, M. and Willmott, H. (eds) (1992) *Critical Management Studies*. London: Sage.

Alvesson, M., Bridgman, T. and Willmott, H. (eds) (2011) *The Oxford Handbook of Critical Management Studies*. Oxford: Oxford University Press.

Alvesson, M., & Willmott, H. (2012). *Making Sense of Management. A Critical Introduction*. London: Sage.

Ashton, T.S. (1998) *The Industrial Revolution, 1760–1830*. Oxford: Oxford University Press.

Badham, R. (1995) 'Managing sociotechnical change: A configuration approach to technology implementation', in J. Benders, J. de Haan and D. Bennett (eds), *The Symbiosis of Work and Technology*. London: Taylor & Francis.

Barbosa, C., de Lima, Y., Costa, L., dos Santos, H., Lyra, A., Argôlo, M., da Silva, J.A. and de Souza, J. (2022) 'Future of work in 2050: Thinking beyond the COVID-19 pandemic', *European Journal of Futures Research*, 10(1): 1–25.

Behrens, A. and Uhrich, S. (2020) 'Uniting a sport teams' global fan community: Prototypical behavior of satellite fans enhances local fans' attitudes and perceptions of groupness', *European Sport Management Quarterly*, 20(5): 598–617.

Birkinshaw, J. and Ridderstråle, J. (2017) *Fast/Forward: Make Your Company Fit for the Future*. Stanford, CA: Stanford University Press.

Blauner, R. (1964) *Alienation and Freedom: The Factory Worker and His Industry*. Chicago, IL: University of Chicago Press.

Burnes, B. (2017) *Managing Change* (7th ed.). Harlow: Pearson.

Burnes, B. and J. Randall (eds) (2016) *Perspective on Change: What Academics, Consultants and Managers Really Think about Change*. Abingdon: Routledge.

Burns, T. and Stalker, G.M. (1961) *The Management of Innovation*. London: Tavistock.

Child, J. (1972) 'Organization structure, environment and performance: The role of strategic choice', *Sociology*, 6: 1–22.

Child, J. (1988) 'On organizations in their sectors', *Organization Studies*, 9(1): 13–18.

Christensen, C.M., Ojomo, E. and Dillon, K. (2019) *The Prosperity Paradox: How Innovation Can Lift Nations Out of Poverty*. New York: Harper Business.

Clarke, K., Hardstone, G., Rouncefield, M. and Sommerfield, I. (eds) (2010) *Trust in Technology: A Socio-Technical Perspective (Computer Supported Cooperative Work)*. Dordrecht: Springer.

Clegg, S.R. (1988) 'The good, the bad and the ugly', *Organization Studies*, 9(1): 7–12.

Clutterbuck, D. and Crainer, S. (1990) *Makers of Management: Men and Women Who Changed the Business World*. London: Macmillan.

Collins, D. (1998) *Organizational Change: Sociological Perspectives*. London: Routledge.

Collins, D. (2000) *Management Fads and Buzzwords: Critical–Practical Perspectives*. London: Routledge.

Collins, D.R., Heere, B., Shapiro, S., Ridinger, L. and Wear, H. (2016) 'The displaced fan: The importance of new media and community identification for maintaining team identity with your hometown team', *European Sport Management Quarterly*, 16(5): 655–74.

Coombs, D.S. (2021) 'Moving beyond the local: Media, marketing, and "satellite" sports fans', *Communication and Sport*, 28: 65-82.

Crosby, P. (1980) *Quality is Free: The Art of Making Quality Certain*. New York: Mentor.

Dawson, P. (1994) *Organizational Change: A Processual Approach*. London: Paul Chapman Publishing.

Dawson, P. (2019) *Reshaping Change: A Processual Perspective* (2nd ed.). Abingdon: Routledge.

Deming, W.E. (1981) *Japanese Methods for Productivity and Quality*. Washington, DC: George Washington University.

Dobbins, T. and Prowse, P. (eds) (2022) *The Living Wage: Advancing a Global Movement*. Abingdon: Routledge.

Dubin, R. (1959) *The Sociology of Industrial Relations*. Englewood Cliffs, NJ: Prentice Hall.

Dunphy, D. and Stace, D. (1990) *Under New Management: Australian Organizations in Transition*. Sydney: McGraw-Hill.

ESPN (2022) 'How are Europeans becoming NFL fans despite a lack of access to the sport?' Available at: www.wruf.com/headlines/2022/11/21/how-are-europeans-becoming-nfl-fans-despite-a-lack-of-access/

ESPN (2023) 'NFL attendance 2022'. Available at: www.espn.com/nfl/attendance/_/year/2022

Forbes (2023) '$7 million transfer: Why your Super Bowl ad budget should go to customer service'. Available at: www.forbes.com/sites/blakemorgan/2023/02/08/give-your-super-bowl-ad-budget-to-customer-service/?sh=218df7271f45/

Gabor, S.C. and Petersen, P.B. (1991) Book Review: 'When Giants Learn to Dance: Mastering the challenges of strategy, management, and careers in the 1990s', *Academy of Management Executive*, 5: 97–9.

Glover, A. and Short, J. (2020) 'Can capital deepening explain the global decline in labor's share?', *Review of Economic Dynamics*, 35: 35–53.

Gold, J., Bratton, J., Steele, L. and Bratton, A. (2022) *Human Resource Management: A Critical Approach* (7th ed.). London: Bloomsbury.

Goloboy, J.L. (ed.) (2008) *Industrial Revolution: People and Perspective*. Santa Barbara, CA: ABC-Clio.

Gray, E.R. and Smeltzer, L.R. (1990) *Management: The Competitive Edge*. New York: Macmillan.

Grey, C. (2022) A Very Short, *Fairly Interesting and Reasonably Cheap Book about Studying Organizations* (5th ed.). London: Sage.

Grey, C., Huault, I., Perret, V. and Taskin, L. (eds) (2016) *Critical Management Studies: Global Voices, Local Accents*. New York: Routledge.

Guest, D. (1992) 'Right enough to be dangerously wrong: An analysis of the in search of excellence phenomenon', in G. Salaman (ed.), *Human Resource Strategies*. London: Sage.

Hamel, G. (2000) *Leading the Revolution*. Boston, MA: Harvard Business School Press.

Hamel, G. (2011) 'First let's fire all the managers', *Harvard Business Review*, 89(12): 48–60.

Hamel G. (2012) *What Matters Now: How to Win in a World of Relentless Change, Ferocious Competition, and Unstoppable Innovation*. San Francisco, CA: Jossey-Bass.

Hamel, G. and Prahalad, C.K. (1994) *Competing for the Future*. Boston, MA: Harvard Business School Press.

Hammer, M. and Champy, J. (1993) *Reengineering the Corporation: A Manifesto for Business Revolution*. New York: HarperBusiness.

Handy, C. (1984) *The Future of Work*. Oxford: Blackwell.

Handy, C. (1994) *The Empty Raincoat*. London: Hutchinson.

Handy, C. (1996) *Beyond Certainty: The Changing World of Organizations*. Boston, MA: Harvard Business School Press.

Handy, C. (1999) *The New Alchemists*. London: Hutchinson.

Handy, C. (2001) *The Elephant and the Flea*. London: Hutchinson.

Handy, C. (2012) 'The unintended consequences of good ideas', *Harvard Business Review*, 90(10): 36.

Hanlon, G. (2016) *The Dark Side of Management: A Secret History of Management Theory*. Abingdon: Routledge.

Hatch, M.J. (1997) *Organization Theory: Modern Symbolic and Postmodern Perspectives*. Oxford: Oxford University Press.

Henriques, U.R. (1979) *Before the Welfare State: Social Administration in Early Industrial Britain*. London: Longman.

Henry, T. (2022). *Daily Creative: A Practical Guide for Staying Prolific, Brilliant, and Healthy*. Naperville, IL: Simple Truths.

Hodges, J. (2021) *Managing and Leading People through Organizational Change: The Theory and Practice of Sustaining Change through People* (2nd ed.). London: Kogan Page.

Housel, D.J. (2009) *Industrial Revolution: The 20th Century*. Huntington Beach, CA: Teacher Created Material Publishing.

Huczynski, A. (1993) *Management Gurus: What Makes Them and How to Become One*. London: Routledge.

Hund, A., Wagner, H., & Gewald, H. (2019). The impact of digitization on contemporary innovation management. Paper presented at the Twenty-fifth Americas Conference on Information Systems, Cancun, Mexico.

Islam, R. and McGillivray, M. (2020) 'Wealth inequality, governance and economic growth', *Economic Modelling*, 88: 1–13.

Jackson, D. and Li, I. (2022) 'Transition to work, mismatch and underemployment among graduates: An Australian longitudinal study', *International Journal of Manpower*, 43(7): 1516–1539.

Jayawardena, D. (2023) *Critical Human Resource Management: People Management Across the Global South and North*. Abingdon: Routledge.

Juran, J.M. (1988) *Quality Control Handbook*. New York: McGraw-Hill.

Kanter, R.M. (1983) *The Change Masters: Innovation for Productivity in the American Corporation*. New York: Simon & Schuster.

Kanter, R.M. (1989) *When Giants Learn to Dance: Mastering the Challenges of Strategy, Management, and Careers in the 1990s*. New York: Simon & Schuster.

Kanter, R.M. (2011) 'How great companies think differently', *Harvard Business Review*, 89(11): 66–78.

Karabarbounis, L. and Neiman, B. (2013) 'The global decline of the labor share', *The Quarterly Journal of Economics*, 129(1): 61–103.

Karpik, L. (1988) 'Misunderstandings and theoretical choices', *Organization Studies*, 9: 25–8.

Keulen, S. and Kroeze, R. (2014) 'Introduction: The era of management: a historical perspective on twentieth-century management', *Management & Organizational History*, 9: 321–35.

Knights, D. and McCabe, D. (2003) *Organization and Innovation: Guru Schemes and American Dreams*. Maidenhead: Open University Press.

Knights, D. and Murray, F. (1994) *Managers Divided: Organisation Politics and Information Technology Management*. Chichester: John Wiley & Sons.

Kotter, J. (1996) *Leading Change*. Boston, MA: Harvard Business School Press.

Kotter, J. (2002) *The Heart of Change: Real Life Stories of How People Change Their Organizations*. Boston, MA: Harvard Business School Press.

Kotter, J. (2012) 'How the most innovative companies capitalize on today's rapid-fire strategic challenges – and still make their numbers', *Harvard Business Review*, 90(11): 43–58.

Kotter, J., Akhtar, V. and Gupta, G. (2021) *Change: How Organizations Achieve Hard-to-Imagine Results in Uncertain and Volatile Times*. Hoboken, NJ: Wiley.

Kotter, J., & Rafhgeber, H. (2006). *Our Iceberg Is Melting: Changing and Succeeding Under Any Conditions*. New York: St Martin's Press.

Laß, I. and Wooden, M. (2020) 'Trends in the prevalence of non-standard employment in Australia', *Journal of Industrial Relations*, 62(1): 3–32.

Lawrence, P. and Lorsch, J. (1967) *Organization and Environment*. Cambridge, MA: Harvard University Press.

Littler, C. (1982) *The Development of the Labour Process in Capitalist Societies*. London: Heinemann.

MacKenzie, D. and Wajcman, J. (1985) *The Social Shaping of Technology*. Milton Keynes: Open University Press.

McLoughlin, I. and Clark, J. (1994) *Technological Change at Work* (2nd ed.). Buckingham: Open University Press.

Merkle, J.A. (2022) *Management and Ideology: The Legacy of The International Scientific Management Movement*. Berkeley: University of California Press.

Mitroff, I. and Mohrman, S. (1987) 'The slack is gone: How the United States lost its competitive edge in the world economy', *Academy of Management Executive*, 1: 65–70.

Mol, M. and Birkinshaw, J. (2008) *Giant Steps in Management: Creating Innovations that Change the Way We Work*. London: Pearson Education.

Monaghan, D. and Read, D. (2022) 'A study of satellite fans' existing team identification and attitudes toward a new, local franchise: A case study of UK-based national football league fans', *Sport Marketing Quarterly*, 31(4).

Nordström, K., & Ridderstråle , J. (2004). *Karoke Capitalism: Managemnt of Mankind*. London: FT Prentice Hall.

Nordström, K., & Ridderstråle, J. (2007). *Funky Business Forever: How to Enjoy Capitalism* (3rd ed.). London: FT Prentice Hall.

Perrow, C. (1970) *Organizational Analysis*. Belmont, CA: Wadsworth.

Peters, T. (1989) *Thriving on Chaos*. London: Pan Books.

Peters, T. (1993) *Liberation Management: Necessary Disorganisation for Nanosecond Nineties*. London: Pan Books.

Peters, T. (1997) *The Circle of Innovation*. New York: Alfred A. Knopf.

Peters, T. and Waterman, R. (1982) *In Search of Excellence: Lessons from America's Best-Run Companies*. New York: Harper and Row.

Piketty T. (2014) *Capital in the Twenty-first Century*. Cambridge, MA: Belknap Press.

Pugh, D. and Hickson, D. (1976) *Organizational Structure in its Context: The Aston Programme I*. London: Saxon House.

Randall, J. and Burnes, B. (2016) 'An academic debate and practice', in B. Burnes and J. Randall (eds), *Perspective on Change: What Academics, Consultants and Managers Really Think about Change*. Abingdon: Routledge, pp. 1–4.

Reeves, T.K. and Woodward, J. (1970) 'The study of managerial control', in J. Woodward (ed.), *Industrial Organisation: Behaviour and Control*. Oxford: Oxford University Press. pp. 37–56.

Reich, R.B. (2011) *Aftershock: The Next Economy and America's Future*. New York: Vintage Books.

Reynolds, M. and Holwell, S. (2020) *Systems Approaches to Making Change: A Practical Guide* (2nd ed.). Cham: Springer.

Ritzer, G. (2013) *The McDonaldization of Society: 20th Anniversary Edition*. London: Sage.

Ritzer, G. (2022) *The McDonaldization of Society: Into the Digital Age* (10th ed.). London: Sage.

Roethlisberger, F. (1945) 'The foreman: Master and victim of double talk', *Harvard Business Review*, 23(3): 283–98.

Roethlisberger, F. and Dickson, W. (1939) Management and the Worker. *An Account of a Research Program Conducted by the Western Electric Company, Hawthorne Works, Chicago*. Boston, MA: Harvard University Press.

Saez, E. (2013) 'Income inequality: Evidence and policy implications'. Available at: eml.berkeley.edu/~saez/lecture_saez_arrow.pdf

Schonberger, R.J. (1982) *Japanese Manufacturing Techniques: Nine Hidden Lessons in Simplicity*. New York: The Free Press.

Schwarzman, S. (2019) *What it Takes: Lessons in the Pursuit of Excellence*. New York: Avid Reader Press.

Shafritz, J.M., Ott, J.S. and Jang, Y.S. (2015) *Classics of Organization Theory* (8th ed.). Boston, MA: Cengage Learning.

Statista (2023a) 'Average television viewership of the NFL regular season from 2010 to 2023'. Available at: www.statista.com/statistics/289979/nfl-number-of-tv-viewers-usa

Statista (2023b) 'Number of internet and social media users worldwide'. Available at: www.statista.com/statistics/617136/digital-population-worldwide/

Taylor, F. (1911) *The Principles of Scientific Management*. New York: Harper.

Thompson, J.D. (1967) *Organizations in Action*. New York: McGraw-Hill.

Tidd, J. and Bessant, J. (2020) *Managing Innovation: Integrating Technological, Market and Organizational Change* (7th ed.). Chichester: John Wiley & Sons.

Touraine, A. (1955) *L'Evolution du travail ouvrier aux usines Renault*. Paris: Centre National de la Recherche Scientifique.

Trist, E. and Bamforth, K. (1951) 'Some social and psychological consequences of the longwall method of coal-getting: An examination of the psychological situation and defences of a work group in relation to the social structure and technological content of the work system', *Human Relations*, 4: 3–38.

Ulrich, D. and Lake, D. (1991) 'Organizational capability: Creating competitive advantage', *Academy of Management Executive*, 5(1): 77–92.

Van Bommel, K. and Spicer, A. (2017) 'Critical management studies and paradox', in W.K. Smith, P. Jarzabkowski, M.W. Lewis and A. Langley (eds), *The Oxford Handbook of Organizational Paradox*. Oxford: Oxford University Press, pp. 143–61.

Vesey, J.T. (1991) 'The new competitors: They think in terms of "speed-to-market"', *Academy of Management Executive*, 5(2): 23–33.

Wajcman, J. (2015). *Pressed for Time: The Acceleration of Life in Digital Capitalism*. London: University of Chicago Press.

Walker, C.R. and Guest, R.H. (1952) *The Man on the Assembly Line*. Boston, MA: Harvard University Press.

West, D. (2018) 'The future of work', in M.A. Abramson, D.J. Chenok and J.M. Kamensky (eds), *Government for the Future: Reflection and Vision for Tomorrow's Leaders*. London: Rowman & Littlefield, pp. 214–20.

Wilkinson, B. (1983) *The Shopfloor Politics of New Technology*. London: Heinemann.

Willcocks, L. and Mason, D. (1987) *Computerising Work: People, Systems Design and Workplace Relations*. London: Paradigm.

Wilson, J. and Thomson, A. (2005) *The Making of Modern Management: British Management in Historical Perspective*. Oxford: Oxford University Press.
Witzel, M. (2012). *A History of Management Thought*. Abingdon, Oxon: Routledge.
Witzel, M. (2017) *A History of Management Thought* (2nd ed.). Abingdon: Routledge.
Wood, S. (1979) 'A reappraisal of the contingency approach to organization', *Journal of Management Studies*, 16: 334–54.
Woodward, J. (1980) *Industrial Organization: Theory and Practice* (2nd ed.). Oxford: Oxford University Press.
World Population Review (2023) 'Most popular sport by country'. Available at: https://worldpopulationreview.com/country-rankings/most-popular-sport-by-country
Wren, D. and Bedeian, A. (2009) *The Evolution of Management Thought*. Hoboken, NJ: Wiley.
Wyzowl (2023) 'The state of video marketing 2023'. Available at: https://wyzowl.s3.eu-west-2.amazonaws.com/pdfs/Wyzowl-Video-Survey-2023.pdf
Zhuang, J. (2023) 'Income and wealth inequality in Asia and the Pacific: Trends, causes, and policy remedies', *Asian Economic Policy Review*, 18(1): 15–41.
Zucman, G. (2019). Global wealth inequality. *Annual Review of Economics*, 11, 109–138.