



Office Hours



Welcome to Office Hours

- A relaxed, informal mentoring program
- Held every Monday at Noon Pacific Time
- The recording will be available online for a few days
- All recordings will be archived in our member's area



The Reasons

- Being a successful small business owner can be a great experience!
- But it's tough - you need Education, Training, Tools, and Team to be successful
- I want you to get to know me
- I care – I want you to succeed!



Agenda

- In depth discussion of a business success principle
- Closing remarks, special offers, and invitation for next weeks session
- Open Q&A



Join Us!

- Facebook Brilliant Business Group
- <https://www.facebook.com/groups/BrilliantBusiness/>
- Make comments, ask questions, share insights and “takeaways”
- “Like” my business page on Facebook



Today's Topic:

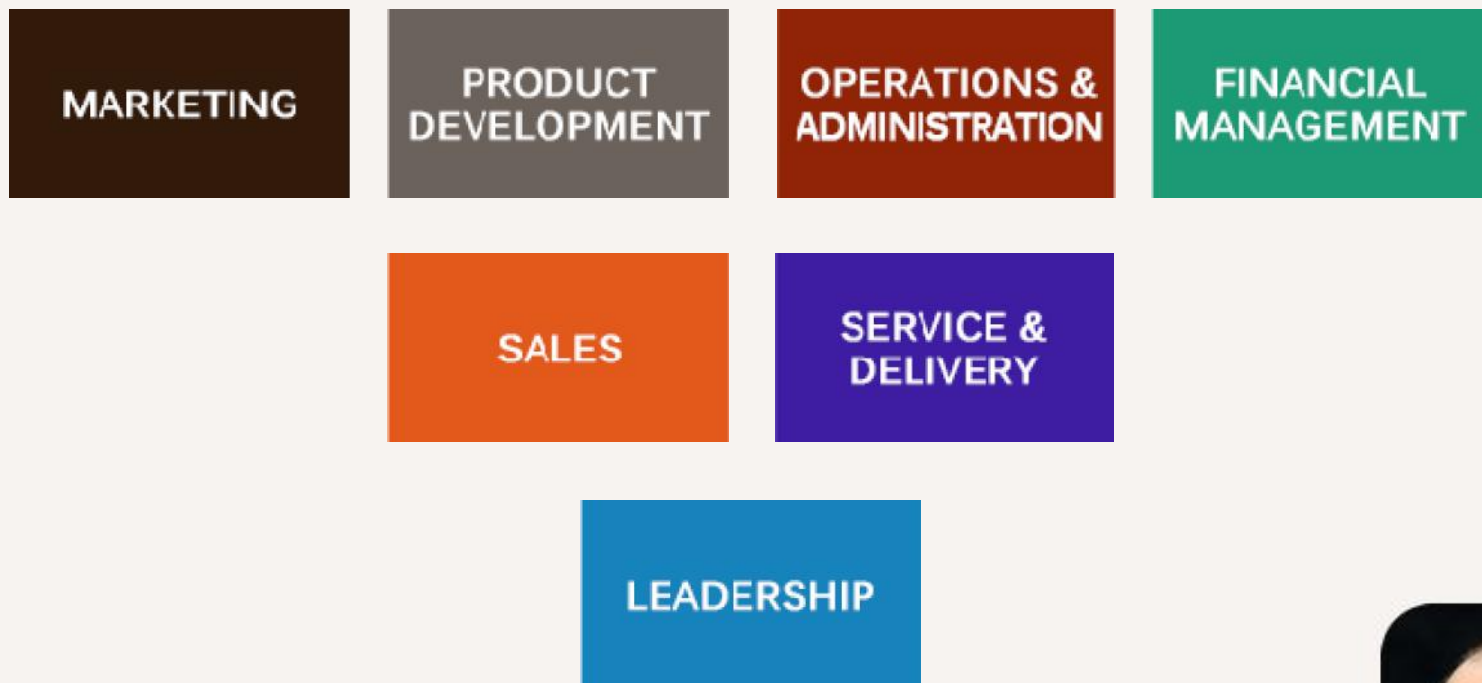
Management 2.0 – The Future of Management

Based on the book *The Future of Management*
(2007)

by Gary Hamel
with Bill Breen



The Key Performance Areas



The Key Performance Areas



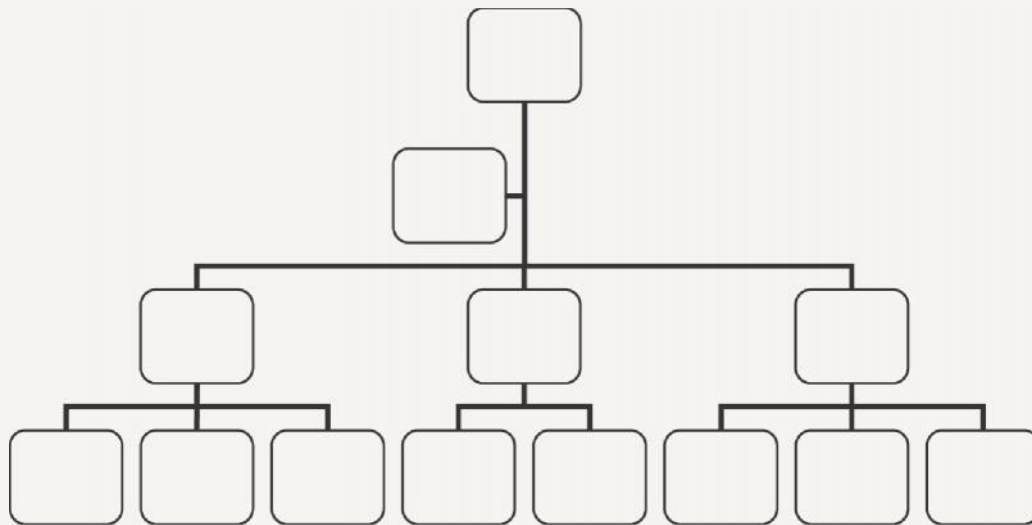
Agenda

- Hierarchical Management Systems
- Challenges of Current Management Systems
- Examples of Companies Employing New Systems
- The Role of Technology
- The Bottom Line



Hierarchical Management Systems

- Loosely based on military systems and military cultures
- Largely invented in the 19th century with the industrial revolution



Hierarchical Management Systems

- Before big business
 - Almost everyone was self-employed
 - Most businesses were family businesses
 - The master / apprentice model was the standard
- In 1890, the average company had four employees, and very few had more than 200



Hierarchical System Advantages

- Division of labor
- Can be highly efficient
- Facilitate communication and coordination, especially before the Internet
- Individual accountability



Hierarchical System Challenges

- Very competitive
- Very political
- A bunch of “PYA” and “CYA”
- Very stressful
- Collaboration is limited
- Creativity is stifled
- A real sense of “I’m better than you”



Hierarchical System Challenges

- Lots of disengagement
- Lots of ideas lost
- The good people leave for career advancement
- The great people leave to start their own businesses!



Managers Love Hierarchies!

- More pay at the top
- More prestige
- They get to “play the game”
- Very little motivation to distribute power or creative opportunity
- Very little motivation to change the rules of the game
- Many don't believe a better system is possible



The Age of Ideas

- You have to nurture a lot of ideas to come up with winners
- The ratio is probably 100:1 or even 1000:1
- The pace of change is accelerating
- Make no mistake: we are now competing with everyone in the world
- The goal is to build organizations that are capable of continual, trauma-free renewal



Redesigning Systems is Important!

- Harnessing the ideas of EVERYONE is critical to success
- Focus on “the wisdom of the crowd”
 - Crowdsourcing innovation
- It’s not just about streamlining processes anymore – its about re-inventing them



Some Companies are Ahead

- Whole Foods
- Gore Industries
- Google



Example 1: Whole Foods

- Local autonomy – local sourcing
- Visible metrics on profit per labor hour
- Eight teams in every store
- Vote on new hires
- Compensation transparency
- Open books
- Each meeting ends with a round of “appreciations”
- “Declaration of Interdependence”
- Focused on creating an organization based on Love instead of Fear



Example 2: Gore Industries

- A lattice structure, not a hierarchy
- Team leaders are chosen by the team
- No bosses, plenty of leaders
- Sponsors, not bosses, for new hires
- Free to experiment
- Commitments, not assignments
 - all commitments are self-commitments
- Every associate is a shareholder



Example 3: Google

- 20% time for every employee
 - Generates thousands of ideas
 - Place many small bets
- 70/20/10 model
(Core / Related to Core / Unrelated)
- Very large purpose and vision:
 - To organize the world's information and make it universally accessible and useable
- Value focused: Do No Evil



Example 3: Google

- Very large span of control - 50 to 100
- Launch early, often, and fast
- Founders awards
- Acquire talent and ideas



The Age of Ideas

- “If people don’t appear creative at work, it’s not because they lack imagination – it’s because they lack opportunity”.
- Ordinary people can be extraordinary innovators.
- “As human beings, we are amazingly adaptable and creative, yet most people work for companies that are not. In other words, we work for companies that aren’t very human.”



The Age of the Internet

- Facilitates communication
- Don't need formal channels
- Transparency is easy; hiding is not
- Open source systems and Wikipedia are models for global collaboration



The Internet

- “The power of the Internet lies in its capacity to facilitate coordination without the stultifying effects of hierarchy and bureaucracy”
- It evolved rapidly because it is not a hierarchy.
- David Weinberger: “Our biggest joint undertaking as a species is working out splendidly, but only because we forgot to apply the theory that has guided us ever since the pyramids were built.”



Why is the Internet Successful?

- Everyone has a voice
- The tools of creativity are widely distributed
- It's easy and cheap to experiment
- Credibility counts more than credentials and titles
- Authority is fluid and contingent on the value that is added
- Commitment is voluntary
- Power is granted from below



Why is the Internet Successful

- The only hierarchies are “natural” hierarchies
- Communities are self-defining
- Individuals are richly empowered
- Just about everything is decentralized
- Resources are free to follow opportunities
- Ideas compete on an equal footing
- It's easy for buyers and sellers to find each other
- Decisions are peer-based



Bottom Line

- Management 2.0 will look a lot like Internet 2.0
- People want to be valued and appreciated
- They want to be creative and have the “pride of authorship”
- They want to be heard
- They want to collaborate
- They want to work with a company that is ahead of the curve, that celebrates creativity and passion



Agenda

- Hierarchical Management Systems
- Challenges of Current Management Systems
- Examples of Companies Employing New Systems
- The Role of Technology
- The Bottom Line



Homework / Exercise

- Buy the book and read it
- Focus on becoming a modern manager
- Get coaching and support if you want to implement these ideas at your business



Open Q & A – in a minute

- Comments and questions on the topic of the day
- Any other issues
- Tell me what your biggest “take-aways” are and what insights you gained from this presentation
- Tell me what you are going to focus on



My Distinctions

- I don't want a lot of your money. I just want you to get the support you need, can use, and can afford
- I don't want you to jump into the deep end before you learn to swim
- I don't believe that Belief and Persistence will guarantee success



Our Support Services

- Education
- Training
- Consulting
- Coaching
- Growth Management



Sign up for our New Business Growth Acceleration Kit

- “Five Choices of Winning CEOs”
- Article on “10 Things You Should Know about Raising Capital”
- Samples of inspirational works
- Free Business Clarity Session
- Surprise bonuses
- The value could be enormous!
- www.PaulHoyt.com/CEOBonus



Purchase My CEO Training Program

- www.BeyondBusinessSurvival.com
- “What You Need to Know When You’re the CEO!”



Next Office Hours: Sept. 22nd

- Topic is: Project Management
- Let me know what topics you would like for me to address: www.PaulsSurvey.com
- Do your homework!



Open Q & A

- Comments & questions on the topic of the day
- Any other issues
- Your take-aways and insights
- Survey: www.PaulsSurvey.com

Contact Me at paul@paulhoyt.com

call or text: 415.997.8001

www.SchedulePaul.com





Office Hours

