

Auxilium Expatbiz Services is an alliance of experts delivering services and products to companies and individuals from the US and other countries with business or other economic interests in Central Europe. This edition of our »EuroGateway Publications« recapitulates an EXECUTIVE SUMMARY published in Dec. 2012 in German (<http://herdmann.de>) for your free use! **Together we create value across cultures!**

Office without Boundaries – Back from the Future

With the end of the year in sight this article is meant to be a thought provoking impulse not necessarily in line with generally accepted principles. To ensure service-orientation, to make the aggrieved parties involved parties are basic rules of management. The same holds true for demanding lifelong learning and entrepreneurial actions by employees implementing projects, processes and self-assessment-tools as well as expecting a continuum of excellence improvements by the means of quality management programs. Review of performance is preferably done by evaluation and certification through external auditors. More and more critical voices regarding the »modern office« can be heard – an interesting compilation was done by Christoph Bartmann in his book »Leben im Büro« (German Edition; Karl Hanser Verlag 2012).

Costs and Benefits

What value was added by standardization, optimization of processes evaluations and certifications in the last couple of years in your company? What value has a certification of compliance management if is not the auditor's job to check whether the procedures and processes implemented in compliance management are really observed?

Employees often allege that they have less and less time for doing their job but need more and more of their valuable time for storytelling, reporting, self-assessment and evaluations. Naturally this normally is not uttered openly to management, but only privately amongst trusted colleagues. One has to assume that this is the view of at least part of the staff with their resulting wavering commitment to corporate adjectives. Anonymous surveys show that only slightly above 10 % of the workforce have a high emotional bond with their own company and more than 20 % have disengaged emotionally from their employers. The rest of the staff is practicing work-to-rule.

The Employees understood to be Service-oriented Managers of Processes

It starts with growth – growth of the enterprise! With growth the organization has to become more and more complex. Once the owner/CEO is no longer in a position to guide, instruct and supervise each individual employee by himself, accountability in management and management power have to be delegated. Once more than one entity have similar assignments, the relevant business processes should be documented in an organizational manual. We have addressed the Management Triangle of Planning, Organizing and Supervising more than once in an Executive Summary. But what is reasonably expected of leadership?

With size and complexity of a company, leadership requirements expand. With the growth of business units at the turn of the 19th to the 20th century, the apprenticeship of trade developed and became modern business economy. Its representatives started looking at the organization of business. It was in America that in the 20th century leadership behavior started to be discussed – first by borrowing Logistics management and leadership development theories from the military. The American culture of PMA (positive mental attitude) was merged with slightly modified theories of Sigmund Freud and »Human Factors« as well as »Human Relations« became central topics. The new psychologically-based consulting business evolved – and found its missionary battle cry in »Yes, we can«. With »Human Factors« a disciplinarian society mutated into a society of self-control. The boss who led in the past by supervision and sanctions became a coach squiring vision and engagement. Today every employee needs to become a service-oriented manager and process owner (Bartmann cap. 2.2 – Freud in America). This development hatched a multitude of Schools of Management (Bartmann calls them »Churches of Management«) – RM, CRM, TQM, EFQM, and CM became indispensable tools of management.

Those tools were accompanied by the doctrines of continual improvement processes, knowledge management and streamlining the organization. The successful manager's objective is to »steer and not to row and the company's employees have to organize the entity in never ending change-projects and supervise (themselves). Organization and Supervision is not

executed by management. Individual accountability of company leaders decreases. Evaluation (provided by external auditors) gives a treacherous feeling of safety.

Continuous focus on a sustainable future with a sense of proportion

The costs of continuous change often remain unaddressed – as will the question whether the change was successful for the company. The continuum of excellence is an unerring paradigm in times of short-lived product cycles. Utopia promises that soon everything will be perfect but the continuum will never end. Life-long learning for the individual and continuous empowerment of the staff are the guarantors for the competencies of the employees – and (miraculously) of excellence. Its requirement: office has no boundaries and employees can be contacted at all times via their smart phones.

Every now and then the weakness of this system should be reviewed. How much management is tolerable? Where are the limits of the doctrines and theories? **What is reasonable for your company?** Has the blending of workday and private space impacted productivity and/or disengagement? For a long time employees have seen through the concept of liberation from supervision by self-evaluation and noticed that a new form of control and guidance has developed. Employees have found means to soften their burden of reporting. In answer to this, external evaluations and certifications have been developed. This is a vicious cycle.

The continuous improvement process has been developed since processes have a tendency to first grinding in and later wearing out. But even the improvement process will wear out. Unless it is accompanied by an integrated Risk Management (possibly conforming to ISO 31000) the continuous search for the optimal solution might be accompanied by new risks. Continuous performance »at the limit« (and beyond) will produce error prone behavior. An aspect of this has been described by Eric Hollnagel in »The Etto Principle« (Ashgate Publishing 2011). The efficiency-thoroughness trade-off, an inevitable principle with positive and negative aspects, explains »why things that go right sometimes go wrong«. Everybody in technology learns about the importance of buffer resources – only for management it is not sexy to avoid risks.

Employees are often more critical than management. Management decisions need to be dynamic and creative for management to be deemed successful. The employees focus on rising internal or external transaction costs and compare this development with the development of their own salary. Management has a tendency to delegate leadership challenges. While it is correct that most approaches of the Schools (Churches) of Management **might** help to advance a company by implementing their core elements. But we emphasize the word »might«. What has been developed for a globally operating big enterprise might not be suitable for another or for midsize and small companies. Creativity is not in all situations the supreme virtue. Sometimes it is sufficient to just do one's job and status quo is best.

Obviously the end of the year is the season to take a break and to ponder what is reasonable for your own company. How did you fair this past year? Are new horizons in store for you? Might it be a good approach to focus on the core of business doctrines or do you have to implement every detail? Contact us to discuss reasonable limits for your organization in a Central European environment at dr.herdmann@expatbiz.eu!

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