

Developing Workplace Critical Thinking (DWC)

BMSK5001

Week

Aim session

Discuss

- Conceptual tools to enhance critical thinking: 6 Bono thinking hats
- Function of Public Activities
- Before Bureaucratic management
- Bureaucratic management by Max Weber
- Appraisal of Bureaucratic management

CONCEPTUAL TOOLS TO ENHANCE CRITICAL THINKING

DE BONO'S 6 THINKING HATS METHOD

Invented in 1980s by Dr. Edward de **Bono**



DE BONO'S 6 THINKING HATS

- Used with well-defined and explicit Return On Investment success in corporations worldwide
- Workers can learn how to separate thinking into six clear functions and roles.
- Each thinking role is identified with a colored symbolic "thinking hat."
- "By mentally wearing and switching "hats," workers can easily focus or redirect thoughts, the conversation, or the meeting.



Focus on data
available. Look for
gaps in knowledge.
Analyze past trends,
try to extrapolate from
historical data.



Focus on problems using intuition, gut reactions and emotions. Try to anticipate responses of others who may not know the extent of your reasoning.



Focus on all the bad points of a decision. Look cautiously and defensively. Try to see what might NOT work. This hat identifies weak spots in order to mitigate or prepare contingencies.



Focus on positives of impact. The optimistic view helps all to see the benefits and value. Yellow hats keep teams and decisions moving.



Focus on creativity.

Develop creative
solutions to a problem.

Freewheel thinking.

Classic brainstorming.



Focus on process control. Usually worn by those chairing meetings. Directs back to green hat when needed, or black hat, or any other...

Utilize the thinking hats' model

- Consider assigning each hat at a staff meeting
- Rotate roles so that teams think from different perspectives
- Discussion topic:
 - Twitter's statement is to give everyone the power to create and share ideas and information instantly, without barriers

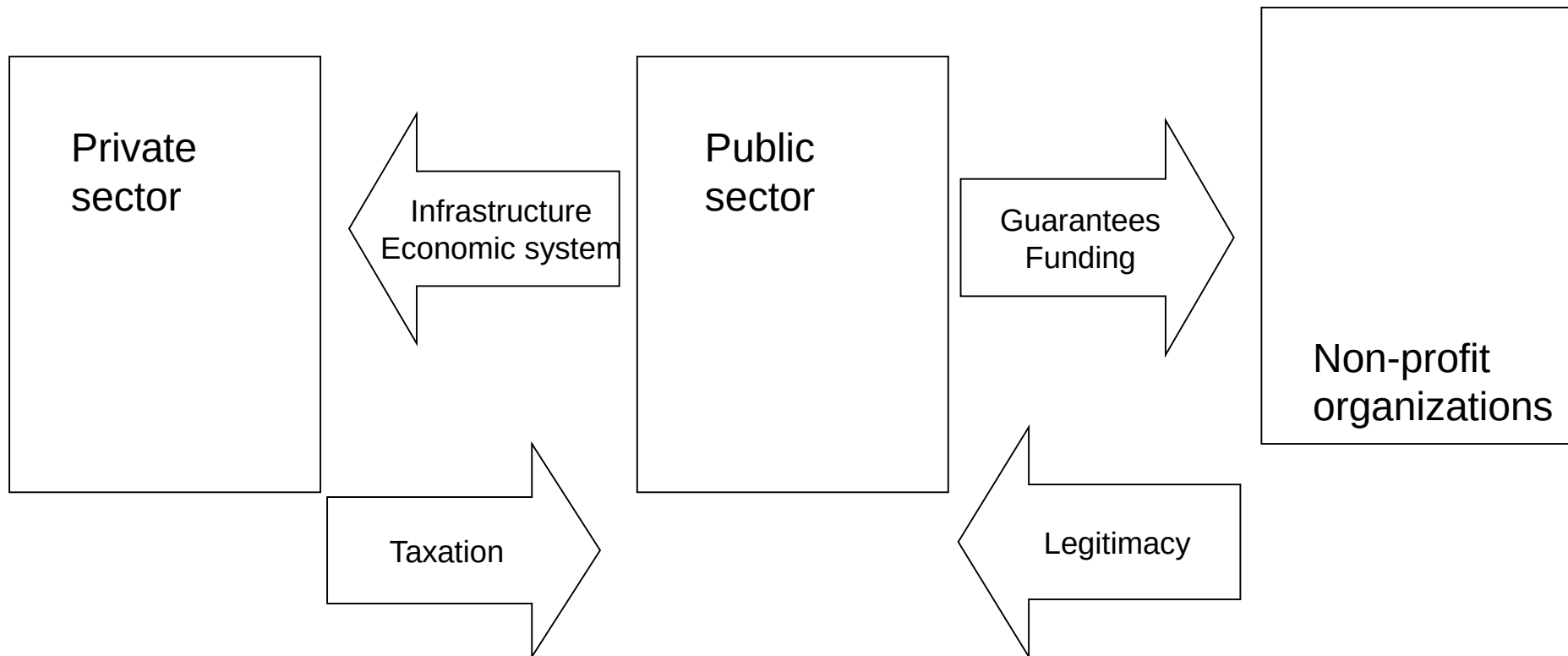
Bureaucratic Management



- What is your understanding of „bureaucracy“ or „bureaucratic“?
- Where or when do you experience bureaucracy?
 - In a positive way
 - In a negative way

Function of Public Activities (1)

There are problems which cannot be resolved individually.



Function of Public Activities (2)

- Government intervention
 - **Individuals/corporations are limited by the government (i.e. police, taxes**
- Government provision of services
 - **Individuals/corporations are provided with services by the government (i.e. schools, hospitals, galleries)**

Function of Public Activities (3)

- Rule of Law: Civil rights
- Predictability
 - Government action needs to be predictable.
- Equity
 - Equal treatment under equal circumstances.
- Judicial control
 - Government action can be referred to an independant court.

Before Bureaucracy

- Before French Revolution: Absolutism
 - Elements:
 - » Centralism
 - » Civil servants are employed by the throne
 - » All three powers are united in the throne

Before Bureaucracy

- French Revolution: Division of power, but administration stays the same
 - Aristocratic civil service
 - » Personal nomination
 - » Inheritance of positions

Before Bureaucracy

- However: Separation of intervention and service provision
 - Intervention: Secular, by public administration
 - E.g. armed forces, police, prison, customs, taxation
 - Public services: Religious, by the church
 - E.g. schools, hospitals, homes

Bureaucracy as defined by Max Weber

- Max Weber (*1864 in Erfurt, +1920 in München)
 - Lawyer, economist and sociologist
 - Most important publication: Die protestantische Ethik und der ‚Geist‘ des Kapitalismus (1904/05)
 - But also founder bureaucracy theory (in: „Wirtschaft und Gesellschaft“, 1922)



Bureaucracy as defined by Max Weber

- Bureaucracy theory
 - One of the three classical management theories (the others are „Structural Approach/Scientist management “ by Taylor/Fayol und „Human-Relations-Approach“ by Mayo/Rothlisberger)
 - Bureaucracy: literally rule of the office
 - For Max Weber: „Rationalization of society“

Rationalization

- The process by which modern society has increasingly become concerned with:
- **Efficiency**: achieving the maximum results with a minimum amount of effort
- **Predictability**: a desire to predict what will happen in the future
- **Calculability**: a concern with numerical data i.e. statistics, scoring
- **Dehumanization**: employing technology as a means to control human behavior

Bureaucracy as defined by Max Weber

Two fundamental principles:

1. Rule based power
2. Hierarchy

Bureaucracy as defined by Max Weber

- Typical elements of a Bureaucracy
 - Rigorous division of labor
 - Authority limited to clearly defined scope
 - Knowledge & competence → appointment → functional authority
 - Hierarchy
 - Defined processes
 - Emphasize on documentation/written communication

Bureaucracy as defined by Max Weber

- Typical elements of a Bureaucracy
 - Compensation of employees only based on position
 - Unpersonal communication
 - Separation of administrative and personal possession
 - Rationale discipline
 - All decisions based on the calculation of their likely return
 - Principle of efficiency: maximizing output whilst minimizing inputs

Reflected in business as,

- Precision,
- Speed,
- Unambiguity,
- Knowledge of files,
- Continuity,
- Discretion,
- Unity,
- Strict subordination, reduction of friction and of material, and personal costs – these are raised to the optimum point in bureaucratic management

Reflected in business as,

- Precision,
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- Reduction of friction
- Reduction of material
- Reduction of personal costs

These characteristics are raised to the optimum point in bureaucratic management

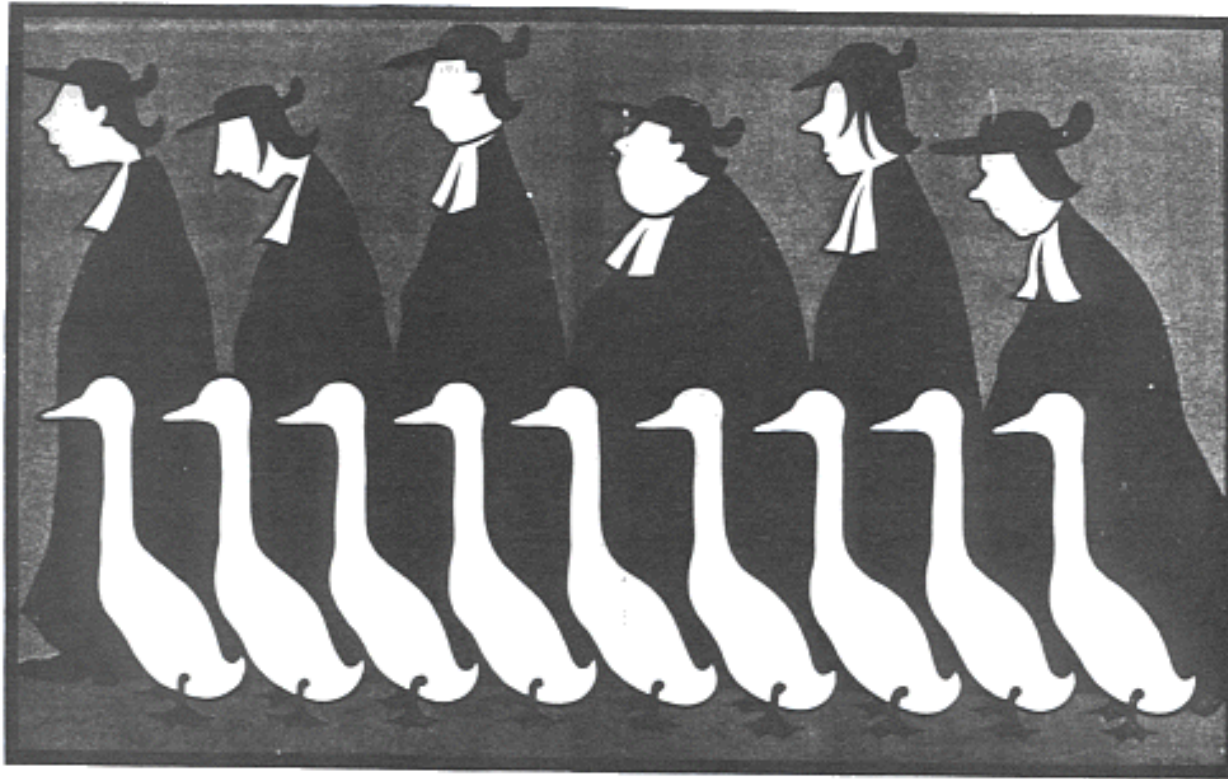
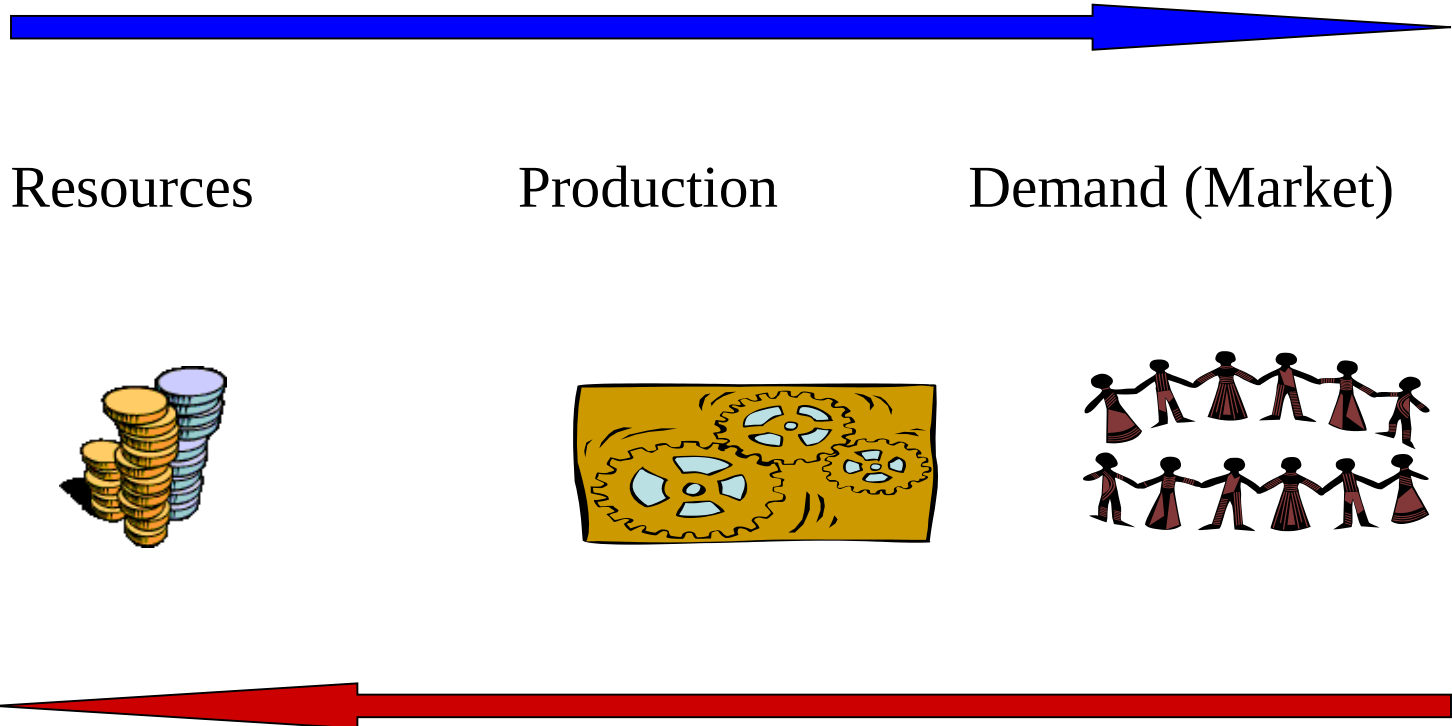


Abb.: Apparatschiks

Bureaucracy as defined by Max Weber

- Typical behaviour of workers:
 - Fulfil their duty obligations independently based on the law
 - Comply with hierarchy
 - Each level is subject to control by the level above it
 - Each position in the hierarchy exists in its own right and job holders have no rights to a particular position
 - Responsibilities within each level are clearly delineated and each level has its own sphere of competence
 - An appointment to an office, and the levels of authority that go with it, are based solely on the grounds of technical competence

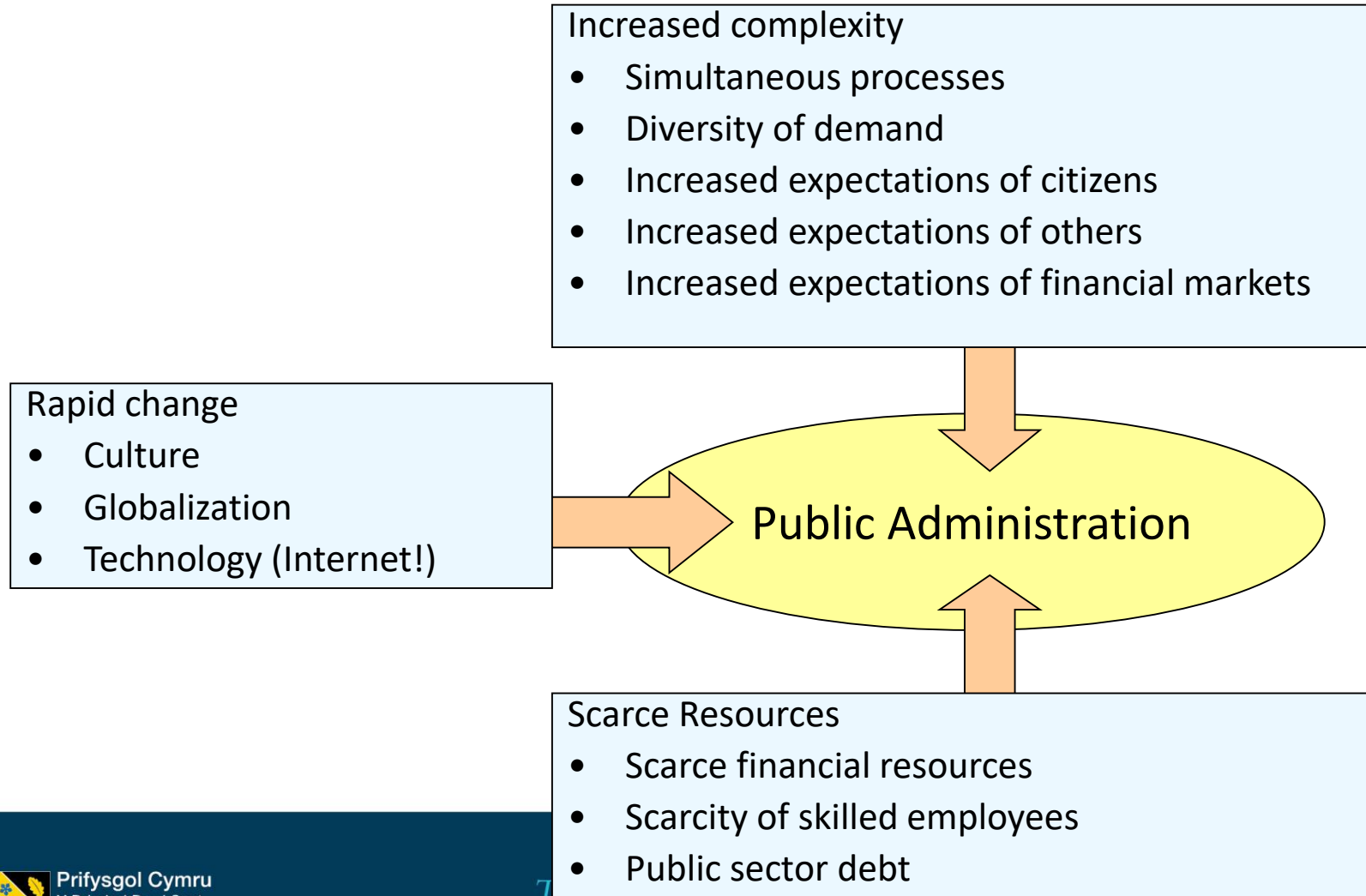
Input- Output Control



Appraisal of Bureaucracy : Advantages

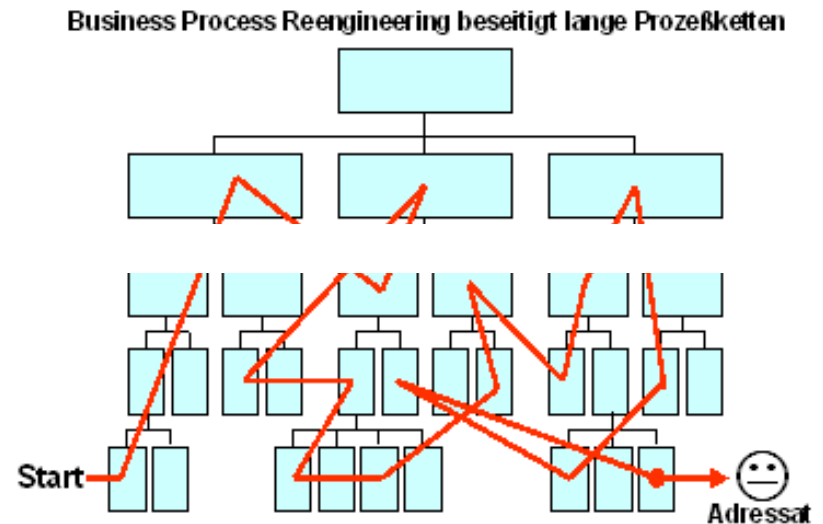
- „Checks & Balances“
 - Rigorous structures
 - Transparency (depending on structure)
 - Limitation of power
 - Rule of law

Appraisal of Bureaucracy : Critical issues



Appraisal of Bureaucracy : Critical issues

- Bureaucracy leads to inflexibility
 - No adaptation to external influences
 - Red tape („Dienst nach Vorschrift“) is the role model
 - Official channels
 - Slows processed down
 - filters information
 - No gradual cutbacks



Appraisal of Bureaucracy : Critical issues

- Disadvantages of input control
 - Incremental budgeting based on earlier periods
 - Love of details
 - Little flexibility
 - Dissipation of funds towards the end of the period
 - Not made for large service providers

Appraisal of Bureaucracy : Critical issues

- Lack of customer orientation
 - Arrogant (but legally correct) behaviour
 - Customer needs get neglected

Business environment

Traditional Bureaucracy

Large Decision Queues
Work Navigates Slowly
Inflexibility Slows Progress
Paper-Based Processes
Large Middle Management
Rigid Roles and Rules

Today's Environment

Need Quick Decisions
Work Product Done Quickly
Need to be Adaptive
Automated Workflows
Flattened Hierarchies
Flexible Roles and Rules

Examples in business (1)



- In the 20th century, Alfred P Sloan of General Motors (GM – General Motors Company) stood out as bureaucratic leader
- Alfred Sloan was elected president of General Motors in 1923.
- Developed a system of discipline and professional management.
- Sloan's management style allowed for decentralized production facilities that used centralized policies for organizational control.

Examples in business (2)

- ITT (International Telephone and Telegraph) founded in 1920
- Harold Geneen took over after 1920 as CEO – former an accountant
- Developed the idea of international business conglomerates: a parent corporation that owns many unrelated subsidiary companies.
- Was able to buy companies and expand the ITT corporation by imposing strict financial discipline in the newly-purchased companies

And more examples...

- Excessive costs and sluggish decision-making at Rolls-Royce, Warren East, the engineering group's chief executive, started a cull of senior managers, restructuring divisions and making operational units report directly to him.
- Volkswagen, hit by scandal, has halved the number of senior managers reporting directly to its chief executive, to speed up processes and streamline decisions

Exercise (1)

News › UK › UK Politics

Brexit: UK business could face 'huge new bureaucratic burdens' after leaving the EU due to new customs union plan

It comes as the Government publishes a 14-page document outlining its position for the Brexit negotiations on a future customs arrangement

- With the knowledge you have now on bureaucratic management, discuss:
 - How your business can be affected
 - What can be the problems to arise
 - The solutions
 - Apply principles of CT

Exercise (2)

- The business case will be handed to you
- With the knowledge you have now on bureaucratic management, discuss:
 - How your business can be affected
 - What can be the problems to arise from
 - The solutions
 - Apply principles of CT

Harvard Referencing

- Study TSD University guide on Moodle
- Note everything you consult
- Record reference details before making notes
- Reference diagrams, tables etc
- Paraphrase to demonstrate understanding
- Become familiar with how referencing works by reading books and journals
- Use information from a variety of reputable, academic sources

Sources

- The management theory of Max Weber, accessed on 19.03.18 at <https://www.business.com/articles/management-theory-of-max-weber/>
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