



CAVE HENRICKS
COMMUNICATIONS

FOR IMMEDIATE RELEASE:

Contact: Dennis Welch

(512) 904-9255 or Dennis@CaveHenricks.com

THE LEADER'S GUIDE TO RADICAL MANAGEMENT

Reinventing the Workplace for the 21st Century

by Stephen Denning

"This masterful book is a delight to read—articulate, provocative and illuminating. It isn't merely radical, it's revolutionary!"

Peter Guber

CEO, Mandalay Entertainment Group

Management is in crisis. The rate of return on assets is only a quarter of what it was in 1965. The life expectancy of a firm in the Fortune 500 has declined to 15 years, and is heading towards fifteen years unless something is done. Management turnover is accelerating. Only one in five workers is fully engaged in his or her work. Established organizations have shown themselves unable to cope with disruptive innovation, or to generate net jobs, or to handle the demands of social media.

As a result, thinkers like Professor Julian Birkinshaw of the London Business School, Alan Murray of the Wall Street Journal, business guru Gary Hamel and CEO Jo Owen have concluded that management has "failed". A consensus is emerging that the workplace needs more than *tweaking*. Rather, management needs to be *re-invented*.

Among the various efforts to reinvent management, **THE LEADER'S GUIDE TO RADICAL MANAGEMENT: Reinventing the Workplace for the 21st Century** (Jossey-Bass; hardcover; November 2010), award-winning author Stephen Denning stands out as a coherent, comprehensive account. Denning calls it *radical management*,

because it goes to the root of what's involved in getting things done in today's workplace. Managers must change how they think, speak and act in the workplace.

In reinventing management, Denning shows why five fundamental and interdependent shifts need to occur:

1. The first shift stems from a monumental transition in the power balance between seller and buyer: to management's astonishment, the buyer is now in the driver's seat. As a result, the firm's *goal* has to shift to one of *delighting clients*: i.e. a shift from inside-out ("You take what we make") to outside-in ("We seek to understand your problems and will surprise you by solving them").
2. The second shift stems from the first transition, as well as the epochal transition from semi-skilled labor to knowledge work. Again to management's astonishment, traditional hierarchy suddenly doesn't work anymore. The *role* of the manager has to shift from being a controller to an *enabler*, so as to liberate the energies and talents of those doing the work and remove impediments that are getting in the way of work.

To support and sustain those two shifts, three other shifts are necessary:

3. The *mode of coordination* shifts from hierarchical bureaucracy to dynamic linking, i.e. to a way of dynamically linking self-driven knowledge work to the shifting requirements of delighting clients.
4. There is a shift from value to *values*; i.e. a shift from a single-minded focus on economic value and maximizing efficiency to instilling the values that will create innovation and growth for the organization over the long term.
5. *Communications* shift from command to *conversation*: i.e. a shift from top-down communications comprising predominantly hierarchical directives to communications made up largely of adult-to-adult conversations that solve problems and generate new insights.

Individually, none of these shifts is new. However when one of these shifts is pursued on its own, without the others, it tends to be unsustainable because it conflicts with the goals, attitudes and practices of traditional management. The five shifts are interdependent.

In this book, Denning, who h

as authored seven previous books including the award-winning *The Leader's Guide to Storytelling* (Jossey-Bass, 2005) and *The Secret Language of Leadership* (Jossey-Bass, 2007), describes an emerging way of managing that simultaneously creates a positive

culture of challenge and achievement for workers, delight for the customers *and* a steady growth in profit and revenue. Work becomes both productive and fun.

THE LEADER'S GUIDE TO RADICAL MANAGEMENT elaborates the reinvention of management with more than 70 practices that support the guiding principles.

This is not another book about teams, or innovation or even leadership storytelling for which Denning is best-known. Radical management is a fundamental re-think of what's involved in creating a workplace where those doing the work are enabled to contribute their best on a daily basis so as to add a stream of continuous new value for clients.

A long time executive at World Bank, Denning now works with Fortune 500 companies in the US, Europe, Asia and his native Australia on leadership, innovation, storytelling and organizational change.

THE LEADER'S GUIDE TO RADICAL MANAGEMENT is a practical and inspiring primer that offers prescriptive advice and compelling insight to help today's leaders meet the challenges of the 21st century.

**THE LEADER'S GUIDE TO RADICAL MANAGEMENT:
Reinventing the Workplace for the 21st Century
Author: Stephen Denning
Publication date: November 2010
Hardcover; \$29.95; 313 pages
ISBN: 978-0-470-54868-4**

ABOUT THE AUTHOR



Steve Denning is the author of the award-winning books, *The Secret Language of Leadership* (Jossey-Bass, 2007) and *The Leader's Guide to Storytelling* (Jossey-Bass, 2005). The former program director for the World Bank, Denning consults with organizations in the US, Europe, Asia, and Australia in the areas of leadership, management, innovation, and business narrative and radical management.

Denning's former works have been cited by *The New York Times*, *Financial Times*, who called *The Secret Language of Leadership* one of the best books of 2007, and 800-CEO-READ, who called it the best book on leadership in 2007, among others.

A Sydney, Australia native, Denning studied law and psychology at Sydney University and received a postgraduate degree in law at Oxford University. After working as a lawyer for several years, Denning joined the World Bank, where he held various management positions, including Director of the Southern Africa Department, Director of the Africa Region, and Program Director, Knowledge Management.

**What others are saying about
THE LEADER'S GUIDE TO RADICAL MANAGEMENT**

“Denning has written an original and brilliant book which transforms “radical management” into doable and, more important, indispensable management. Also an indispensable read!”

—**Warren Bennis, distinguished professor of business, University of Southern California, and author of *Still Surprised***

“This is a wonderful book. It’s like having an extended conversation with Steve Denning, who is one of today’s most acute and creative critics of traditional management thinking. You would ignore the ideas in this witty, candid and erudite book at your own peril. Denning shows how to re-invent management based on a more accurate and effective understanding of how humans work best together. This book makes a great text for any extended discussion about how we should be doing things.”

—**Laurence Prusak, author of *Working Knowledge* and *What’s the Big Idea?***

“Denning goes to the root of the management issues confronting companies today. Focusing on seven core principles, he lays out a pragmatic roadmap for shifting the corporation from a focus on scalable efficiency to a focus on delighting the customer and each other, while achieving even higher levels of productivity. In the process, he creates a space where we all can more fully achieve our potential.”

—**John Hagel, Co-Chairman, Deloitte Center for the Edge and co-author of *The Power of Pull***

“*The Leader’s Guide to Radical Management* delivers. It delivers insight into why today’s broken institutions don’t work. It delivers the principles and practices that can reinvent them. It delivers powerful examples of organizations that are doing it —and some that aren’t — and it delivers the tools to help you start digging a new foundation.”

—**Jim Kouzes, award-winning co-author of the bestselling *The Leadership Challenge* and *The Truth About Leadership*; Dean’s Executive Professor of Leadership, Leavey School of Business, Santa Clara University**

“To reinvent America and the world, we desperately need radical, new leadership and management. Stephen shows the way.”

—**Mark Victor Hansen, Creator of the series *Chicken Soup for the Soul*®**

**An interview with Stephen Denning,
author of THE LEADER'S GUIDE TO RADICAL MANAGEMENT**

Q: What is radical management?

It's a radically different way of managing. It's about pulling apart the black box of traditional management and putting the pieces together in a way that creates continuous innovation and client delight. It involves a wholly different way of thinking, speaking, and acting at work. It leads to workplaces that are more productive and more fun. These workplaces *feel* different.

Q: Why the need for this new way to manage?

We're in a crisis brought on by several things. One is the continuing shift from semi-skilled work to what economists call knowledge work. Hierarchical bureaucracy is no longer a good solution. Its consequences are well known. It results in the talents, ingenuity and inspiration of the workforce not being fully tapped. Only one in five workers is fully engaged in his or her work. For the organization, this means that the energies and insights of four out of five people in the workplace are being needlessly squandered. When the firm's future depends on what knowledge workers can contribute, leaving talent unused becomes a serious productivity problem.

For the customers of these organizations, the situation is similarly grim; a firm full of people who are not fully engaged in their work is not much fun to deal with. Although firms talk about customer service and responsiveness, they are more often engaged in one-way communication. The recorded message might say, "Your call is important to us," but customers know that it isn't.

Q: What role do managers play in the current crisis as you see it?

I argue in this book that the problems of today's workplace are not the personal fault of the individual managers. They are largely the fault of the system they are implementing, which relentlessly constrains the capacity of people to contribute, limits the firm's productivity and practically guarantees that clients will be dissatisfied. The mental model of management that these companies are pursuing, with interlocking attitudes and practices, methodically prevents any individual management fix from permanently taking hold.

Q: How does communication change in the new world of radical management?

Communication in radical management entails a shift from the model of, "I've got something to tell you, and I'm hoping you're going to see it the way I see it, and if you do that, I'll pay you for it," into, "I've got a spark. Let's build a fire together." In effect, radical management uses an interactive mode of communication that breeds on the connections among people.

Q: Where do companies who want to thrive go from here?

It's really up to you. You have a chance to remake your workplace. It will be difficult, thrilling, frightening and exciting, all at once.

There will be times when nothing works, the task seems hopeless and everyone is tempted to abandon the effort and retreat back to the old practices. But with persistence, courage and humility, you can overcome the problems as you make your way.

Finally, when you are done and you have a workplace that is humming, vibrant, full of life, and highly productive, it will be time to look at what you have accomplished with a fresh, unprejudiced eye and see how it can be made even better.

Q. Is there a key message in the book?

I spent the first four decades of my life gazing at the vast and somber edifice of the Soviet Union. Grim, impregnable, and despotic, it seemed destined to last forever. Yet economically it was rotting from within. When the Berlin Wall came down, the edifice abruptly collapsed. Now dictatorships are an endangered species around the world. Those few that do remain feel obliged to put on a semblance of democracy with rigged elections and phony votes. Even they know that the world has changed. Human beings are no longer willing to live under tyranny.

The vast and somber edifices of the traditional corporation still stand. Grim and impregnable, they also seem destined to last forever. Yet they are also rotting from within: the return on their assets is only a quarter of what it was just a few decades ago. Their life expectancy is already startlingly brief—now around fifteen years and heading towards five years, unless something changes. The despotic management practices that are causing the decline are anachronisms from a former era. It is only a matter of time before they come to be seen as uneconomic and intolerable as despotism in the political sphere.

Radical management is thus part of a larger story, an emerging process of societal change, in which the structures that we build are adjusted to enhance rather than strangle the living part of our lives.