

MANAGEMENT FADS AND FASHIONS: Leading and Directing Companies by Popular Codified Methods

Carl V. Rabstajnek, P.E., M.B.A., Ph.D.

Management fads and fashions have absorbed American executives, board's members, managers, and others occupying leadership positions in organizations since the Second World War. To illustrate this point, look at the **Table** on page 3 (last page) listing "One Hundred Management Fads and Fashions Since World War II." They all flourished to a varying extent for a time during the 55 years (1945–2000) leading up to the millennium.

Some fads were short-lived and others have stood the test of time. A few maintain a following, such as the MBTI and ISO-9000. Others had a great heyday and large following that faded, such as Quality Circles and PERT, and were largely replaced. But none has been a *universal* panacea—i.e., a *solution for all organizations*—promised during their period of ascendancy.

Any executive who has practiced for several years will be familiar with, and was possibly enthralled by, some of the fads on the list. Over the years, many of the approaches made sense to me, at least at the time. Eventually, enthusiasm for each fad faded.

In the over 40 years since I received my M.B.A. from N.Y.U. (in 1969), I became aware that there were many short-lived "solutions" to *all* management's needs that were promoted and popular after the War. For what it is worth, I offer my assessment of why many players in the leadership arena jump onto expensive and time-consuming bandwagons. It is my belief that retrospective analysis of past fads and fashions can serve as the basis to better inform future discerning managers, executives, and leaders.

What motivates the players?

Every year or so we worship at the altar of another guru who has the *universal* solution for leadership or management in all organizations for all situations (i.e., one-size-fits-all). To reinforce this point, you are again referred to the **Table**, below (page 3), listing 100 management fads, for examples.

The list exists despite the fact that, no matter how good a core idea is, it is highly unlikely that it will work for all persons, in every situation, at all times, with each follower and boss (i.e., one-size-*does-not-fit* all). Experience has shown that *management by "cookbooks"* to the *method du jour* is rarely effective.

Why, then, are fads so popular? The bandwagon effect is understandable because many diverse groups gain from ballyhooing the latest fad. Business media touts in concert what is currently fashionable. *It's marketing!*—they have customers to satisfy. Therefore, television shows, trade magazines, and newspapers are in lockstep with the current trend. To check my argument, see recent issues of *The Wall Street Journal*, *Fortune*, *Business Week*, *Forbes*, *The New York Times*, the local press, and other readily available sources. They concurrently all share in touting the current but time-limited "Zeitgeist."

Academic journals also follow what is popular, but for a longer period of time, so the shelf life of the fads they cover will overlap. Scholarship usually requires that the appearance of scientific research underlie articles published in professional journals. The mainstream media has other considerations. They need to turn over material at a faster rate to keep viewers and readers interested.

There are some, however, who present the same ideas in a cult-like manner to stalwarts for years. The passing of a heyday does not discourage true disciples. Nevertheless, most trainers and consultants also need *new* material that can be packaged and presented in a reasonable amount of time in a straightforward manner. Human Relations professionals have an ongoing interest in providing relevant, entertaining, new, and popular training to their workforce, to show that they are aware of the current business, management, leadership, and training trends.

What motivates business executives?

We generally expect the people who run our companies to be competent—in spite of the popularity of *Dilbert*. At least we expect that there is a logical explanation for seeming irrational activity—and there is. As a latter-day career-change clinical psychologist, I finally learned that much of human behavior that befuddled me as an engineer made sense once it was understood.

Business schools keep up with what is attracting the practice market, because they need to show their relevancy and currency. Everyone loves a parade and enjoys (and is rewarded for) marching to the beat of the music. Gadflies are rarely welcome into the fold.

Business is a somewhat unique academic field because scholars and practitioners all read the same popular press. Some publications, such as the *Harvard Business Review* and *MIT Sloan Management Review* are accepted reading and citing sources by both academics and laypersons. Importantly, there is a language that is picked up by everyone “in the know.” *All* feel confident dropping the current jargon and *all* includes governing boards of directors.

This brings us to executive officers of board-governed organizations. Progressive organizations are expected to be dynamic. This is interpreted as *change* in the boardroom. CEOs and their governors are happy when discussing their embrace of the latest innovation when they can discuss it in a common and currently popular “tongue.” There’s something intoxicating about using “in-language” or jargon.

Not just information but motivation also needs to be considered. If managers are measured on how they embrace change they will parrot and demonstrate popular new methods. Remember, we are discussing managers that, unlike *Dilbert's*, are smart. They are motivated by survival and financial reward. And a boss is happiest when his or her bosses are happy. (We are not discussing ethics, herein.)

Unfortunately, the organization for which they are responsible may not operate on the same “wavelength” as the place(s) where others’ success may have been demonstrated. Fortunately, the largest financial support for fads comes from large wealthy companies that are slow to change. *Everybody wins!*

Employees get to attend usually well-produced and entertaining presentations that they rave about at the water cooler for a day or so before going back to their routine. Small innovative companies, fortunately, cannot afford either time or money to actively play in the fashionable arena. Nonetheless, good parts of passé ideas may inform the gestalt of management intelligence and entrepreneurship.

What is the value of fads?

There is often value in a transient idea—with or without modifications—that can be adapted in other places. Many times, some good may filter down from the fashionable ideas that can be integrated into sound business practices. Some intrepid individuals will be able to evaluate new fads in real time. Many other persons can safely appraise *past* fashions and still others want explicit directions.

The intent of this article is not to be cynical or to willy-nilly criticize fads. The intent is to develop awareness and real-time critical thinking. Many people, however, are not prepared to critically think about new ideas. They need to be appreciated and nurtured also. This article is intended to provide support for a neglected group that wants or needs to swim against the tide (when advisable and not as a personality trait). Independent thinking (and especially behavior) is not an easy task, but it is possible.

Therefore, I am not advocating a major change to our present management and employees’ development programs. Necessary work is done by employees who want certainty (however temporary), concrete directions, and specific answers—we need them. Fads should be put in perspective, however, and companies evaluate the new method before they sacrifice too much at the altar of the *guru de jour*.

Inquisitiveness can be developed, if an open-minded person is exposed to enough examples and alternate experiences. Independent thinking and maybe even convincing behavior may then emerge.

One Hundred Management Fads and Fashions Since World War II

| | | | |
|-----------------------------|----------------------------|-----------------------------------|------------------------------|
| Acceptable Risk | Distributed Intelligence | Knowledge Management | Servant Leadership |
| Assessment Centers | Downsizing or Rightsizing | Learn Manufacturing | Social Responsibility |
| Automatic Factories | Diversification | Learning Organizations | Spin-Offs (Divestiture) |
| Baldrige Award | Diversity Training | One-minute Management | Stewardship |
| Balanced Scoreboard | Dress-Down (Casual) Friday | Organization Development | Strategic Planning Units |
| Benchmarking | Education Initiatives | Out-of-Box Thinking | Subcontracting |
| Broad-Banding | Electronic Data Processing | Outsourcing | Supply Chain Management |
| Business Ethics | Emotional Intelligence | Managed Health Care | Takeovers |
| Business School Offerings | Empowerment | Management by Objectives | Team Building |
| Cafeteria Programs | Ethical Leadership | Mgt. by Walking Around | T-groups |
| Centralization | Excellence | Matrix Management | Theory Z (and Theory X & Y)* |
| Change/Creative Destruction | Experience Curve | Myers-Briggs Type Indicator | Time-Based Competition |
| Chaordic Organizations | Flat Organizations | Pay for Performance | Time-Motion Studies |
| Computerization | Flex Time | Portfolio Management | Time Sharing |
| Complexity | Free Information Exchange | Post-Capitalism/Co-Opetition | Total Quality Management |
| Computer Integrated Mfg. | Functional Teams | PERT (Prog. Eval. and Rev. Tech.) | Training |
| Conglomeration | Internet | Project Management | Transactional Analysis |
| Convergence | Intrapreneuring | Privatization | Transformational Leadership |
| Core Competencies | ISO-9000 | Quality Circles | Value-Based Management |
| Corporate Culture | Issues Management | Reengineering | Value Chain Analysis |
| Critical Path Analysis | Japanese Management | Restructuring | Virtualization |
| Customer Driven | Job Enrichment | Sales Force Automation | Zero-based Budgeting |
| Data Warehousing | Job Sharing | Scientific Management | Zero Defects |
| Decentralization | Joint Ventures | Self-Managed Teams | Zero-Latency Enterprises |
| Demassing | Just-In-Time | Sensitivity Training | et cetera* |

*Note: et cetera occupies position 100. The Table's title can be made honest by listing Theory Z and Theory X & Y separately.