

Format, 26/05

US Guru Senge: “Jack Welch Is Overrated”

Peter Senge, professor at the world-famous MIT in Boston and best-selling author, on the most important secrets to success for top managers

Peter Senge. The 57-year-old heads the world-famous centre for systemic thinking at MIT in Boston and wrote the bestseller “The Fifth Discipline”, which is considered one of the best management books. Senge will take part in the Meeting of thinkers at Waldzell in September.

FORMAT: Mr. Senge, in many companies changes are the order of the day but often times the managers fail. Why is that so?

SENGE: Whoever wants to change a company, must view it as a living being. Managers unfortunately all too often think in terms of machines – terms such as resources or output. But change does not take place in machines but only in living beings. Also, innovators are often viewed critically and seen as foreign bodies.

FORMAT: A practical example would be?

SENGE: The innovative development team of the model Taurus of the Ford company has redefined all the rules of the company and developed an own culture. The creative department however was given a hard time internally. When the car came onto the market, the Ford group was closed.

FORMAT: Can you think of an example of a successful change?

SENGE: I never pick out single examples, you cannot copy the model of another organization. Imitation is not enough.

FORMAT: You created the term ‘learning organization’. What does that mean?

SENGE: A learning organization is a group of people who continuously work on improving their skills, to realize their common vision.

FORMAT: What would be the ideal organizational structure for this?

SENGE: There is no magic formula. Structures must not control, they must support. The management must understand how the teams and networks work within the company.

FORMAT: Are horizontal hierarchies the secret to success?

SENGE: Hierarchies are not bad, there just mustn’t be too many of them. They are necessary for the differences in the time horizons between strategic planners and operational implementers.

FORMAT: In quoted companies the strategists often only look at the stock price.

SENGE: They are under pressure to achieve short-term financial goals. That is why the focus is on the day trade. That makes it difficult to invest in the development of new, reformed work organizations. Enterprises are used to investing in technology, but not in the skills of the staff members.

FORMAT: What in your opinion is the most common management mistake?

SENGE: Managers usually don’t build networks and are therefore isolated. Nobody tells them the truth. No matter in which position you are, you need people you can trust in the company.

FORMAT: Who is a successful top manager?

SENGE: I don’t want to place anyone on a pedestal. In firms such as BP, Intel, HP and Unilever you will find top managers who know very well that success does not depend on them only.

FORMAT: Are you criticizing the hero worship of bosses?

SENGE: When under pressure staff members call for a strong leader. We tend to assign company success to single individuals. That is nonsense. Like with Jack Welch. Everyone

wanted him as their CEO. But he is overrated. He was not solely responsible for the success of General Electric. There were many outstanding managers there. And many are successful in other firms today.

FORMAT Scholarship for Waldzell Meeting

Top keynote speakers have announced their attendance at the second Waldzell Meeting at Melk Abbey from 10 to 11 September to discuss the theme “Blueprints for a Future with Meaning”: historian Paul Kennedy, architect Thom Mayne, genetic researcher Craig Venter and Peter Senge will be speaking upon invitation by the founders Andreas Salcher and Gundula Schatz. FORMAT is awarding a scholarship to the working group “Architects of the Future”, headed by Paulo Coelho. 18 youths will develop ideas there for the future of the world. Applications: neubauer.christiane@format.at. Information: www.waldzell.org.