Twins as a competitive advantage

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Twins make management and organizations visible for executives to better understand, analyse, transform, and navigate.

In the digital economy, innovations in management and organization are some of the few remaining competitive advantages. Traditional management has lost is impact. Traditional organization fail to make use of people's talents. The time has come for innovations in management and organization. But management and organizations are intangible assets–one cannot see and, therefore, it is hard to advance them. Twins make management and organizations visible, and with them, managers can view present conditions, anticipate opportunities, plan changes, test decisions, and transfer that experience into the real world. They are dynamic copies of real-world assets and with it, the closed approximates to the real world that current technologies enable us to create. Our organization twins apply the most rigorously researched and widely used models with which executives can collaboratively understand, analyse, transform, and navigate.

It’s like taste – we only notice it when it is not there. We assume that management functions as intended. And faults with management always fall back on people – those that perform management, the managers. In times of higher risks, management is in everyone’s conversation. We notice its malfunction at scale with our inability to eliminate interference. We are fast in pointing at people. But what we observe is that risk management fails to prevent crisis, engagement management does not motivate people, change management fails to alter how we operate, and project management does not get things done. We have been coping with failing management by separating it

into functions. Risk management replaces management through sophisticated analysis. Engagement management replaces people leadership. Change management replaces management through sophisticated methodologies. And project management replaces management through doubling structures. We believe that separation gets us out of trouble. We have added more detail, more precision, more sophistication yet to recognize that we are back at square one. Management is in trouble. It's time to finally get it right.

Traditional management has been built on the Anglo-Saxon view of scientific management that people need control – being told what to do. People are seen as mere resources that serve the profit purpose. Much of the early 20th century management theory was based on that one fundamental principle. The traditional management dominance is so strong that it survived up to today and transcended throughout the world. Just about every manager has been trained in command & control with business schools teaching what once was successful. Efficiency, scale, standardisation, and reliability were the result. It is important to note that these are extremely valuable outcomes. They continue to be relevant. But they are not the critical features that make firms competitive over a long period of time. For new management theories, we need to change our assumptions about people.

"*Management innovation is as important to economic progress as is technological innovation.*"

-David J. Teece, Prof. Haas School of Business, University of California, Berkeley

There is a desperate need for innovations in management. Real managers know that it is their task to change the way they lead people, how they organize themselves and how they get work done. Good management is every manager's primary job.

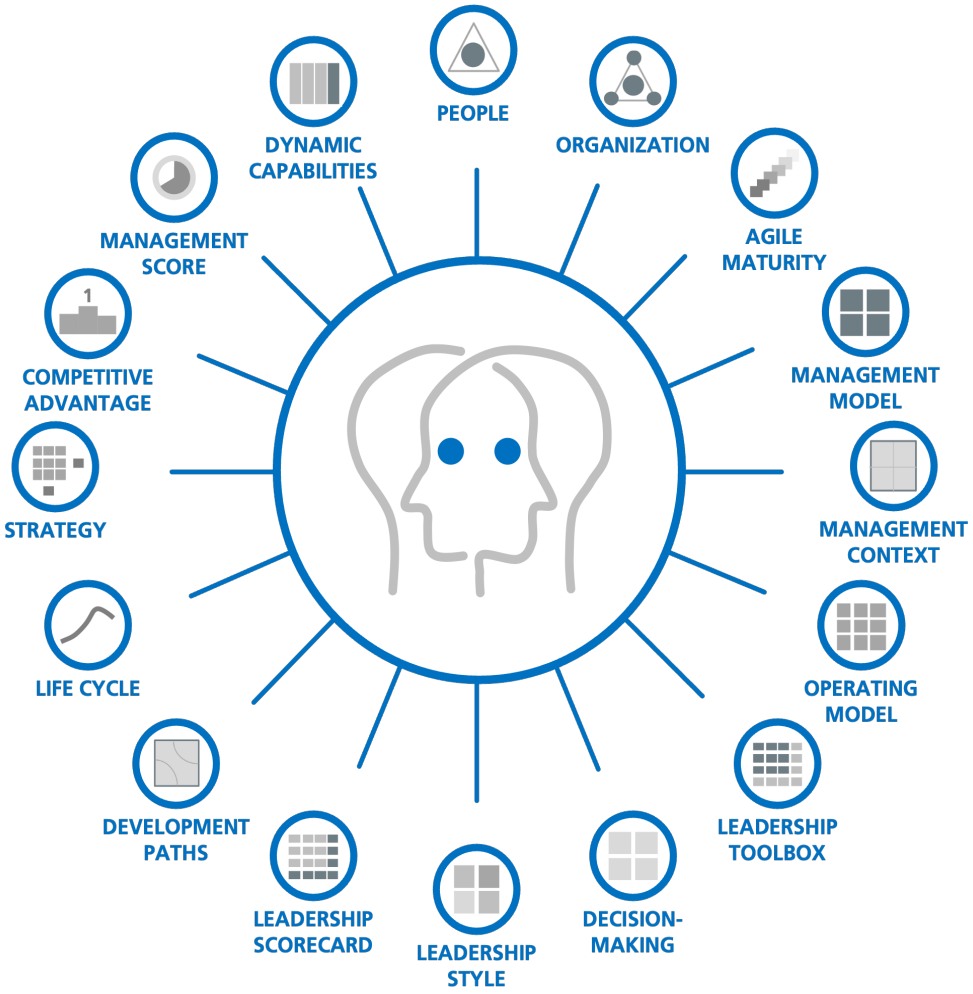
Innovations in management is not merely about adding new labels to the current ways of doing things. It is much broader than efficiency and alignment. It's what is embedded in the much broader perspective of culture, as management expert Edgar Schein explains in Organizational Culture and Leadership (2010). He describes how "a set of basic assumptions defines what to pay attention to, what things mean, how to react emotionally to what is going on, and what actions to take in various kinds of

situations.” Management needs a different way of thinking about work. Some of it is very much the opposite of what we are used to.

The ultimate test of management is performance. (Drucker 1954) We have agreed that management permeates everything. “The performance of modern society depends on the performance of its institutions—the businesses, universities, hospitals, research institutes, labour unions, government and other civil organizations that perform its essential functions. And the performance of these institutions depends on the performance of their people.” Therefore, it makes sense to think about the performance of management.

Management qualifies as a competitive advantage. Work is always work for clients. Without a client, work is not work. That clearly defines the performance of work. If management is the art, science, and craft to get work done, then management performance needs to get work done, create value, be unique and hard to copy. To evaluate the performance of management, the criteria for competitive advantage offer the logic for its measurement. In line with strategic management professor Jay B. Barney’s resource-based view of the firm (1991) and the VRIN criteria for competitive advantage (valuable, rare, inimitable, and non-substitutable), we have identified a model with six features to signal whether management out-performs others to qualifies as a competitive advantage.
Management is invisible.

Management twins shed light on the invisible factors that determine success. Our twins are the dynamic copies of real-world management. With them, managers can view present conditions, anticipate opportunities, plan changes, test decisions, and transfer that experience into the real world.



Twins feeds cross-functional teams to collaboratively understand, analyze, transform, and navigate complex systems in an interactive and immersive way.

Our management twins consist of carefully selected visual thinking aids, perspectives, and tools. Visual thinking aids consist of proven models that create a sharp image of management.

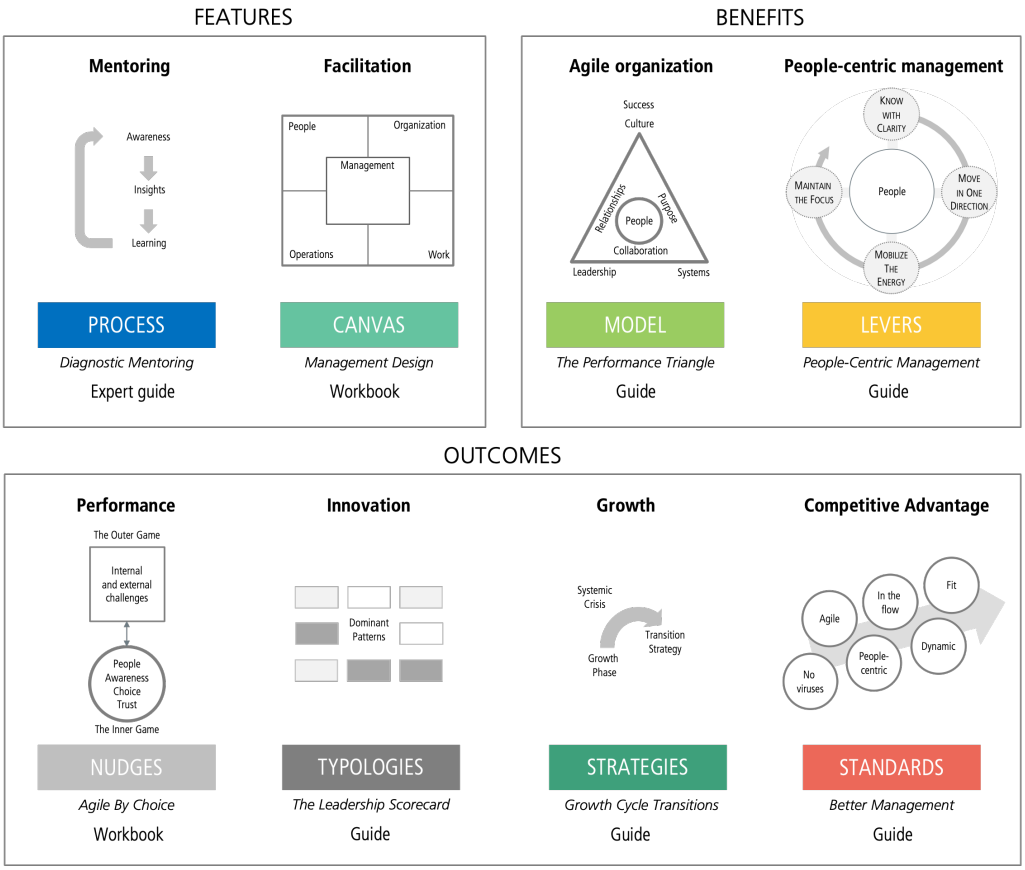
The twin is the tool that deciphers the intangibles. We use it to create management twins – the dynamic copies of real-world management and organization. With them, managers can view present conditions, anticipate opportunities, plan changes, test decisions, and transfer that experience into the real world.

Surveys provides the data to translate current reality into a new reality. As such, opinions turn into meaning, root causes replace symptoms and ideas turn into action. Surveys establish the observation points that create awareness. Higher awareness brings the clarity that leads to insights. Insights motivate leaders to act on their own. Focus of attention enables learning with action and higher performance as the outcomes. Insights naturally lead to the transition from current reality to a new

reality. Twins make the current reality of management and organizations visible.

Since 2002, we have been creating twins for management. Twin mentoring is our multi-facetted methodology to develop better management. The concept features the mentoring process and the facilitation canvas. The benefits are a model for organizations with agile features and management with people-centric levers. It further offers nudges for superior performance, typologies for innovation, strategies for growth and standards for competitive advantage.

Symbols identify every part of the concept. Each part takes on a specific role in the methodology. They are all documented in our workbooks and guides.



The mentoring process comes in three steps. If follows five canvas facilitation and documentation frames. The performance triangle illustrates the model for agile organizations with its intangible features. Four levers offer choices between traditional and people-centric management. Nudges promote self-mentoring by playing the inner and outer games with 21 exercises. The leadership scorecard identifies typologies with dominant patterns. Five transition strategies suggest how to overcome the systemic crisis that every organization goes through. Six standards identify

better management as a competitive advantage.

Twins help managers to develop management as a competitive advantage with the following:

- benchmark management through scores with top in class peers combining success, outcomes and dynamic capabilities.
- determine the agile maturity level of your organization to ensure your management copes well with a dynamic environment.
- identify whether investments into management establishes dynamic capabilities that translate into better outcomes and success.
- review dynamic capabilities to spot the potential and interferences to superior performance.
- spot the level of competitive advantage for higher fitness of your management.
- align management with the strategy and the business model to ensure high effectiveness of your management.
- decide on the management mode, the operating model, the leadership style and development path to accelerate the implementation of your strategy.
- determine the legacy with the life cycle stage, potential structural crisis and how you can transition to the next stage.
- fit the management toolbox to the specifics of your organization's demography to make it most efficient.

Management twins are extensively documented in our books:

Diagnostic Mentoring is the expert guide to transform the way we manage. It provides all details about the methodology and how to use it.

Management Design is the facilitation guide for experts and practitioners of diagnostic mentoring. It comes with a practical

canvas template that is used as a poster in workshops to document the outcomes.

The Performance Triangle features our agile model for organizations. It comes with all definitions, better practices, and hints for leaders. It also serves as the source for the diagnostic questions.

People-Centric Management is for leaders to bring out the greatness of others. It presents the triangle elements as a leadership cycle with a choice of levers for the digital economy.

Agile by Choice serves as a workbook for leaders that need the experience to drive performance. It offers 14 nudges and 21exercises for self-discovery.

Growth Cycle Transitions (expected in 2023) is the guide that helps leaders identify strategies to successfully overcome any systemic growth crisis with their organizations.

The Leadership Scorecard (expected in 2024) offers choices of organizations with typical capabilities and dominant patterns for innovation.

Better Management defines the standards that turn management into a competitive advantage.

About Management Insights

Founded by Lukas Michel, Management Insights draws on more than 25 years of research and practice to help people understand how their organizations work. The Organization Twin brings organizational patterns into view for reflection, dialogue, and informed choice.

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