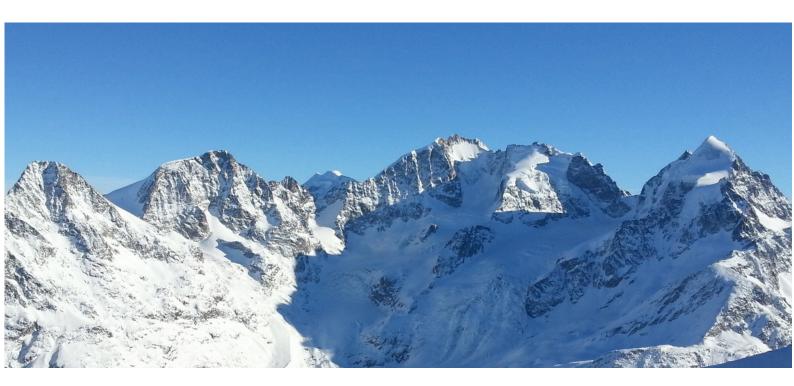


NEW WAYS TO BETTER MANAGEMENT



'UNMANAGED'

HOW MASTERY IN MANAGEMENT REPLACES
MUDDLING THROUGH LEADERSHIP

'UNMANAGED': HOW MASTERY IN MANAGEMENT REPLACES MUDDLING THROUGH LEADERSHIP

A TECHNICAL INTRODUCTION

2025

Whitepaper / ebook

SUMMARY

Every day, we witness unmanaged failures of leaders and organizations—some with minor consequences, others with disastrous impacts.

At the root of these failures, we identify two critical issues: ineffective, outdated management practices and flawed leadership. While this may not surprise casual observers, it highlights a systemic problem: a vicious cycle where poor leadership undermines management, leading to cultural decay and eventual organizational failure.

We define 'unmanaged' as the state where ineffective management prevails, leadership interventions either fail or never happen, and organizations operate below their potential. This reality is not the norm, yet it is far too common—many organizations continue to muddle through despite suboptimal performance.

Our analysis shows that the adoption of better management remains low and varies widely. Traditional management practices, stuck in the past, have lost their effectiveness. While replacing poor leaders is straightforward—boards simply need to act—the transformation of management itself is a more complex challenge.

Better management is a proven driver of profitability, growth, and productivity. It is human, holistic, systemic, unique, diagnostic, regenerative, interactive, integrated, and distributed. When implemented effectively, it becomes a sustainable competitive advantage.

However, better management is not widely adopted because of a dangerous assumption: that existing management practices are inherently sound. Classically trained managers tend to resist new concepts, leading to chronic underinvestment in management innovation.

Escaping the 'unmanaged' state requires organizations to adopt and adapt better management practices to align with their people, organizational context, and future business environment. Theories such as capability monitoring, dynamic capabilities, management innovation, cybernetics, and quantum management provide the foundation for this shift.

For years, we have developed and promoted **Organization Twins**, the **Global Executive Survey**, and the **Al-based Management Innovation Toolkit** as effective tools to accelerate this transition. Organizations that embrace these approaches can turn management into a true competitive advantage.

'UNMANAGED'

This working document outlines nine key findings and introduces nine attributes of better management, derived from our observations. It explains the systemic reasons behind today's management failures, defines what better management entails, explores why its adoption remains low, and offers a path forward.

Now is the time for **Boards and CEOs to take full responsibility for their management practices**. We invite leaders, researchers, educators, and consultants to leverage our insights and tools on the journey toward better management.

'UNMANAGED'

Stories of failed leaders and organizations frequently make headlines. We maintain our own daily logbook of such instances but refrain from listing them here—it would be too disheartening.

Over the past 25 years, we have systematically studied 4,000 managers and experts across 500 organizations using our Global Executive Survey. This research has helped us profile existing management practices and explore innovative ways to advance management. Our findings have been extensively documented in books and research publications. With this working document, we aim to summarize the current state of management and extend an invitation to practitioners, researchers, and educators to collaborate in restoring management effectiveness.

'Unmanaged' organizations and leadership failures have solid backing in management research. Our scientifically tested, independently published, and widely used Global Executive Survey (Nold et al., 2018) assesses management maturity (Figure 1) across industries worldwide. Participants evaluate 79 managerial practices—ranging from corporate processes and strategic planning to performance reviews and risk management —on a 9-point scale from non-existent to superior. The aggregated results form the Maturity Index, which scores organizations from 0 to 100 and categorizes them into different maturity levels. Each level identifies typical patterns, including capabilities, barriers, and themes that define these organizations.

Pioneers 78-100 **Performers** Organizational Capabilities 73-78 Enablers 66-72 Changers 61-65 **Exploiters** 51-60 Contestants 0-50 Maturity Levels

FIGURE 1: SIX LEVELS OF ORGANIZATIONAL MATURITY

Finding 1: A Gap Between Management Standards and Practice

The average maturity level in our global sample is 65, placing most organizations between 'Changers' and 'Enablers.' This suggests that while managerial practices are at an average level, the sophistication required to master better management practices is largely missing. There is a significant gap between generally accepted management standards and their real-world application.

Finding 2: Vast Differences in Management Maturity

Our analysis reveals stark contrasts in management maturity across organizations. A substantial 34% of organizations—classified as 'Contestants' and 'Exploiters'—fall below an index of 60, the minimum standard for management and organizational development. Conversely, 33% of organizations reach the 'Performers' and 'Pioneers' levels with an index of 72 or higher. Given the vast availability of state-of-the-art management practices, thousands of business books, and the presence of leading business schools, one would expect a higher diffusion of effective management practices and less disparity between organizations.

Finding 3: Industry-Specific and Internal Maturity Gaps

In *Patterns of Mastery* (Michel, Nold, and Anzengruber, 2026, expected), our research team analyzed Global Executive Survey data across 21 industry sectors. The findings highlight significant differences in management maturity both across and within industries. Rules-based organizations, such as public services, score at the lower end of the scale (Index of 58-60), while 'Pioneers,' including Austria's Wellness Hotel sector, reach the highest levels of maturity (Index of 76-83). These disparities can be attributed to factors such as governmental regulation, competition, and organizational complexity.

Despite the prevalence of 'unmanaged' organizations, most still function and conduct business. They muddle through. This reality underscores a crucial conclusion: the adoption of better management remains low and highly inconsistent across industries and organizations.

Failures happen. The challenge now is to bridge the gap between where management stands today and where it needs to be.

Why Are We Where We Are?

Outdated management is a major contributor to organizational failures. To understand why, we examine the legacy of management and its current perception to identify what is missing.

The Legacy of Management

Management, as defined by Peter Drucker and Henry Mintzberg, is the craft of collectively getting work done. It applies to all areas where performance matters—business, sports, arts, and politics. Because work is rarely an individual effort, management and organization are inseparable. Beyond its practical aspects, management is both a science—concerned with organizational health and the future—and an art, as it has evolved into a social technology. This makes management relevant to everyone, as it shapes people, organizations, and society.

Over the last century, management theory has advanced significantly. The past 30 years have introduced influential concepts in organizational behavior, strategic management, operations, and leadership. Research now focuses on balancing control systems with human behavior, while modern practices emphasize teamwork, knowledge sharing, and adaptability. Organizations that embrace these advances show that good management is achievable. However, despite the abundance of theories and successful case studies, widespread adoption remains limited.

Why Has Management Not Evolved?

We Undervalue What Management Is

Executives often underestimate the significance of management. When confronted with their Global Executive Survey results, they are initially surprised at how accurately it reflects their organization. After reflection, they acknowledge its accuracy but feel overwhelmed. Many have never fully considered the impact of their management practices.

The challenge of achieving operational excellence remains daunting for most organizations. Mastering management is an even greater challenge.

We Ignore That Times Have Changed

Failing to recognize how the business environment has changed leads organizations to rely on outdated management principles. The reasons include:

- **Persistence of Theory X assumptions**: The belief that employees are inherently lazy and require strict oversight.
- Control and command mentality: A preference for rigid hierarchies and top-down decision-making.
- **Industrial-era thinking**: Practices designed for the stable, production-focused economy of the 20th century.

However, three major trends have transformed the way organizations must operate:

- **Digitalization**: Information is now accessible anytime, anywhere, enabling greater knowledge sharing.
- VUCA Reality: Increased volatility, uncertainty, complexity, and ambiguity require adaptability.
- **Distributed Knowledge**: Expertise is no longer centralized at the top but exists throughout organizations.

These trends demand a fundamental shift in management approaches. Our research (Michel, Anzengruber, Wölfle, & Hixson, 2018) has extensively documented the consequences of these shifts.

Are We Celebrating the Wrong Leaders?

Management is undervalued, and organizations fail to adapt to change. But the root cause may lie elsewhere—are we glorifying the wrong leaders?

Henry Mintzberg argues, "We are obsessed with leadership, yet that is what has taken us into the current crisis and seems incapable of getting us out. What if we entertain the unspeakable thought that leadership is the problem more than the solution?" (Mintzberg, 2022).

Similarly, business historian Martin Gutmann (TEDxBerlin, 2024) warns against mistaking noise for leadership: "The leaders we celebrate generate action and appear confident—regardless of competence. We confuse a good story with good leadership." True leaders minimize drama, align organizational structures with challenges, and foster a culture that enables people to perform at their best.

Harvard Business School Professor Raffaella Sadon reinforces this idea: "Boring management is the real toolkit for good leaders."

Our research on *Be Like Me: The Effects of Manager-Supervisor Alignment* (Anzengruber et al., 2023) confirms that leaders tend to hire people who think like them. This creates organizational echo chambers that block fresh ideas and innovative solutions.

The Link Between Management and Organizational Success

Finding 4: There Is a Strong Positive Relationship Between Managerial Ability and Organizational Value

In our work *The Performance Triangle*, we identified a simple success formula:

Success = f (Culture, Leadership, Systems, Opportunities & Risks, Serendipity)

- Culture, leadership, and systems are discretionary factors shaped by management decisions.
- Opportunities and risks depend on external conditions but still require managerial judgment.
- Serendipity is beyond our control, but strong management can maximize its impact.

Finding 5: Positive Work Cultures Dramatically Improve Outcomes

Organizations with positive work cultures see significant improvements in employee satisfaction, retention, and productivity. *People-Centric Management* confirms a direct link between culture and success:

- **Unskilled leaders** create stress, frustration, and disengagement.
- Toxic cultures lead to high turnover, burnout, and inefficiency.
- **Strong management** fosters engagement, creativity, and sustained performance.

The Need for Better Management

Are we facing a crisis of management?

INSEAD professor Gianpiero Petriglieri (Harvard Business Review, 2020) argues that management has become dehumanized, focused on efficiency and alignment at the cost of well-being and adaptability. He likens this to a midlife crisis: "*Trying to change the world without changing our own is a classic defense when worldviews collapse.*" His call to action is clear—management as we know it must end.

Management must evolve into a **people-centric philosoph**y that prioritizes meaning, collaboration, and adaptability. This is not about rejecting efficiency but recognizing that sustainable success emerges when management supports, rather than controls, people.

The Real Problem: Outdated Leaders

We have the knowledge, the theories, and the evidence for better management. But the biggest obstacle is outdated leadership indoctrinated in 1940s management principles. The solution is clear: organizations must replace flawed leadership mindsets with modern, adaptive management.

What Is Better Management?

We don't claim to have the full answer, but we have learned what is essential: better management is about adopting superior practices and evolving into mastery. It transforms management from a liability into a competitive advantage. Our vision is not a rigid framework but a set of attributes that help leaders shape their own path to mastery.

Better Management Matters

Raffaella Sadun, Harvard Business School professor and co-founder of the World Management Survey, sets the stage: "The evidence is clear that [boring] management matters and is a source of competitive advantage for companies that take it seriously." (HBR, 2022: The Myth of the Brilliant Charismatic Leader).

Our research aligns with this. Through the Global Executive Survey, we have identified organizational maturity and the attributes that define management as a competitive advantage (Figure 2).

Finding 6: Better Management Yields Superior Outcomes.

Our research confirms that well-managed organizations are more successful. They are significantly more people-centric, agile, and prepared for a dynamic market. Organizations with better management score higher in:

Performance: +21%Innovation: +25%Growth: +28%

They also create more intangible value, with improved:

• Customer responsiveness: +17%

Alignment: +16%Capabilities: +18%

• Employee motivation: +15%

• Cleverness: +20%

FIGURE 2: SIX STANDARDS OF COMPETITIVE ADVANTAGE



Finding 7: Better Management Creates a Competitive Advantage

Comparing top-tier organizations (which have adopted better management practices) with middle-tier organizations (which follow traditional management), we see:

• Work environment: +22%

• Results: +23%

Operating system: +33%

• Management effectiveness: +19%

• Productivity: +15%

• Toolbox: +15%

Better-managed organizations develop unique capabilities that set them apart from competitors.

Mastery in Management as a Competitive Advantage

For 25 years, we have published research on better management, drawing from our own studies, insights from clients, and Global Executive Survey data. We have concluded that mastery in management is built on nine attributes:

Six Attributes of Better Management:

- Human People are at the center. As Charles Handy put it, "People are human beings

 not human capital." Our books People-Centric Management and Agile by Choice
 emphasize the conditions for peak performance, including leadership that enables
 individuals to enter their "zone" of excellence.
- **Holistic** *The Performance Triangle* outlines the interwoven capabilities that drive good management. It provides a practical model supported by 25 years of assessment data.
- **Systemic** *Patterns of Mastery* (2026) examines industry differences in management practices and presents a development typology for achieving mastery.
- **Unique** *Better Management* identifies six criteria that make management a competitive advantage. Organizations with better management score 25% higher on the maturity index.
- **Integrated** *Diagnostic Mentoring* shows how management functions as a dynamic system, integrating essential components to bind work and organizations.
- **Distributed** *Agile by Choice* and *People-Centric Management* detail how distributed leadership fosters motivation and engagement. The Leadership Scorecard supports delegation.

Three Attributes to Achieve Better Management:

- **Diagnostic** Traditional change methods often rely on generic advice. *Diagnostic Mentoring* offers a methodology to help leaders become more aware, act on insights, and learn faster—similar to how athletes and artists refine their craft. Diagnostic data is critical for focusing attention on what matters most.
- Regenerative The Transition of Organizations explores how companies evolve. Organizations often get stuck in growth cycles due to ineffective leadership, cultural stagnation, or reactive management. Better management fosters continuous evolution.
- **Interactive** *Management Design* demonstrates how interactive team processes improve management. The Canvas template provides a structured approach for achieving interactive change.

Finding 8: Management Must Be Tailored to Each Organization

Through *Patterns of Mastery* and *The Transition of Organizations*, we studied industry clusters and life cycle challenges. One common thread among successful organizations is their ability to adopt better management and adapt it to their unique needs. Effective management is not one-size-fits-all—it must be deeply embedded in culture and difficult to copy.

The Path to Mastery

Better management is human, holistic, systemic, unique, diagnostic, regenerative, integrated, and distributed. These attributes serve as heuristics for mastering management. They form part of our expert system, helping leaders navigate complexity while maintaining the freedom and responsibility to act effectively.

Why Does Better Management Not Happen?

Better management is a competitive advantage, readily available, yet it remains elusive in many organizations. Traditional management persists, and failures continue. Why? Have scientists not ensured that management is practical enough, have practitioners not ensured its adoption, and have boards not consistently hired leaders who prioritize it?

We Assume Management is Good

Management is an intangible asset—largely invisible and running in the background. Like good taste, it is only noticed when absent. Even in crises, leaders assume their management system is sound, often blaming individual leaders or external circumstances instead. This assumption leads to complacency.

Research supports this. Bloom et al. (2014) describe a phenomenon known as the "Lake Wobegon effect," where organizations overestimate their management quality. Investors, too, focus on easily measurable financial metrics rather than assessing the internal managerial systems that drive long-term performance. Analyzing and interpreting management effectiveness requires deep expertise, making it challenging for organizations to self-evaluate objectively.

We Believe We Know Better

Many leaders overestimate their management capabilities. This delusion explains why managers fail to act on the need for improvement—they genuinely believe they are already doing well. Data from the Global Executive Survey often reveals a stark contrast: employees rate management poorly, while managers rate themselves highly (Nold & Michel, 2023).

The Dunning-Kruger effect (Dunning, 2011) explains this cognitive bias. Incompetent leaders tend to overestimate their abilities and those of their organizations while underestimating their employees' capabilities. Meanwhile, truly competent leaders may underestimate themselves, leading to lost confidence even when they succeed.

When confronted with objective data from the Global Executive Survey, some leaders reject the findings outright—dismissing them as inaccurate, irrelevant, or even "fake." Such reactions are often a sign that leadership change is necessary.

We Underinvest in Management

Because management quality is assumed and leaders believe they know best, companies underinvest in improving it. Even when profitable, they tolerate mediocrity, missing significant opportunities to unlock greater value. This leads to more "unmanaged" situations, where outdated practices persist unchecked.

Many large organizations have once invested deeply in their management style but later stagnated. Consider GE: after Jack Welch retired, effective management was assumed, and leaders shifted focus to internal competition for power and resources. As a result, management effectiveness eroded over time.

Management requires continuous adaptation. One cannot simply replicate a past model—like GE under Welch—and expect it to work elsewhere. Updating and customizing management for today's needs demands significant investment in time, people, and money. However, most managers prioritize short-term operational concerns tied to bonuses and promotions over long-term management innovation. Trying something new introduces risk, and failure could damage career prospects.

Without ongoing investment in management innovation, organizations deteriorate. Like a car requiring frequent refueling, management needs continuous updates and reinforcement. It cannot be treated as a static system.

The Challenge of Management Innovation

Human, holistic, and unique management capabilities cannot be bought off the shelf—they require customization and a shift in mindset. Developing regenerative, diagnostic, and interactive management practices demands investment, yet many organizations underinvest, leading to systemic failures caused by outdated management and ineffective leadership.

Finding 9: Management Innovation Remains Poorly Understood and Poorly Managed

Despite its significance, management innovation is rarely prioritized. Adapting new practices is slow, and it often takes years before research findings translate into action. Only a few courageous pioneers embrace management innovation, leaving most organizations to continue struggling with outdated approaches.

How Do We Get Out of 'Unmanaged'?

'Unmanaged' is a reality—more prevalent than we like to admit. Mastery in management should be the goal of every manager and senior leader. The journey to mastery is a **discovery process** with structured stopovers that guide leaders through awareness, action, learning, mastery, and peak performance.

The Journey to Mastery

The path to mastering management is summarized in *Figure The Journey to Mastery*, which includes:

- **How? The five stopovers**: Create awareness, act on insights, learn fast, experience mastery, and perform at the peak. These follow three procedural destinations: diagnostic, regenerative, and interactive.
- What? The six conceptual destinations: human, holistic, systemic, unique, integrated, and distributed.
- Why? The five scientific discoveries: capability monitoring, dynamic capabilities, management innovation, cybernetics, and quantum leadership.
- Who? The five activities: programs, transitions, shifts, master controls, and the agenda.

Managers typically work in the system, following established principles and management routines. However, for managers to succeed, the system itself must be supportive, embodying human, holistic, systemic, and unique attributes. To achieve this, leaders must work on the system, implementing diagnostic, regenerative, and interactive management approaches.

This interplay—working in and on the system—creates a reinforcement cycle. Leaders must be aware, make informed choices, and trust their ability to improve management.

Five Steps to Mastery

1. Assess Management

Create awareness by utilizing the Global Executive Survey and organization typologies. Capability monitoring forms the theoretical foundation for assessment, leading to six program choices for leaders.

2. Adopt Better Management Ambitions

Act on insights by applying people-centric management principles, agile organization features, and the Performance Triangle model. Organizations can choose from four transition models to guide implementation. Dynamic capabilities underpin the theory behind adoption.

3. Adapt Management to Fit the Organization

Learn fast by applying better management standards and using the interactive management design methodology. Management adapts through four key shifts that make it specific to the organization.

4. Establish Better Policies and Concepts

Experience mastery by setting the right policies and testing them with proven concepts. Boards play a critical role in determining their master controls to guide long-term success.

5. Perfect Management to Reach Peak Performance

Perform at the peak by implementing distributed leadership and delegating responsibility effectively. The Leadership Scorecard sets the agenda for board governance.

The Urgency for Better Management

Failures due to 'unmanaged' situations are a persistent reality, despite the wealth of well-researched and proven management practices available. Two primary reasons for failure stand out:

- Low adoption of better management practices
- Flawed leadership

While adopting better management requires **immediate action**, it also demands investment in time, money, and commitment.

The Competitive Advantage of Mastery

Escaping 'unmanaged' means embarking on a transformation journey toward mastery—starting with an initial **assessment**, followed by the **adoption** and **adaptation** of management practices. Organizations that take this path unlock a true competitive advantage.

For the broader practice of management, this transformation signifies a **gradual shift toward better management mindsets** and a future where more organizations engage competent leaders who **genuinely care** about sustainable success.

THE NINE ATTRIBUTES OF BETTER MANAGEMENT

Creating awareness transforms mindsets. We achieve this through diagnostic mentoring, systemic typologies, capability monitoring, and six development programs designed to shift organizations from 'unmanaged' to better management.

Diagnostic Management

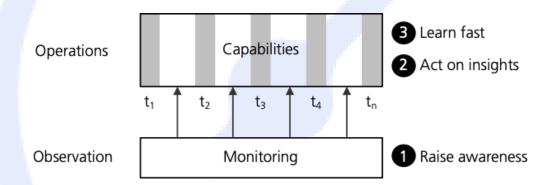
Better management is diagnostic.

Organizations must assess their management. Diagnostic management creates awareness by evaluating capabilities through the Global Executive Survey and an executive briefing. This approach follows the capability monitoring model in Figure 3:

- Raise Awareness: Diagnose current capabilities.
- Act on Insights: Identify key areas for improvement.
- Learn Fast: Implement agile, people-centric management.

The survey assesses up to 80 capabilities aligned with *The Performance Triangle* model and has been validated through independent research (Nold et al., 2018).

FIGURE 3: DIAGNOSTIC MENTORING



Systemic Management

Better management is systemic.

Organizations must refine their management assessment using systemic typologies. Documented in *Patterns of Mastery: 21 Business Cases for the Digital Economy*, our research identifies industry-specific development strategies (Figure 4) that drive excellence.

Systemic management helps executives:

- Identify dominant management patterns.
- Detect capability barriers limiting growth.
- Implement **development strategies** suited for the digital economy.

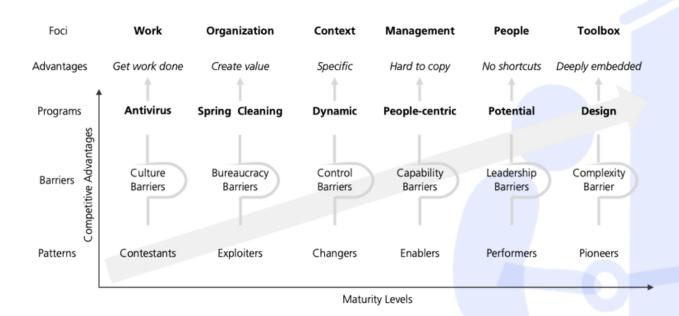


FIGURE 4: SYSTEMIC TYPOLOGIES

Human Management

Better management is human.

Organizations must adopt management approaches that prioritize people. **People-centric management** unleashes the full potential of employees by:

- Distributing leadership through **four managerial levers** (*People-Centric Management, Figure 5*).
- Encouraging **self-responsibility** (*Agile by Choice*).
- Structuring leadership into four models: **control**, **engagement**, **change**, **and enabling**.

The goal is to create an environment where employees can unlock their potential while minimizing interference.

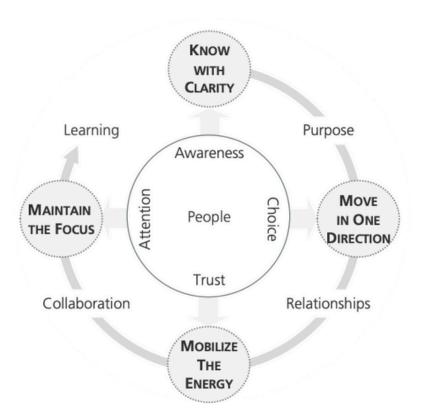


FIGURE 5: PEOPLE-CENTRIC LEVERS

Holistic Management

Better Management is holistic.

The Performance Triangle (Figure 6) describes the model. Together with the Leadership Scorecard, it structures management using five perspectives:

- 1. Information Ensures data-driven decisions.
- 2. Direction Aligns vision and strategy.
- 3. Implementation Executes plans effectively.
- 4. Beliefs Shapes corporate values.
- 5. Boundaries Defines risk controls.

By integrating capabilities, organizations create a structured, agile work environment suited for long-term growth.

Culture

The operating environment

The work environment

Collaboration

Collaboration

Collaboration

Systems

FIGURE 6: THE PERFORMANCE TRIANGLE

Regenerative Management

Better management is regenerative.

Regenerative transitions determine programs to adapt management in line with the typical growth cycle of organizations (Figure 7). With the transitions, organizations establish the features of regenerative management to maintain the standards of better management and adapt them to achieve mastery.

People First People-centric Dynamic Agile Mindset Management **Operating System** Organization Large Crisis of Crisis of Crisis of Crisis of Crisis of Leadership Control Red tape Autonomy Size of the organization Growth by Growth by Growth by Growth by Growth by COLLABORATION CREATIVITY DIRECTION DELEGATION COORDINATION Entrepreneurial Functional Decentral Segment Network Organization Organization Organization Organization Organization Life cycle stage

FIGURE 7: GREINER'S FIVE LIFE CYCLE STAGES

Every organization is different, so is management. That's why we need to adapt better management to meet the needs of the specific organization, context, and tomorrow. There are no size fits all. Adaptation may be undervaluing what is needed: the radical innovation of management.

Unique Management

Better management is unique.

Organizations must establish management as a competitive advantage by applying the six principles of uniqueness (*Better Management*, Figure 8). These principles align with strategic management professor Jay B. Barney's VRIN model (valuable, rare, inimitable, and non-substitutable).

Executives should assess whether their management meets competitive advantage criteria and adapt it accordingly.

FIGURE 8: MANAGEMENT AS A COMPETITIVE ADVANTAGE

080 0 0

Get work done?

Crete value?

Specific?

Hard to copy?

No shortcuts?

Deeply embedded?

Work

Organization

Context

Management

People

Toolbox

Interactive Management

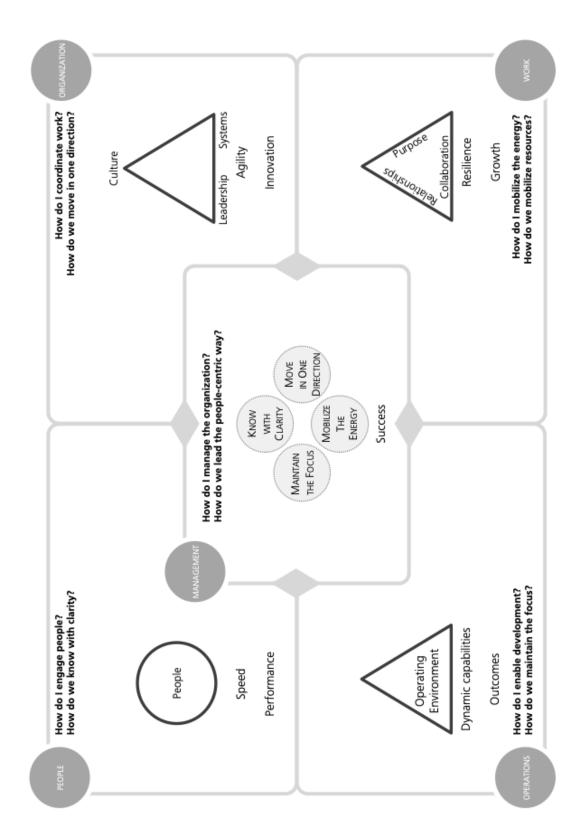
Better management is interactive.

Organizations must develop interactive methodologies for management innovation. *Management Design* introduces an interactive team-based process supported by the Canvas Tool (Figure 9), which integrates:

- The Performance Triangle Model.
- People-Centric Management Levers.

This interactive approach fosters innovation and adaptability in turbulent business environments.

FIGURE 9: THE MANAGEMENT DESIGN FRAMEWORK



Integrated Management

Better management is integrated.

Organizations must develop policies and concepts that **govern management**. Management integration aligns:

- Strategy & Organization.
- Principles & Systems.
- · Leadership & Accountability.

Five key concepts shape organizational governance:

- 1. Organization Form Defines structure.
- 2. Accountability Delegates responsibilities.
- 3. Decision-Making Clarifies authority.
- 4. Management Tools Provides frameworks for execution.
- 5. Staff Operations Translates management into action.

Policies govern the system, while concepts validate its effectiveness.

Distributed Management

Better management is distributed.

Organizations must establish leadership at all levels. **The Leadership Scorecard** provides a matrix for distributed leadership, focusing on:

- Success Aligns culture, leadership, and systems.
- Capabilities Enables knowledge-sharing and autonomy.
- Governance Establishes necessary controls and accountability.

Better management enables employees to:

- 1. **Understand** Gain clarity through data.
- 2. **Think** Align with strategic goals.
- 3. **Deliver** Execute effectively.
- 4. **Engage** Drive motivation.
- 5. **Adhere** Maintain compliance and risk control.

Systems Organization Success Culture People Leadership Management Leadership Systems People Culture Success II Ш П Ш tolerate? What are Where are the limits? entire playing field? Do we use the What gets you What can we Boundaries the risks? Cleverness Dialogue Adhere ahead? Shared Norms Risk THE FOCUS MAINTAIN What is our shared Are we motivated sense of purpose? What are our to perform? Contribution How can we contribute? ambitions? Aspirations Motivation Dialogue Engage Beliefs Shared Are we on track? What + do we do next? What right capabilities to ight things done? Do we have the Implementation Do we get the do you need? Conversation Performance How do we Capabilities compete? succeed? MOBILIZE ENERGY Agenda Shared Ŧ Act Why are we going What game are we there? What have What is our shared organization fit? Do strategy and Strategy Conversation we learned? Alignment Strategy playing? intent? DIRECTION Think Shared Intent Move In One What is our shared What is going on? respond to client What does that understanding? Responsiveness Sense Making Understanding How do we Information Understand needs? mean? Shared CLARITY KNOW

Figure 12: THE LEADERSHIP SCORECARD

HOW TO GET INVOLVED?

As a leader: Engage your team to conduct the Global Executive Survey and create your Organization Twin with the Al-based Management Innovation Toolkit. Certify your organization for better management and collaborate with our partners.

As a researcher: Leverage the Global Executive Survey for your studies on better management. Our Expert Cockpit provides analysis and interpretation support. Connect with our research team.

As a teacher: Incorporate the Global Executive Survey and Organization Twin into your educational programs on change, transformation, management, organization, and leadership. Your students receive extensive reports on their own organizations, creating real-world case studies. Engage with our teaching community.

As a consultant: Get certified in better management and familiarize yourself with the Global Executive Survey, Organization Twin, and Al-based Management Innovation Toolkit. Partner with us to enhance your consulting services.

Conclusion: The Transformation to Mastery

Better management is the responsibility of every leader. Leadership complacency is no longer an option. Boards must ensure that organizations engage competent leaders who embrace better management practices. Mastery requires transformation, investment, and a commitment to continuous improvement.

OUR SOLUTION

The Global Executive Survey

Over the past 25 years, more than 4,000 executives from 500+ businesses and institutions worldwide have participated in the survey to assess and enhance their organizations' performance potential.

How the Survey is Used

- ✓ **By Consultants**: Partners leverage the Global Executive Survey and Management Innovation Toolkit in their consulting work. Surveys typically include 7 to 50 executives to generate comprehensive insights.
- ✓ By Researchers: Our research team uses the survey to explore dynamic capabilities and innovations in management, contributing to cutting-edge management research.
- ✓ By Educators: The survey for students supports management education at universities worldwide, providing real-world data for the management discovery journey.
- ✓ For Certification: The Global Executive Survey establishes the standards for certifying organizations in better management, ensuring alignment with the principles of management mastery.

Driving Better Management Through Data

The Global Executive Survey serves as the foundation for **better management**, **continuous learning**, **and transformation**. Whether used for research, consulting, or education, it provides executives with the insights needed to navigate the evolving challenges of modern management.

Organization Twins: A Data-Driven Approach to Better Management

Assessing Dynamic Capabilities for Management Mastery

Organization Twins provide a structured assessment of dynamic capabilities, serving as a starting point to identify gaps and adopt better management practices. The goal is to enable organizations to achieve mastery and peak performance through management innovation.

Digital Representation for Organizational Insights

For the past 15 years, organizations have leveraged personas to better understand customer needs. In a similar way, Organization Twins act as the digital persona of an organization—a real-world replica that facilitates the adoption and adaptation of better management practices.

By mirroring the organization's structure, capabilities, and dynamics, an Organization Twin provides a data-driven foundation for management transformation.

The Organization Twin Cockpit: Al-Driven Expertise

Our Organization Twin Cockpit serves as an expert system, integrating:

- Models, standards, and principles
- Artificial intelligence-powered insights
- Survey data, benchmarks, and statistical analysis
- Scenarios and simulations

These elements collectively generate actionable insights that drive management excellence and innovation.

The Management Expert System: Data and Visualization for Strategic Decision-Making

The Management Expert System utilizes data analytics and visualization to help leaders:

- ✓ Understand the dynamic business environment
- ✓ Identify challenges and opportunities
- ✓ Make informed, strategic decisions

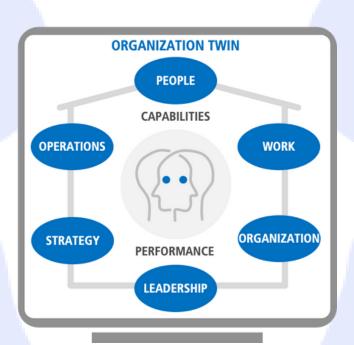
Enhancing Organizational Performance with Big Data Analytics

By applying big data analytics to dynamic capabilities, Organization Twins provide organizations with:

- Holistic views of management performance
- Capability monitoring for continuous improvement
- Knowledge visualization for better decision-making
- A roadmap for management innovation

Guiding Leaders to Better Management

By integrating capability monitoring, knowledge visualization, and management innovation, Organization Twins empower leaders to optimize performance, foster innovation, and transform management into a true competitive advantage.



The Management Innovation Toolkit

Empowering Organizations with Diagnostics, Analytics, and Expertise

The Management Innovation Toolkit provides a comprehensive suite of tools for better management innovation. It includes:

- ✓ Global Executive Survey
- ✓ Organization Twin Cockpit and Management Expert System
- ✓ Innovation processes guided by *Diagnostic Mentoring* and *Management Design* methodologies
- ✓ Transformation support and extensive documentation

The Cockpit: An Al-Powered Expert System

The **Organization Twin Cockpit** serves as the expert system within the toolkit, offering:

- Capability monitoring
- Dynamic capabilities assessment
- Management innovation insights

AI-Based Algorithmic Assistance

The Al-powered **expert system** assists with capability and design questions, including:

- What are your organization's current management capabilities?
- How do your organization's capabilities compare to others?
- What if your organization operated differently?
- What if your organization and its context evolved?

Benchmark Comparisons

The expert system offers **benchmarking** against organizations with varying:

- Maturity levels and management modes
- Development paths, industry sectors, and sizes
- Life cycle stages, ownership structures, and leadership styles
- Operating models, decision-making styles, and strategies
- Business models and geographical locations

Scenario Analysis and Predictive Modeling

The expert system enables **scenario planning** by addressing what-if questions related to:

- Changes in challenges, demographics, and industry landscape
- Adjustments in size, structure, life cycle stage, and organizational maturity
- Impact on dynamic capabilities, leadership scorecard, management model, and competitive advantage

Simulations for Strategic Decision-Making

The system supports **simulations** to assess the impact of:

- Strategy shifts and business model changes
- Evolving management contexts and leadership styles
- Transformation pathways and organizational development
- Impact on critical performance variables and leadership toolbox

By integrating diagnostics, benchmarks, scenarios, and simulations, the Management Innovation Toolkit enables leaders to make data-driven decisions and transform management into a competitive advantage.

Our Research on 'Unmanaged' and Mastery in Management

The concept of 'Unmanaged' and its transformation into mastery in management has been extensively researched and documented in scientific publications and books. Our work contributes to key areas of capability monitoring, dynamic capabilities, management innovation, cybernetics, quantum management, education, and consulting.

Capability Monitoring

Our research on Organizational Agility (Organizational Agility: *Testing Validity and Reliability of a Diagnostic Instrument*, Nold et al., 2018) validated the **Global Executive Survey** as a reliable assessment tool.

- Organizational maturity and the management model were further explored in *People-Centric Management* (Michel, 2020).
- Competitive advantage emerged as a key outcome in *Better Management* (Michel, 2022).

Dynamic Capabilities

Our studies on **capabilities in dynamic environments** were first documented in:

- The Performance Triangle (Michel, 2013)
- The Performance Triangle Research (Nold & Michel, 2016)

We identified a practical model of dynamic capabilities, linking them to decision-making and leadership effectiveness:

- Understanding Decision Making in Organizations (Michel, 2007) introduced the Leadership Scorecard and Leadership Toolbox.
- Under What Conditions Do Rules-Based and Capability-Based Management Modes
 Dominate (Michel, 2018) explored how leaders manage in different contexts under the
 guidance of Professor Johanna Anzengruber.
- Be Like Me: The Effects of Manager-Supervisor Alignment (Anzengruber et al., 2020) examined how alignment between managers and supervisors influences managerial effectiveness.

Management Innovation

Our experience with clients has led to the documentation of **innovation processes** in:

- *Management Design* (Michel, 2021, 3rd Ed.), which outlines **design algorithms** for operating systems and leadership tools.
- Diagnostic Mentoring (Michel, 2022), which provides frameworks for leadership transformation.
- The Transition of Organizations (Michel & Nold, 2023), which examines management maturity, capabilities, and leadership development across organizational life cycles.

We have also contributed to applied research on **big data analytics** and performance management:

- Big Data Analytics (Bumblauskas et al., 2017) explored how data translates into actionable knowledge.
- *The Performance Triangle* (Michel, 2013) documented how knowledge management supports organizational transformation.

Our research has also identified specific conditions for management innovation in various industries:

- Agility as a driver of innovation (External Ability of Higher Education Institutions, Zeine et al., 2014).
- Management innovation in insurance (*Innovation in the Insurance Industry*, Nold et al., 2022).
- Leadership limitations and agility (The Dunning-Kruger Effect on Organizational Agility, Nold & Michel, 2022).

Cybernetics and Systems Thinking

The Performance Triangle (Michel, 2013) is grounded in management cybernetics and system dynamics, helping executives navigate complexity.

- Leadership Scorecard & Leadership Toolbox: Practical tools designed to give executives deep insights into their organization's inner workings.
- Management as a System: Our research models present management in a structured, practical framework for leaders.

Quantum Management

We are actively exploring quantum management, integrating:

- · Quantum systems and complex adaptive systems
- Quantum leadership and self-organization
- The Inner Game leadership techniques

Quantum management bridges **cybernetics**, **self-organization**, and **leadership development**, offering a human-centered approach aligned with Peter Drucker's philosophies.

Education and Thought Leadership

Our work has been integrated into academic programs:

- Agile Strategies for the 21st Century: The Need for Speed (Nold, 2021) is required reading in business programs in Florida and Bangkok.
- The Global Executive Survey & Management Innovation Toolkit are embedded in Professor Johanna Anzengruber's Master of Arts in Business program (Leading Transformation for Impact Organizations, FHOÖ, Austria).
- Lukas Michel's lectures at various business schools include applications of management innovation and transformation.

Consulting and Practical Application

We train experts in:

- Global Executive Survey
- Organization Twins
- Management Transformation Toolkit

Our consulting work focuses on management transformation, equipping organizations with tools to achieve management mastery and innovation.

The Certification

The Better Management Certificate differentiates your organization by demonstrating higher competitiveness, superior performance, and greater attractiveness.

Engage 5-7 executives or professionals for 7-10 minutes each to conduct the survey for you to receive your Better Management Certificate within days. Organizations with a management index higher than 66 are rewarded our exclusive certification badge to celebrate their achievement.

Our Publications

Anzengruber, J; Berger, S; Nold, H. and Bumblauskas, D. (2020). Be like me: the effects of manager-supervisor alignment. *Leadership & Organization Development Journal*.

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Zeine, R; Boglarsky C; Blessinger P; and L Michel (2014). External Adaptability of Higher Education Institutions: The Use of Diagnostic Interventions to Improve Agility. *Change Management: An International Journal*. Volume 13, Issue

Our Team



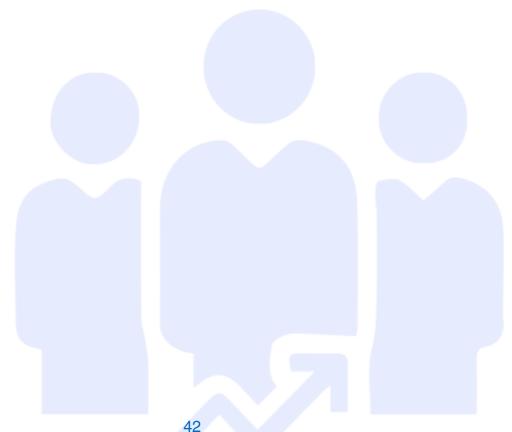
Lukas Michel is the owner of Management Insights, St. Moritz, Switzerland.



Dr Herb Nold is a Professor of Business Administration at Polk State College in Winter Haven/Lakeland, Florida.



Guido Bosbach is the owner of Guido Bosbach Management Innovationen, Wachtberg, Germany.



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