The Management Myth

Most of management theory is inane, writes our correspondent, the founder of a consulting firm. If you want to succeed in business, don't get an M.B.A. Study philosophy instead.

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During the seven years that I worked as a management consultant, I spent a lot of time trying to look older than I was. I became pretty good at furrowing my brow and putting on somber expressions. Those who saw through my disguise assumed I made up for my youth with a fabulous education in management. They were wrong about that. I don't have an M.B.A. I have a doctoral degree in philosophy—nineteenth-century German philosophy, to be precise. Before I took a job telling managers of large corporations things that they arguably should have known already, my work experience was limited to part-time gigs tutoring surly undergraduates in the ways of Hegel and Nietzsche and to a handful of summer jobs, mostly in the less appetizing ends of the fast-food industry.

The strange thing about my utter lack of education in management was that it didn’t seem to matter. As a principal and founding partner of a consulting firm that eventually grew to 600 employees, I interviewed, hired, and worked alongside hundreds of business-school graduates, and the impression I formed of the M.B.A. experience was that it involved taking two years out of your life and going deeply into debt, all for the sake of learning how to keep a straight face while using phrases like “out-of-the-box thinking,” “win-win situation,” and “core competencies.” When it came to picking teammates, I generally held out higher hopes for those individuals who had used their university years to learn about something other than business administration.

After I left the consulting business, in a reversal of the usual order of things, I decided to check out the management literature. Partly, I wanted to “process” my own experience and find out what I had missed in skipping business school. Partly, I had a lot of time on my hands. As I plowed through tomes on competitive strategy, business process re-engineering, and the like, not once did I catch myself thinking, Damn! If only I had known this sooner! Instead, I found myself thinking things I never thought I’d think, like, I’d rather be reading Heidegger! It was a disturbing experience. It thickened the mystery around the question that had nagged me from the start of my business career: Why does management education exist? . . . .

Management education does involve the transfer of weighty bodies of technical knowledge that have accumulated since Taylor first put the management-industrial complex in motion—accounting, statistical analysis, decision modeling, and so forth—and these can prove quite useful to students, depending on their career trajectories. But the “value-add” here is far more limited than Mom or Dad tend to think. In most managerial jobs, almost everything you need to know to succeed must be learned on the job; for the rest, you should consider whether it might have been acquired with less time and at less expense.
The best business schools will tell you that management education is mainly about building skills—one of the most important of which is the ability to think (or what the M.B.A.s call “problem solving”). But do they manage to teach such skills?

I once sat through a presentation in which a consultant, a Harvard M.B.A., showed a client, the manager of a large financial institution in a developing country, how the client company’s “competitive advantage” could be analyzed in terms of “the five forces.” He even used a graphic borrowed directly from guru-of-the-moment Michael Porter’s best-selling work on “competitive strategy.” Not for the first time, I was embarrassed to call myself a consultant. As it happens, the client, too, had a Harvard M.B.A. “No,” he said, shaking his head with feigned chagrin. “There are only three forces in this case. And two of them are in the Finance Ministry.”

What they don’t seem to teach you in business school is that “the five forces” and “the seven Cs” and every other generic framework for problem solving are heuristics: they can lead you to solutions, but they cannot make you think. Case studies may provide an effective way to think business problems through, but the point is rather lost if students come away imagining that you can go home once you’ve put all of your eggs into a two-by-two growth-share matrix.

Next to analysis, communication skills must count among the most important for future masters of the universe. To their credit, business schools do stress these skills, and force their students to engage in make-believe presentations to one another. On the whole, however, management education has been less than a boon for those who value free and meaningful speech. M.B.A.s have taken obfuscatory jargon—otherwise known as bullshit—to a level that would have made even the Scholastics blanch. As students of philosophy know, Descartes dismantled the edifice of medieval thought by writing clearly and showing that knowledge, by its nature, is intelligible, not obscure.

Beyond building skills, business training must be about values. As I write this, I know that my M.B.A. friends are squirming in their seats. They’ve all been forced to sit through an “ethics” course, in which they learned to toss around yet more fancy phrases like “the categorical imperative” and discuss borderline criminal behavior, such as what’s a legitimate hotel bill and what’s just plain stealing from the expense account, how to tell the difference between a pat on the shoulder and sexual harassment, and so on. But, as anyone who has studied Aristotle will know, “values” aren’t something you bump into from time to time during the course of a business career. All of business is about values, all of the time.

Notwithstanding the ostentatious use of stopwatches, Taylor’s pig iron case was not a description of some aspect of physical reality—how many tons can a worker lift? It was a prescription—how many tons should a worker lift? The real issue at stake in Mayo’s telephone factory was not factual—how can we best establish a sense of teamwork? It was moral—how much of a worker’s sense of identity and well-being does a business have a right to harness for its purposes? . . . .

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