



Make it real!

PRESENTING THE BETA CODEX

Putting an end to “command and control”:
12 laws for defining the 21st century organization

BetaCodex Network Associates

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06

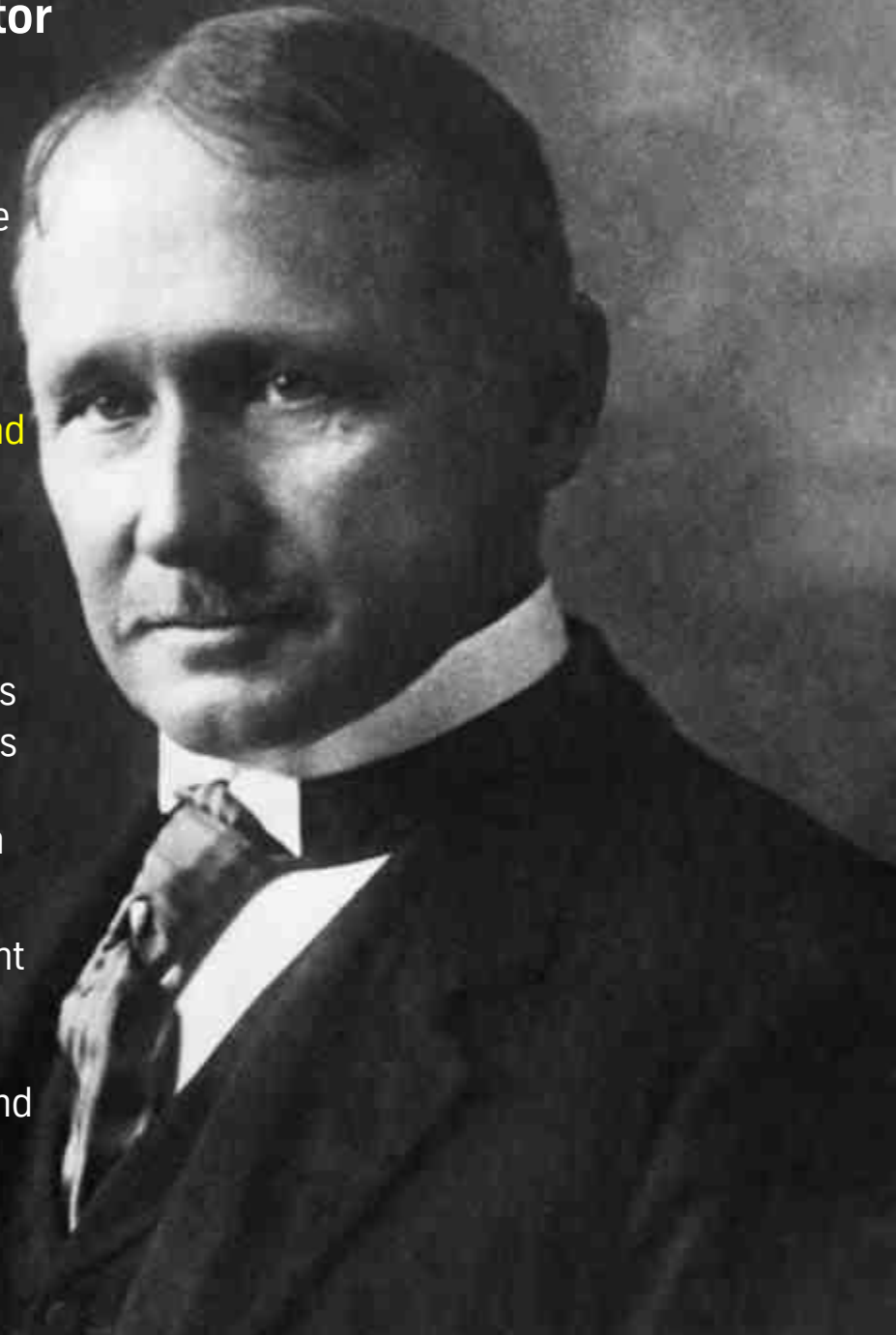
The age of management – and its inventor

When Frederick Taylor published his landmark book “The Principles of Scientific Management“, in 1911, he suggested ”management“ as a revolution that would solve the problems of the industrial-age organization.

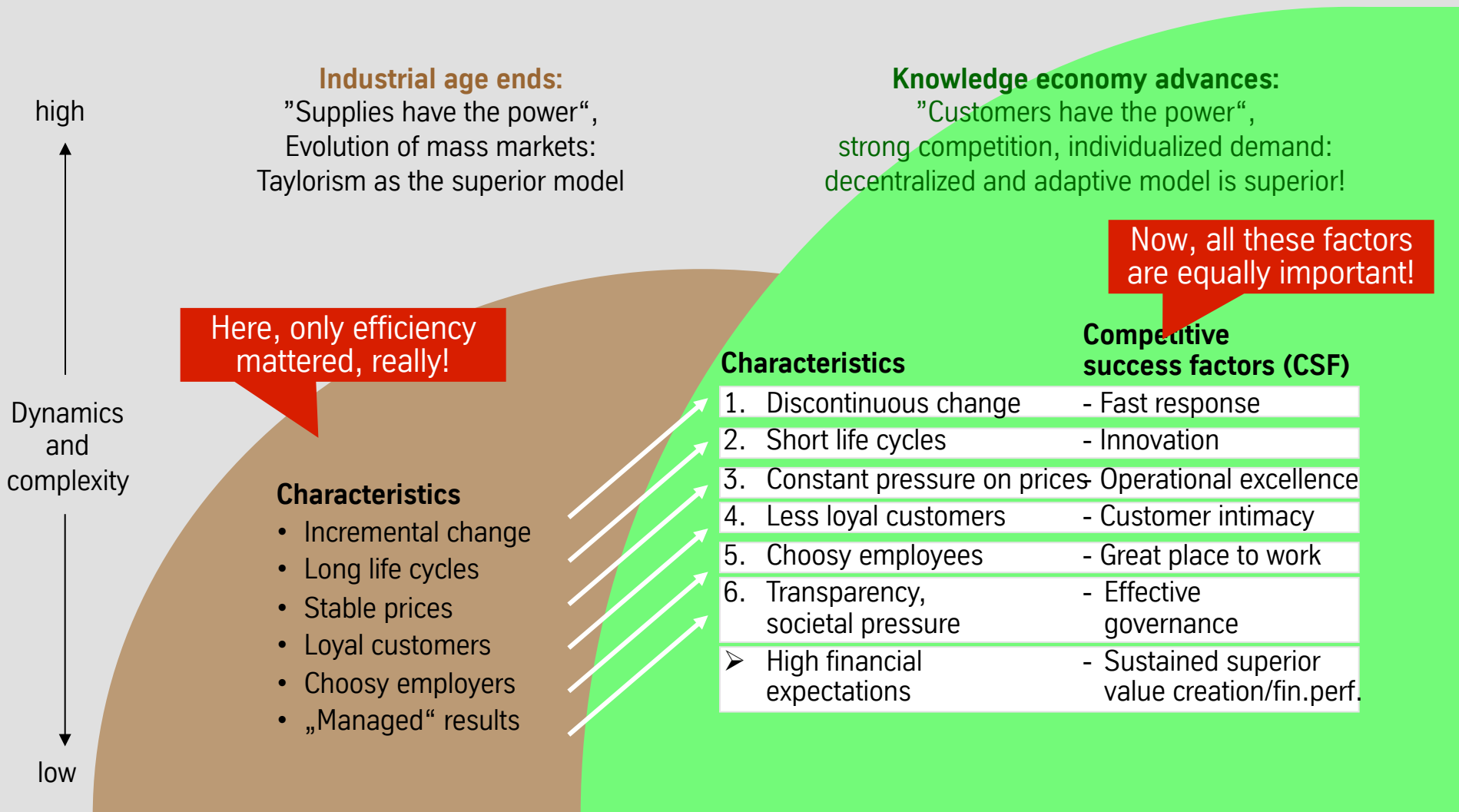
Above all, Taylor pioneered the concept of **dividing an organization between “thinking people” (managers) and “executing people” (workers)** – thus inventing management as a class, and as thinking principals of the non-thinking “human resources”. Taylor also pioneered the functional division of organizations.

Taylor's methods and concepts were soon unmasked as inhuman and non-scientific and his consulting methods as rather ineffective. But the concept of division did nonetheless become widely adopted after his death, in 1915.

Management, as we know it today, is not much different from what Taylor proposed, 100 years ago. In today's dynamic and complex markets, however, tayloristic command and control management is proving more and more obsolete and toxic for both organizational performance and human and social advancement. **We now call tayloristic management “Alpha”.**



The world has changed – organizations have not, by and large



Most organizations still use the “alpha” organization model that was designed for **efficiency**, while the problem today is **complexity**, requiring a “beta” model.

A movement for organizational transformation that started in 1998

Beyond Budgeting[®] founded 1998

beyond budgeting transformation network.

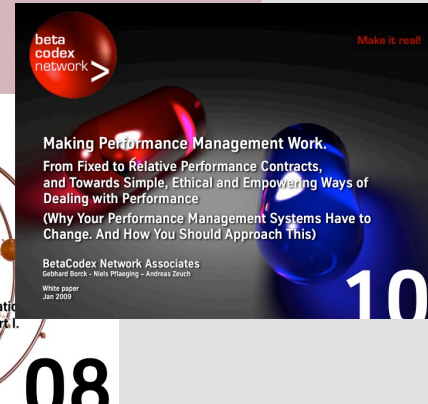
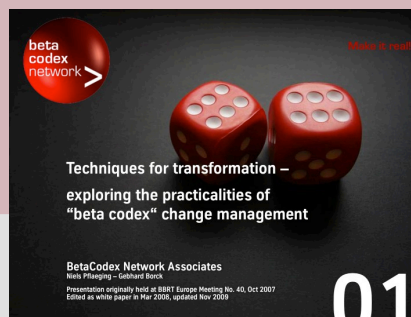
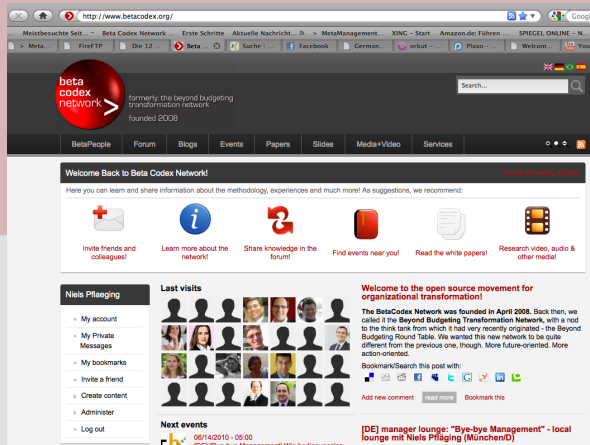
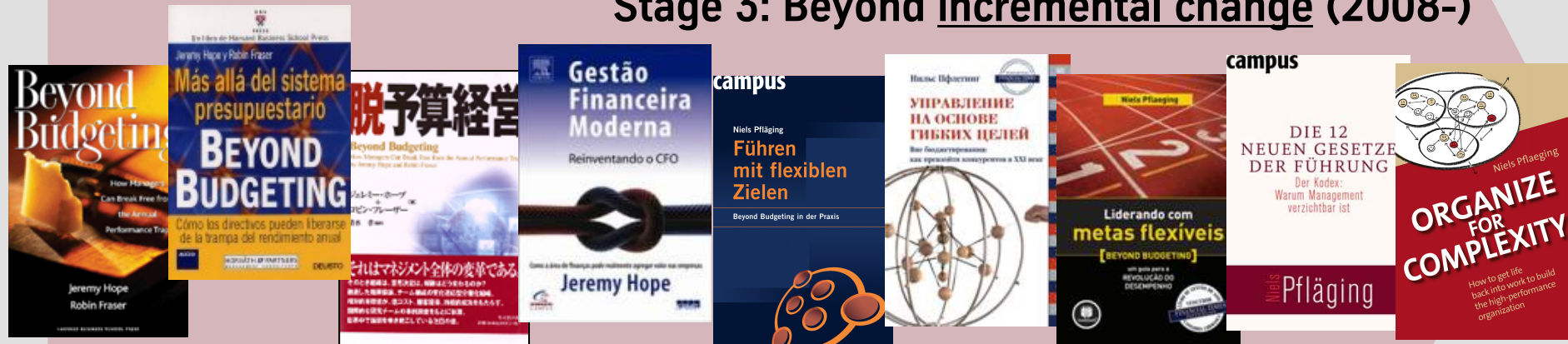
founded 2008

beta codex network

Stage 1: Beyond Budgeting (1998-2002)

Stage 2: Beyond command and control (2003-2007)

Stage 3: Beyond incremental change (2008-)



From: Managed pyramid



To: Led, decentralized network

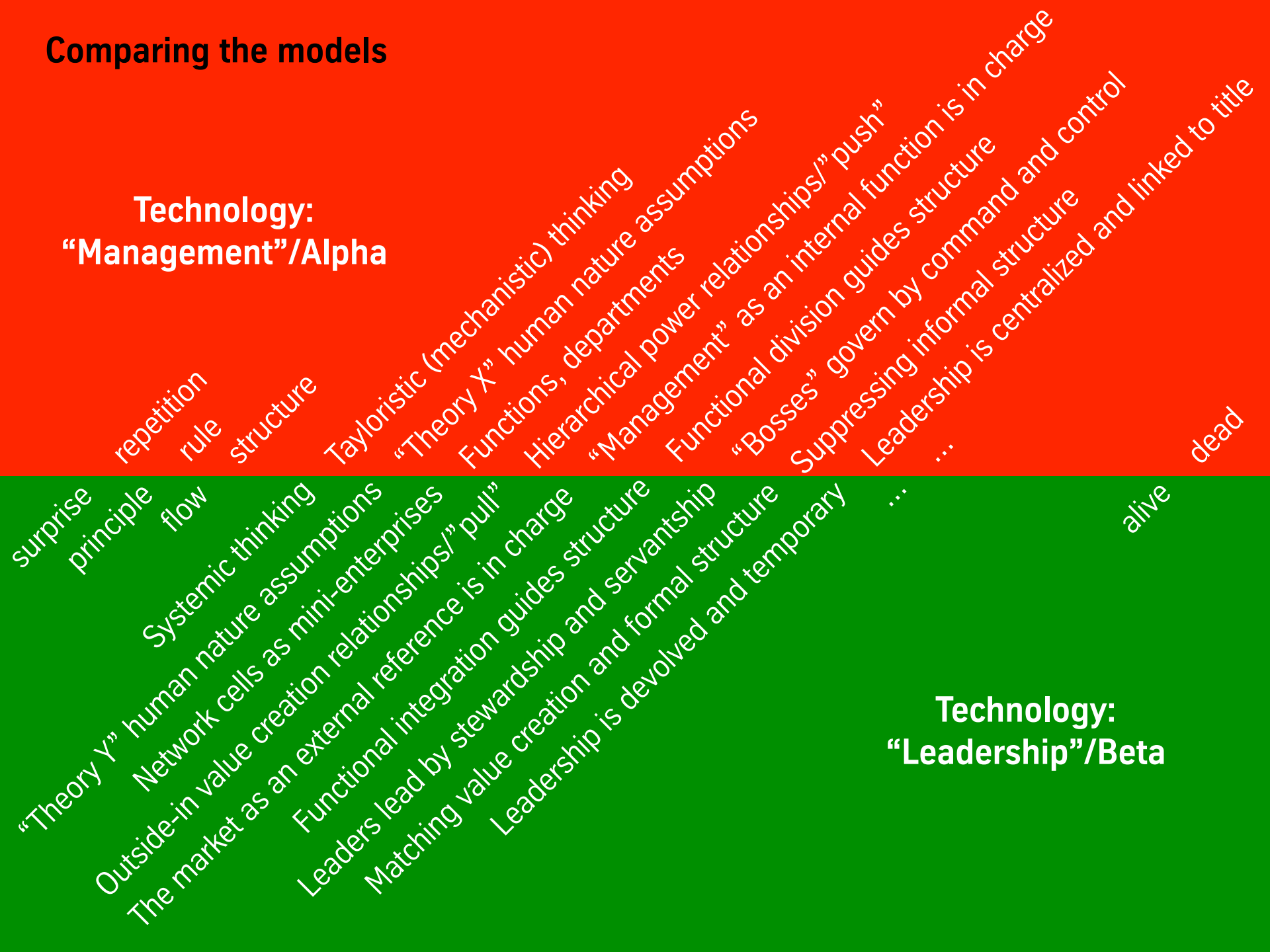


The BetaCodex: The 12 new laws of Leadership

Law	Beta - “Leadership” <i>(Do this!)</i>	Alpha - “Management” <i>(Not that!)</i>
§1 Freedom to act	Connectedness	not Dependency
§2 Responsibility	Cells	not Departments
§3 Governance	Leadership	not Management
§4 Performance climate	Result culture	not Duty fulfillment
§5 Success	Fit	not Maximization
§6 Transparency	Intelligence flow	not Power accumulation
§7 Orientation	Relative Targets	not Top-down prescription
§8 Recognition	Sharing	not Incentives
§9 Mental presence	Preparedness	not Planning
§10 Decision-making	Consequence	not Bureaucracy
§11 Resource usage	Purpose-driven	not Status-oriented
§12 Coordination	Market dynamics	not Commands

Comparing the models

Technology: “Management”/Alpha



Technology: “Leadership”/Beta

The BetaCodex is rooted in both sciences and practice

Sciences: Thought leaders (selected)

Stafford Beer
Margareth Wheatley
Niklas Luhmann
W. Edwards Deming
Kevin Kelly
Ross Ashby
Joseph Bragdon
...

Douglas McGregor
Chris Argyris
Jeffrey Pfeffer
Reinhard Sprenger
Stephen Covey
Howard Gardner
Viktor Frankl
...

Peter Drucker
Tom Peters
Charles Handy
John Kotter
Peter Senge
Thomas Davenport
Peter Block
...

Social
sciences and
HR

Leadership &
change

Strategy &
Performance
management

Henry Mintzberg
Gary Hamel
Jeremy Hope
Michael Hammer
Thomas Johnson
Charles Horngren
...

Complexity
theories

the
beta codex

transforming
organizations for
sustained superior
competitive
success



Practice: Industry leaders (selected)



the beta codex
transforming organizations for sustained superior competitive success

Industry



Retail



Services



Handelsbanken

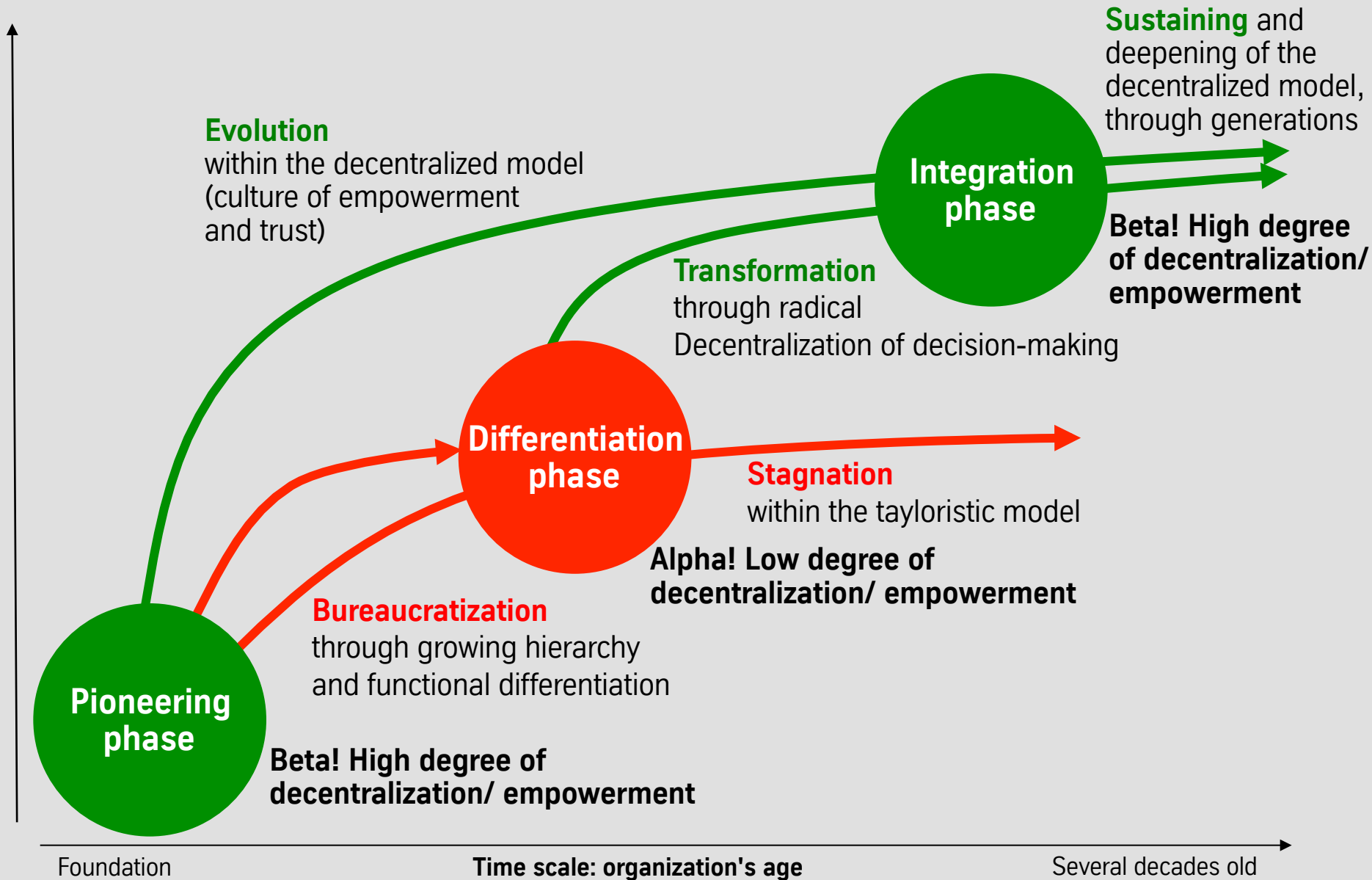
Governmental & not-for-profit



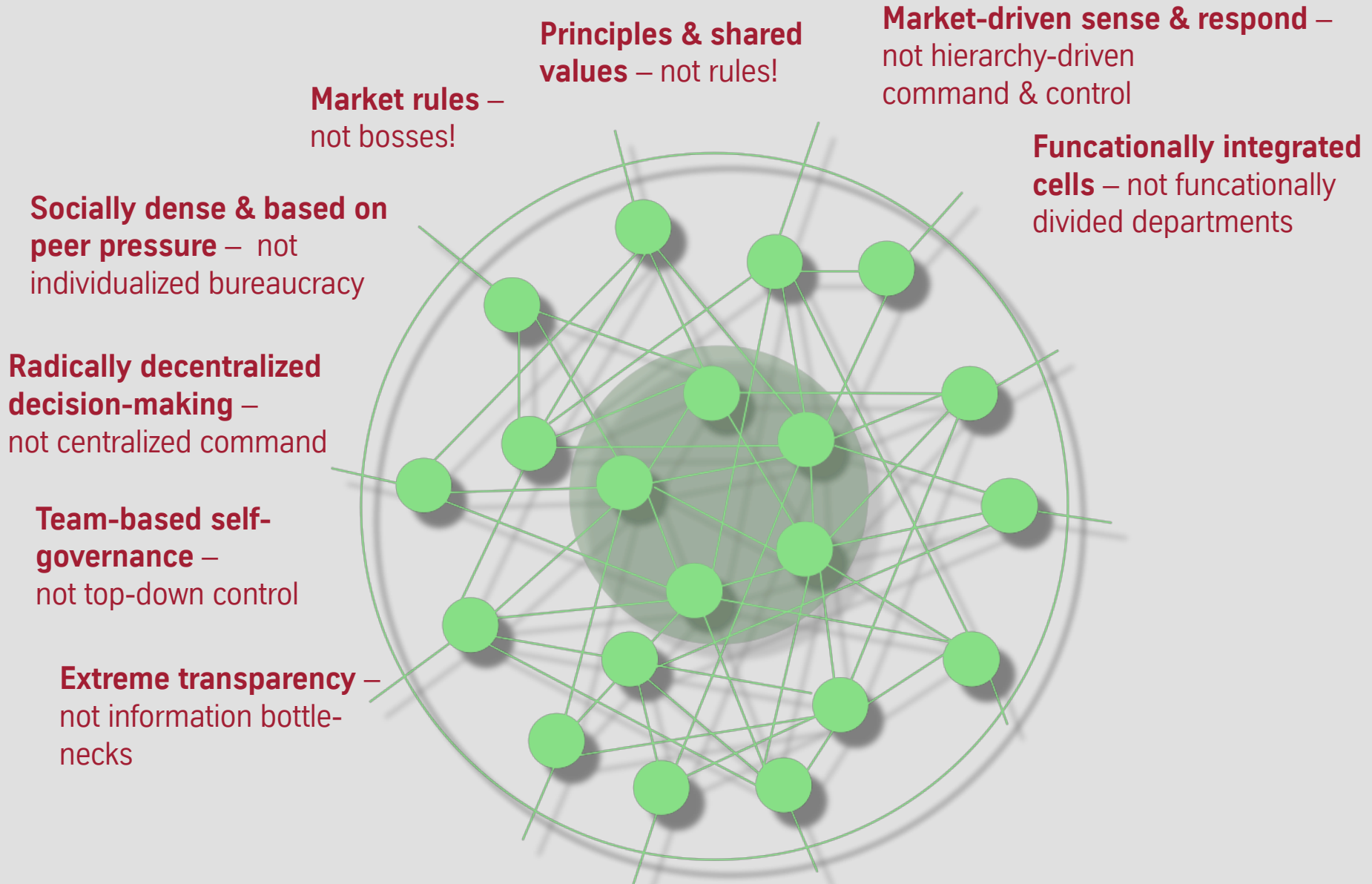
The BetaCodex:

It means working
on the organizational model,
not
in the model

Organizations of all kinds evolve during their lives – most have transformed themselves at least once - moving from Pioneer phase to Differentiation phase

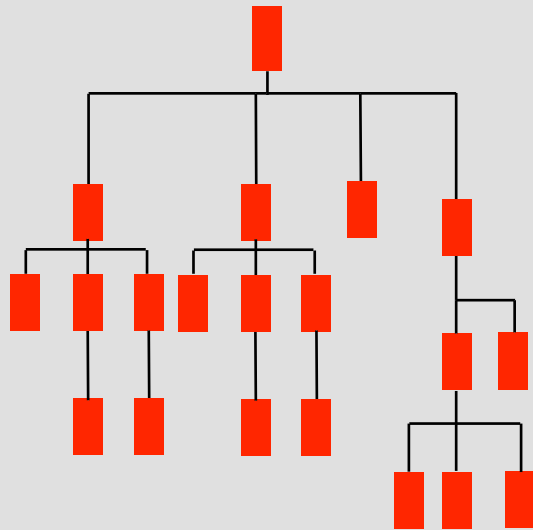


Some principles typical of a BetaCodex organization

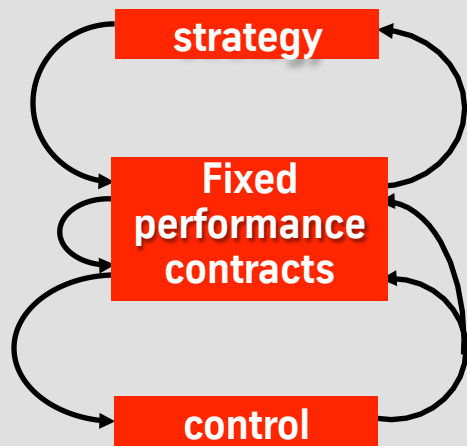


From the tayloristic (“Alpha”) to the emerging “Beta” organization

Alpha: Traditional model (*supports efficiency*)

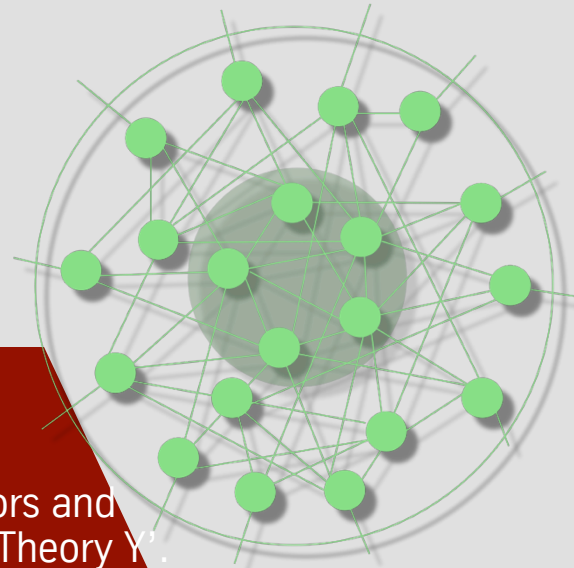


Centralized hierarchy,
“command and control”



Fixed processes

Beta: New model (*supports complexity*)



Decentralized network,
“Sense and respond”

The old model is not aligned with today’s Critical success factors and it does not support ‘Theory Y’.

- > **We need a new model** to cope with complexity
- > **We must change the whole model!**



Dynamic processes



the
betacodex
network

since 2008

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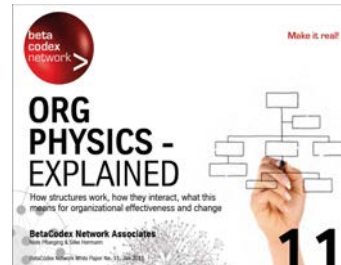
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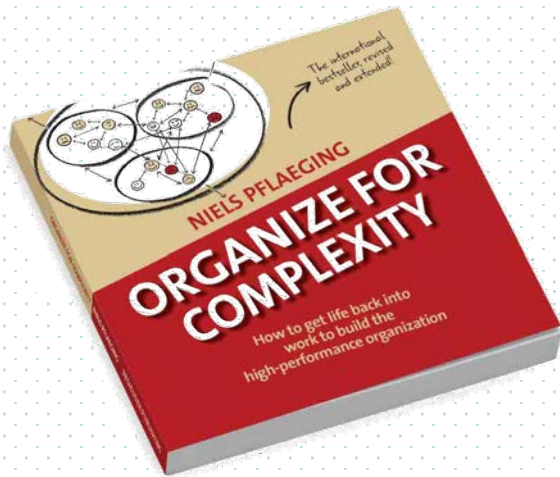
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The BetaCodex Network white papers

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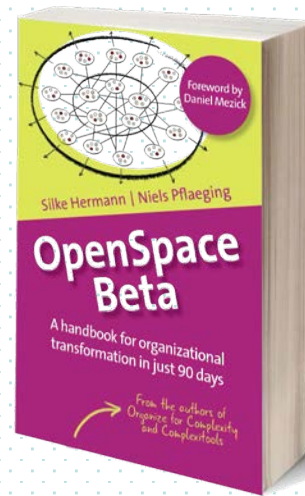


Organize for Complexity. How to get life back into work to build the high-performance organization

Niels Pflaeging

2015, 5th edition 2020

Also available in German, Portuguese, Turkish

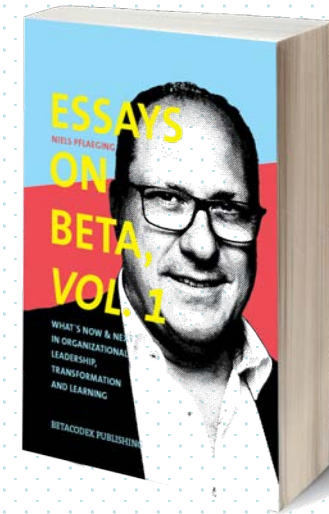


OpenSpace Beta. A handbook for organizational transformation in just 90 days

Silke Hermann | Niels Pflaeging

2018, 2nd edition 2020

Also available in German and Korean



Essays on Beta, Vol. 1. What's now and new in organizational leadership, transformation and learning

Niels Pflaeging

2020

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