



The emperor's new clothes:

Browsing in any bookstore, one sees

an array of titles offering to help the modern manager transfigure, transform and possibly even transcend organisational life.

For the inquiring manager, the trick is not finding ideas, suggestions and encouragement, but identifying which new technique might work for his or her firm. Indeed, for many managers, finding the “right” approach has become a never-ending quest.

Adding to the confusion is the fact that the management tools and techniques being heralded as the “latest and greatest” inevitably come and go in and out of fashion.



management fashion in New Zealand

Here we explore the literature on management techniques as fashion, including “fads” which are suddenly popular, relatively short-term management approaches. We present empirical findings from a first-of-its-kind survey of New Zealand managers regarding information sources and other influences on their choice among competing management tools and techniques. And we present a model of management fashion selection in New Zealand. ▶

By Darl Kolb and Adas Wolk

“Simple formulas cannot cope with complexity, and complexity is what today’s world is about”

MANAGEMENT IDEAS AS FASHION

Along with the increase in the number of tools and techniques designed to help management improve performance over the past decade (Withrow, 1995), the topic of management techniques as “fashion” is attracting a growing amount of scholarly attention (Abrahamson, 1991, 1996; Byrne, 1997; Huczynski, 1993; Shelley, 1996).

It has been said that modern managers possess a “lemming-like regard” for fads (Spitzer & Evans, 1997). But what exactly constitutes a “management fad”? Is it different from “regular” management practice?

(Donaldson & Hilmer, 1998; Huczynski, 1993). Although most fads are spawned from legitimate management theories, theories often degenerate into fads when they appear as quick fixes for a topical problem (Byrne, 1997).

Mitroff and Mohrman (1987) perhaps best capture the essence of the failings of a management fad when they say: “US business easily fell prey to every new management fad promising a painless solution, especially when it was presented in a neat, bright package. But all simple formulas are eventually bound to fail. By definition, simple formulas cannot cope with complexity, and complexity is what today’s world is about” (p.69).

FIGURE 1



In the Dilbert strip (Figure 1) above, cartoonist Scott Adams captures the scepticism commonly associated with management fads.

Similarly, a tongue-in-cheek response to faddism is found in Eileen Shapiro’s book *Fad Surfing in the Boardroom*, in which she defines fad surfing as: “The practice of riding the crest of the latest management panacea and then paddling out again just in time to ride the next one; always absorbing for managers and lucrative for consultants; frequently disastrous for organisations” (Shapiro, 1995, p.217).

Shapiro’s cynical view of management ideas as panaceas is by no means a solitary one

So, what makes a management idea a “fad”? And what is the difference between fads and other theory-based practice?

According to Australian academics Donaldson and Hilmer (1998), what distinguishes the fad from “regular” management practice is the perception of the “faddist” management technique as a “best practice”, promising pre-ordained results in a simplistic form, appropriate for all types of organisations and situations.

Micklethwait and Wooldridge (1997) contend that management theorists have a passion for permanent revolution, forever unveiling new ideas that are christened with

some acronym that is supposed to guarantee competitive success.

As little as a few months later, the ideas are “tried out” and competitive success proves to be as elusive as ever. So the theorists unveil a new idea.

Despite disappointments, many managers continue to believe that social science can provide magical solutions (Huczynski, 1993). In describing the popularity of re-engineering, James Champy (1995) maintains that popular concepts sometimes look like magic and the more popular the concept becomes, the more powerful the magic seems.

In the competition for managers' attention, each theorist or guru must also be seen to hold competitive advantage over other fad creators. Williamson (cited in Huczynski, 1993, p.283) points out that “the more people grasp one theory, the more urgent it becomes to manufacture a different model, fast, so that you are still ahead in the great race to be ahead”.

If management fads are, by definition, superficial and transient, this superficiality has been aggravated by the mass marketing of management fads (Pascale, 1991). Pascale contends that accepting and using management ideas without an in-depth understanding of their underlying foundation or a commitment to sustain them has become a professionally legitimated practice in the United States. Selecting new tools and techniques is both accepted and expected of management.

“The ideology of good management ... associates managers with the introduction of new ideas, new organisational forms, new techniques, new products, or new moods” (March, 1981, p.573).

As time passes, however, fashion fades and so do management techniques experience decreasing popularity and usage. The result is that managers constantly need new fashions, so that the ruling practice is made to look old-fashioned (Kieser, 1997).

Management fashions, therefore, need to continually “commit suicide” in order to make way for new fads (Barthes, 1990).

If we continue with this metaphor, it also stands to reason that fads are “murdered”. Fashion setters will denounce a fad that is not of their creation in order to propagate a new one (Barthes, 1990).

With so many fashion setters trying to destroy other fads in order that their own be popularised, it is easy to understand the perception of management fashion setters as ruthlessly self-serving.

Despite the negative attributes of management fashion and fashion setting, research indicates that fad usage is on the increase. An industry survey conducted by Bain & Co, a North American-based management consultancy firm, showed that the average number of management tools used per organisation increased from 11.8 in 1993 to 15.5 in 1994 (Rigby, 1994). This

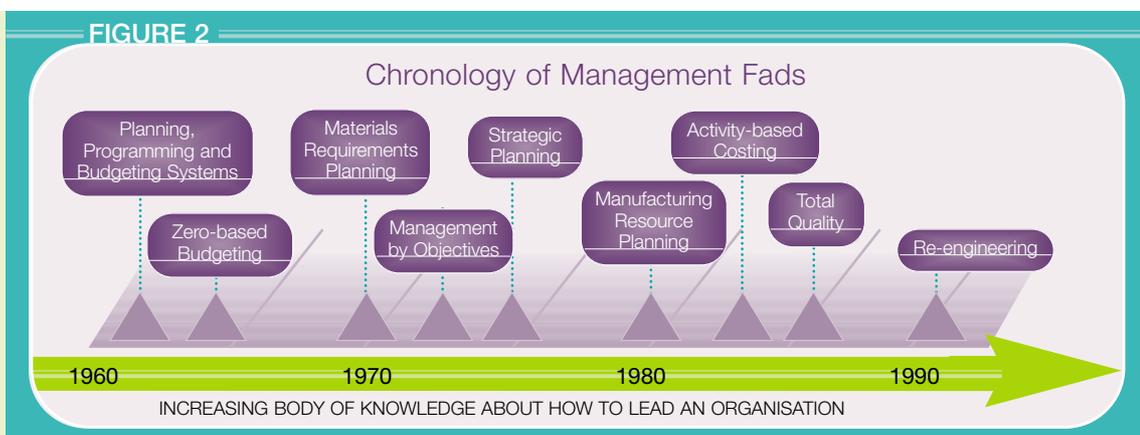
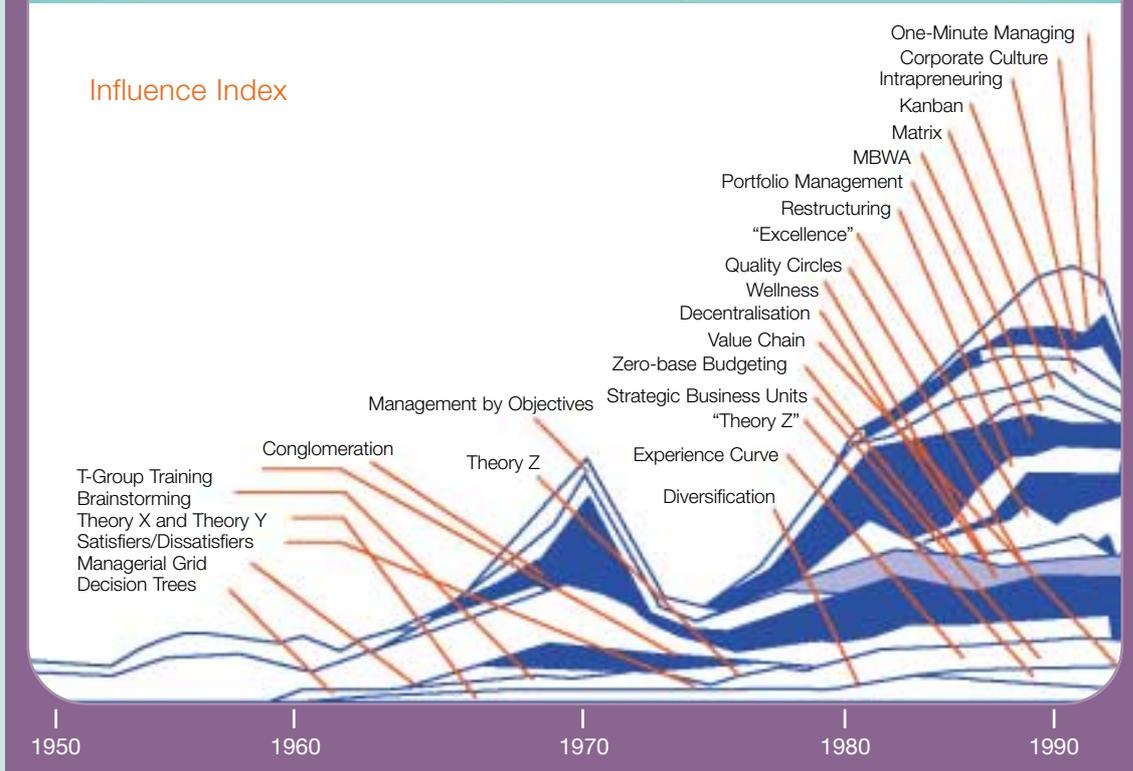


FIGURE 3

Flows and Impact of Management Fads



* Curves shown are for illustrative purposes. Empirical foundation of chart based upon frequency of citations in the literature. However, increased interest in business topics in the past decade tends to exaggerate amplitude of recent fads when compared to earlier decades. As a result, the author has modified curves to best reflect relative significance of trends over entire period.

indicates that fads are becoming more prevalent in today’s organisations and that selection of fads is becoming an increasingly important role of management.

Figures 2 and 3 – “Chronology of Management Fads” (source: Lee & Skarke, 1996) and “Flows and Impact of Management Fads” (source: Huczynski, 1993) – show that many ideas have been espoused about how to manage most effectively and that these have changed over time.

ARE MANAGEMENT FADS “BAD” FOR YOU?

Overall, even where fads lead to action, they are often viewed as doing more harm than good (*The Economist*, 1997). Indeed, the notion of a “fad” predisposes that such a management technique is not enduring and, indeed, not for everybody.

But it can also be said that every fad has some satisfied users, suggesting that, under the right conditions, each fad may have the ability to

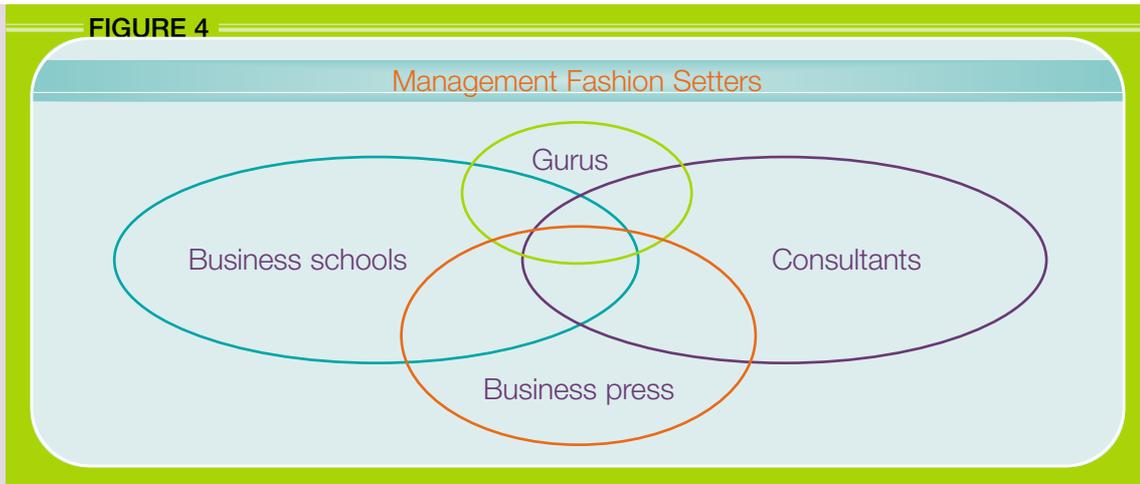
contribute useful results (Rigby, 1995). The key arguments against the adoption of a management fad, therefore, centre on the fact that, while useful in some contexts, management ideas – like other ideas – are generally limited in their ability for widespread prescription (Clarke, 1997; Hilmer & Donaldson, 1996; Huczynski, 1993).

The risk, therefore, is that because fads are successful in some situations, they are adopted for any situation with the expectation that a similar level of success is achievable. Moreover, fad consumers often become enamoured with the systems and language of a management trend, rather than the fundamental thinking behind it (Spitzer & Evans, 1997).

THE FASHION-SETTING PROCESS

We have alluded to management gurus and theorists as management “fashion setters”, but who and what else influences management fashion and how does the fashion-setting process work?

FIGURE 4



Abrahamson (1996) claims that management fashion differs from other trendy arenas, such as clothing or hairstyles. While management fashion may vacillate like skirt hemlines, management fads must represent an element of “rational progress” and not merely change for the sake of change.

Abrahamson’s model of management fashion setting (Figure 4) identifies four key management fashion-setting groups: “gurus”, “consultants”, “business schools” and the “business press”. According to Abrahamson, these are managers’ major sources of information about and legitimisation of management trends.

GURUS

A “guru” is a management author who has his or her ideas taught in business schools and in company seminars (Huczynski, 1993). Management gurus come in three types: “academics”, “consultants” and “hero-managers” (Huczynski, 1993).

The academic guru is “someone who, while occupying a position at an educational institution, has developed and popularised his or her ideas on some aspect of management” (Huczynski, 1993, p.46). An academic guru usually specialises in a particular field of management. Henry Mintzberg, for example, has written about organisation design, strategy formulation and business policy.

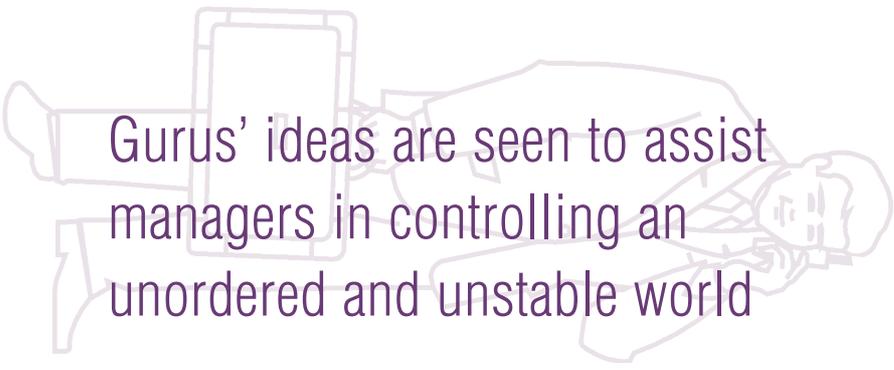
Michael Porter writes about competitive advantage and business strategy.

The consultant guru is best exemplified by the likes of Tom Peters, Stephen Covey and W. Edwards Deming. These are the gurus who draw on and reconstruct their knowledge and experience in a form that can specifically help managers (Huczynski, 1993).

The hero-manager gurus are the successful CEOs who have written about their efforts and triumphs. Examples are Akio Morita (Sony) and Lee Iacocca (Ford and Chrysler). Hero-manager gurus do not draw from research, academic study or consulting experience. Their status is developed from experience and, more specifically, success.

All three categories are essentially purveyors of management fashion and their ideas are characterised by rapid swings in popularity (Clark & Salaman, 1998). ▶

Management fads must represent an element of “rational progress” and not merely change for the sake of change



Gurus' ideas are seen to assist managers in controlling an unordered and unstable world

Why do managers follow gurus? From a psychological perspective, gurus legitimise the role of the business manager in society (Jackson, 1996; Micklethwait & Wooldridge, 1997).

Another reason for the attractiveness of gurus as an information source lies in the nature of managerial work. Studies have shown that managers' work is characterised by brevity, spontaneity, fragmentation and discontinuity, adaptation to circumstances and a focus on the immediate (Mintzberg, 1980, 1990; Stewart, 1967, 1983).

Gurus' ideas are, therefore, seen to assist managers in controlling an unordered and unstable world, as they are able to "create a sense of order in the face of the potential chaos of human existence" (Watson, 1994, p.904).

It follows that gurus' ideas may be adopted, in part, because they are easily accessed and digested within a manager's hectic schedule.

Finally, an additional explanation for the impact gurus have on managers lies within the forms of presentation that gurus use to disseminate their ideas. Anyone who has participated in a live seminar, video-conference or even seen a video of Tom Peters or Charles Handy will no doubt attest to the powerful, charismatic public-speaking skills these two possess.

The impact of the gurus' ideas is derived at least in part from the power of their public performance (Clark & Salaman, 1996). Huczynski (1993) argues that these performances are, in fact, exercises in persuasive communication.

Beyond being mere salespeople "pitching" their products (ideas), most gurus are genuinely seeking to transform the consciousness in their audience of managers (Clark & Salaman, 1998).

Despite the importance and profile of management gurus, as Micklethwait and

Wooldridge (1997) note, "gurus themselves are only the most visible tip of a much larger management iceberg, which incorporates business schools, management consultancies, and much of the business press" (p.8).

BUSINESS SCHOOLS

Business schools are another potential source of information on fads for managers and, therefore, are part of the management fashion-setting process.

Whether or not students learn details about total quality management or re-engineering in the lecture theatre, they are nonetheless being exposed to the concepts behind the fads. Business schools encourage students to pursue rational progress and increased organisational effectiveness and efficiency.

Outside the classroom, educated managers remain on the look-out for the best management tools and techniques available. While the power and influence of US business schools is renowned, little attention has been drawn to New Zealand business schools as an influence on local management trends. This fact provided additional motivation for our research.

CONSULTANTS

Management consulting is a growing industry with around US\$21 billion revenue in 1999 (Gartner Group, cited in Micklethwait & Wooldridge, 1997) and double-digit growth expected to continue in the new millennium. It was founded essentially on "advice-giving", but more and more firms offer to implement their ideas with, or on behalf of, managers.

Consultants are sought by organisations for guidance through turbulent times and to fill management gaps. As such, consultants are a vital information source for management tools

and techniques. Their increasingly widespread (e.g. global) sphere of influence also lends an immediate popularity factor to any idea offered by simply referring to impressive examples of adoption from among their far-flung, high-profile client base.

Global consulting firms bolster an idea with the double-barrelled credibility of their name coupled with their client list of high-performing global companies.

THE BUSINESS PRESS

Books have traditionally been the initial means for widespread dissemination of a management fad. The rise of Hammer and Champy, for example, as champions of the re-engineering movement was initiated with their first book, *Re-engineering the Corporation* (1993), which made the *New York Times*' best-seller list.

Academic gurus such as Michael Porter and Henry Mintzberg, as well as consultant gurus including Peter Drucker and Tom Peters, and hero-manager gurus such as Akio Morita and Lee Iacocca and business philosophers like Charles Handy have all used books as a medium for their messages.

Despite other media choices, books remain influential and popular. Since 1980, there has been an explosion of business books espousing the latest management fads – 3000 a year published in the United Kingdom alone (Brealey, 1997).

The business press includes periodicals, magazines, journals, reviews and newspapers. These publications are practitioner-based insofar as they discuss and promote issues in the world of business both at home and abroad.

Management journals and reviews, on the other hand, are more theoretically grounded. Publications such as the *Academy of Management Journal*, *Harvard Business Review* or the *University of Auckland Business Review* are examples of this genre.

Journals and reviews publish articles written by academics and are research-based, peer-reviewed and provide a forum for theoretical development in the area of management.

Newspapers are perhaps the most widely read publications, but they have the inherent limitation in their coverage of management issues because of the comparatively limited length of stories.

As with other media, the quality and credibility of newspapers vary greatly. Newspaper coverage of business trends and fashion, including endorsements of gurus and/or hero-managers, does nonetheless lend credibility to and/or provokes criticism of management fads.

In summary, we have defined management fashion as those management practices influenced by popularity, which may or may not be appropriate for a particular organisation at a given point in time.

Despite the whimsical nature of management fashion, we agree with others who suggest it is a phenomenon worthy of investigation. We have identified some primary sources of information and protagonists in the fashion-setting process and noted international patterns of management fashion setting and uptake.

Now we will describe our New Zealand research on the topic.

THE NEW ZEALAND STUDY

Research was conducted to determine the relative importance of sources 

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Respondents indicated a healthy scepticism toward “new and improved” management fixes

of information used by New Zealand managers in selecting management tools and techniques and to create a model of management fad selection for New Zealand (Wolk, 1998).

The study expanded Abrahamson’s model of fashion setting by including a wider variety of information sources peculiar to the New Zealand context. In addition to gurus, business schools, consultants and the business press as information sources, we included the following:

- Chambers of Commerce and the Employers and Manufacturing Association (EMA).
- Colleagues and associates.
- Conferences, seminars and video-conferences, international speakers.
- Videos.
- Internet.
- New Zealand Institute of Management (NZIM).
- Schools and executive programmes.

The research instrument used was a written survey, adapted from a questionnaire used by Bain & Company (“Bain & Co”). The survey was posted to the 4000 NZIM members, with 141 managers responding.

Eighty-six per cent of respondents reported having “direct impact” on tool and technique selection in their organisation, with nearly 40 per cent being “highly responsible” for such decisions within their organisations.

The Bain & Co survey is a well-established research instrument in the United States. *Business Week* magazine claims that the annual survey has become the *Billboard* chart for management theories and that “Drucker wannabes lobby him (Rigby, the consultant-creator of the survey) relentlessly, hoping to get their newest incantations into his survey” (Byrne, 1997, p.37).

The main purpose of the Bain survey is to establish the success rate of management ideas. Our focus was different and, therefore, required some adaptation of the survey instrument.

The Bain & Co questionnaire asks managers which information sources influenced their selection of management tools, but the instrument is primarily concerned with establishing which management tools were in most popular usage and their relative effectiveness (Rigby, 1994).

While it may have been of interest to ascertain which fads are more or less popular with New Zealand managers (by comparison to their North American counterparts), the purpose of this research was to identify the sources and relative importance of information used by New Zealand managers to choose management tools and techniques. Findings from the survey of NZIM members are reported below.

FASHION FOLLOWERS?

Overall, respondents indicated a healthy scepticism toward “new and improved” management fixes, with 51 per cent doubting the existence of any management technique that is effective in all situations.

While faddism exists, there was an indication of rational pragmatism co-existing with it, as 84 per cent reported using a tool over and over again if it works. Change for the sake of change was not highly evident.

But since only one-third of those surveyed said they waited until a tool or technique had an established track record, we can suggest that a significant proportion of New Zealand managers are willing to jump on bandwagons that may or may not prove effective in the long run. The notion of a “bandwagon” primarily

infers that an organisation adopts an innovation or technique because everyone else is adopting it (Abrahamson & Rosenkopf, 1993).

Only one-third of respondents develop their own tools and techniques, suggesting that homegrown management solutions are quite rare. Again there is some degree of rationality in using off-the-shelf methods, as the majority of those responding reported being relatively satisfied with the management tools and techniques they've selected.

Here, scepticism was less prevalent, with nearly two-thirds disagreeing with the statement that "most tools used don't work". Of course, this may be the result of some degree of post-decision rationalisation because these managers were largely responsible for selecting the tools used by their organisations.

The New Zealand sample echoed Abrahamson's and others' observation that the fuel for the fashion-setting industry is managers' perceived need to advance best practice. Seventy-three per cent felt it is important to stay on the cutting edge of management approaches. The implied logic is that new and improved ways to manage are out there somewhere.

INFORMATION SOURCES

The New Zealand managers surveyed tend to use the business press, colleagues and books as sources of information on management

techniques. Most "valuable", however, are colleagues and associates. In short, when seeking information regarding management techniques, New Zealand managers are influenced heavily by peers and by what they (managers themselves) read (see **Table 1** for Information Sources ranked by "Usage" and "Value").

While Abrahamson lists the business press as a fashion setter, we have no comparable data to indicate the relative importance of the press to US managers. What is interesting, however, is that while Abrahamson does not include colleagues and peers as fashion setters, peers can be seen as valuable influences on the selection of management tools and techniques.

An important finding of our research is that the influence of peers in the fashion-setting process should be considered in studies of this nature.

Other points worth noting in the rankings are the fact that, of the written material listed in the survey, newspapers had the lowest credibility among those surveyed (40 per cent found them "unreliable or misleading"), even though they enjoy some of the highest readership.

Also, while New Zealand business schools and executive programmes are used and seen as relatively credible sources of management techniques, it would be interesting to know their influence relative to their American counterparts.

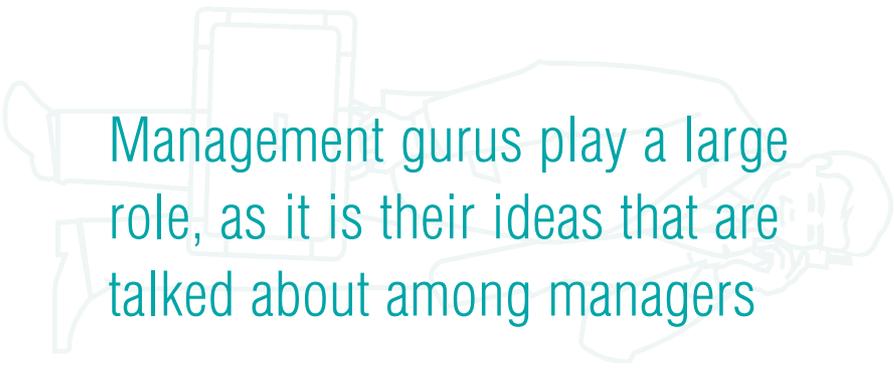
Notably absent from the top of the list are consultants. Contrary to the popular conception of New Zealand management's over-reliance on consultants, this group was not represented as a top-ranked source of management tools and techniques.

That is not to say that consultants are not used as information sources. Indeed, 84 per cent of respondents claimed to have used consultants as information sources on management techniques and 45 per cent believed that involving consultants contributes to more successful implementation of a management technique. ▶

TABLE 1

Information Sources ranked by "Value" and "Usage"

| Value | Usage | Information source |
|-------|-------|-----------------------------------|
| 1 | 2 | Colleagues/associates |
| 2 | 3 | Books |
| 3 | 1 | Magazines/business periodicals |
| 4 | 7 | NZIM (NZ Institute of Management) |
| 5 | 10 | Schools/executive programmes |
| 6 | 5 | Conferences |
| 7 | 9 | Consultants |
| 8 | 6 | Journals/reviews |
| 9 | 8 | Internet |
| 10 | 4 | Newspapers |



Management gurus play a large role, as it is their ideas that are talked about among managers

Finally, 91 per cent of respondents reported using the internet as an information source, with almost one-third (31.4 per cent) using it frequently. Seventy per cent found information gleaned from the internet to be “helpful”, if not “extremely valuable”. This suggests that these managers’ use of the internet is relatively high and is likely to increase dramatically in the future.

GLOBAL FASHION

US-based research neglects the influence of offshore owners on local management practice. Extending the Bain survey, we asked our New Zealand managers about offshore influences on their management ideas and practice. Less than half of respondents believed that management tools and techniques developed offshore were relevant to the New Zealand context without modification.

About 40 per cent felt that with tailoring and customisation, tools and techniques can be adapted to the New Zealand environment. Only 15 per cent felt there was little or no relevance from offshore (generally American) approaches.

For those belonging to transnational firms, about 95 per cent have experienced changes in management techniques formally mandated from offshore. A large majority (87 per cent) of those experiencing such changes, however, found parent and sister companies to be “somewhat helpful” or even “extremely reliable” as information sources.

Ninety-five per cent of respondents within transnational corporations used informal information from other branches in choosing or developing management techniques and 95 per cent of those found such information to be “somewhat useful” or even “extremely valuable”.

A MODEL OF MANAGEMENT FASHION SELECTION IN NEW ZEALAND

A major goal of this research was to develop a model of how New Zealand managers select management fashions. The model is found in Figure 5.

In this model, the *Fashion Pool* is the point of entry. It consists of the vast array of management tools and techniques available to managers. This part of the model is informed by Abrahamson’s (1996) model of the management fashion-setting process, focusing on the process of how the suppliers of management fashion create, select, process and disseminate management fads.

From the Fashion Pool, managers select candidate tools, based on *Primary Information Sources*, e.g. colleagues, books and magazines. As noted above, “informal information” and “formal global initiatives” from multinational and transnational corporations are significant influences on management tool selection in the New Zealand context.

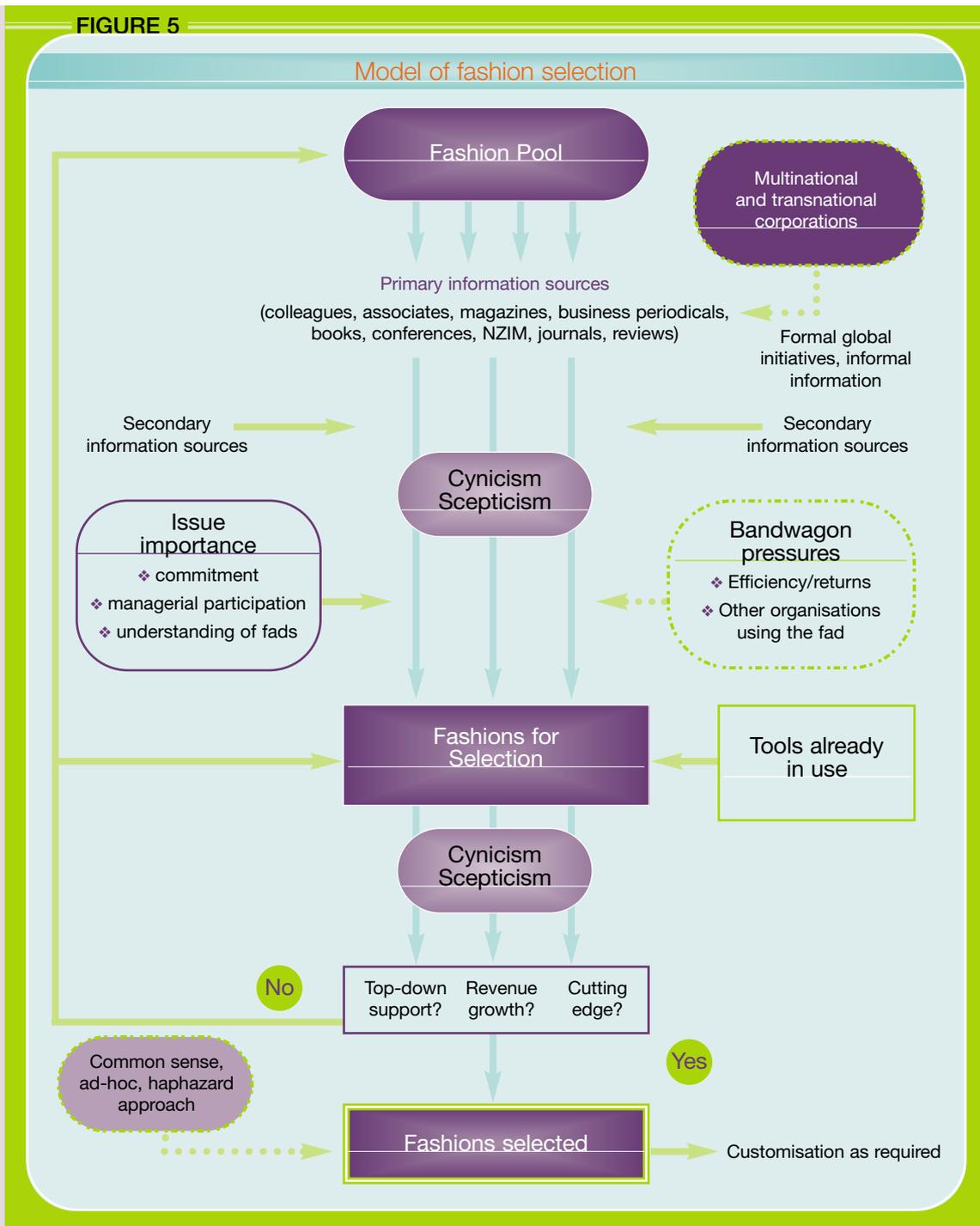
Therefore, we portray MNCs as Primary Information Sources influencing selection from the Fashion Pool.

It should be noted that management gurus play a large role here, as it is their ideas that are manifest in magazines, books, business periodicals, and talked about among managers.

Secondary Information Sources include those other sources included in the survey, such as conferences, journals/reviews, consultants, NZIM, Chambers of Commerce, business schools and executive programmes, videos and the Employers and Manufacturers Association.

Along with primary sources, Secondary Information Sources may be considered at any time.

FIGURE 5



Issue Importance describes the phenomena of social problem theory, impression management, and upward influence as impacting on how “issues” may be selected (Dutton & Ashford, 1993).

Essentially, the perceived importance of an organisational issue bears on the sorts of ideas managers will consider for selection.

Commitment of both management and staff is paramount and may be accelerated by impression management and upward influence.

If members from all levels of the organisation show commitment to a newly adopted management fashion, this constitutes an upward influence effect. This “bottom-up” support may complement the necessary



Any fashion that puts impression management at risk will have less chance of being selected

top-down effect that our research showed as being one of the most agreed-upon requirements of the success of a management tool or technique.

Similarly, a shared understanding of a management fashion and all that it entails can increase upward influence from employees who believe the approach to be beneficial, increasing the likelihood for its selection.

The reverse can also happen, however. If employees understand the implications of a fashion, chances are that they will

also understand the shortcomings and pitfalls. They can, therefore, exert some upward influence to ensure that this management tool or technique is not selected.

Impression management will factor into the commitment of the fad selectors within organisations. Impression management aims at reducing the risks associated with being aligned to management techniques that are potentially harmful to the organisation.

A manager who displays commitment to a fashionable management idea may be perceived as a manager who is courageous, but he or she also risks the ramifications that may unfold should that fashion be unsuccessful. Any fashion that puts impression management at risk will, therefore, have less chance of being selected.

Bandwagon pressures also play a role in determining which management fads will be selected. The sheer number of organisations adopting a management technique or fad can create bandwagon pressure, prompting other organisations to adopt the same technique.

The two key foundations for bandwagon pressures in this model are based on (a) perceived efficiency and/or financial returns of the fad, and (b) whether other organisations are also using the fad.

Our research provided somewhat conflicting findings on the extent of bandwagon pressures on management fashion selection in New Zealand. Forty-six per cent of respondents claimed that their organisation was usually among the first to try new management tools, suggesting that some New Zealand managers may believe they are the ones who create the local bandwagon, rather than those who “jump on it”.

If New Zealand managers want to be seen as fashion setters rather followers, they may relatively rapidly uptake new management techniques.

In our context, fast followers may look like leaders. We use a broken-lined box, therefore, to denote the role of bandwagon pressures within a New Zealand model of management fad selection.

Our research also revealed that organisations were likely to retain management tools and techniques already in use. Eighty-four per cent of respondents maintained that once they discover a management tool that works, they tend to use it over and over again, supporting an “if it ain’t broke, don’t fix it” mentality. Therefore, *Fashions already in use* definitely return or remain in the *Fashions for Selection* pool.

Fashions for Selection represents those management techniques that have “survived” the processes of filtering through the information sources, the recognition of issue importance and bandwagon pressures (if applicable). Before the ultimate selection of a fashion, a few key filters determine its likelihood of success within the organisation.

1. Does the technique have top-down support?

At this decision point, managerial participation and commitment are pivotal factors influencing whether a management fad continues down the path to selection. Our research confirmed the common notion that top-down support is required

for successful implementation of any management tool or technique. Almost 90 per cent of respondents believed that management techniques need top-down support in order to succeed.

2. Does the technique promote revenue growth?

Management fads generally promise enhanced organisational performance through increased efficiency and/or returns. A management fad should, therefore, specifically address what managers believe to be of key importance in achieving higher profitability. More than 83 per cent of our respondents said they expected to improve profitability through higher revenue growth, compared with only 41.8 per cent who thought that aggressive cost reduction would improve their organisational profitability.

3. Is the technique on the cutting edge of management practice?

To be on the “cutting edge” implies that techniques are new, *popular*, provide rational progress and help to improve performance. Our research revealed that 72.7 per cent of those surveyed agreed that it was important to stay on the cutting edge of management know-how.

We propose that if a fashion gets a negative response to these three questions, then the likelihood of its selection is greatly impaired. If a proposed fad meets all of the criteria in this final stage, however, then it is likely to be selected.

The fashion selected may require some customisation or tailoring to meet local, cultural, environmental, organisation- and industry-specific conditions. Recall that our survey revealed that 39.6 per cent of respondents felt that offshore management techniques required some level of customisation in order to be relevant to New Zealand conditions. Of that 39.6 per cent, 23 per cent maintained that adaptation to New Zealand culture was also required.

Recognising the chaotic, impromptu and political realities of organisations, *common sense*,

haphazard, ad-hoc approaches to management fashion selection have also been included in the model.

We have also noted the increasing reality of organisational cynicism and scepticism in the model. We have represented these fundamental reactions toward management tools and techniques at two stages of the model, but we recognise them as ongoing and pervasive emotions throughout many New Zealand organisations.

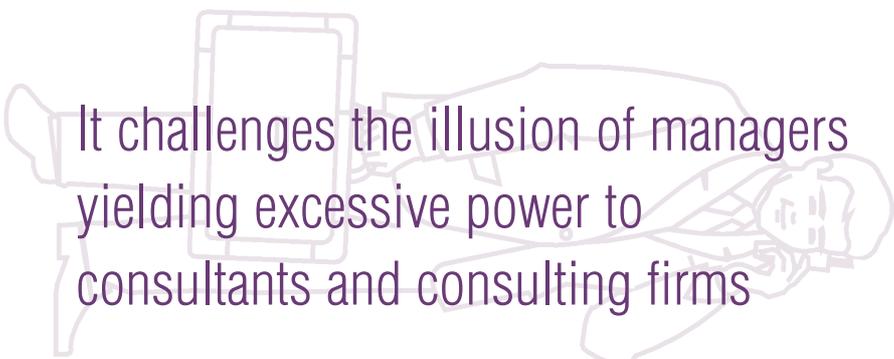
Whether scepticism increases or decreases generally depends upon several elements, including: the level of information organisational members possess on the fashion, their respective recognition of the importance of the fad as a strategic issue, any bandwagon pressures that might exist, and whether the management approach or something similar has been used successfully or unsuccessfully in the past.

DISCUSSION

Our intent in this study has been to identify the key information sources used by New Zealand managers in the selection process of management tools and techniques and to model the process of fashion selection. Our sample of NZIM members contains inherent biases, most obviously the fact that each person in our sample receives at least one management magazine per month as information source on management tools and techniques.

In self-report format, we would also expect some inflation of satisfaction with those management tools and techniques

Only 41.8 per cent thought that aggressive cost reduction would improve their organisational profitability



It challenges the illusion of managers yielding excessive power to consultants and consulting firms

selected, when we ask the managers who were directly or indirectly responsible for selection.

Clearly, replication and extension of this study is needed and welcomed.

Further investigation might explore how the management fashion setters (e.g. the business press, booksellers, business schools) select which management fashions are disseminated and/or endorsed. Given that most of the tools and techniques available are developed offshore, it would be prudent to ask whether New Zealand management fashion setters play a role at all in the creation of management fashion.

If offshore sources directly influence New Zealand managers' selection of management fads, then what power do New Zealand management fashion setters (e.g. consultants, business schools, the business press) have to influence managers? Are locally based fashion setters undermined and subsequently relegated to serving as secondary information sources? To what extent do local fashion setters accurately or inaccurately mirror global fashion trends?

This research raises some questions about the relative power of consultants as information sources regarding management fashion. To some extent, it challenges the illusion of managers yielding excessive power to consultants and consulting firms.

The use of consultants was still high among respondents, however, and most felt that consultants were helpful in instituting new management techniques. These two findings together may suggest that many fresh new ideas and “fashionable” techniques appear in the business press and are discussed (or “name dropped”) among managerial peer groups.

Meanwhile, consultancies are determining which new tools or techniques they will select

and for which they will subsequently develop “methodologies” (systems of implementation) for their clients.

Consultants face the dilemma of needing to be perceived by their clients as “cutting edge”, while making sure that any new fashion they endorse will stay in vogue long enough for them to make money from it. Cutting-edge ideas must also be “tried and true” solutions, in order to maintain client confidence (and fee levels).

As consumers of the “latest and greatest” management fashion, are New Zealand managers different from managers around the world?

New Zealand managers are somewhat more likely to be influenced by offshore fads, but due to delay factors are possibly more sceptical of any given management fashion before it gets to the local office. Just as helpful information is shared among branches and divisions of transnational corporations, so too is scepticism and cynicism contagious.

Management initiatives that arrive from offshore, if unaltered to local cultural norms, are almost certainly doomed to fail (Shepherd, 1999). Managers operating in global corporations have their own dilemma. They must maintain and/or at least appear to be supportive of global management initiatives, even though they know – based on reports from peers in the corporate grapevine and the experience of other international branches – that the management fashion coming their way is generally turning out to be unproductive or destructive and/or is unlikely to work in the New Zealand context if adopted with no modification (Shepherd 1999).

But too much modification may mark them as resistant to the corporation's global culture and/or brand them as not wanting to be at the

We must accept that our ideas are not exempt from the management fashion cycle

cutting edge, where all rationally progressive managers should desire to be. In this scenario, the “bandwagon” analogy has particular relevance, as those who do not jump on get left behind!

So, picking the winners and losers among management fads can be directly related to a manager’s career progression. For this reason, managers should take fashion seriously.

But what about academics? Should academics be concerned with management fads?

We agree with Abrahamson and say “yes” if for no other reason than being part of the fashion-setting process.

Business school faculty members, in particular, should be aware of their role in lending credibility to new and improved ways of doing things, knowing that those ways will be superseded, in due course, by newer ways of doing things. In this sense, we must accept that our ideas are not exempt from the management fashion cycle.

Is the management fashion phenomenon here to stay? If we accept that, by definition, fashion is constantly being updated with new techniques

and that managers are always seeking better, if not magical, solutions to the day-to-day complexity of organisational life, then management fashion will no doubt continue.

Who will be the fashion setters of the future? While the management consulting industry is growing, in New Zealand, colleagues and peers (networks) still rank highly, as do books, in informing about management techniques.

What else could happen? What impact might other technologies such as the internet have on this process? We hope that the survey results presented here and this model of fad selection will provoke further interest and research in the management fashion process in New Zealand in order to better understand what’s in vogue.

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RELATED READING

For further exploration of the related literature and a detailed account of the New Zealand study presented here, see Adas Wolk's Masters of Commerce thesis, *The Emperor's New Clothes?: A Study of Management Fad Selection in New Zealand*. Abrahamson's work defines the fashion-setting process within the academic literature. For a thoughtful and readable critique of the management consulting industry, see Micklethwait and Wooldridge's book, *The Witch Doctors*. Shapiro's *Fad Surfing in the Boardroom* is a slightly more humorous review of management fads, with an attempt to separate the sense from the nonsense for practicing managers.

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