Gary Hamel's Management 2.0 - More Must-Reads for Management Revolutionaries

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Posted by Gary Hamel

The world is inundated with mediocre business books pedaling the same old threadbare nostrums. There are rare exceptions, though—books that telescope the future or send our minds racing down new tracks. Last week I nominated half a dozen tomes that have shaped my thinking about the future of management. This week, you'll find a list of six more that can help us escape the greased grooves of conventional management thinking.

Small Pieces Loosely Joined, by David Weinberger, 2002.

What's the most adaptable, innovative and engaging thing on the planet? Sad to say, it's not your company, or any company. It's the Internet. And the social revolution that has spawned blogging, crowd-sourcing, opinion markets, authority scoring, folksonomies and mash-ups is going to turn traditional management structures inside out. If you have you doubt this now, you won't after reading David Weinberger's engaging portrait of humanity's most important social institution—which, weirdly enough, is no institution at all.

Quote to savor: "Our biggest joint undertaking as a species [the Internet] is working out splendidly, but only because we forgot to apply the theory that has guided us ever since the pyramids were built."

The Rise of the Creative Class, by Richard Florida, 2002.

Thirty-six years after Peter Drucker proclaimed the birth of the knowledge economy in The Effective Executive, Richard Florida announced the arrival of the creative economy. In the course of two generations, the foundations of wealth creation have shifted from physical capital (tangible assets) to intellectual capital (technical expertise) to creative capital (imagination and passion). In this extraordinarily well-researched book, Florida outlines the implications of this tectonic shift for individuals, organizations, communities and countries.

Quote to savor: "What [creative individuals] have in common is a strong desire for organizations and environments that let them be creative—that value their input, challenge them, have mechanisms for mobilizing resources around ideas and are receptive to both small changes and the occasional big idea. Companies and places that can provide this kind of environment, regardless of the size, will have an edge in attracting, managing and motivating creative talent."

The Future of Work, Thomas W. Malone, 2004.

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Tom Malone is an MIT professor who has led several groundbreaking studies on the future of work and organization—and is one of the smartest guys I know. Malone's central thesis is that organizations must become more like markets and less like hierarchies—a transition enabled by rapidly falling communication costs. Such a shift will de-politicize decision-making and empower those on the front lines. The Future of Work offers a wealth of practical advice for leaders who are eager to change the DNA of their organizations from "command and control" to "cultivate and coordinate."

Quote to savor: "… when future generations look back at the history of business, they will likely realize that the huge, centralized, hierarchical corporations of the twentieth century were not the pinnacle of business organization. Instead, they may see those 'traditional' organizations as merely a temporary aberration—an interlude of centralization—between periods of largely decentralized organizations."

The Wisdom of Crowds, by James Surowiecki, 2004.

Everyone knows that the many are usually smarter than the few when it comes to making predictions. But in this closely argued book, Surowiecki demonstrates that a decentralized decision network can be equally effective in solving complex coordination problems. But while he's banging another nail into the coffin of centralization, Surowiecki is careful not to overreach. In clearly outlining the circumstances in which a wise crowd can become a stupid one, he give us a hindsight-in-advance explanation of the 2008 financial meltdown.

Quote to savor: "Diversity and independence are important because the best collective decisions are the product of disagreement and contest. … Paradoxically, the best way for a group to be smart is for each person in it to think and act as independently as possible."

Firms of Endearment, by Raj Sisodia, Jag Sheth and David B. Wolfe, 2007.

I've always believed that putting shareholders first is a stupid idea. Shareholders don't create value—employees do, when they deliver outstanding service or create lust-worthy products. Shareholder primacy is an inherently self-limiting ideology, because it focuses management attention on the scoreboard rather than the game. It's tough, of course, to make this argument to a manager whose just been crucified by a gaggle of analysts at the end of a tough quarter. Nevertheless, Raj Sisodia and his colleagues do a phenomenal job of demonstrating unequivocally that love pays. Put simply, firms that love their employees, customers and neighborhoods, do better than those that don't.

Quote to savor: "Humanistic companies—or firms of endearment—seek to maximize their value to society as a whole, not just to shareholders. They are the ultimate value creators: They create emotional value, experiential value, social value, and of course, financial value. People who interact with such companies feel safe, secure,