

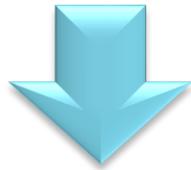
Experimentation in Management

Julian Birkinshaw

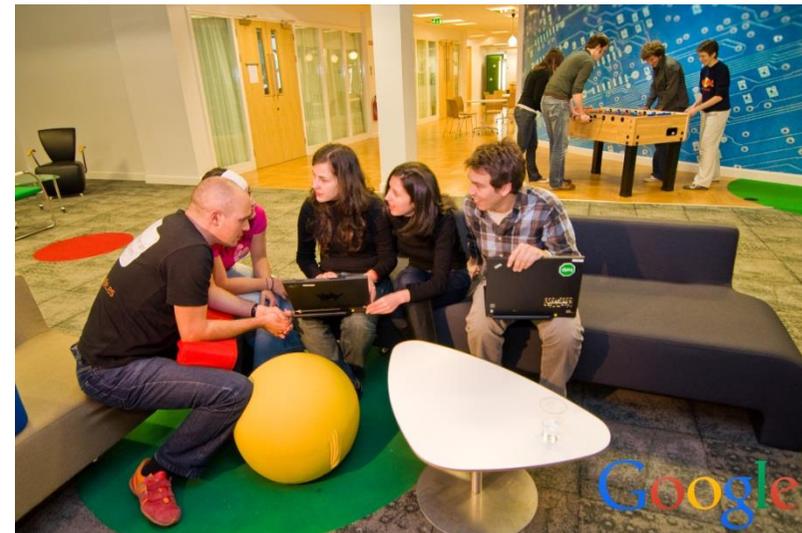


Broadening our concept of innovation

FROM NEW
PRODUCTS AND
SERVICES



TO NEW
WAYS OF
WORKING



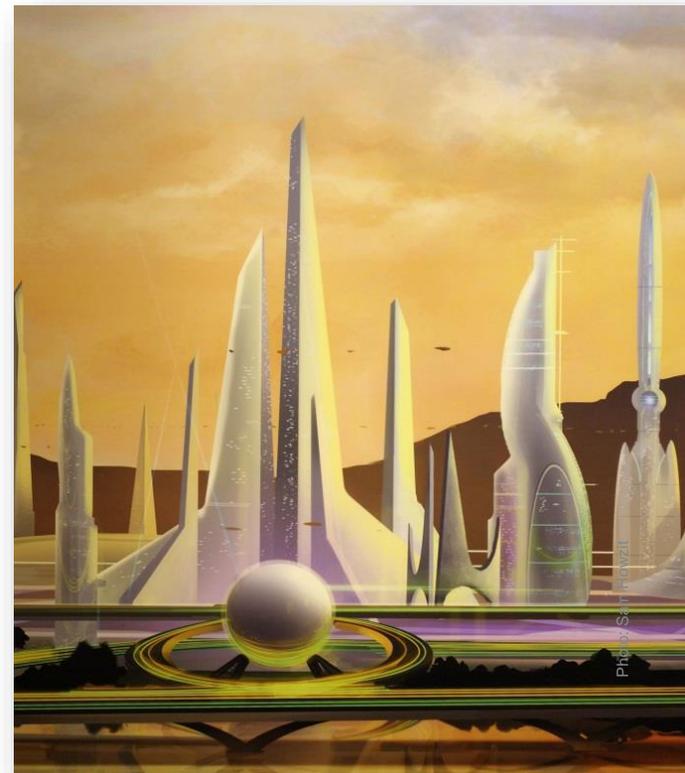
What is the future of “management”?

Same as it ever was



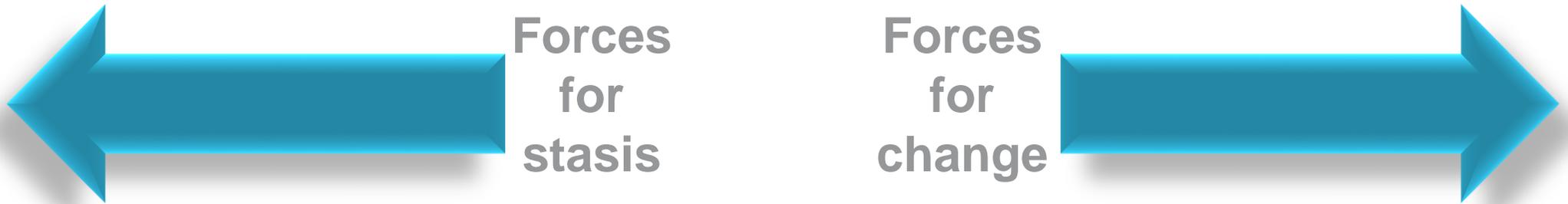
← Forces for stasis

Radically different



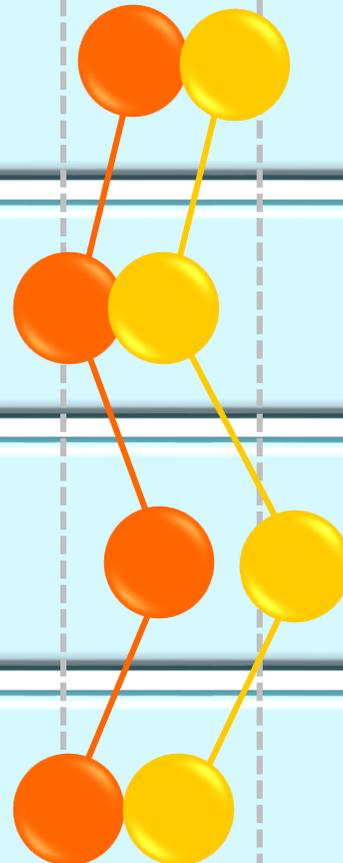
→ Forces for change

Forces pulling companies in both directions



Coordination achieved through...

Bureaucracy



Emergence

Decisions made according to...

Hierarchy

Collective Wisdom

People motivated by...

Extrinsic Rewards

Intrinsic Rewards

Objectives set through...

Linear Alignment

Obliquity

How do we change our management model?

- 1. The start-up approach: Invent a distinctive model from the start, and sustain it**
 - 2. The top-down approach: Decisive change led by the CEO**
 - 3. The bottom-up approach: Experimental change from below**
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The bottom-up approach: Occasional examples can be found



Jordan Cohen at Pfizer

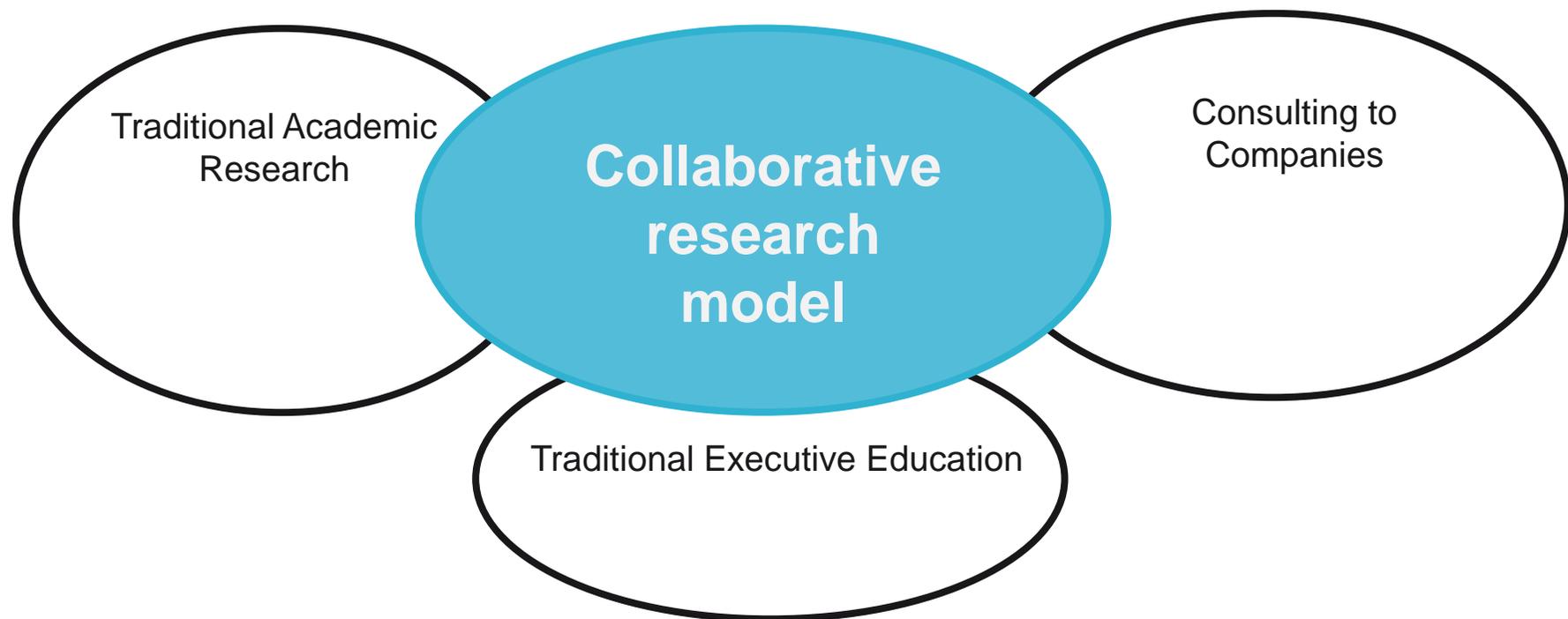
Ross Smith at Microsoft

My own experiment: A new model for business school research

Benefits primarily for
academic knowledge



Benefits primarily for
the company



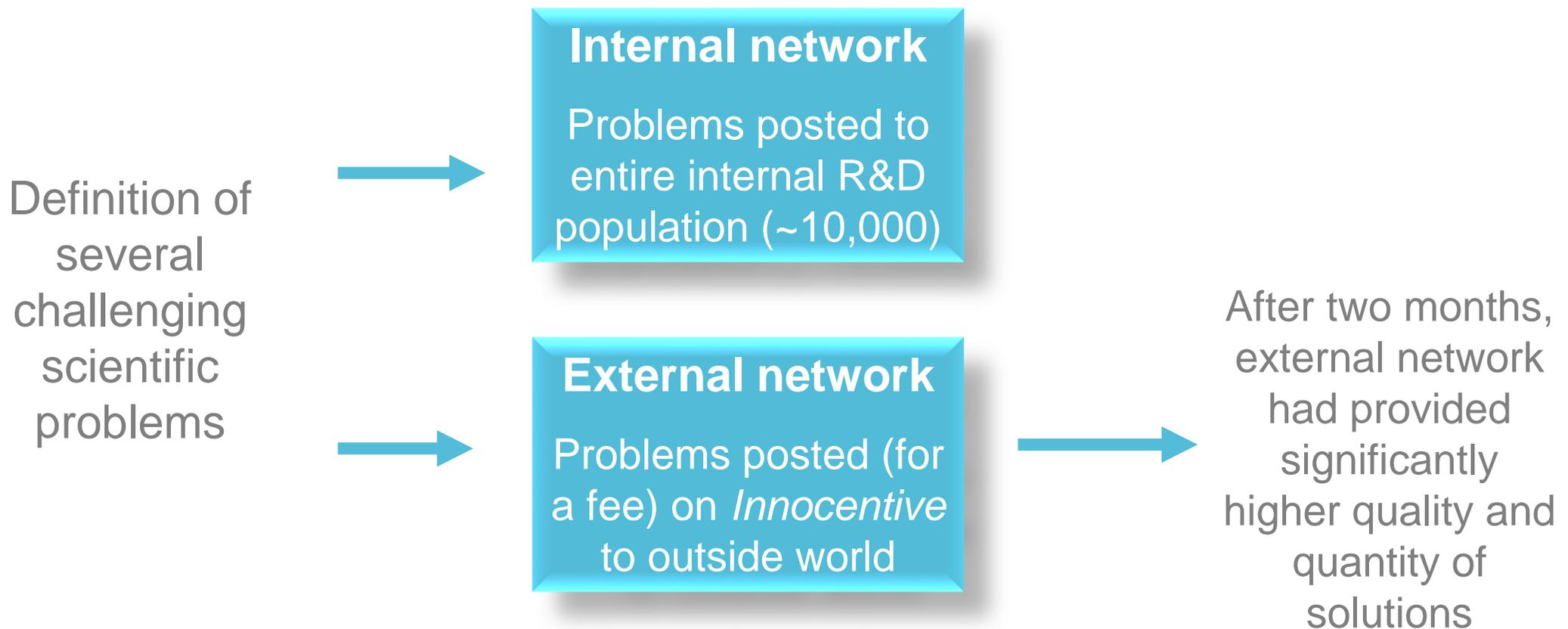


To equip a critical mass of managers with the skills and tools they will need to accelerate the pace of management innovation within your company

To help your company develop and prototype the bold management innovations that will help it build a decisive *management advantage*.

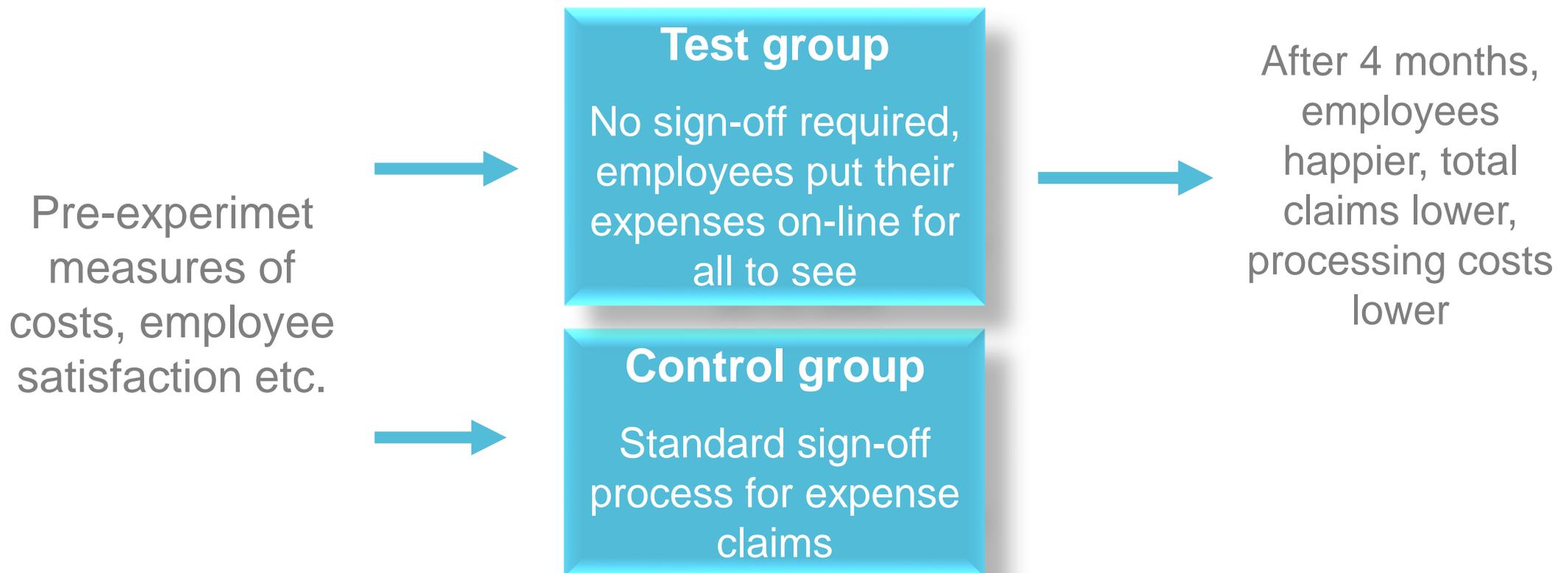
To provide adventuresome managers and contrarian thinkers with a platform that will help them reinvent the principles and practices of management for a new century.

Hypothesis: An internal network of R&D employees will solve scientific problems better than an external network



Two examples from Roche

Hypothesis: Peer review is more effective than bureaucracy for managing expense claims



Key principles of management experimentation

1. **Focus on causes, not symptoms**
 2. **Make your hypotheses explicit**
 3. **Limit the scope of your experiment**
 4. **Run the new in parallel with the old**
 5. **Start at home**
 6. **Use volunteers, if possible**
 7. **Iterate**
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