

Peter Drucker



Alfred Sloan



Jack Welch



Bill Gates



Andy Grove



Steve Jobs



Jorge A. Vasconcellos e Sá

With the collaboration of Magda Pereira and Fátima Olão

THERE IS NO LEADERSHIP: ONLY EFFECTIVE MANAGEMENT

Lessons from **Lee's** Perfect Battle, **Xenophon's** Cyrus the Great and the practice of the **best managers** in the world

"A wonderful book about effective (and ineffective) leadership: enlivened by numerous examples, engaging graphics, grounded in serious scholarship and rigorous historical analysis, this book **is a real treat. This book is tremendous."**

Donald Hambrick (*Evan Pugh Professor and Smeal Chaired Professor of Management, The Pennsylvania State University*)

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FOREWORD
BY JOSÉ ANTÓNIO DE SOUSA

(President & CEO of Liberty Seguros)



Battle of Chancellorsville by Kurz and Allison



José António de Sousa
President & CEO of
Liberty Seguros Portugal

Professor Jorge Vasconcellos e Sá introduces with his new book a fascinating, and most certainly polemic, subject for discussion in all major professional, as well as academic forums. The provocative title of the book, standing on its own, seems almost to indicate that leadership “de facto” doesn’t exist - or isn’t required - in order to be successful in business, and that it is effective management what really matters and counts in order to achieve results, and be successful in human endeavors, particularly in business. But the reading of the book quickly shows us that we are facing a subject of far more reaching philosophical complexity, and thus with a potential of increased controversy and constructive discussion potential.

As in other books written by Professor Vasconcellos e Sá we are dealing again with a masterfully researched work, exceptionally well written, and with a profusion of images and graphic explanations that make the reading a real pleasure, almost a lively interaction with the author’s uncommon and privileged brain.

Vasconcellos e Sá uses major historic battles to address the subject at hand, and to draw his conclusions, driving us to agree with them, because he makes them so simple, apparently, even when dealing with subjects of utmost com-

plexity. This methodology of explaining what sometimes seems to be, or even truly is, a complex issue, using the excruciating description and dissection of a battle, makes it easier for us to understand that we do deal permanently with “battle fields” throughout our lives, be it in personal or professional matters. The Human Being is genetically programmed to fight battles, and needs to fight them in order to survive, and make developmental steps for Humanity that ultimately allow us to survive collectively.

In this book we go through his masterfully researched description of the battle of Chancellorsville, one of the most critical battles during the American Civil War, while in his past recently launched book “Shakespeare, Henry V and the Lessons for Management”, a book that overwhelmed me for its incredible practical value for managers, entrepreneurs and business leaders, in particular the whole chapter around hiring and motivating the best available talent (“no organization is better than its people”), Vasconcellos e Sá developed his thoughts using the battle of Agincourt (1415, a battle of the 100 Years War), one that put France and England facing each other. This particular book stays, ever since I read it, on my desk in the office, and it is with undeniable pleasure that I review its content from time to time!

The interesting fact is that both battles portray similar starting situations, where an overwhelmingly stronger opponent (the French at Agincourt, the Union lead by general Hooker at Chancellorsville), loses the battle to a significantly “weaker” enemy (the English at Agincourt, Lee’s Confederate army at Chancellorsville), in both cases for Darwinian reasons (it’s never the mightiest and the bigger of the “species” who survive, but the most swift and flexible adapting to a changing environment), as well as for a huge amount of mistakes that can be easily compared to the ones being made today in the business environment by failed companies (and in our families and personal lives as well!).

I am not going to make this time any considerations of personal nature about Vasconcellos e Sá, his impressive career in business and academic areas, his remarkable contributions to the discipline of Management, his formidable communication skills, be it in class, be it in written form, as here is the case with his new masterpiece. It would be a boring repetition of what I have already written in the preface to the book I mentioned before (Shakespeare, Henry

V and the Lessons for Management, published by Vida Económica). I truly encourage though the patient and interested reader of this book to not miss by any chance the opportunity of reading the other one. Both are complementary, and make the picture much clearer for managers and entrepreneurs about the areas to prepare, cover, anticipate, and effectively manage, in order to be successful.

I would like to finalize this short foreword with a challenging thought. Vasconcellos e Sá, close to the end of this particular book, makes a bold statement:

“So, what is the difference between a Leader (who sets goals, organizes, uplifts and motivates people, and controls their performance), and a Manager? None. A leader must manage, and a manager has to lead. They are one and the same thing”.

A footnote in that page explains what some people believe is the major difference between a leader and a manager, and I won't quote it here because I would like that the patient reader really goes through the book, makes his own judgment, and forms his own opinion, eventually contributing to the discussion at hand by writing to either Professor Jorge Vasconcellos e Sá, and /or to me.

My personal opinion is that the only difference between a leader and an effective manager is the sustainability of the results achieved by both. If you go back a few lines to the description of a leader, the most important component is “uplifting and motivating people”. Both a leader and an effective manager can do that. But a leader can do that always, while the effective manager will eventually fail to have tools and processes to do it. The manager will be able to motivate people for a while using incentives and other related tools and HR processes, but the leader inspires and generates emotions that today are as critical, if not even more critical, than plain “motivation exercises” based on HR gimmicks and techniques.

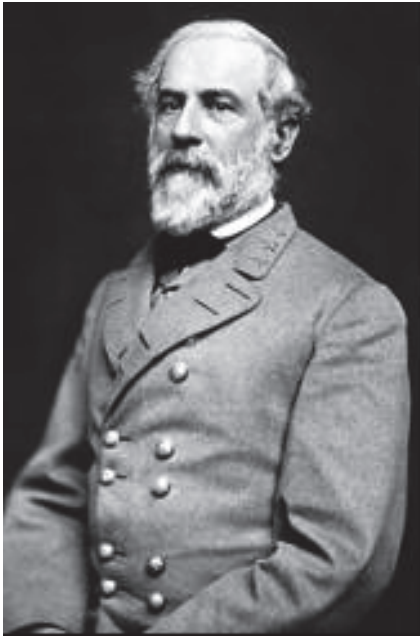
The leader loves people, always thinks about the wellbeing of others first, putting the interests of others ahead of his own. The manager, no matter how effective he might be, is incapable of doing that in the long run, because he

makes things purely rationally, not with passion, having the result, not the people, in his mind. The leader cares genuinely about people, knowing that results will come as a natural consequence.

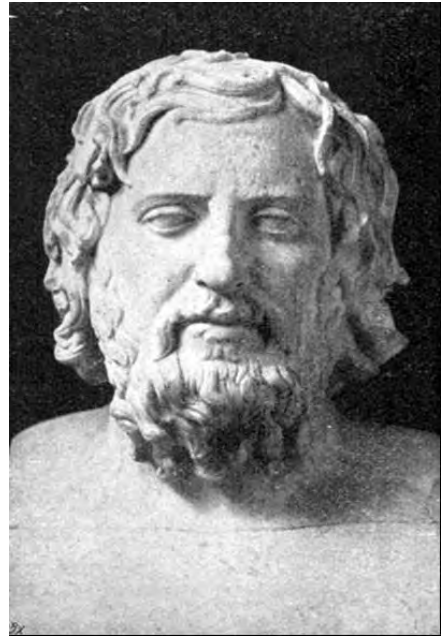
As in many examples brought by Vasconcellos e Sá, the trait that differentiates (in my modest opinion) effective managers from leaders, when misused, creates monsters. History is full of those charismatic “leader-monsters”. But to the extent that energy, love for people, and passion are well placed to serve others and the community, a leader makes wonders for as long as he leads (Jack Welch), while a manager quickly gets “out of steam” with the next economic cycle, or the next downturn.

Opinions required: jose.de.sousa@libertyseguros.pt

I. INTRODUCTION



Lee: commander of the southern
armies during the American civil
war
(1807 – 1870)



Xenophon: statesman, soldier,
mercenary and disciple of Socrates
(430 – 355 BC)



Constantin Brancusi
(1876-1957)

Simplicity is complexity solved, said the great architect Constantin Brancusi.

And something, clearly needed in the field of **leadership**: if one googles the words *management leadership*, one gets thousands of hits.

Certainly that the subject is **important**. However, such a torrent of books also portrait a great deal of **controversy**. There are functional, transactional, transformational, neo-emergent, and so on, theories of leadership¹. And all that in spite of the fact that, most definitions of leadership are simply enough: *getting things done through others*, or getting *others* to achieve certain *objectives* (which comes down to the same). Wikipedia for instance, defines *leadership as the process by which one person enlists the aid of others in accomplishing a task*.

... Could it be that leadership authors are again here exemplifying the old parable of the blind, who after touching different parts of an elephant, came out each, describing a different animal?

Then, some say leadership is *born*. Others, that it can be *developed*.

For some, leadership is a question of *personal traits*; others stress *skills, knowledge* and *intellect*.

¹ *Functional leadership*: a leader's main concern is with group effectiveness. *Transactional leadership*: the group follows the leader into accomplishing goals in exchange for rewards. *Neo-emergent leadership*: the source of leadership is information.

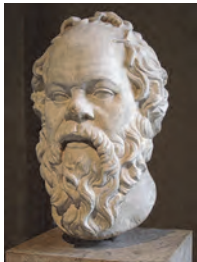
And how does *business* leadership differ from leadership in **other areas**: *military, scientific*, and so on?

To answer these questions, we need a source of unquestionable **authority**. Of unsurpassable **credibility**. And there is only one such source: **History**.

For three reasons. *First*, History belongs to *all* of us, not to some. It's universal, not parochial. Not a specific case-study, of a particular firm, in such and such circumstances: *I am myself and my circumstances*, said Ortega y Gasset.



Ortega y Gasset
(1883-1955)



Socrates
(469 BC – 399 BC)

Second, History is the *memory* of mankind. Which according to Socrates is more important than intelligence, since a person only knows... what he/she can remember...

Finally, History is a source of *examples* and examples are always far more powerful than intellectual arguments. People learn more through their eyes than through their ears, as the saying that a picture is worth a thousand words, reminds us.

So History, (1) belongs to *all* of us; (2) It's our *experience* crystallized; And (3) it *exemplifies*.

But if History teaches by examples, we better use a "perfect" example. An example made "perfect" by its simplicity and power.

Happily, for us, there is one such an example: it's called Chancellorsville. A **major battle of the American civil war**, in Virginia, which lasted **seven** whole days from April 30 to May 6, 1863.

And where the Confederate (southern) side led by **Robert Lee**, defeated an Union (northern) army, which under the command of general **Joseph Hooker**, had from the start **five crucial advantages**:

First: an army more than **double** the enemy size (134,000 against 61,000 men);

Second: the Union forces were much better **supplied**;

Third: after several months of inactivity, the northern Union army of the Potomac was **well rested**;

Fourth: the southern Confederate forces were **scattered** all over the state of Virginia; and

Finally, the engagement began with a well elaborated Union **battle plan:** a double involvement of enemy forces.

However, **in spite of these five crucial advantages** of the north, Robert Lee forces attained a **tremendous victory** in what has been understandably described as the **perfect battle**.

And so from such a perfect example (Chancellorsville) and our the most credible source (History), come the **answers we need**.

Neither. Leadership is neither born, nor developed. But **self-made**.

How? Through improvement in **three** areas: 1) personal traits, 2) skills and 3) knowledge (chapters five to seven, next).

No, there is no difference between business leadership, military leadership or any other type of leadership. There is only leadership.

Better. **There is indeed no leadership at all. There is only effective management. Leadership is nothing else than sound management.**

And so – as we shall see –, to ask what is leadership about, is a **false question**. The right question is: what is *effective management*? And here lies the root that explains the endless flood of books on leadership. By asking the wrong question, authors fall short of providing fully satisfactory answers. False problems always provide unsatisfactory responses, which, thus, require more: that is, other answers. And so on. Endlessly.

However, when an answer plainly satisfies, by perfectly fitting our sense of reality and experience of life, then, it not only brings a sense of achievement, but it also becomes timeless.

And that is our case: the lessons taught by the perfect example of Chancellorsville in the 19th century¹, are exactly those of the first, and still the best, book on leadership according to **Peter Drucker: Xenophon's² Cyrus the Great**. Almost two thousand and five hundred years before Chancellorsville: in the late 5th century BC.

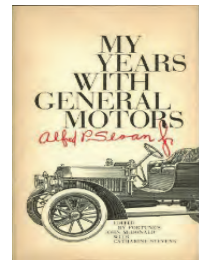
So let's start by giving the word **to History** and hear what it has to say: beginning with the 19th century. More precisely with the 30th of April, 1863, the date of Chancellorsville.

And then exemplifying the **implications for management**, in the largest part of this book, from chapter four to eight, by using some of the best books on management ever.

The implications for management are **three**: *First*, there are only **two temperamental traits** that a manager must have³. *Second*, sound *decision making* requires the discipline of following through **ten** steps. And *third*, *building great teams* means using an **inverted hierarchy pyramid**.

Six main authors will be used to illustrate these tenets.

First *Alfred Sloan* whose book *My Years with General Motors* is, according to Bill Gates, the only book on management to read, if one wants to read only one. And which Drucker labeled the best management book, ever. And in any case, an autobiography of consensuously the best manager of the first half of the 20th century.



Just as *Jack Welch*⁴ and *Andy Grove*⁵ are reputedly two of the best – if not the very best –, managers of the second half of that century.

1 Chancellorsville does not cover, of course, all but only some areas of management. But they are enough to bring home that point.

2 Stateman, soldier and disciple of Socrates.

3 Character, fortress and responsibility (which follows from the first two).

4 *Winning: Straight from the Gut*; *Winning: the Answers – confronting 74 of the toughest questions in business today*.

5 *Only the Paranoid Survive*; *High Output Management*; *One on one with Andy Grove: How to manage your boss, yourself and your co-workers*.



“Congratulations Professor Vasconcellos e Sá, on your wonderful career.”

(Peter F. Drucker)

1. Jorge Vasconcellos e Sá has a **master's degree** from the Peter F. Drucker Graduate School of

Management in California, where he studied with Peter Drucker. And a doctorate (**PhD**) in Business Administration, from Columbia University, in New York where he was a student and research and teaching assistant. He finished first in his class. Always in the Dean's list.

2. He was awarded the **Jean Monnet Chair** (by the Jean Monnet Foundation at **Brussels**), the highest European academic award, received in the past several other distinctions including Fulbright, Beta, Gamma and Sigma fellowships and has addressed **conferences and given seminars** at various universities and institutions such as London Business School, IESE, Glasgow Business School, ESSEC (France), ESSAM (European Consortium of Business Schools), Oxford, Manchester Business School, George Washington University,

University of São Paulo, School of Economics, Drucker School, Academy of Management, Western Economic Association, Peter Drucker Society of Europe, etc.

3. He has also worked as a **private consultant**, been a **non-executive director** and has taught in the **executive programmes** for Coca-Cola, SHELL, Unisys, IBM, Price Waterhouse, Klynveld Peat Main Goerdeler, Glaxo, British Petroleum – BP, Dun & Bradstreet, Deloitte & Touche, Metro, Systéme U, I.F.A, Intermarché, Mini Prix Bonjours, Accenture, Watson Wyatt, Cap Gemini, Cesce, Scottish & Newcastle, Sara Lee, Microsoft, Total, Johnson & Johnson, Pfizer, Logica, Indra, Grandvision, Jafep, Euler Hermes, Cosec, Tivoli Hotels & Resorts, etc.

4. His books have been **translated into eleven languages: English, Portuguese, Spanish, Chinese (Mandarin), Russian, Ukrainian, German, Lithuanian, Thai, Korean and Norwegian.**

A **masterfully** researched work, **exceptionally well written**, making the reading a real pleasure and a lively interaction with the author's uncommon and privileged brain. A **fascinating new book** on a polemic subject for discussion in all major professional and academic forums.

***José António de Sousa** (President & CEO of Liberty Seguros)*

As a disciple of Peter Drucker, Jorge Vasconcellos offers a **refreshing** perspective that we miss in today's volatile and complex world. **We better learn from it.**

***Richard Straub** (President of the Peter Drucker Society Europe)*

“With an **effective writing**, the clear and resourceful mind of Professor Vasconcellos e Sá makes of, an otherwise complex subject, an **absolute must of reading**”.

***Raul Diniz** (Dean of AESE – Lisbon association of IESE)*