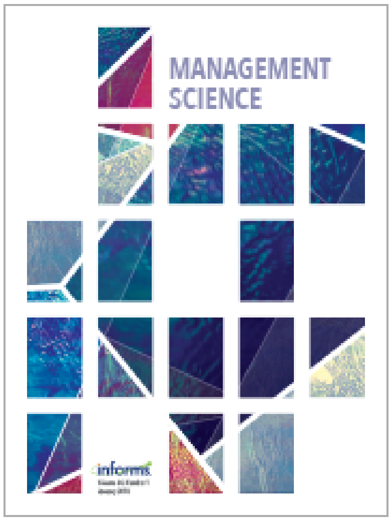

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Letter to the Editor—A Model of Business-Society

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LETTERS TO THE EDITOR

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A Model of Business-Society

A business enterprise is a microcosmic society—and a good enough model for experiments in operating a society. It must maintain a fine balance between (A) stable and efficient operation within the present rules of the game and (B) exploration, change and growth—the anticipation *or creation* of tomorrow's rules.

A successful society—business or otherwise—must attend both to efficiency and to effectiveness. Some people achieve one objective better, others the other. And some people make their best contribution by thinking, others by doing. These two pairs: efficiency, effectiveness and doing, thinking, are the structural elements of a going, growing society: two objectives and two behavioral styles.

The Structure of Business-Society

	Efficiency	Effectiveness
Think	*Intellectual* What is the right answer? Systems Automation	*Intelligentsia* What is the right question? Management Science
Act	*Manager* How do we get there? Administration	*Enterpreneur/Artist* Where do we go? Intuition
	↓ Tradition Better-Same Cheaper Faster Minimize Risk Run Today's Business	↓ Innovation Better-Different Re-define Re-direct Maximize Gain Create Tomorrow's (Way of Doing) Business

Here we have a picture of how it looks. And we have put some familiar labels in their appropriate slots. For example, the *intellectual*, as Jacques Barzun has told us in "The House of Intellect," is the repository of our cultural heritage, the knowledge of what has worked before, the fount of fact and anecdote, the ruler of the rule of thumb. He is distinguished from the intelligentsia, those who recombine ideas to seek the *new* and better. And Eric Hoffer said: "No regime can rule without the support of the intelligentsia." Here is where we find the management scientist.

Managers, of course, are doers. With the support of the company store of experience, and with a clear eye fixed on efficiency, the managers run today's business—which provides the bread and butter for investment in tomorrow's business.

And, as you can see, tomorrow's business, is created by the entrepreneur, a form of artist with business as his medium, who gets his ideas, in part, from the management science type thinkers (whatever name they may be disguised by).

And so it goes—tomorrow's business becomes today's business and the cycle renews. Looking at our structure of business-society it is easy to understand why efficiency experts never make predictions and why creative is always inefficient. And why management science certainly is not techniques.

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