

Top-down Leadership and Bottom-up Management

Measuring Teamwork

The purpose of this document is to explain the difference between management and leadership, highlighting the top down abilities of TeamsWin Services and Databases in measuring teamwork to improve leadership and management.

The Information You Want to Share

We build business models. They are models of the information businesses want to share. This information includes financial reports and the character of the business like its strengths and weaknesses, plus the business environment (market, legal, social, and cultural elements).

We like to say our business models are buckets that collect information by time period. Those buckets produce specific and general classes of strategic and financial information. In other words: our buckets produce a general business model like you would see in school with your business as the specific example. We organize those buckets the same way they are being taught in business science.

Business science uses this same terminology (the names of the buckets) to describe the information requirements for every type of business decision. Therefore, our business models produce trends for all the rates and factors used in business decisions.

The Information You Want to Hide

Our business models may explain the difference between management and leadership. To do this we use terms like effectiveness (what) and efficiency (how and when). The business model defines the information required for leadership. That same information supports management, but management decisions do not change the business model. Leadership changes the business model.

Management is concerned with how and when things are done, the things you may want to hide. You might want to hide a secret recipe. You might want to hide technology. You might want to hide your schedule.

Business decisions change the business model. The decisions taught in Business School and Business Science change the business model. Unlike leadership decisions, management decisions do not change the business model. They change efficiency and performance in the buckets, but they do not change the buckets. They only show up in the trends of rates and factors. Leadership decisions show up as a change to the business model, a change to the buckets. They are business decisions.

Bottom-up Efficient Functional Management

Functional improvement concerns efficiencies, is detail oriented and therefore bottom-up. Everyone involved in the function, knows the function. They know what it is and how to do it. They are focused on efficiency. They control the process by reducing variability. Like a sports team, they keep practicing and perfecting the process at the detail level. They may continually change how they do things, but that change is in the details. They may even improve the process, but they are still focused on efficiency so the improvement and the information used for that improvement works

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bottom-up. Just like when you learn sports techniques, you discover the important elements in the details and roll them up into generalities for communication purposes.

Automobile Example– what, how and when

A common example of bottom up efficiencies would be a mechanic tuning an automobile. Functional improvement concerns efficiencies, is detail oriented and therefore bottom-up. He controls the process by reducing variability and adjusting the timing. He adjusts the “how” and “when”. He is detail oriented. The effect on the overall performance of the car is inside out or bottom up in our example. An outside-in example would be the design or character of the car. It is the “what” and the top-down in our example. The mechanic’s work is technical, which is bottom-up. Our models and services are top-down and not technical. Our models are designed to be understood by everyone.

Top-down Effective Strategic Leadership

Strategic decision making (wisdom) concerns effectiveness and is “big picture” oriented or top-down. To see overall impact, decision makers define the problem at the highest level possible. Focused on overall effectiveness, strategic decision makers define the highest level they can summarize, the top-down view.

Top-down View

Use your mind’s eye to see the following vision:

Environment

Design an abstract market of names for the following:

Customers

Customer type names
Customer names
Customer requirement names
Customer requirement value statistics

Suppliers

Supplier type names
Supplier names
Supplier product or service names
Supplier product value statistics

Market Order

In your market, include names of market controls.
Include names of facilities, processes, and products like reports etc. for those Market controls and rules.

Rules and Regulations

Laws

Culture

Character

Now take a look at each of the names in your abstract market.

In other words, understand your market including its culture from the top-down.

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For each object or name in your market look at the advertising for:

Product

Product type

Product description of an object
Product or service advertising
Activity effectiveness

Process

Process type

Process description of an object
Process or service production
description

Activity network

Facility

Facility type

Facility description of an object
Product production activity
Activity facility

Goals and Objectives

Goals and Objectives including projects are the future. The future is visualized the same way as the present with environment and character descriptions.

Confidence

Confidence is viewed the same way, with attached rates and factors, something like the front and back of a baseball card.

Environment

Abstract of customers, suppliers, culture, rules and regulations
Can include names of products and facilities defined in character

Character

Front of the card
Old advertising

Performance

Back of the card
Confidence

Trends

Sales
Production

Distribution
Profitability

Rates and factors

Relationships between trends
Estimating Rates and factors

Relationships between activity and
profitability

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Profitability information by investor type

Normal

Normal Curves
Statistics

Standards

Marginal

Value

Summary

Leadership is top-down and management is bottom-up. So are their information requirements. The purpose of this document is to explain the difference between management and leadership, highlighting the top down abilities of TeamsWin Services and Databases in measuring leadership. We provide the Information Heavylifting, database services and software that makes leadership business modeling easy and rather inexpensive.