

# MABE Methodological Framework

Zoltan Baracscai

[zoltan@doctus.info](mailto:zoltan@doctus.info)

Doctus Co.

Csikihegyek utca 8 II

1118 Budapest

Hungary

Jolan Velencei

[jolan@doctus.info](mailto:jolan@doctus.info)

Doctus Co.

Csikihegyek utca 8 II

1118 Budapest

Hungary

Viktor Dorfler

[viktor@mansci.strath.ac.uk](mailto:viktor@mansci.strath.ac.uk)

Strathclyde University

Management Science Department

Graham Hills Building, 40 George Street

Glasgow, G1 1QE

United Kingdom

## 1. Abstract

Our solution – MABE Methodological Framework – aims to understand Value-Based Learning Organizations. The e-leaders (decision takers of these organizations) can only communicate using a hazy hierarchy of metaphors as the new ideas cannot be expressed using the old terminology. They and their organizations exist in a business world, in which the functioning is dominated by software; the employees are expected to be skilled searchers. We assume that the decision takers can change their attitude towards the set of expectations and their relations when facing a new solution; thus, they can achieve to get an objectionless solution. This requires a new mode of cognition, which we call the opportunistic browsing. Furthermore, they have to ensure that the decision they have taken is ethically correct, and as there is no single truth they need to adopt pluralistic ethics. The established framework is used to analyze the decisions of the e-leader, who keeps the original decisions to herself/himself and delegates the routine ones, thus achieving increased efficiency and effectiveness resulting in cost reduction and time savings.

**Keywords:** Business Decision Making, Business Problem Solving, Ethical Decision, Value-Based Organization

## 2. Framework

We would not be loyal to ourselves if we used the new methodology within the old framework. This article does not fit in the regular framework which also implies the necessity of change. If the article is positively accepted it means that the time of diversity has arrived. As Pirsig (1989, p. 110) has described it: *“Solution of problems too complicated for common sense to solve is achieved by long strings of mixed inductive and deductive inferences that weave back and forth between the observed machine and the mental hierarchy of the machine found in the manuals. The correct program for this interweaving is formalized as scientific method.”*

Our ambition is no less than to outline the skeleton of a new paradigm. The old thinking framework determined not only what can – and must! – be taken for granted, which devices/methods were allowed and which were forbidden, but also problems are relevant for solving. It did not only determined the valid answers but the valid questions as well. According to Kuhn (1962, p. 37), “... one of the things a scientific community acquires with a paradigm is a criterion for choosing problems that, while the paradigm is taken for granted, can be assumed to have solutions... One of the reasons why normal science seems to progress so rapidly is that its practitioners concentrate on problems that only their lack of ingenuity should keep them from solving.” Kuhn (ibid, p. 19) also noted that “The new paradigm implies a new and more rigid definition of the field. Those unwilling or unable to accommodate their work to it must proceed in isolation or attach themselves to some other group.”

We know the skeleton we made will be unrecognizable after the debate. We, however, also understand that this debate will decide whether others accept the offered views or not. We will consciously avoid the word „science“. Our belief is, that neither our, nor anybody else’s framework conception of the value-based organization will fit into the rigorous definitions of science. It could fit in the messier definitions of science, but we do not want to fit in there. To put it simple, we will not search answers for „why“?

It may happen that readers call us anarchists, which is, of course, an exaggeration. Yet, we agree with the concept of Feyerabend (1993, p. 8) and his followers which imply that science is not superior: “Science is neither a single tradition, nor the best tradition there is, except for people who have become accustomed to its presence, its benefits and its disadvantages.”

We are certain that our concept fails to meet the requirements of scientific methods. We believe that it is too easy to create a method to analyze value-based organizations as it leads to an impermissible simplification: assumption of simple causal connections in the background. Feyerabend (1987, p. 24) could not have expressed our views better: “I shall argue that neither values, nor facts, nor methods can support the claim that science and science-based technologies (IQ tests, science-based medicine and agriculture, functional architecture, and the like) overrule all other enterprises.”

### 3. Approach

Business problem domains can be described as nobody’s lands which means that they are interpreted in a way cannot be done within a single discipline. The nobody’s land is a transdisciplinary domain. In general, education is based on communicating and memorizing strictly finite (monodisciplinary) facts and their impacts called truths. Consequently, transdisciplinary approach has not yet developed, although, it is extremely important in businesses. In business problem solving, the problem nodes and the knowledge show only similarity. It is important to distinguish transdisciplinarity from multidisciplinary. In the later, the entire problem domain is examined through a whole of the disciplines involved; in the former we use only what is needed at the moment from a discipline. Figure 1 gives an idea of transdisciplinarity.

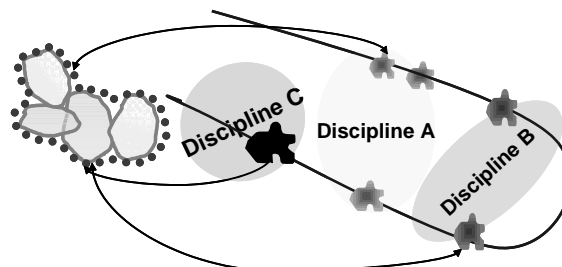


Figure 1: Transdisciplinarity

Communication between disciplines was induced by necessity. Business problem solvers had to understand background knowledge and language of other people. It does not necessarily mean that they have the same disciplines but they are familiar with the some terms and are able to use their nexuses in nobody’s land. Seizing a transdisciplinary domain may induce several counter-attacks and only a few people would do so. Those, who insist on a single discipline, are unable to explore new

areas; they become lazy and lag behind. Still a few take on moving around the business problem solving domain. It comes from the nature of transdisciplinarity of businesses that the terms, nexuses and algorithms of single disciplines can provide little help, if any for, business problem solving.

The most important characteristic of value-based organizations is that they are more concerned about creating value and make their business marketable than about increasing the margin between the incomes and expenditures. Knowledge acquisition is indispensable for creating values. What is it about Microsoft that makes it worth ten times the value of its recorded assets, whereas shares in companies such as Ford Motor Company and Bethlehem Steel trade close to the recorded book value of their assets? (Sveiby, 1997, p. 3) In businesses like the former, the problem solvers flood the business with innovations. On average, owners sell their companies every five years. They are more concerned about multiplying the market value of the company than gaining a few percent profits for years.

Monodisciplinary managers of profit-based organization, find it hard to adopt value-based thinking process. The question: Who solves business problems and where? Problem solvers in a value-based organization are identified as the community of practice. We understand that community of practice has many definitions; however we don't need them to communicate our approach. The community of practice is not a group of people defined by sociologists. In our conception, problem solvers give non-standardized answers to the customers non-standardized questions.

In a value-based organization, the problem domain can be defined but the solution is unknown; as a result, the organization needs to be founded on brand new concepts. We draw a figure based on Mintzberg and Van der Heyden (1999) «Organigraphs» conception. Organigraphs are today's descriptions of organizations corresponding to organization charts of yesterday; they do not show the structure of hierarchy but the decision nodes and flows of business processes embedded in a framework that is in harmony with the idea of the business. To everyone's surprise we have found the director outside the organization.

#### **4. Solution**

Our approach and the framework described in the previous two sections came alive in a methodological framework – which is the result presented in this paper. It will be described in four subsequent sections, each of which is dedicated to one aspect of the framework and consequently they are named according to the letters of the MABE acronym:

- M stands for the hazy hierarchy of Metaphors used for the communication in the business reality of today;
- A stands for the Algorithm driven business praxis to emphasize the essential role of software and their primacy to research;
- B stands for the Browser heuristics and the underlying opportunistic browsing used by the decision taker;
- E stands for Ethics, meaning pluralistic ethics, according to which each of us have moral compasses and none can argue that her/his compass is more accurate than others .

The four letters also indicate four streams of research that we were pursuing in recent years and now we are finally putting them into a single structure of the new methodological framework.

##### **4.1 M – Hazy Hierarchy of Metaphors**

Why have we described the reality this way? It is obvious that terminology does not exist without terms, even though this is often ignored. Constant learning also means constant (re-)definition of terms. However, we do not mean that expectations described by terms and/or metaphors are to be communicated but they are to be in our minds – as we are unable to think without them. Terms are defined freely; they do not possess an explicit meaning.

E-leaders communicate using metaphors; in this case the terms have distinctive meaning; it is worthless to look up in a thesaurus. They are symbols (Bertalanffy, 1981), the meaning of which can fully

peel from the original one. We name the phenomenon saying: this – this. The metaphors, however, are poetic and abstract. Constant use makes metaphors compulsory and definite, and makes their origins fade away. (Grey, 2000)

Generally, we use much more metaphors than we suppose. It is surprising how many entries are mentioned as metaphors in a thesaurus. We don't even know that a word is a metaphor as their usage has become so common. Some people refuse to use metaphors as they are concerned about confusing their thinking. They say that metaphors make a language rich and fancy but people should avoid using them because they alter the perfect interpretation of a word. On the other hand, metaphor fans believe that metaphors are the source of interpretation. Anyway, we could hardly express ourselves without metaphors. We all know the meaning of somebody is running. But how can one run a car or a business, or how can the sand run, or the famous Route 66 across the USA? We think these examples are more than enough to present the meaning of the word run. The word run is a polysemantic word. We do not have a word for something completely new. We can use a metaphor to express it, and if it works, it will transform to a new term.

How does the meaning of a metaphor change? As an example, we say: A comfortable sofa is fertile soil for the couch potato (couch potato = lazy person). No one would think that we have cultivated a new potato type. The verbatim meaning is obviously false, which brings up the metaphorical meaning. Metaphorical meaning may possess only a few features of the word used as a metaphor. For instance, it is often said that e-leader is like a conductor. She/he is not the person in a tail-coat, with a baton, in front of the orchestra but the other one harmonizing people's work. Using this metaphor, we can describe the phenomenon more clearly.

Of course, it's not enough to associate with the concert; we have to develop a mental model too. More metaphors facilitate better understanding. For instance, the leader of the company is the conductor of the winning team. Metaphors reflect the recognition and the thinking process. Metaphors describe a phenomenon; they are not single interpretations only, but concepts. Metaphors are tools enabling us to describe new phenomena and their contents. E-leaders can express the inexpressible using metaphors. Metaphors produce a terminology framework which is in harmony with the reality and reflected in the language. *"Metaphors and language are incredibly powerful. Indeed, language shapes and reshapes the world around us... Stories and myths contain a built-in tension that draws people in and ensures that the message sticks. They are adaptable, open to an array of interpretations, and are universal and eternal. They communicate more than mere facts."* (Nordström-Ridderstråle, 2002, pp. 218-219)

We believe that standardized (hard) data should be distinguished from non-standardized (soft) ones. Soft information, rumors are symbols or metaphors which imply misty signs of meaning. The principle of accessing data in e-era: everybody can access everything. We do not need people who are able to distribute the driving licenses but people who are able to customize the necessary information. They know which information is needed for decision making/taking,<sup>1</sup> and are able to get them through data-mining.

#### **4.2 A-Algorithm Driven Business Praxis**

A value-based organization without software is nonsense today. The information systems are highly dependent of the abilities and user friendliness of software. This has an important consequence: great changes in business support are also software-dependent, thus well functioning software are required. We can say that we live in a software managed world. Examining how software developers work led us to two important assumptions:

---

<sup>1</sup> Decision making is the preparatory stage of the decision process, while the decision taking is about deciding to accept a particular alternative or not.

Firstly, software development today is not preceded by scientific research. Naturally, this is not completely true, but we want to avoid examining exceptions. In our view, well-functioning software is not supported by proven integrated system, rather it applies rules. Verification is a time-consuming process; therefore developers adopt 'doubtful' knowledge, relevance of which is indefinite. This gives rise to the problem of failing to consider the limits of the software – and its benefits are unfortunately overemphasized. Of course, some perform ex-post comparison of the released and/or functioning software; however, the aspects of these evaluations are fairly close to the features of the software. The expectations of users are highly dependent on, one may even say defined by, the features of software.

Secondly, academics learn from the software salespeople, or in a better case, from the project manager, who is in charge of the software implementation. This statement may sound very harsh, yet, we understand, that although software developers contemplate the results of researchers, it can only result in few minor changes of the software. At the users' side the development can be experienced: very talented and experienced browsers (surfers) appear in all fields of business.

Nowadays several companies requires from their employees to find anything within a short time; as fast as she/he could start a new game several years ago. It can be applied to any business personnel, from the warehouseman to the accountant. Those individuals are coming to the forefront, who «don't get annoyed with searching». Most likely, they can easily survive market changes. One of our students from the postgraduate management training (a medical doctor) told us this story: *“... I asked something about the stethoscope from a young guy helping around, and, instead of asking me what the stethoscope is, he looked it up on the internet.”*

Three of Senge's (1990, pp 57-61) eleven rules prove the above:

Today's problems come from yesterday's solutions.

The harder you push, the harder the system pushes back.

The cure can be worse than the disease.

#### **4.3 B-Browser Heuristics**

In the real world e-leaders cannot search for the best solution, she/he cannot be aware of all the expectations or all the alternatives. Browser heuristic implies that the e-leader sets some expectations at the beginning of browsing and as she/he sees the solutions, further expectations are attached. Naturally, this process cannot continue endlessly because the decision should be taken within reasonable time.

Those who encourage rationality assume that there is only one kind of rationality, which is based on the following extremely straight requirements of the well-structured world:

there is no mass, everything is systematized and this systematization can be known;

the rules, the laws and the theories are infinitely valid;

the goals do not obstruct each other and their relations form normative preferences;

empirical methods can be used;

there is nothing that cannot be measured;

the bivalent (true/false) formal logic leads to knowledge.

There is no worth to continue the list; the above is already not viable in businesses. Even though, people should use their rationality, their «ratio» but in a different way some philosophers suggest. E-leaders may adopt the conception of bounded rationality and consequently of satisfactory solution (Simon, 1976) in two different ways: (1) to search for the optimal solution in a simplified (and one may call it impermissible oversimplification) world, or (2) to search acceptable solutions in the real world.

To provide a simple example, we examine a shoe-shopping procedure to understand browser heuristic. To find the best pair of shoes, we do not check each and every shoe in all the shoe shops around the world. If we were able to tell our expectations, i.e. aspects of the decision, and the rules between the expectations (aspirations) to the salesman, she/he would show us a pair of shoes which meets them all. It usually happens in a different way, of course. As we take a look at the shoes, we are getting aware with our expectations. Seen in this way, solution helps to express our aspirations. Unfavorable values of aspects (inverse expectations) can be expressed, which enables us to determine an

aspect. The order of decision alternatives determines which objection turns up first. In the end, Simon's conception is at work – the individual stops searching when the satisfactory solution has been achieved. The individual settles for her/his expectations by virtue of the solutions. This approach is called the opportunistic browsing. Decisions depend on the order of recognition. Recognition of a satisfactory solution quickly triggers the decision taking. Finding an objection to the solution makes us moving forward. If we consider another objection, the first one was not dominant. It often happens that we think our first objection to be the dominant one. If we want «too much», we become decision-incapable. When having seen something, the immediate feeling of the e-leader is: "I don't want this". Having realized that a decision alternative is inappropriate, and then she/he may be able to figure out why.

We will not search endlessly for aspects and alternatives. Recognizing the alternative helps us to understand the expectations. It often happens when browsing the internet, that we find a site that seems interesting but in a while, when the first objection is recognized, we jump to another website. How does the browser do this? A quick comparison of what was experienced to the expectations? Of course not. Expectations of the decision taker appear while browsing. First, the decision alternative has to be seen, which enables us to recognize whether we have objection or not. Then, if we have one, ignore the solution and search for another one. To say that we do not have expectations means that we are unaware of the decision alternatives. The order of access to the solutions depends partly on explicit expectations and partly on coincidence. First we see the whole, accept or ignore it without considering the parts.

There are black-and-white thinkers who are convinced that the only alternative is the one that meets the highest expectations. They think what is not white that can be only black. It suggests that they will not take their decision as long as they find an alternative which corresponds to the highest pre-set values of all decision aspects. Experienced e-leaders have reasonable values in the shades of grey; they also accept alternatives which meet the grey-scale expectations. The basic differences are in the sensitiveness of the ways of thinking. Sensitiveness implies that we also consider the grey-scale, which we named "bad for start" heuristic. However, it is unnecessary to over-explain that the people having sensitive way of thinking use opportunistic browsing.

#### **4.4 E-Ethics**

We examine processes in business problem solving. Why do we use the term *processes*? We experienced that if we chose a single event as a problem domain, we could not avoid involving sciences as the problem domain had been too narrow. On contrary, if we assigned a whole organization to the problem domain, we reached the surface only; we could examine no more than some unimportant nexus. It means that we endeavor to understand what is happening in the reality in order to describe and support it.

If we adopted reductionism and tried to examine the elements of business processes, we would not have significant achievements. Business problem solvers never examined the particles of processes. We disregarded the correctness of room temperature measurement when introducing knowledge management. Probably this concept needs a little explanation. The concept of reductionism was developed by Democritus who invented that the matter consists of elementary particles, which he named atoms. Later, particles of other things were also identified, for example: genes of inheritance, cells of organism, etc. Even though it seems that elementary particles cannot be further divided, they are not the ultimate particles. One particle can be described by knowing all the others. It is not the parts that determine the whole, but whole determines the parts.

Business processes can be described by terms and their interrelations. When we are unsatisfied with the process, we have to identify some problem nodes. Generally, there are no «clear» problems; the problem domain consists of problem nodes. Problem nodes can be seen through the process; and what we see highly depends on our knowledge. In this domain, each examination is subjective. We can determine different problem domains of the same reality; the same problem domain can be described by different problem nodes. It is a challenge of problem solving that there is no single way of description. That is why we need pluralistic ethics. This section tries to find the delicate balance be-

tween directive and trust, in other words, between processes managed hard and softly. Yet, at the beginning we emphasize that we need both of them.

It should be accepted that ethics corresponds to regulating what people do. We examine the «good» and «bad» which is not hard-regulated in value-based organizations. «Goodness» can be observed at the level of intention, action or consequence. We find it strange that profit-based organizations create a code of ethics which clearly defines what is «good». It suggests that these organizations fail to assign anything to individuals. In worse cases, they even take sanctions against employees who refuse the «good» defined by the authority. All in all, they take the softly manageable process of ethics and transfer it to directives. There are no «good» and «bad» but different aspects. (See Figure 2)

	Individual knows what is good	Individual knows how it is good	Individual does not know what is good	Individual does not know how it is good
good intention	Pluralistic ethics (leadership)			
good action			Authority ethics (supervision)	
good consequences				Directions (management)

Figure 2: Pluralistic ethics

Note, however, that it is much more difficult than we said above. In a diverse world, it is not agreed what is the absolute «good» or «bad». Individuals are able to recognize «good» and «bad». In a pluralistic society there are plenty of moral compasses of the individuals. There is no such leader who can verify that her/his compass shows the «truth» while the others do the wrong way.

Ethics is more but a simple list of rules. Ethics is a battle of values. «Good» and «bad» evolve from the fight of opposed traditions and conceptions. Anyone is entitled to make their own conception about what is «good» within the law, of course. It also happens that many people are *right* at the same time. Excluding the term «what is right» would be helpful, reaching agreement, however, is necessary. In all, trust is indispensable to adopt this approach.

What is left, is to find a method to identify the different «good»s. Our DoctuS (Baracscai, 2004) system which has 17-years continuous development history provides the solution. DoctuS applies deductive reasoning for original decisions. We are aware of our routine decisions, so induction helps recognizing implicit logical rules. Induction is followed by reduction which decreases the number of decision aspects. Applying this approach, the demand for needed knowledge is also reduced that is accompanied by costs reduction and time savings.

When we infer the reduced decision-taking rules from the tacit knowledge of decision taker, we shall experience that Ockham's razor always works: there are only a few used complex rules. Depending on the decision, we can choose what to use the inference of DoctuS for; as we say: have a talk with the computer. These systems are applied in the education of beginners. Beginners can learn from the reasoning of the master by analyzing her/his earlier decisions. It is also useful to take and to delegate prompt routine decisions as it is unnecessary to spend time on aspects and rules that are already available.

Value-based organizations encourage their employees to acquire trans-functional personal knowledge. In our view, multidisciplinary education has plenty of benefits, but lacks one: they cannot produce the e-leader. Motorola has spent 10 million USD on its own university, as the company found the solutions for development challenges. Why universities are so boring? Recently Business Week published a study about MBAs. Students were asked about their favorite managers. The five best ranked ones had no MBA qualification. (Mintzberg, 2004) Leaders with MBA qualification are very unlikely.

## 5. Conclusion

In the presented MABE methodological framework we outlined our conception about the standardized (hard) data and non-standardized (soft) ones. As soft information, rumors are symbols and/or metaphors, which imply the meaning of misty signs; they should be distinguished from hard data. In business problem solving a hazy hierarchy of metaphors is used.

We also highlighted the importance of accessing information within a short time. An e-era company prefers employees who are able to find anything promptly. Individuals coming to the forefront are those, who «don't get annoyed with searching».

We showed that e-leaders cannot search for the best solution, they cannot be aware of all the expectations or of all the alternatives. Browser heuristic implies that the e-leader sets some expectations at the beginning of browsing and as the solutions are coming one by one, further expectations are attached. When e-leaders realize that a decision alternative is inappropriate, then they may be able to figure out the reason as well.

This paper adverted to the different problem domains of the same reality; the same problem domain can be described by different problem nodes. It makes the challenge of problem solving that there is no single way of seeing things the right way. That's why we need pluralistic ethics.

We developed our Doctus KBS shell, to support the decision taker with deductive inductive and reductive reasoning. Decreasing the number of decision aspects facilitates that the demand for needed knowledge is also reduced, by which users can have significant cost reduction and time savings.

## 6. References

- Baracskaï, Z. (2004) *Solutions*, [online], Doctus Knowledge Based System Homepage, <http://www.doctus.info> (accessed: 08/10/2004)
- Bertalanffy, L. von (1981) *A Systems View of Man*, Westview Press, Boulder, CO.
- Feyerabend, P. (1993) *Against Method* (3<sup>rd</sup> edition), Verso, London.
- Feyerabend, P. (1998) *Farewell to Reason*, Verso Books, London.
- Grey, W. (2000) Metaphor and Meaning [online], *Minerva – An Internet Journal of Philosophy*, 4, <http://www.ul.ie/~philos/vol4/metaphor.html> (accessed: 08/10/2004)
- Kuhn, T.S. (1962/1996) *The Structure of Scientific Revolutions* (3<sup>rd</sup> edition), The University of Chicago Press, Chicago, IL.
- Mintzberg, H. (2004) *Don't Hire MBAs for Management Jobs – interview by David Creelman for hr.com*, [online], <http://www.intranet.management.mcgill.ca/articles/mintzberg/mbabook/hrcom.htm> (accessed: 08/10/2004)
- Mintzberg, H. – Van der Heyden, L. (1999) Organigraphs: Drawing How Companies Really Work, *Harvard Business Review*, September-October, 87-94.
- Nordström, K. – Ridderstråle, J. (2002) *Funky Business: Talent Makes Capital Dance* (2<sup>nd</sup> edition), Prentice Hall, London.
- Pirsig, R.M. (1989) *Zen and the Art of Motorcycle Maintenance: An Inquiry into Values*, Vintage, London.
- Senge, P. (1990) *The Fifth Discipline: The Art and Practice of the Learning Organization*, Doubleday Currency, New York, NY.
- Simon, H.A. (1976) *Administrative Behavior: A Study of Decision-Making Processes in Administrative Organization*, The Free Press, New York, NY.
- Sveiby, K.E. (1997) *The New Organizational Wealth: Managing & Measuring Knowledge-Based Assets*, Berrett-Koehler Publishers, San Francisco, CA.