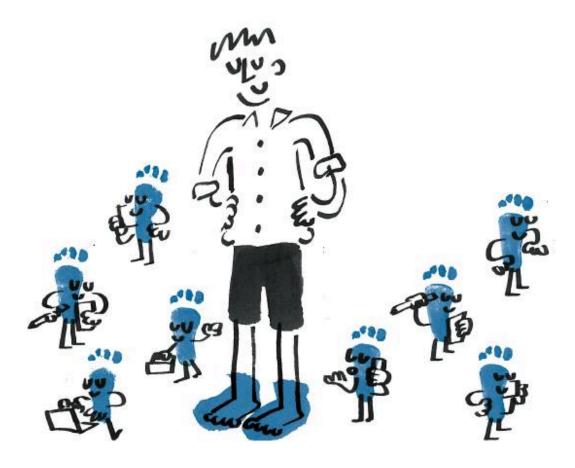# Good management

In managing free and responsible people, we must always be mindful of the "footprints" our actions are leaving on others.

September 1, 2019

A firm is an expression of human beings' freedom and responsibility; it's the direct outcome of their capacity to seek opportunities and be entrepreneurial, committing resources and effort, organizing people, and developing and taking advantage of the latest technologies. Thus, a firm's origin lies in people's social nature: firms are, above all, communities of free and responsible people.

There are no firms without people, and it's impossible to discuss entrepreneurial initiatives

while ignoring their true protagonists: the men and women who cooperate to do something that they would be incapable of doing individually, to meet the real needs of people in society. This is what Antonio Valero, IESE's first dean, called professional coexistence.

This vision of a firm as a community goes far beyond a nexus of contracts specified a priori among its members and stakeholders. A firm is a living organization where responsibility is continuously given and received, or taken away, where commitments and obligations are taken on collectively and individually, internally and externally.

The implications of this are impossible to predict because, in the course of carrying out these activities and exercising these responsibilities, people and groups continue to develop personally and professionally, within an atmosphere that supposedly respects their freedom and dignity.

Viewed another way, we can say that the role of senior management is to administer power over others' work and implement decisions that inevitably affect them, and not just in economic and professional terms.

Two areas of managerial responsibility are particularly important in guiding a firm to its aims via
the coordinated action of people:

- the design of organizational structures and the choice of people for them, which includes defining, monitoring and updating the performance of managerial assignments; and
- the design of procedures that advance the professional coexistence of those involved, including objective-setting, evaluation and compensation, training and development, supervision, accountability, and forms of working together.

Like it or not, firms spontaneously create (or destroy) much more than strictly economic value, simply because their operations require interactions among people in which learning takes place.

Both generally and particularly, in a firm setting, when people interact, they learn. Whether they want to or not, they spontaneously get something from the interaction: an impression, a way of doing things, a viewpoint, recognition that they were doing something badly or well, a market trend, the attitude and competence of the other person, a customer preference or ideas for a large-scale overhaul. We call the results of these learnings "footprints." Depending on the quality of the footprints, one interesting outcome is that the trust between

people who are interacting can improve (or worsen), even substantially.

Footprints, let us remember, are an asset (or liability) incorporated into a firm through its employees and other stakeholders, and they ultimately help to improve or worsen subsequent economic results. This is a fundamental aspect of management dynamics that is seldom considered explicitly.

To manage free, responsible people while respecting room for autonomy and contributing to their human and professional development, it is necessary to be virtuous and to act based on immutable, non-negotiable principles. Therefore, virtues must be part of what it takes to be a good manager – that is, the person who has the job and responsibility of guiding others toward
action in order to transform reality and achieve the results sought.

This is the key for the CEO to be able to harmonize objectives and to manage, always leaving positive footprints – or at least avoiding negative ones.

José Antonio Segarra. Student, colleague, exemplary friend
By [Josep M. Rosanas](#) and [Rafael Andreu](#)

We first met José Antonio Segarra as an MBA student at IESE. On the first day of class, he turned up in his sergeant's uniform. It was the perfect riposte to Pere Agell, then program director, who had warned him that if he missed a single day he would be barred from class until the following year. Years later, Agell would supervise Segarra's doctoral dissertation and together they would co-author an interesting book on forecasting.

Segarra was an excellent student. Responsible, wise, kind and collaborative, he was the ideal participant for the case method, which he would later master as a professor.

We were delighted when Segarra decided to stay on at IESE after finishing his MBA, and even more so when, in 1984, the three of us joined Manuel Velilla and Carmen Rossinés on the MBA team, which was led by Juan Antonio Pérez López, who had just stepped down as IESE dean.

Those were unforgettable years. We worked hard but we had a great time. We saw each other frequently and didn't leave any subject untouched. We changed a lot of things and were happy with what we were doing.

As in any team, there were points of contention and even the occasional argument. Segarra,

attentive and cooperative, typically wanted to get to a decision as soon as possible. Professional, pragmatic and geared toward action, he was invariably on one side of the discussion, while I (Rosanas) was usually on the other, more academic side. In the end, we always came to an agreement and, in the process, learned to appreciate each other more. In this network of affection, he was at the center.

All this came to an end one day, and we each went back to our teaching, research or consultancy work, assured in the knowledge that we had a solid friendship, based on mutual respect, to fall back on. We only saw each other sporadically, but it didn't matter. When we came together, it was like striking up a conversation from the day before.

A little more than a year ago, in the context of a series of informal meetings that some IESE professors were having, the idea arose of producing a document that would summarize the foundational, traditional spirit of IESE, especially with regard to its conceptual approach and its approach to teaching. Segarra and I (Andreu) convinced Rosanas, who was rather skeptical about the whole thing but said "yes" because of the mutual trust we shared.

After some initial rounds of partial drafts, Segarra compiled them in the form of a list, adding whatever he thought was missing. What followed was a period of intense work and revision, this time with more agreements than disagreements.

Segarra worked at his incredible pace until nearly the end, when he was forced to slow down. All three of us were very happy when our paper was completed, excerpts of which we have included on these pages.

"Everything written here is true!" Segarra would say with his eternal smile and that slightly cheeky, provocative expression of his. We couldn't agree more. With a glimmer in our eyes, we say: "Gràcies, noi! We'll keep working at it, though it won't be the same without you!".

This article is based on an occasional paper which is currently only available in Spanish and can be viewed [here](#).

www.iese.edu/insight