

AN INTERVIEW WITH KENNETH MACKENZIE

Interviewer: Jewell Willhite

Oral History Project

Endacott Society

University of Kansas

KENNETH MACKENZIE

B.A., Mathematics, Physics Minor, Berkeley, 1960

Ph.D., Business Administration, Berkeley, 1964

Service at the University of Kansas

First came to KU in 1972

Distinguished Professor of Business, 1972-2006

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Interviewer: Jewell Willhite

Q: I am speaking with Kenneth Mackenzie, who retired in 2006 as Edmund P. Learned Distinguished Professor of Business at the University of Kansas. We are in Lawrence, Kansas on September 15, 2006. Where were you born and in what year?

A: Salem, Oregon in 1937.

Q: What were your parents' names?

A: My father was Kenneth Victor and my mother was Dorothy Moniker.

Q: What was their educational background?

A: My father at the time I was born was a student. He got an M.A. in physics from the University of Washington. My mother went to college for a year.

Q: What job did your father have?

A: He was a physicist, most of his career for the U.S. Navy.

Q: You were telling me about something that he invented for the Navy.

A: He was the world's expert on the speed of sound. The speed of sound in water is variable. They didn't know that when the war started. In fact, when the war started the speed of sound was determined by pure water at 40 degrees centigrade in a wave tank at UCLA, whereas out in the ocean it is very different because of the salinity and mountains under the water, temperature, all kinds of stuff. At any rate, sonar sends a sound wave out to a target. Then it echoes back. If you know the speed of sound and you know the elapsed time, you can calculate the distance. If the speed of sound is wrong, everything is wrong. So the speed of sound is really critical for antisubmarine warfare. To check his equations, the U.S. Navy built the first bathyscaph at Muir Island. He made dives with

Cousteau and Pickard in the (unclear) Trench. Six miles down it is a very different world. He checked out the equations and he went all over the world, actually.

Q: Did you have brothers and sisters?

A: I have an older sister named Kay and an older brother named Bob. Then when I was in high school a baby sister was born in 1950.

Q: Did you grow up in Salem, Oregon?

A: No. During the war we moved, first to the University of Washington and then in 1943 we went down to San Diego.

Q: So you went to school in San Diego.

A: Most of my schooling from the third grade on was in California.

Q: I remember you told me that you had begun being an entrepreneur at a very early age.

A: Yes. In the early part of the war when we lived in Fort Townsend near a Navy base we had basically a driveway that was just dirt. My father wanted it lined with rocks. So he offered me two cents a rock. At three I hired my brother and sister for a penny a rock to help me build it. When we got done I got paid and then I paid them. They realized that they had worked for me and they beat me up.

Q: Where did you go to elementary school?

A: A place called Benjamin Franklin Elementary School.

Q: Did you start riding bicycles then when you were a child?

A: Yes. I raced a lot when I was in junior high and early high school. I raced in Southern California a lot, road races, track.

Q: Where did you go to junior high and high school?

A: There's a school that is no longer there called Woodrow Wilson Junior High. Then I went to Herbert Hoover High School. At the end of my junior year I was asked to leave, so I finished up in a private school. When I was 17 years and two weeks old I got on a bus and went to UCLA for a semester.

Q: You spoke about having troubles in school because you were bored.

A: Bored out of my mind.

Q: Where you involved in extracurricular activities?

A: Yes, track, cross country and girls. My best sport, which I tried not to win anything in, was badminton. That's how I supported my love life when I was in high school, hustling badminton. In those days they played with feather birdies and they break up fast. So you would play for birdie, you'd play for court. Then if you kept winning, you never had to quit. The trouble is that if you were too good, you couldn't get any games. The trick was to look like a disheveled high school boy. I'd get in games with athletes, such as the L.A. Rams, who were training down there, or some older rich men. I would manage to give them a fairly good game and I'd lose a little bit and I'd win a little bit. The bets would go up. I finally managed to win 15-14, so I always had a steady set of customers. Anyway, one day I made a mistake. I won a tournament. I won the city championship in doubles. People found out that I was better than I looked. I couldn't get a game after that.

Q: Did you have jobs while you were in high school?

A: Well, in those days you couldn't really work if you were under 18. You could get jobs like mowing grass. But basically hustling badminton was the best money maker. It worked out well, actually.

Q: Since you weren't too pleased with school, did you have influential teachers?

A: They were influential in a negative sense. I'll give you an example. In California they had this idea of a general secondary degree. So if you were teaching in high school, you could in principle teach every subject.

Q: I see.

A: Which was not true. So for beginning algebra I had a really nice lady who was a Latin teacher. She didn't know what she was doing. For geometry I had a gal who raised avocados. She couldn't do anything that wasn't in the answer book. I took advanced algebra from an art teacher. I remember her. She was really nice. But she stumbled through the first couple days of class. At the end of the class I went back and told her that I should take over the class. I could do it much better. She could maintain the grades. But I would lecture on anything that was difficult and be her assistant. So I liked that a lot.

Q: So she let you do that?

A: Yes.

Q: Then you said that after you graduated from the private school you went off to UCLA at a very early age. What were you going to study there?

A: I was going to study physics. I had applied to Harvard and was admitted. I had applied to Berkeley and been admitted. I just went there as sort of a starting point. I wanted to start in September. So then I met my future wife. We both transferred. I went to Berkeley and she went to Stanford.

Q: What was she studying?

A: English history.

Q: I think you said her father was a professor at Stanford.

A: He was a professor at UCLA. Then he was the founding chancellor at the University of California, Santa Cruz. Her grandfather started the junior college movement in the United States. Her family is more famous than mine.

Q: Then you went to Berkeley. What was your major?

A: I was majoring in mathematics and physics. I got my degree. I was looking around for something to go to graduate school. I really didn't want to do physics because it was too, how should I put it? At Berkeley you had all these Nobel Prize winners and all these big experiments. Basically, there was a pecking order. If you were the right person with the right connections, you got to be first in line for the experiment. Otherwise, you were down on the totem pole. I didn't like that. In mathematics there was a Hungarian named Godel. He showed that no mathematical system could be self-contained. When I realized that, I realized that mathematics was nothing but a dead end. I enjoyed mathematics, but it couldn't really solve problems. It could help me formulate what I knew, but it couldn't be the truth by itself. So I was casting around for something to do.

At the time I was an entrepreneur again. I had a newspaper distributorship for the San Francisco Chronicle. I was making a lot of money. I kind of enjoyed the operations part. There was a brand new field called operations research. This was back in 1955. It was being taught in the business school. So I decided I'd try that. That was the first year on the MBA program. Basically, I got bored with it. So I started taking courses in probability theory from the math department. I ended up not getting a master's degree but getting a Ph.D. there.

Q: When did you get your undergraduate degree?

A: In 1960.

Q: Then you were married during this time.

A: I was married in 1957.

Q: At this time you moved into married student housing.

A: Right. I was married at 19 and was a father at 20.

Q: You were telling me what people called this place.

A: Most couples kind of breed according to the statistics. At that time the average family had four kids. Now they have less than two. They had all these married students breeding about four kids a couple. So the nickname was Rabbit Valley. It wasn't really in a valley. It was in a cheap part of town.

Q: It must have been kind of hard to be a student in a small place with children.

A: No. Not hard. I was lucky. I married well. If I had married somebody whose father was a cook or something and she expected me to be a regular husband, go with her where she went, shop with her and all, it would have been hard. But I married the daughter of a scholar and the granddaughter of a scholar. She knew what was expected. She knew that the harder I worked, the better off she was. I was just lucky that way.

Q: What are your children's names?

A: The oldest is Dorothy Alpha. The second one is Carolyn Beta. Then there is Susan Gamma and Nancy Delta. They are all married now. They dropped their Greek middle names and have their husbands' names.

Q: Did you give them their Greek middle names because of the order of their birth?

A: Yes. Everyone can remember. If you see a photograph of the girls, it winds up looking like one of these little bars for a phone.

Q: Then you didn't get a master's. You went on for your Ph.D. at Berkeley. Did you have influential teachers at Berkeley?

A: Not very many. For example, I had a dissertation advisor who I never saw. That year when I was supposed to work on my dissertation he was the insurance commissioner. So he went away and I started my dissertation. When he came back I handed him 24 copies of the thing done. He said, "What's this?" I said, "My dissertation. Thank you for being my advisor."

Q: What was your dissertation about? What kind of research were you doing?

A: I was interested in this notion called structure. I have always been interested in simple concepts, like what exactly is a structure? How do you measure them? Do they change? I was just doing very early work. I was also interested in how to represent these things. The normal mathematics didn't work, so I was using a lot of set theory and topology. I ended up getting into graph theory, number theory, things like that.

Q: When did you get your Ph.D.?

A: 1964.

Q: You were also in the reserves during this time.

A: Yes. When I was 18 they had this program where you entered the Marine Corps for six months active duty. Then you had seven and a half years of reserve. So I entered the Marine Corps. So I went on the Instant Man program. After six months I came out a hostile kid, a foul mouthed kid, as a matter of fact. The Marines, I found out, were shock troops. You were supposed to love three things, fighting, fornicating and drinking. So I compensated by being a foul mouth. Anyway, I had this horrible experience of every week having to go over to a meeting of the reserves, the Marine Corps Reserve on

Treasure Island, which is in between San Francisco and Berkeley. We were in what they called an automatic antiaircraft artillery. We were supposed to be able to shoot these big rapid guns at airplanes. It turns out there were no guns. So we had very little to do. It was kind of embarrassing. Summer camp was fun. We would go down to Twenty-Nine Palms and play in the desert. Anyway I got sort of sick of it because there was nothing to do. So I asked them, "Is there something I can do in the Marine Corps—I had to face another four years of the stuff—that would use my education?" They thought the only thing I could do is possibly become an officer or maybe be a jet pilot. I said, "I really don't want to do that." So they allowed me to transfer to the Army National Guard. I liked that a lot better because they had more equipment. We actually had trucks and field ovens and mortars to shoot. I got to shoot cannons. I had a marvelous time. The thing about the service is that you get to shoot things and break things up. It was fun. At any rate I kept that up. Eventually I went to Officer Candidate School, Infantry, at Fort Benning and graduated as a second lieutenant, Infantry. So then I served about three years as a junior officer. When I got my Ph.D. I resigned all my commissions, resigned all reserves, everything I could think of, and went to Carnegie-Mellon.

Q: I think you were talking about several things about Berkeley, including the way they had of grading people.

A: In the early days they were not interested in being politically correct. They were unabashedly looking for talent. So in a math class they would be flunking half every semester. By the time you are a junior—you are already pretty good to get in—they were really selective. They sometimes had these really famous professors. A typical exam would consist of four questions. Two were easy, one was difficult, and one was

impossible. None of the students were worried about the first two. Everybody would break their lances on the hard problems. So the class averages were often 15, 16 to 30 out of 100. But if a guy got a 70 but he got the easy ones, it wouldn't count as much as if you got the highest score on hard one.

Q: That makes sense.

A: That was a kind of different atmosphere. They were looking for talent. When they found it they would be nice to you. They would help you out and do various things for you. I'll give you an example. When I was an early freshman, I was supposed to take this course in analytical mechanics. At Berkeley the physics for the physics students was harder than the physics for the engineering students, which was harder than the physics for the medical students and on down. So I didn't have the requisite calculus at the time to take the class. So this advanced professor called me in and said, "I see you're not qualified for the class. Let me see if you are smart." I said, "Okay." So he gave me a definition of an integral and asked me what the integral of  $XDX$  was. I thought about it, "X squared plus a constant." He said, "You're in." Then for the rest of my career as a student he followed my career. He talked to me. That's the way they were. They could tell if you were smart and then they'd help you. I found the same thing was true even in the business school. People knew I was especially good at certain kinds of things. So they would ask me to be involved with projects. They didn't have this feeling of corporate mediocrity that they do at KU. There was always this feeling that they were looking for the very best. If you were in the top of that group they courted you, even when you were 18.

Q: That must have been great.

A: It was especially true in chemistry. They had a lot of famous chemists there. Most of the newer elements were discovered at Berkeley.

Q: Really.

A: Californium and Berkelium, Fermium. These were all discovered there. The faculty at the time, I think, had 16 Nobel Prize winners.

Q: That's quite an accomplishment.

A: Even in freshman chemistry they gave a test the first day of class. The top 20 students were put in Room 1 for the laboratory. The bottom 50<sup>th</sup>, 980 to 1,000 were put in a room 50. Room 1 had a full professor for the lab tech and Room 50 had a broken-down Puerto Rican grad student. That's what they did. The bright ones were given the best. Then after the semester all the grades were totaled up and the top 20 were still in Room 1 and on down. The idea was to be in Room 1. You had a very intense competition, but it was all based on merit. There was a lot of pride there. I like that system better than this "We understand your problems and we'll be nice to you and we want to compensate for your mediocrity." I just liked the spirit of excellence.

Q: Of course, not long after you left Berkeley they had a lot of problems there. You were talking about why that didn't happen earlier on.

A: You have to remember that those days were precomputer. They were just coming in barely, but they were only used for very rare things. So nobody had a computer. Everybody used slide rules. And so all the typing was done on manual typewriters, and a couple electrics, but that was the way it was in 1964. So the graduate students' wives were secretaries all over the campus. We had a group called the Graduate Students Association, which I was president of. I represented the graduate students to the

administration. We had various events and we basically negotiated for salaries and things like that. Because we had this wife system we had this information system that would rival the KGB. So we were always ahead of the administrators in terms of we knew what they were saying. We knew what they said and we could catch them on it. We were polite about it, but we were very effective. So when I got done with that it got taken over by a radical group, who wanted to use it for political upheaval. This was now the beginning of the ...I think the students were getting (unclear) because they thought if they demonstrated they could avoid being drafted. So you had this Free Speech movement. They were interested in confrontation, not solving problems. So anyway I got out of there before it really broke up.

Q: Then when you left Berkeley you went to Carnegie-Mellon.

A: Right, as an assistant professor of Economics.

Q: How long were you there?

A: Three years. Then I went to the University of Pennsylvania to the Wharton School for two years. Then my data got mugged and I went to Canada for three years and then came here.

Q: How did your data get mugged?

A: You have to understand that the University of Pennsylvania was built out in the orchards by Benjamin Franklin. Now it is in the middle of the ghetto supported by the freeway. It sort of reminds me of Danang. There were a lot of hostilities. So people routinely got mugged. But in the old days we used to have punch cards. They put 2,000 punch cards in a box. Then they would put boxes of punch cards on a hand trolley and they would wheel it through the ghetto to the computer center. They didn't have distributive

networks then. Well, one time they mugged the courier and then kicked 20,000 or so of my cards all over the muddy streets. The second time that happened, I decided I'd had enough. So I took an offer and went to Canada, where they had a much better computer and a much better support system. I was there for three years at the University of Waterloo.

Q: Were you in the Business School?

A: I was a professor of Management Science. That was in the Engineering School. They didn't have a business school.

Q: How did you like living in Canada?

A: I liked it a lot, but I felt guilty because, frankly, they brought Americans up there to get the graduate schools rolling. The idea was to produce Canadian scholars and the Americans would go home. What happened was all the Americans went up there and stayed, thus blocking the job opportunities for the people they were training. I felt kind of guilty about being up there. So in 1971 I started trying to move.

Q: Are Canadian universities very much like ours?

A: It varies from province to province. In Ontario there are 13 years of school, not 12. So if you are an honor student, you have a four-year program. If you are a general degree student, you have a three-year program. Engineering is all honors. So the so-called freshmen there were like sophomores here. I thought they were better prepared. I didn't see that much difference actually.

Q: What year did you first come to KU?

A: I was appointed in 1971, but I couldn't get here until January of 1972.

Q: And you came as a distinguished professor.

A: Right.

Q: Then you did return to Canada some summers.

A: Right, I would ride my bicycle back. I would teach at the University of Waterloo or the University of Ottawa. I would pedal the bicycle up there and then I would race all summer in the semi-pro circuit.

Q: That was a long ways for a bicycle.

A: It is about 1,100 miles to Waterloo and about 1,600 miles to Ottawa.

Q: How long does it take you to do that?

A: Eight days. The other one is 11 days.

Q: Did you have anyone else going with you when you did this?

A: Yes. I usually took groups with me. I allowed people to come if they could do 100 miles in under seven hours. Sometimes we camped out and sometimes we stayed in hotels. Basically, we were just riding hard. It was a great way to train for the racing season.

Q: I suppose.

A: By the time you got there you were slow but you were very fit. Then you had to get your legs limbered up again. Racing is very fast. It is good for the heart and muscle. To race again you had to get very limber, get low gears and sprint a lot. It's not the same as touring. You have to be in pretty good condition.

Q: Have you continued to ride your bicycle?

A: Right. I have ridden almost 171,000 miles since January 1, 1983.

Q: Oh, you keep track of it?

A: Every month. This year I have almost 5,000 miles. I've been averaging about 20 miles a day for 20 some years.

Q: Have you found that it is good for your health?

A: Well, except that I break bones. Every 25,000 miles or so you are going to get hurt. I have broken more than 10 bones.

Q: But that doesn't discourage you, evidently.

A: No, it doesn't. It just slows me down. You get old, overweight and gimpy, but you are still in good shape.

Q: Have you taught primarily graduate students or undergraduates?

A: Graduates.

Q: What classes did you teach here at KU?

A: I basically taught classes in organization theory, organizational behavior, decision-making and organization design.

Q: Has the business school changed in the years that you have been here? Has it grown or are there less students now?

A: I don't really know. What happened was it sort of went in cycles. It had a very small Ph.D. program, a reasonable-sized master's program and (unclear) undergraduates. Later on they started emphasizing graduate students more. So the MBA program grew. Then they started a program in Kansas City at the Regents' Center. The MBA program is kind of imploding now. I think it's not doing well. I think it is because they have nothing really to offer. I think there are 15 MBA programs in Kansas City. So people say, "Why should I take KU when it is harder than the other guys?" There's not a lot of really high quality. So I think the MBA program sort of suffered. The Ph.D. program has been limping along like a stepchild. I think the total enrollments are about the same. The

thing about the School of Business that is interesting is that about four percent of the students account for over half the endowment.

Q: Oh really? Your students must do very well then.

A: Yes. There is something about these corn-fed Kansas boys that is very attractive on either coast.

Q: That's good for the School of Business then. What has your research been while you've been here?

A: Basically, it has always been the same, trying to answer simple questions, like what is structure? What is a process? How do processes and structures change? How do they interact? Just simple questions, but they end up being very complex. So we've had to invent a lot of new methods to solve these problems.

Q: Then you started a company of your own.

A: Right. In 1976 we had just finished a lot of research on group structures and laboratories. I thought I knew a lot about it, so I thought, "Let's offer this to companies and see if they will pay for my research." So I had just finished a two-volume set called *Theory of Group Structures*. But I found that the business people weren't that interested. And I found out that a lot of my laboratory-based theory didn't work. There were a lot of hidden assumptions in one milieu that were not true in another. For example, in the laboratory you can control the number of people and you can control the task. In the real world you control neither. So if you have a system that has a fixed set of tasks, that won't work, etc. I found out that a lot of things that we felt were true in the lab simply didn't work. We had to invent newer, more flexible methods. So I began a long process of constantly doing consulting, by always choosing clients whose problems we didn't

know how to solve. If we knew how to solve them, we wouldn't do it. So we wanted to always be on the very edge. That led me to many adventures and taught me a lot of things. One thing as a result was that I couldn't actually bring myself to read faculty articles any more.

Q: Because you felt they were based on laboratory work?

A: I felt they were basically fatuous. Most people don't even know they don't know.

Q: Because they weren't in the business world as you were?

A: Well, you see, what people do is they learn the literature. But they don't learn the phenomenon. Think about it. If you are in a business school and you know Lawrence, Kansas, how do you study business? I mean you could go down to Kinkos and look around. You are not really having practitioners there who are actually doing the work. So you get a lot of people who spend their whole life teaching classes. They get good at their textbooks. They get good at that kind of milieu. But they are out of touch with the actual reality. So the way they formulate questions is highly questionable. The way they do their research is not very insightful. So I found that increasingly I was just unable to find any actual sustenance among my colleagues, who were just like 20 years behind me.

Q: You are sort of making things up as you go along, figuring out how to solve these problems.

A: Yes, always.

Q: Because they don't necessarily teach that in the business school, you are saying.

A: Everything I taught, I never had a course in.

Q: Oh, really. That's interesting. So you originated some classes, I suppose.

A: Oh, yes.

Q: Did you use as case studies some of your experiences in business?

A: Some. I found early on that just watching the people at KU was a great inspiration.

Understanding the behaviors of some of the administrators at KU was a great stimulus to creative thought.

Q: And how was that?

A: I couldn't believe it. When I first got here I came from a world where there were almost no committees. At the University of Pennsylvania, Wharton School, there were virtually no committees. There were almost no committees in the School of Engineering at the university in Waterloo.

Q: That's surprising.

A: I came down here and I found that there were more committees than faculty. I asked the question, "Why were there so many committees at Kansas and so few at other places?"

Q: Why do you think?

A: Actually, that's where the theory came from. Driven by that bizarre behavior it led to a whole new way of formulating organizational problems. So I found a lot of research based on the strange things that I saw at KU. They are a very good source of interesting questions. They are always annoyed when you do it. But these people think they are originals. They are not.

Q: At one point you had something to do with the organization of the Business School.

A: Yes, in 1978 I was asked to reorganize the school. I came up with an idea for it, which they finally adopted in 2003. But we did do some changes. The dean who was supposed to implement it got killed in an accident, so it kind of fell by the wayside. That's the last thing I did for the School. It is not a good client.

Q: So who are good clients?

A: People who give a damn and who are strong.

Q: You have worked for some fairly large organizations.

A: And some small ones, all kinds, whoever is interesting. I reorganized a regional grocery chain one time.

Q: That would be a big one.

A: They weren't that big, only about 3,000 employees at the time. They were almost bankrupt and now they are rated number three in the country. I've worked for large wholesalers, lumber companies, and banks. I got tired of banks. Bankers are not very interesting people. They are kind of rule bound and petty. I like the high tech entrepreneurs better. They are more interesting. Big insurance companies. The big thing I did was to reorganize the worldwide quality assurance for AT&T. I did also the educational testing services. But I'm happiest with the little firms, interesting people with interesting questions. They would be very honest and they would be inventing new things as they went along. So I kept my eyes open. Every once and a while you'd run across something that was absolutely stunning. Like I had a case in South Dakota in 2002 in a little telephone company. South Dakota, as you know, has more cows than people. It has only one representative and two senators. I think there are about 800,000 people in the whole place. They are pretty much scattered. They can't afford to have the same kind of telephone company they have in more populated areas. There is something called the South Dakota Network. It was a consortium of about 20 little small company telephone systems spread around the state. At any rate on their flagpole they had another flag called Express Communications. There it was flapping proudly in the breeze, and I

couldn't understand why a flag of Express Communications was flying on the flagpole for South Dakota Network. I got curious about it, so I ran it down. And I uncovered an absolutely magical world. Here's a company called Express Communications which has \$10 million in revenue, it had no employees, it had no assets and no liabilities. I found the perfect (unclear) organization right there in the cornfield in the outskirts of Sioux Falls, South Dakota.

Q: So it was run by one person?

A: No. There were no employees, none.

Q: How could it be a company without employees?

A: It had \$10 million in revenue.

Q: Was it some sort of scam?

A: No it was very legit. What would happen is that long distance carriers like AT&T and NCI and Sprint would want to have long distance coverage in that area. But they couldn't afford to have their own equipment in there because it was too sparse. So the local people would say, "We have so many minutes of use on long distance." They call them moos. So they'd bundle the moos of these independent companies and they'd sell as a package, they'd sell the moos. So you'd be paying like a nickel a minute to use the cell phone. They carry the pay to (unclear). So you made money. At the end of the year they'd contract with South Dakota (unclear) to do all the work. So they'd meet and calculate how many moos they had. Then they'd break the revenues up according to the proportion of the moos. Then they would meet once a year to check it out. So they had a \$10 million company with no revenues, no liabilities and no employees.

Q: That sounds like an ideal company, doesn't it?

A: I think so, yes. Everybody got inspired. But, see, I don't think you have to be large to be significant.

Q: I see. I understand you don't work for the federal government.

A: When I was at KU I made an effort never to have any conflict of interest. I wouldn't accept anything that could possibly be grant money or research money or anything that would be competing. So I wouldn't accept either state or federal grants. I never sought them, never asked for them and didn't want them.

Q: Did you have sabbaticals?

A: I took one, I think, maybe two.

Q: What did you do?

A: Basically wrote books and more of the same. I just kept pushing, trying to understand the stuff. I'm always trying to get it straight and constantly finding I'm wrong.

Q: And then figuring out how to do it.

A: Eventually, I made a virtue out of it. I assume that I'm always wrong, which I think is the most reasonable assumption to make. In fact, I don't know of any theory over 30 years old which is not either ignored or has been modified. So I thought the possibility of mine being the exception was essentially zero. It seemed to me the thing to do is instead of trying to justify your theory, you try to improve it. Not only improve it but find out where it's breaking down. You find out where it's breaking down by either stressing it or looking for counter examples. That is, you are constantly looking for failure. So you succeed by a series of failures.

Q: I see. You mentioned some books. How many book have you written?

A: It depends on how you count. If you count the things I've edited or editorial series of books I wrote it would be 19 now.

From the resume. Books (Authored)

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Q: That's a lot.

A: Yes. They are all pretty obscure. If someone asks, "What do you do for a living?" I say, "I write obscure books."

Q: Are these used for textbooks?

A: Some are. Most of them are just bought by libraries and sit there.

Q: And these are about organizational theories of business.

A: Yes. I did do one on continuous probability theory one time.

Q: You were talking about once writing a book with somebody else and having a lot of problems.

A: Coauthoring anything is always a problem. Sometimes people will want to work with you because they think they can ride your horse. Some would like to share the work. There are various reasons for collaborating. But eventually authorship comes down to writing. You probably understand this. The essence of good writing is rewriting.

Q: Sure.

A: It is not uncommon to go through eight, nine, ten drafts. I don't mean minor changes. I mean major changes to get it right. And that's hard work. Some people just don't want to do the work. But anyway in one case I was working with a guy in a company, a really smart guy. He thought maybe it would be good to do a book on what we were uncovering. I thought that was a good idea because he was really smart. You know the story of the Little Red Hen. "Who will help me harvest? Who will help me eat the cake?" Well, this guy didn't do anything. He did not write a sentence. He wouldn't even offer a comment on most of the chapters. I went for two years. He decided because he was a big shot he should be a coauthor. I decided that since he didn't do any work, he shouldn't be a coauthor. My policy is that you should never be the author of a book that you've never read. A simple policy. So he tried to force it by hiring high-priced lawyers. He sued me under federal law for trademark, which made no sense. A trademark is sort of like your logo, a little alligator on (unclear). It made no sense. It turns out I was just being harassed. Bringing a federal lawsuit, unless you defend it, you lose. It is a game by rich people to force poor people into compliance.

Q: I see.

A: So then I thought that is basically a violation of my academic freedom. I should not be coerced to have a coauthor who didn't do the work. It is against the whole idea of what scholarship is all about.

Q: Sure.

A: It's immoral in terms of the code of conduct of journals, of which I was an editor. So I went to Strong Hall to see if I could get some help, some advice on how to deal with this. I was immediately told that since it was a contract to write a book, it was contractual and therefore wasn't a university problem. I went to the Law School and they said, "There is no case here, but you are up against a very big hot shot firm, so we are not going to help you." Finally I found some intellectual property rights attorneys and they started doing the due diligence to get ready. They took depositions from the other guy. All I had to do was sit there and listen to the depositions. I was never questioned. I was never deposed. But \$62,000 was spent before the other attorney said, "I resign. I can't deal with this. There is no case here. This is just harassment." That is the kind of thing you deal with. KU wouldn't back up the faculty at all.

Q: You said you also edited journals.

A: I founded some and edited others. They are all in the resume.

Associate Editor, *Management Science*, Organizational Analysis, Performance & Design (1978-1995)

Area Editor, *Human Systems Management*, Organizational Design and Productivity Management (since 1981).

Senior Editor, *Organization Science* for Organizational Design and Organizational Modeling (1988-1993).

International Advisory Board, *Organization Science* (Since 1993).

Editorial Review, *Journal of Management Inquiry*, for the Essays section (1991-1995).

Editorial Board Advisors, *The International Journal of Organizational Analysis* (Since 1997).

Basically, that is an obligation you have as a scholar, a very thankless one, by the way.

I'm sure your husband edits journals.

Q: I suppose.

A: But the standards are actually lower in business schools than they are in engineering. In the sciences you know that you have a paradigm you agree on. So it is easier to recognize good work. But in the social sciences people are talking about power and other issues that are so vague that it is hard to know whether it is good work or not. Therefore the acceptance rates are much lower because they have to get rid of a lot more junk. Engineering acceptance rates are like 40 percent. But there is a higher standard going in. In the social sciences it is around 10 percent.

Q: Really? So if you are the editor of a journal, you have to read a lot of junk is what you are saying.

A: Most of it is junk.

Q: They probably don't appreciate being told that.

A: No. The other thing that happens is that the egos are very high. The combination of being confident and a high ego is a devastating mix. I've published over 100 articles, which in the social sciences is a lot. It is not much in engineering. They write little stinky short articles. Some articles in the social sciences are 50 pages long.

Q: That's a lot. You talked about KU having a lot of committees. Have you been on committees?

A: I used to be, but they kind of want me off them now because I tend to be outspoken. I'll give you an example. There was a research committee formed in 1980 or so. Our job was to allocate minor amounts of money, which was like \$100 bucks, \$1,500 bucks, small amounts. So I remember I was reorganizing a supermarket chain in North Carolina with 3,000 employees. They had a little committee of six professors. We got the organization of the supermarket running better and faster than we got the committee going. That's what I mean. Good clients really care and they are strong.

One of the guys on the committee was named Charlie. He left for Vermont, which improved the quality of their business school and our business school. He was one of those guys who loved to go to meetings. He was useless as a tit on a bull when it came to research, but he liked to talk. I remember early on, the first day or two, the first meeting the finance professor asked for reimbursement for \$17.32. I remember that. I wanted to play the game for a while, but I figured that was worth about 10 minutes of my time. So we were discussing whether we should pay this guy's debt for \$17.32. Then Charlie got up there and said, "We have a policy problem here. What is research and what should it cover?" I could see myself sentenced to a year of purgatory being in a small room with Charlie. I couldn't even stand the thought of it. So I got out my wallet, took out a \$20 bill and put it on the table. I said, "Pay the son of a bitch. It's not worth my time." Charlie, of course, took that as an extremely hostile act. Then he said, "What about the change?" I said, "I don't care." A few episodes like that and I was not really...I got the deans trained. I said, "If you want me to be on a committee, there's nothing these guys are doing that I couldn't do faster myself and do a better job in a week than you guys could do in six months. So if you have a real problem, I'll be your one-

man SWAT team. I'll go in and solve it for you." So they got so they did that for a while. But basically I was not wanting to devote my life to the Charlies of the world. Unfortunately, at KU there are a lot of them. And they really are a negative. It isn't fun. There's no snap. There is no light in their eyes. They are serious people and they are serious all the time about everything. I like people who are more lively, more snarkey.

Q: You were talking about the current dean of the business school.

A: Oh, yes. He had been here six years when I left and he and I never talked. The dean was William First. After the first year I thought it was kind of strange, being a senior faculty member, being the most published, I thought he might want to find out what he's been selling. Because the business school dean has to go out and sell things, right? He should know what his product is. The amount of money the school gets does not cover the cost. So they have to get endowments and gifts from alumni. Basically the dean is the outside guy whose job it is to beg. I understand that. He was an information systems, accounting type person, which I didn't understand what that meant. Anyway, this guy was focused on money. The first year I never had a chance to sit down with him. So I wrote him a letter and said, "Since I haven't caused you any problems, and I haven't served on a committee with you and I haven't asked you for money, there has been no real reason for us to meet. (unclear) He never accepted my offer. So basically after six years—I saw him in the hall and we would grin at each other and say hello—we never talked. And that's what's wrong with KU. They really don't understand excellence. It's all about money.

Q: You said that some of your former students did well. Do you remember specific individuals you have taught who have gone on to greater things?

A: There is Jeffery Pfeffer who has the chair at the Stanford Business School. Another one is the chair at the University of Pittsburgh. There have been a few. But the Ph.D. students at KU have been pretty mediocre. They just don't get the quality. One of the problems is that the program is too tiny. From the point of view of an outsider a School of Business looks like a business not a kind of discipline. But the business school is marketing, accounting, finance, labor relations, operations research, statistics, organizational theory, law. There are various disciplines. So we have a faculty of 50. We simply do not have very many people per discipline. To put on a really excellent program, we don't have the resources. Then there are not enough students. The university passed a rule that you had to have five students to have a class. Well, the School of Business essentially admits one student per area per year. There is never a quorum. So almost every Ph.D. needs to be a personal student. There really is no system for having those extra seminars and the polishing that would take place and the testing that would take place to produce really first-rate people. It is not good.

Q: I believe you said that at one time you proposed to them that they decide on just certain areas to emphasize. Perhaps that would help.

A: Choose one. Concentrate. Get it up to first class. Then you can expand around. But that was politically unacceptable.

Q: The people in the other areas probably didn't like it.

A: Yes, they liked this idea of research welfare. But they honestly don't know how to go about getting excellence. To be excellent you've got to be ruthless. You've got to make a decision of what you want to do, how you are going to get there, and be absolutely disciplined in getting there. Everything else is talk. That fierceness... That's why it is

hard to respect them. Because it is one thing to give speeches about excellence, five star rising and that crap, it is another thing to actually do it. To do it, you've got to be dedicated. You've got to be tough. I don't see that spirit. At Berkeley they would do it. Not here.

Q: I suppose you belong to professional organizations.

A: I used to. I dropped them all.

Q: Did you hold office in any of them?

A: Yes. It's on the resume:

Academy of Management  
Fellow, American Association for the Advancement of Science  
Elected membership, American Psychological Association  
Chairman, College on Organization 1986-1993. The Institute of Management Sciences  
Meso Organization Studies and Theory

Basically, I found that organizing faculty members is a waste of time. I don't know why. It is like organizing cats or making deals with the Russians or Chinese. You sit down and you have an agreement. Then at the first speed bump they all fall off. They don't really keep their word. They are hard people to deal with, actually. I like individual faculty members, but as a group I really don't like them much. They are fine people individually, but as a collective they...I used to take my wife to these conferences. She said, "I can tell immediately which ones are professors. They all have the self-absorbed, selfish look." She would walk through the lobby, professor, professor, professor. Businessman, businessman. Very easy to tell.

Q: I hadn't thought about that.

A: It was very funny, because she could immediately spot them. But when you live in a strange place with strange people, you don't notice that as well.

Q: Were you involved in community activities in Lawrence?

A: None.

Q: I've noticed that you have an art collection here. Have you been doing that a long time?

A: Yes. I've been collecting an American impressionist named Christopher Gerlach for over 20 years.

Q: How did you start collecting his work?

A: He was married to my sister. He has a bachelor's from Oxford, a very talented guy. I now have 51 of his paintings.

Q: That's a lot. You have grandchildren, I know.

A: We have eleven.

Q: They don't live around here, do they?

A: Actually, six of them do. One daughter lives in Lawrence. That's Nancy Delta. She's got a little boy and a girl. Carolyn Beta lives in Lenexa. They were missionaries for years down in Mexico, but they are now up here. So we now have six in the area ranging from four to 17.

Q: Do you have any other plans in retirement, other than doing your business?

A: I'm writing some books right now on leadership. I've been doing a lot of research on leadership. I have a new theory about it. I want to write one book that is more scholarly and one that is more business-oriented. So now I've got hoards of books on leadership. If you look behind you, you will see that I've got all these biographies on famous people, ranging from Kit Carson to Genghis Khan.

Q: Do you think they have some things in common?

A: I was trying to...see, the thing I have learned in my research is never pay attention to the literature. I think reading rots the mind. The first thing you've got to do is understand the phenomenon. Once you are clear on the phenomenon, then when you read, you can winnow the wheat from the chaff very quickly. So I've been involved as a leader. I've been involved as a consultant to leaders. I have kind of a good feeling for it. The literature on this is atrocious. It's really about the worst literature I know of in the sciences, leadership literature. I can't believe how bad it is. So if you read the literature and wrote a book summarizing the literature, it would be nonsense. There are hundreds of these books. Bargain Books has a whole shop of leadership books being discounted for a buck a piece.

Q: Because a lot of people want to know how to be leaders.

A: You go to Google and you type in the word "leadership," you'll get probably a billion hits. No a million, a billion. It is like sex, one of the big categories. But what is it?

Q: Do you think you know what makes a good leader?

A: I think I have a new theory about it. It is very different from (unclear) theories, of course.

Q: You were saying that you were also interested in the ancient Romans and how they managed their empire when they didn't have all of these modern communication devices.

A: From the founding of Rome on the Tiber in 753 B.C. (these dates are all up for grabs) to the fall of Constantinople to the Saracens in 1453 was 2,206 years of continuous organizations. The first landing in the United States by English-speaking people was at Jamestown in 1607. The Spanish were here, of course, a lot earlier. If you add 2006 to 1607, you have to ask the question, "Will the United States be around in the year 3,813?"

Q: What do you think?

A: I don't think so. The remarkable thing about Rome is not that it fell but that it stood. It simply had no comparative advantage over anyone else in terms of weapons, technology or size. Basically, the Romans were like the Saracens. They are all about the same. They all have swords, bows and arrows, spears. They had a few fancy machines that threw catapults, but basically in open field running it wasn't much good. So how did they do it? The other thing that is very interesting is that Rome had a very tiny bureaucracy.

Q: And you think that is one of the keys?

A: Yes. The question is how could Rome operate an empire, which is truly multinational, without all these things we think are necessary to run a hot dog group. They had no computers, no radios or cell phones, no airplanes, no trucks. How did they do it? To me it is very interesting.

Q: Do you think dictatorships are more efficient then?

A: Rome wasn't a dictatorship.

Q: Not the whole time.

A: There was a republic period. Then there was the (unclear) period. Then there was the emperor period. Then there was the decline. Rome was constantly mutating its organization as it went along. Basically, the system of government of a city state did not make sense in that empire. They had the Danube River frontier that was 2,000 miles long. How do you maintain the borders? There was also North Africa. There is also the east. How do you do that? Most people don't know this but Caesar Augustus—he was the one who is in the Bible—only had 28 legions. Now a legion is roughly 5,000 troops.

Most of them were smaller than that. Even taking 5,000 as a large one that's only 140,000 soldiers.

Q: That isn't very many.

A: We have more than that in Kansas between Fort Riley and all the reserves. So how did they run an empire with a tiny army? They couldn't drop them out of airplanes. They had to walk. If you wanted to go from Londinium to Palestine, that was a six month's march. So how did they run an empire with such a dinky organization?

Q: And that's what your book is going to be about?

A: Maybe. I cherry picked that idea. I concluded that Rome in its Republic phase was basically a hologram. Each Roman group was Rome. Each part contained the whole. That's the way they educated their people. That's the way they brought them up. They had public morals. The whole system was designed to do that. So I got to thinking that we need to have holograms of a way of thinking about modern organizations undergoing rapid change. I think that when most people think of organizations, they think of bureaucracies. While a lot of people are anti bureaucracy, they are the first ones to try to support them. I think we need something really radically different. I think we need to be organized more like holograms. We're working out how to do that and trying it out with various companies with some success.

Q: You were also talking about an idea you had for your own company that you were raising money for.

A: Yes. That's kind of iffy. But I got to thinking about that Express Communications. What would happen if you had a company with a minimal number of employees where you didn't have any physical presence. You would be basically operating your machine

in space where people brought their information to it, they interfaced with the machine, and they could then download what they wanted, pick up and delivery. All you had to do was own the machine. I thought that would be the perfect popcorn machine. So I set out to invent it. We have invented it. The question now is, can we market it? I need a couple million bucks to do that. I've been trying for a while. We'll see what happens.

Q: Now your business is essentially just you. Is that right?

A: It's the perfect popcorn machine. We stopped doing consulting now for a couple years, since 2001, just to develop the stuff. But we got some bad news. The software had inside another language which the web hosts are no longer supporting. So we really have to redo it or we are dead. I hate that because every time you do that it is another \$150,000 bucks. But if we did pull it off, we would be fabulously wealthy. But it is not the money that matters. It is the sheer fun of doing it.

Q: It sounds like you certainly won't lack for things to do.

A: My wife is very grateful about that. She told me she married me for better or for worse but not for lunch.

Q: I see.

A: But when I come home and help her paint, I get some absolution.

Q: Is there anything else you'd like to add?

A: It's always enjoyable talking about oneself. But you've done this with other people so you must have a standard (unclear). It looks like we've reached diminishing returns.

Q: Okay. Thank you.

