

# **MIE459 Team 14:**

## **The Organizational Design & Management Behind Dictatorships - Lessons for Modern-day Leaders**

### **Executive Summary**

The purpose of this report is to explore Adolf Hitler's and Augusto Pinochet's dictatorships from an organizational perspective, particularly analyzing how the external environment, structure, leadership, and management behind a dictatorial regime can impact its successful execution. The report also examines the use of dictatorial techniques adopted by these leaders in modern-day organizations, thereby helping leaders identify key strategies that enable the effective operation of their companies.

In performing research on Hitler's and Pinochet's regimes, the team was able to uncover several findings. In terms of external environment influences, Hitler's rise to power was facilitated through the poor economic conditions and the population's low morale after World War One, as he promised better prospects for the future. In Pinochet's case, Chile's economic and political instability, combined with the USA's support for a regime change, permitted a military coup to take place. The Nazi Party organization was structured such that Hitler was at the top, and the rest of the party, with multiple vertical departments, was below him. As for Pinochet, he was the head of a military junta, which was made up of the Army, Navy, Air Force, and Carabineros. Both leaders' organization structure was reflective of the regime they led. Hitler led a totalitarian regime; according to his leadership principle, absolute obedience was expected towards one's superior. Pinochet led an authoritarian regime. Like Hitler, he also believed in a one-man rule, and thus placed all power in his hands by relegating the other junta members to advisory and legislative roles. In order to engage his people, Hitler used his charisma, an extensive amount of propaganda, power and fear. Pinochet's focus was on the use of fear through oppression. Eventually, the major factors that led to Hitler's downfall include his lack of trust in his subordinates, in addition to his poor strategies and overreliance on instincts to execute them. In Pinochet's case, there was a failed attempt to extend his time in government; furthermore, the population's increasing dissatisfaction led to many protests against the conditions brought about by his regime. By taking into account these findings, modern leaders can apply some principles that can be beneficial to their own organization. The first key lesson is to learn how to distribute power, as controlling everything within the organization is not efficient or beneficial. Moreover, it is important for leaders to establish a culture of trust and empowerment and to consider both the organization's internal and external situation and adapt accordingly. Another key element to success is to have a vision that everyone in the organization believes in, thereby establishing concrete strategies that will drive success and prosperity. Lastly, it is equally important that the plans and actions of leaders are ethical both for the consumer as well as for employees. As evidenced in Hitler's and Pinochet's case study, this report concludes that extreme dictatorships are not effective. Therefore, modern leaders must find the right balance between dictatorial and democratic techniques in order to drive their organizations forward.