

Management In Real-Life

by Kevin Herring

Several weeks ago, I had a conversation with a colleague from a large financial institution. She was upset at the audacity of an executive who attempted to gain employee acceptance for a reduction-in-force using the slogan "lighten up." I recently experienced a similar attempt by a vice-president to promote employee commitment using slogans, a party, and a live band singing a song specially composed for the occasion.

Most of us chuckle when reading about these situations. However, a frightening percentage could share similar experiences from our own careers. Even more astounding is the fact that managers often answer "yes" to the question, "Would you buy into this if you were a line employee?"

Many leaders have convinced themselves that they are somehow different than the core workforce. That 'they', the employees, are unable to handle straightforward conversations about the business. For 'them' information must be massaged, wrapped, or otherwise packaged to be accepted or supported.

In actuality, however, where communication is open and honest, employees develop more trust for managers. Consequently, even when the message is unpleasant, employees spend less time chasing rumors and more effort managing the information. Absent the anxiety created by fear of the unknown, employees can accept information at face value feeling more in control of their futures.

Taylorism *It's Time for a change*

Frederick Taylor is known as the 'Father' of Scientific Management, a management philosophy that gained prominence beginning in the 1920s. Influenced by the industrial revolution, Taylor taught that work should be reduced to its most basic unit in order to ensure that people would not interfere with the output of machines. He also believed that people were born into one of two categories: doers or thinkers.

Thinkers were those who made decisions while workers were expected to do the work without thinking. Problems were sent to managers to solve and employees were powerless to act on their own initiative. This was intended to ensure that workers would effectively support the work of the machines and minimize mistakes.

Although the industrial revolution has long since passed, many managers still operate under the model of thinkers and doers. Customers who own the market, however, demand responsiveness in providing unique solutions to their needs quickly, and at a competitive price. To meet the demands of today's customers requires all employees to be thinkers – to analyze and solve problems and to directly impact business goals of cost, profitability, response time, quality, or market differentiation.

Managers and supervisors who share business information with core workers create business literacy and promote employee engagement. Open communications, the sharing of expertise between departments, and a focus on the customer helps all employees to make day-to-day decisions to meet the needs of customers. Absent business understanding by line workers and support for employee involvement, however, employees will merely operate as doers with little regard for the success of the business.

Applying the principles of employee engagement by distributing knowledge and sharing control enables employees to effectively choose accountability for total business success rather than being held accountable for performing narrowly focused tasks.

Tips for Creating an Engaged Workforce

- 1) Open the books. Let employees know what is going on financially and operationally. Your employees are more effective acting on the facts rather than on conjecture.
- 2) Teach employees what the numbers mean. Teach them in the context of what they do each day and how they relate to key business results.
- 3) Give up command and control. Give up Taylorism and treat employees like they have something to offer. Build their capacity to contribute and trust them to make meaningful decisions to resolve problems and meet customer demands.

Common Myths of Work Teams

A popular management fad beginning in the 1980s, work teams have been the subject of journal articles, training programs, lectures, and seminars. They have been touted as the ultimate in programs of employee involvement, empowerment, and participative management. Bombarded by reports of phenomenal business results, many managers have been quick to launch programs which give full decision-making authority to a group of committed core workers who often perform tasks without an exempt-level supervisor. Amidst all of the hyperbole, however, are many misunderstandings surrounding work teams. So let's take a closer look and examine some of the more common myths.

Myth #1: All work groups should be organized into self-directed teams. The fact is, many jobs are not suited to a team structure at all. For example, an individual who works in an isolated location with freedom to make daily work decisions will become frustrated if told that every decision must be discussed and deliberated with a team. Furthermore, organizations focused on consistency and predictability in work processes may be better suited to a clearly defined hierarchical leadership structure with a formal supervisor.

Myth #2: Self-directed teams do not require a leader. Self-directed does not mean leaderless. In most cases, where a formal leader is not chosen, an informal leader leads the group. Depending on the maturity of the group, the self or peer-selected leader may or may not be one who supports business objectives.

Myth #3: Teams can be held accountable for team member performance. Teams may be accountable for group results through group or team incentive pay programs. However, for both legal and practical reasons, only individuals can be truly held accountable for disruptive performance issues.

Myth #4: Team members will manage individual performance problems. This is something all teams struggle with. If they try to manage performance, teams are usually quick to hand it back to management. Although peer pressure is common in groups, it is not likely to extend into disciplinary situations. It may also be viewed by union members as a violation of union bylaws (to cause harm to a fellow union brother).

There are many work structures designed to meet the particular needs of each business. Understanding those structures helps managers select the most effective for business success, whether it be in the form of traditional work groups, formally organized teams, or some other form.

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Management As An Open Book

Jack Stack of Springfield Remanufacturing Company uses the principles of open book management to make business an enjoyable experience for all employees. In his book, *The Great Game of Business*, Jack shows how to teach basic business concepts to employees along with the score of the game. He explains how, without the score, it is unlikely that employees will be engaged in the game; They may physically show up each day, but will spend most of their time on activities which may not add value to the business.

To encourage employees to make choices in the interest of the business, Jack teaches employees how to make money and gives them a stake in the success of the business through a profit-sharing plan.

To learn more about Jack Stack and the remarkable Springfield Remanufacturing Company, read his book, *The Great Game of Business*. It will give you a new perspective on employee involvement.

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