

Management Ideas



FOR STILL BETTER

RESULTS

RELATIONS

REPUTATION

a monthly newsletter to key executive-leaders
on practices, possibilities and ideas generally
for stepped up performance
edited by
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on problem-solving and creative ideas

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3142 BUSINESS GIFTS: New Year or other occasion comes - a season for gifts. The conventional way is a basket of fruits, calendars, diaries, clocks, pens, chocolates, or other. Companies are finding a creative way of giving gifts. The way is to make a contribution, in the amount normally given, to a local health care, educational, cultural or other charitable organisation. Yes, the credit goes to the friend. The charity acknowledges the gift in the name of each person who formally received a "goodie".

When we think of it, this is in the true spirit of the holiday season. This way wins sincere responses of appreciation and gratitude.

3143 GOOD NEWS FOR TYPE As: For the last 20 years Type A behavior has been widely associated with heart disease. Now Redford Williams, M.D. and colleagues at Duke University have good news for Type As.

It's not the intense personality, or constant rushing about, or even workaholicism that contributes to heart risk. It's **hostility**.

A number of studies done early in this decade have proved that hostility and anger are hazardous to the heart. In Dr. Williams' book **The Trusting Heart: Great News About Type A Behavior** (Times Books), he reports it's the hostility that raises blood pressure, and causes adrenaline to rush into the system, stressing the heart. This typical response to stress is more brief in less high-strung individuals, but hostile Type As are unable to stem the stress response.

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Dr. Williams distinguishes between the justified anger everyone feels from time to time, and people who have hostility and anger just below the surface all the time. This type of subsurface anger also fosters mistrust and cynicism, which are associated with a pattern leading to health problems. Research clearly shows that people can become less hostile. The first recommendation is simple: Thought control. If you feel cynical and mistrusting, start thinking the opposite way. The second way to change Type A hostility is even better: Start enjoying life more. Focus on what is really important your life, and stop being angry all the time.

3144 FOR EFFECTIVE MEETINGS: The obvious may not be obtaining. That is the reason why experts keep repeating the following points in respect of meetings:

- * Establish a purpose in advance and see to it that everyone knows about it. Best reasons to meet: To solve a problem....to make a decision when input is needed from several individuals....to brainstorm.

- * Distribute an agenda at least two days before. Include: List of attendees...amount of time to be spent on each topic...pre-meeting assignments for participants.

- * Listen as much as possible. Encourage others to speak...and speak candidly.

- * Avoid digressions from the announced topic.

- * Encourage dissenting opinions - politely dissenting opinions.

- * Restate conclusions at the end of the meeting.

- * Distribute minutes and include specific assignments.

3145 BRITISH SCENARIO OR OURS? THE FOLLOWING SCENARIO OF WORK FRAGMENTATION FROM A BRITISH BOOK - ARE THEY BEING SERVED? - MAY SOUND FAMILIAR TO US.

"The factory machinery is churning out a steady stream of articles to be sold in a competitive market. The buyer has bought the cheapest raw materials which his ransacking of the market place has unearthed; he has done well, by his lights. Production staff, with output targets to be met, are flogging their machines at a pitiless rate and are praised by top management for doing so, as this is 'efficiency'. Inspection people, perhaps dignified by being falsely called 'quality controllers', are examining samples of the output against the specification. They decide that certain batches are not acceptable, so they stick dayglo red rejection labels onto the boxes of offending products. Production people vigorously resist this action.

The manufacturing director is called upon to arbitrate. He is under pressure to dispatch everything he can make; and the marketing director continually emphasises the importance of meeting delivery deadlines. So he overrides quality, the red rejection stickers are peeled off and a 'commercial decision', or a 'customer's response' or a 'realistic decision' is taken. The euphemisms vary, but they all amount to the same thing - the factory is about to dishonour its contract with its customer by knowingly and unilaterally sending out a sub-standard product. Thereupon the finger of scorn is pointed at the boss, who is

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now privately accused of being a person who will accept and dispatch any low-quality rubbish. The quality people now lose heart: no point in working to the specification and rejecting inferior output if everybody else, including 'him' is going to pass it.

The rejectable output is sent to the customer. The customer sends it back. Now it is cluttering up the warehouse--it stands there gathering dust, a sagging monument to collective incompetence, to production without quality control. Now they are behind with deliveries: the pace of production is quickened, in an attempt to make up for lost output. The miserable cycle of make it, reject it, send it, get it back, is repeated. The heap of rejections grow higher. Morale sinks lower. This company is now well and truly ensnared in the British Trap. Sometimes the response is comic.

'How did this rubbish get out?', the boss demands of his quality department. This is a question of such stunning inanity that no coherent answer is possible. So, in the mad burlesque which typifies the style of much of British manufacturing industry, ritual games are embarked upon and ritual roles are adopted. The quality manager is obliged to don the mask of contrition, as if it really was his fault. Sometimes he is even ceremoniously conveyed, in the tumbril of repentance represented by the sales manager's red Fort Sierra, into the awesome presence of the customer, there to render personal account for his company's transgressions.

As a 'strategy' for curing its corporate quality problems, this outfit might just as well swing incense while chanting incantations, or sprinkle holy water onto the machines while murmuring benedictions, or rattle a witch doctor's necklace of crocodile teeth over the output to blind the evil eye which blights it. This company is in deep quality trouble and, for want of knowing anything more sensible than primitive magic to resolve its problems, it is sliding deeper into it. This is where the wasted two billion pounds comes from.

It is estimated (1982) that the British manufacturing industry wastes more than two billion pounds a year due to ineffective or non-existent quality control. Figures for India will be of similar order.

Can any country or corporation at any level afford the indifference to quality? Many still think they can. Quality, in essence, means **caring for the ultimate customer** who alone can care for the survival and growth of a corporation. Your Editor and his associates have been doing companywide education programmes on **CARING FOR THE CUSTOMER** for a number of years. The response is good from every section of the employees. Logic? People's pride is intimately connected with the quality image of their employing organisation. Total quality control is a perpetual motivator.

3146 RULES FOR STIFLING INNOVATION: We found this hanging on a Chief Executive's wall:

1. Regard any new idea from below with suspicion - because it's new, and because it's from below.
2. Insist that people who need your approval to act first go through several other levels of management to get their signatures.
3. Ask departments or individuals to challenge and criticise each other's proposals (That saves you the job of deciding; you just pick the survivor).
4. Express your criticisms freely, and withhold your praise. (That keeps people on their toes). Let them know they can be fired at any time.
5. Treat identification of problems as signs of failure, to discourage people from letting you know when something in their area isn't working.
6. Control everything carefully. Make sure people count anything that can be counted, frequently.
7. Make decisions to reorganise or change policies in secret, and spring them on people unexpectedly. (That also keeps people on their toes).
8. Make sure that requests for information are fully justified, and make sure that it is not given out to managers freely. (You don't want data to fall into the wrong hands).
9. Assign to lower level managers, in the name of delegation and participation, responsibility for figuring out how to cut back, lay off, move people around, or otherwise implement threatening decisions you have made. And get them to do it quickly.
10. And above all, never forget that you, the higher-ups, already know everything important about this business.

3147 LAUGHING MATTER?

After a wonderful campaign speech, Adlai Stevenson was approached by a woman who exclaimed, "You'll get the vote of every thinking person in America!"

"That's not enough," replied Stevenson.
"I need a majority."



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