

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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IN THIS ISSUE

- 3481 TAYLOR'S TEN TIPS
- 3482 GETTING MORE OUT OF TRAVEL TIME
- 3483 DOING BUSINESS WITH CHINA
- 3484 WHAT IS NEW IN ADVERTISING
- 3485 R&D: HOW THEY DO IT IN GE

3481 TAYLOR'S TEN TIPS:

"Tyrannize" or get tyrannized: That seems to be the rule in the real world of corporate performance. Managements pay for errors of omission and commission. To reduce them, if not avoid them, Daniel Taylor has attempted to formulate what he calls "Taylor's Tips for Tolerable Tyranny". He adds: While not meant to be an exhaustive treatise on the subject of managing people within a company, it should at least provide a place to dip one's tope in the organizational ocean."

1. Tell people when they're hired that they must work. That's right, work. You know, the action getting something done that is valuable. You must be clear about this, because many in this environment will feel imposed upon if actually asked to work after they are hired!
2. Tell people the workplace is not a therapy group. One of our problems is that too many psychologists are running companies. They have persuaded us rather subtly that the work environment should be an environment for self-actualization, empowerment and inner-child workshops. Personal problems and cats should be left at home near a litter box.
3. Tell people every task is sex neutral. Whether it's changing the toner cartridge, making coffee or answering a customer complaint, it's all part of getting the job done. If someone objects to making coffee, ask if they object to getting a cheque. Be fair, ask everyone to pitch in to do everything.

4. **Tell people if they are consistently late they will not have a job.** Punctuality is the behavior of kings. Being consistently late is about poor planning, rudeness and disrespect for the people forced to wait. Get a watch, learn to tell time or get lost. As long as we have alarms, morning talk shows and coffee that makes itself, there is no reason to be late.

5. **Tell people if you don't have growth and profits, they can't get raises.** At a point, everyone's compensation should be based on profitability. The only thing you have to give raises with are profits. Only the post office, military and the Vatican have built-in raises for showing up.

6. **Tell people they must be pleasant and polite.** You are not responsible for making someone happy or in a good mood. They are responsible. If they are confused with the meaning of polite, suggest the use of "please" and "thank you" as an interim step to their enrollment in a managers course.

7. **Tell people that life isn't fair.** The lawyers would remove capriciousness from the workplace entirely. Some things are arbitrary decisions because that's the way they are. Owners especially must reserve the right to be arbitrary because they have access to information that they do not have the luxury nor the time to justify in their decision making process.

8. **Tell people they can have as much responsibility as they are willing to accept accountability.** The entire country at times seems to be mired in an "I didn't do it" mentality. We want everyone to pay for our mistakes using as a justification the rationale that "if it goes right it is only me, but if it goes wrong it could only be thee."

9. **Tell people that there are certain philosophical principles you have based the company on.** After explaining to them what they are, if they aren't comfortable then they can leave. Whether you call them tenets, philosophy, values or morals is irrelevant. The goal is to provide a framework for acceptable behavior.

10. **Tell people to watch the Discovery Channel to understand your management philosophy.** About every six weeks there's a story about a pride of lions that's engaged in a project whereby they will eat a wildebeest for lunch. The lions work, think and act so that they can all eat together at the end of their day. It is important to notice which one of the wildebeest gets eaten: It is the slow, stupid, careless, "I'm part of the big herd and nothing is going to happen to me," wildebeest. While some analogy must be drawn by your employees, the points of competitiveness, alertness and awareness should be obvious to all but the slowest wildebeest in your company.

More and more executives and professionals have to do more and more travel. And most executive surveys show that few executives remain as productive as they are in the office, thanks to the inadequacies of airports, hotels and waiting rooms.

3482
GETTING
MORE OUT OF
TRAVEL TIME:

The average executive wastes more than 75% of his time during business travel - door to door. Experts say it's possible to cut these losses to 25% through imaginative use of technology and techniques.

The accompanying article from the *Investor's Business Daily* describes tools and techniques in the making to effect this travel time productivity. (Sooner than we expect, many of the tools mentioned here will be available to the keen executive in India).

Modern communications and data processing technologies already have become portable enough for all travelers to bring high-powered tools on their journeys.

The newest devices are called PDAs, or personal data assistants. About the size of a cigar-case, these devices combine electronic calendars, rolodexes, notepads, and calculators with micro-computer capabilities.

If you feel comfortable using one, you'll find you can cram a great deal of schedule, contact, financial, and descriptive information into it. The computer power will retrieve, manipulate, or communicate the information far more quickly than if it were stored on paper.

Cellular phones are another way to stay productive in remote locations. Many times, there are nearby pay phones or customer's desk phones you could utilize. But carrying a light weight cellular phone gives you more privacy.

Cellular technology also gives you the option of exchanging last-minute ideas or information with anyone who can get to a telephone. Also, you can converse while in the car, on the shuttle to and from the airport or the airplane, at a restaurant table, even as you walk between buildings or visit construction sites.

Pagers are a far simpler form of communications technology. Anyone who knows your pager's phone number can send you a message at any time. And with nationwide or satellite coverage, the same phone number reaches you anywhere.

Old-style pagers simply bring you a telephone number to call, but newer technology can carry a short printed message, or can alert you to pick up voice mail messages which can be lengthy and very detailed.

You don't need a pager to use voice mail, either. By giving people your voice mail telephone number, and calling in regularly for messages, you can maintain detailed conversations with colleagues, customers, and prospects (as well as family) from airliners, beaches, taxicabs or hotel rooms anywhere in the world.

If you carry a computer, you can use electronic-mail (commonly called 'email') much the same as you would voice mail, but via the printed instead of the spoken word.

Laptop computers have been around for a decade. But now they weigh less than six pounds and carry the processing punch of last year's desktops. Working with one allows you to read through reams of proposals, pro-formas, analyses, and other information on a computer screen simply by pushing a few buttons.

If you're so inclined, you can write the material instead of reading it, or modify early drafts that others have prepared for you. You can print your computerized information on any regular printer in any office, or if necessary carry a five pound full-page printer with you.

By adding a modem to the laptop computer, you can use almost any telephone you encounter to send and receive large computer files of up-to-the-minute information, or dozens of latebreaking memos and messages. If you install a fax-modem instead, you can also exchange pages of information between your computer and any fax machine in the world.

There are publicly available on-line database services that can feed your computer with demographic information, detailed reports on the companies that interest you, summaries or word by word listings of general or trade news reports on virtually any subject, current stock and commodity prices, and much more.

Such communications capabilities mean extended trips no longer need cut you off from developments at headquarters, nor cut headquarters off from developments in the places you're visiting. For example, you can head out to make a presentation before your staff has finished the report or proposal, and receive the final document in computerized form when you get to your destination.

In other cases, you can meet with a colleague or prospect anywhere in the world to develop some ideas for a new project, then send the notes, contract terms, or other information back home to staff who can start work on important items before you even check out of your hotel or get out to the airport.

With today's productivity-enhancing resources you can be in the midst of a trip when you suddenly get an idea, work it up into an outline or short narrative, send it to headquarters for development, get it back ready for presentation to a client or decisionmaker complete with beautiful graphics and heavy background detail, make the presentation, and see your idea put into action -- all before you ever return home.

Each country has its cultural and traditional preferences just as we in India have. When we know what to expect in a country, we are better equipped. Here is what to expect from a typical day in China, according to a well documented article in *Personal Selling Power*

**3483
DOING
BUSINESS
WITH
CHINA:**

* The workday begins around 8:15 - 8:30 a.m. Men wear a suit and tie; women wear appropriate business attire.

- * Travel by taxi to most appointments. Many use bicycles for personal transportation but chaotic traffic makes this hazardous.
- * You will call mostly on men, but women are in about 10 percent of senior advisory or management positions.
- * Use English on most business calls (it's the international business language) but Mandarin or Cantonese (in the southern part of China) on some. It's not necessary for foreigners to know the many Chinese regional dialects.
- * When taking taxis, get someone to write out directions to your destination in Chinese. Negotiate the fare before you leave. If your prospect's office is off the beaten path, or if your call is late in the day, pay extra to have the taxi wait for you. On-call taxis take hours to arrive and you may have a long hike back to a main street to flag one down.
- * Expect to conduct business at your client's office, at your office and after hours on the golf course, over cocktails or at dinner. If you must conduct business at your office, send a car to call for your prospect or customer. However, if your customer prefers your office, sending a car is not necessary.
- * Appearances can be deceiving. Senior managers may show up at a trade show wearing overalls. One-on-one sales calls are not the norm. Expect to meet with two or more people. The Chinese are genuinely curious about your company and product line. They all want to learn more.
- * While meetings can begin with personal discussions about your experience in Asia, the Chinese are not prone to idle chitchat. Get right down to business.
- * Meals are important. They can include 12 courses. If you plan to meet through lunch, you will likely send out for (surprise!) Chinese. Evening meals are divided equally between Asian and continental cuisine.
- * Sales calls usually last from 30 to 45 minutes but, depending on the industry, can last up to several hours. Because of traffic, four calls a day - two in the morning and two in the afternoon - make a great day. Group your calls geographically.
- * Companies used to doing business with the West or Japan are fully automated with computers, faxes, albeit much older models than you are used to seeing. Not too many people carry portable phones or pagers but this is changing almost hourly.
- * Show your company is serious about staying in China by printing bilingual order forms. Shaking hands and thanking the customer for the order are normal. Bowing is not required unless your customer is Japanese.

* The business of business cards is serious. Take your customer's card in both hands, look at it carefully, remark on something you see. Offer your card first at the beginning of the meeting. If you will be in China for longer than one meeting, print bilingual business cards. If you smoke, offer a cigarette. If the meeting is at your office, offer tea or coffee immediately.

* Business hours end at 6:30 p.m. but days end around 10 or 11 p.m. with dinner and then time at a club. Understand your customer's normal routine. Customers may transport key personnel to and from work in a company bus or other scheduled transportation. Don't get caught at closing with two-thirds of your meeting hurrying out to catch their group ride home.

* Be patient, with yourself and the host country. Study before you go so you won't be caught with egg foo yung on your face.

Probing the consumer's psyche, says Marilyn Much in Investor's Business Daily (Los Angeles).

3484
WHAT IS NEW
IN ADVERT-
ISING:

For years, advertisement agencies and marketers have analyzed product and user imagery. These perceptions relate to the way consumers view the physical characteristics and benefits of a brand and the types of people associated with it.

Now, at least one Madison Avenue agency is psyching out consumer behavior even further. BBDO Worldwide Inc. has developed a research technique, dubbed Personal Drive Analysis, that quantitatively and empirically determines the psychological drives being consumers selection of certain brands.

"People are often attracted to brands because of the psychological reward," said Dr. Karen Olshan, executive vice president and director of research.

These "rewards" relate to inner drives like indulgence, ambition or individuality. By analyzing such motivations, BBDO researchers can determine how personal drive imagery varies among brands and where a brand's equity, or value, lies.

The agency's researchers came up with some interesting findings about consumers' purchasing habits as well as product imagery when they applied PDA to the athletic shoe market:

☐ Nike Inc. emerged as the brand with the most aspirational drive profile. It was deemed the product a person buys if motivated by such drives as status or winning.

☐ Reebok International Ltd.'s product is the choice of consumers looking for comfort and stability.

☐ L.A. Gear Inc.'s shoe is associated with sexiness and indulgence.

☒. Stride Rite Corp.'s Keds brand is linked to family and simplicity.

"It's not a coincidence that sales of L.A. Gear, with a personal drive profile so reflective of the 1980s, have been dropping precipitously, while Keds, which embodies some very 1990s imagery, has seen a surge in popularity and sales," said Olshan.

3485
R&D: HOW
THEY DO
IT IN GE:

May be, one reason that organizations spend so little on R&D efforts is that we are still feeling our way in making R&D effective. Some corporations have made this a fine art. GE is one of them. Martin Dickson tells this story in Financial Times (London):

EILL LORENSEN takes a scalpel, cuts into the face of the deformed teenage girl, peels away the skin around her eyes to reveal bone, and quickly proceeds to re-align her features so that her eyes no longer protrude abnormally from her skull.

The scalpel is only electronic, and the three-dimensional face is merely portrayed on a television monitor in the computer graphics laboratory at General Electric's corporate research and development centre in Schenectady, New York.

But the techniques Lorensen is demonstrating were used in just such an operation by cranial facial surgeons in a Boston hospital who have been experimenting with new GE equipment, hot off the laboratory bench, designed to help very long and complex medical procedures.

Advanced GE body scanning equipment, combined with the laboratory's computer graphics techniques, allows surgeons to construct three-dimensional images of patients and then simulate the cuts needed to perform successful operations on them.

This is just one small example of the way in which GE, one of the largest and most diversified companies in the US, is addressing two fundamental issues facing businesses with large R&D staffs:

* How do you make your scientists, who may be happier advancing pure human knowledge, perform work which is relevant to the company's business, boosting the bottom line?

* And, in the case of a diversified business like GE, how do you get laboratories in different scientific disciplines to co-operate, making the product as a whole more valuable than the sum of its parts?

Lorensen's work involves close co-operation between the graphics laboratory and GE's applied physics lab, which has responsibility for maintaining the company's lead in medical diagnostic imaging, gained through its development of computed tomography and magnetic resonance scanners.

His job also involves working hand-in-hand with GE Medical Systems, the division which sells the imaging equipment, and the hospitals which buy them, like the one in Boston.

The Schenectady centre, one of the largest and most influential R&D bases in corporate America, dates back to the start of the century and employs just over 1,000 scientists and technicians. Its long list of successes includes the invention of the modern medical X-Ray tube, the first method of manufacturing industrial diamonds and development of the world's leading computed tomography scanner.

GE's operating divisions also have their own large R&D facilities, but about 30 per cent of all the group's patents and some 50 per cent of its technical papers are generated at Schenectady.

Its broad sweep of current R&D includes: a computerised design tool that runs other computerised design programs to find the optimal solution to problems; the application of fuzzy logic, or smart controls, to consumer electrical goods; and the use of computer-based analysis to reduce risk in GE's large financial services business.

However, the centre has gone through a big shift of emphasis in recent years. Walter Berninger, who heads the engineering physics research centre, says that 20 years ago there was far more of a focus on pure research. About 10 years ago came a demand for greater relevance to GE's operating businesses, while the emphasis now is on both relevance and importance - with the latter measured in terms of profits.

Much of the shift is due to Walter Robb, who has headed the centre since 1986 and before that spent 13 years as head of one of GE's business success stories - the medical systems division which is now the world's leading producer of diagnostic imaging equipment.

Robb has made two important structural changes. The first is in the way the centre is funded. Under the old system, GE's various operating businesses paid Schenectady a fixed annual assessment, or tithe, based on the size of the business. This money went into a central pool and it was up to the centre to decide how to spend the sum.

The system was frustrating for both sides. The businesses saw no connection between what they had paid and what the laboratories did, while the centre often complained of businesses sitting on commercially applicable patents it had developed. Robb sharply cut the tithe paid by the businesses and now applies this smaller pool to fund more high risk, so-called "exploratory" research which may or may not find a practical application one day.

(to be continued in the next issue.)

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