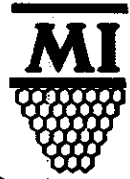


Management Ideas



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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3573 MANAGING FOR EXCELLENCE:

Managing For Effective Managerial Communications:The inputs to human behaviour arise from Perception of Expectations made on individuals, by each individual in the organisation. Behavioural decisions come to be made on the basis of past experience and accumulated knowledge, by superimposing one's perceptions of the moment. Perceptions and decisions eventually lead to applicative actions as reflected in one's overt behaviour. Managing for excellence calls for influencing human behavioural actions through enhancing the fidelity of perceptions with expectations; enlarging the perceptual horizon; and enabling the making of timely decisions to serve as a basis for one's own actions; and the decisions and actions of others in one's circle of interest and influence.

Communications are the means of influencing the human behavioural operations of Perception of Expectations, Decision Making and overt Applicative actions, with due regard to the fact that human perceptions are uniquely personal in nature, and the decisions one makes will always have a preferred-choice orientation towards personally intended actions.

It is in the ongoing practice of HRM alone that managers can cause such influence. The WPR style of managing the human resource is in full support of this practice.

In the context of productive human organisations, people at work crave for becoming aware of the expectations made on them in terms of the quality, output, economy and efficiency parameters of their performance; being provided with the organisation & resources to perform as expected; coming to know periodically where they stand in the eyes of those who matter in the organisation; guidance when they are stuck with problems overwhelming their present level of performing competence; and assurance that they will be rewarded in accordance with the contributions they feel they make in relation to those of others. Meeting each one of these hankerings is a distinct communication situation, within each manager's HRM domain. The WPR style of managing the human resource is again a reflection of this demand on the HRM capabilities of each manager.

The Fluid Matrix in the human body is the most apt analogy for the kind of Managing Information System (MIS) one should aim at while managing for excellence. The fluids within the physiological body are extremely unstable and yet most productive in the unceasing visceral processes of the different specialised organs & functions, through providing the life sustaining nutrients and also concurrently removing the organic process wastes out of each cell within the human body. Likewise, it is for each manager to think through the communications he needs to receive from and also send to all relevant others, in the processes of influencing the productive behaviour of people in the human organisation. Each Manager has to direct one's personal attention to the imperatives of such an MIS.

Managing For Productivity: Higher Productivity is the solvent of all chronic economic development issues in modern economic societies. Effecting improvements in the productivity of the resources committed to productive efforts has been an ongoing concern of all managers, at all times. Productivity of labour has received the primary attention, followed by the productivity of capital, in most industrially advanced countries. Concern for the Productivity of Management has been of recent origin. And the most recent resource whose productivity has become a concern of major interest has been Information.

In their anxiety to catch up quickly with the developed countries, the newly developing nations are also addressing themselves to the issues of raising resource productivity. This interest has been all the more heightened by the fact of the scarcity of readily available & usable resources in these nations. India has been no exception to this managerial concern. Technological & managerial capabilities have been

the twin hallmarks of modern economic societies in the latter half of twentieth century. Available physical resources are being productively exploited with developed managing and technological capabilities, and trading of resources one for the others when faced with chronic issues of scarcity of given resources.

The one latent and potent resource in India is the human resource. It stands to reason that one can generously apply this resource in getting optimal levels of productivity in all other scarce resources.

And yet, two major trends seem to be working against the cause of genuine efforts at raising Indian national productivity. The first of these has been the substitution of labour by capital through the adoption of the Capital Intensive Approach (CIA) for raising the productivity level. The second approach has been harping on labour productivity as the main route to raising the productivity levels of all other resources. The conflict among the proponents and opponents of CIA & LIA (Labour Intensive Approach) have been endemic and unresolvable in the Indian context. None has apparently seen the virtues of the Managing Intensive Approach (MIA) in resolving this conflict. In the Indian context, one is on the wrong track by focusing on labour productivity since it forms a relatively low proportion of the value of production, and hence it is a non-issue. MIA can be the only viable route to raising the productivity of all resources including capital, information and the hands-on capabilities of managing the human resource, to which each Manager has to address oneself.

3574

**EXECUTIVE
STRATEGIES:**

Co-author of "21st Century Leadership", Larry Senn, interviewed 100 business leaders like Microsoft's Bill Gates and GE's Jack Welch on managing the rest of the 90's. Here are some of his findings:

BUNKER MENTALITY: Companies must become more productive to survive. That means massive restructuring and, yes, the loss of millions of jobs that won't come back.

If companies don't change and adapt, we'll lose even more jobs. Paternalistic companies that take care of people and keep them on the payroll aren't doing anybody a favor.

Sears and IBM are laying off more massively now than they would have if they had started doing so more selectively years ago.

A bunker mentality won't work, not for the company and not for the people let go. Organizations have to address the fear out there. Their message should be: We'll keep our best people and provide all the outplacement services we can for those let go.

Companies must also communicate to their employees that a leaner and more productive company won't have to lay off any more

people and can start to grow. They must then detail their vision of the future, create healthy values and field a winning team.

OLD VERSUS NEW CONTRACT: The old contract - which said, "I'm your boss, so do what I say and follow these rules and I will make sure you have a job" - doesn't exist any more.

Today all an employer can say is: "I will help you grow as a manager and as a person. You'll be productive, valued and respected. You'll become more skilled and develop your potential. I can't guarantee what's going to happen next year or next month, but you will be more employable."

JAWS III: Most of the middle management jobs that deal with paperwork and administration are no longer needed. We all have access to information.

In the retail trade, for example, top management wants managers out on the floor selling, coaching and training people who do sell. The most effective people will be those who can become the kind of coaches who call the plays part of the time but also produce.

All companies face new competition. AT&T is challenging Nynex in New York in the cellular field. Utilities can build lines toward another's territory, demand access to its power supply and sell to its customers. Banks sell insurance.

I call this new competitive environment Jaws III. It is not safe in the water.

That's why the old ways don't work. You don't have time to go up and down the hierarchical ladder if you need input from another department. Today you cut across organizational lines and say, "We need this person and that one and a third to come together tomorrow morning to solve this problem for our customer. We don't give a damn who reports to whom because they are the body of knowledge we need."

If you know something about my customer, you have to get it into the network. Hierarchies just get in the way of answers.

Ways of improving things can be found in most organizations, but they never see the light of day because bosses say "deciding is my job," and employees give up on offering their ideas because nobody gives a damn.

VICTIM SYNDROME: The greatest malady in American business today is the victim syndrome. Too many middle managers spend time worrying about what might happen to them and how ticked off they are. Yet all this moaning and groaning only makes them less effective.

The greatest physical oppressor of man is gravity, which pushes down with a force of 13.7 pounds per square inch. It makes your face sag and puts bags under your eyes. People don't complain about gravity -- just about gravity issues they can't change.

It's time managers stopped complaining, and moved on to things they can change. Increase your skills. Make yourself more valuable and productive. Create break-through ideas. Be accountable. Stop badmouthing your company. It doesn't do any good not to like things as they are.

If all you have are infighting, politics, resentment or covering your behind, nothing happens. Leaders create healthy environments in which people work together.

Source: Plain Dealer

**3575
EMPLOYEE
EXERCISE
PROGRAMS:**

The Centers for Disease Control and Prevention, in a report published today, estimates that 56% of men and 61% of women in the U.S. never, or rarely exercise. That inactivity results in \$5.7 billion a year spent on treatment of heart disease.

To counter that trend, the agency is urging companies to provide exercise classes and the like for their workers, noting that the programs can result in significant savings.

The CDC points to Canadian Life Assurance Co. in Toronto, which offers its 1,200 employees exercise classes several times a week, an onsite gym and exercise equipment. For each worker, Canadian Life saved \$679 in insurance claims every year, compared with a similar company that had no exercise program, according to the CDC. In all, Canadian Life saw a return of \$6.85 for each dollar invested in the exercise program.

According to the study, 30 minutes of moderate exercise—anything from walking to yardwork - five times a week will sharply lower the risk of heart disease.

Source: From: Wall street Journal

**3576
PAY
PRACTICES
IN
AUSTRALIA:**

Winds of change are blowing almost with a vengeance, thanks to the liberalisation policy. It is well to know what is happening in various parts of the world.

THERE have been significant advances in pay and benefit practices by management, CCH Australia Ltd research shows.

In a survey of 2060 public and private organisations, CCH found 75 per cent of managers viewed remuneration and benefits strategically rather than as "a cost to be minimised or a perpetually problematic element of the human resource function."

It says: "This report provides evidence of significant advances in remuneration and benefit practices. But given the parlous state of our national productivity and the performance of many of our organisations, much remains to be improved."

Changes during the past two years include:

Remuneration levels are now more closely related to formal appraisal of individual performance levels.

There has been an increase in the proportion of total remuneration related directly to performance.

There has been an increase in the implementation of enterprise agreements.

More employees receive incentives and bonus payments based on performance assessments.

Remuneration levels are now more closely related to organisational performance.

There is greater use of non-financial rewards - recognition through praise.

Line managers and supervisors are given greater direction in determining pay and incentives.

The survey has found 51 per cent of organisations are expanding their activities but only 20 per cent are expanding their workforces.

"In Australian organisations, managers are continuing to seek increased outputs with smaller workforces," it says.

"Properly designed and implemented remuneration and benefits practices have considerable potential to attract and retain employees and influence their individual and collective behaviour in the attainment of the firm's objectives.

"While there is some evidence ... of advances in the effectiveness of remuneration and benefits practices, there is still considerable potential for managers to use these programs with better effect."

Greater attention is being paid to the evaluation and recognition of continuous improvements in work methods and systems. However, remuneration practice can be improved by:

More effective communication, particularly of the link between rewards and performance.

Widening the use of policy and practice reviews with an emphasis on the effectiveness of programs.

Greater performance evaluation of award and nonaward staff.

Enhancing relevant skills among managers and supervisors.

Increasing the effectiveness of the organisation's job evaluation system.

The survey says private sector organisations tended to place more emphasis on strengthening the link between individual performance appraisals and reward allocations.

Source: From Weekend Australia

**3577
MEDICAL
HELP
WHILE
ABROAD:**

May be an enterprising agency will get an office going in India too.

A bank of upto-date, professionally researched, health-risk data has been established to inform and protect travellers, no matter where they go.

The International Association for Medical Assistance to Travellers is worldwide network of doctors and medical institutions that share their knowledge and experience of diseases and treatment.

IAMAT membership is open to everyone and provides:

- * A world immunization chart, showing the protection required by various government and the much larger list of medically recommended protection.
- * A world malaria risk chart and protection guide.
- * A world chart of schistosomiasis, a debilitating, snail-borne disease, showing where it is found and how to avoid it.
- * A clinical record that you and your doctor complete before travelling, to provide help to a foreign doctor called upon to treat you.
- * A directory of physicians in 125 countries, whose professional qualifications have been reviewed against IAMAT standards. All have been medically trained in either Europe or North America and all speak English, while some also speak French.

These doctors have agreed to be available to travellers and to make house or hotel calls. They have accepted a fee schedule, currently \$45 (U.S.) for an office visit, \$55 for a house or hotel call and \$65 if it's a night call.

Best of all, IAMAT's services are free. However, IAMAT members are encouraged to make a voluntary, tax-deductible contribution.

Those who donate \$25 or more receive a set of 24 world climate charts that cover each area's weather conditions throughout the year. The charts also include clothing recommendations, information on water safety in 1,440 cities, along with safe foods and any precautions required.

IAMAT was founded in 1960 by the late Dr. Vincenzo Marcolongo, who had come to Canada from his native Italy in 1950. After becoming familiar with North American medical practices, he returned to Rome to work with the Second Vatican Council.

While in Italy, his international knowledge of medicine allowed him to save the life of a prominent visiting Canadian, who had taken a locally prescribed painkiller. The drug, commonly used in Europe, is fatal to some people of Anglo-Saxon descent.

This incident, along with the advent of cheap air travel and Dr. Marcolongo's conviction that world peace depends on international understanding, enhanced by travel, resulted in IAMAT.

Remarkably, the organization is largely unknown and its services little used. With a tiny budget of donated funds, it cannot do much advertising and travel agents have not shown interest in helping publicize it.

IAMAT has offices in Canada, United States, Australia and Switzerland. Yet, the total staff is only 15, five of whom are volunteers.

Working with the World Health Organization, IAMAT has an international board of volunteer directors and an advisory board of physicians from different countries.

IAMAT's head office is at 40 Regal Road, Guelph, Ont., N1K 1B5, (519)836-0102. There is also a Toronto office at 1287 St. Clair Ave. W., Toronto, Ont., M6E 1B8, (416) 652-0137.

Source: From Globe & Mail



3578
LAUGHING
MATTER?

We hope 1995 was good for you

We wish you a peaceful, prosperous 1996

Editorial Staff, MANAGEMENT IDEAS

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