

Management Ideas



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a monthly newsletter to key executive-leaders
on practices, possibilities and ideas generally
for stepped up performance

edited by

N. H. ATTHREYA MA PhD

author, educator & consultant

on problem-solving and creative ideas

IN THIS ISSUE

- 3616 GREAT BOOKS
- 3617 HASSLE FREE TRAVEL
- 3618 A STRATEGY FOR CHANGE
- 3619 A COMMUNICATION AUDIT
- 3620 WORKING FOR MNCs
- 3621 LAUGHING MATTER?

3616 GREAT BOOKS: *DEMOCRATIC ADMINISTRATION IN THE LIGHT OF PRACTICAL VEDANTA* by Swami Ranganathananda (Sri Ramakrishna Math Madras): Perennial philosophy and wisdom is often the theme of Swami Ranganathananda's talks; and occasionally with reference to administration, management and leadership. His presentation on such occasions makes this welcome book. Though the immediate audience has been public officials, the message applies to everyone in a position of power and responsibility, however big or small. The author speaks movingly of dynamic concepts like enlightened citizenship, impersonal loyalty, imaginative sympathy and spiritual growth in a corporate context. The book will make a wholesome gift to EVERY business and government executive we know of. We commend your distributing the books liberally. You'll thereby be spreading a nation-building message. (Copies can also be had from Select Books 3E1 Court Chambers, 35 New Marine Lines, Mumbai 400 020).

Two extracts follow.

What is Freedom?: When we were fighting for freedom we used to describe British Administration as 'wooden bureaucracy'. Now if you compare that to this, I should say, this is much worse, it is iron, not even wood: impenetrable. It ought to be completely different

today because we belong to this country. Very few people have the feeling. 'I belong to this country. These are my people. I am here to serve them. I am here to respond to their difficulties'. What is the reason for it? That sense of freedom has not come to us in the inside. Outside, it has come. The British left, I am free, but it does not make me automatically free. Freedom is a mental attitude. That has to come to the majority of the people of this country--a mental attitude. I am free, I am free. What I do, I do freely. I am not a slave. In one area of life, you can see the truth of this statement. A free people will work according to the demands on them. This is the work I am to do. A free people will certainly do it. But if I am not free, I will try to hedge about it, trying to cheat the particular situation. So we need somebody to supervise. But a free people do not need anybody to supervise the work. There is a sense of worth, dignity, self-respect in such free people. A Japanese girl working in a house needs nobody to supervise her. She has got a sense of self-respect, a dignity--'I am paid, I do my work.' We have not developed that attitude in this country. If I am a free person inwardly, a work is given and I will do it to the best of my ability. I will discharge my responsibility. This is my honour, my self-respect, my dignity. There you have got the real spirit of freedom. If millions and millions of our people realise that quality of freedom, then there will be no problems here. But it has not come. We are not free inwardly.

Centuries of slavery seem to have gone into the blood of our people. I often say there is a slave element in our blood--Red Cell, White Cell, Slave Cell. It is still there. We are not free because if you are free, one lesson is, whatever work I do, I do it as my obligation to society. Nobody need stand watching what I am doing. The second quality of freedom is self-discipline. A slave needs external discipline. But a free man has his own discipline. Swami Vivekananda used to admire the British character. He saw how they know how to obey with self-respect, they know how to command without destroying the self-respect of the commanded person. A free man knows how to command. He also knows how to obey. He won't lose his freedom thereby. We have not achieved that quality in India yet. When we start obeying, we convert it into cringing. When we start commanding, we destroy the self-respect of the commanded person. That shows we are not free.

Throughout India, you will find that this inward freedom we are yet to capture.

Work Enrichment: As mere employees, your status is small, and terminable on retirement; but as citizens of our democratic state, who have chosen to function as clerks, peons, or officers, you rise immensely in your human dignity and worth, and your work also rises correspondingly in dignity and worth. Your being flows into your function and enriches it. As citizens, you have chosen to serve your state in various capacities, and in various fields of activity, giving orders or receiving orders. That free and responsible citizenship of free India is your primary being or personality, and the work you do is the expression of that primary being in a particular function; it is this fundamental citizenship awareness--your very inalienable being--that enriches all your functioning, which, then, ceases to be the humdrum, half-hearted work of a mere functionary or employee, but the responsible, dedicated service to the nation, of one of its proud citizens. That is the glory of grhastha as citizen. You will achieve true work satisfaction only when this citizenship awareness flows through your work. When that happens, all small work becomes big; and when that does not happen, when you identify yourself only with your function, when your attitude is only that of a paid employee, you become small, and your work, even if it be big work, also correspondingly becomes small. For the truth about man and his work is that truly big men make even small work big, whereas small men make truly big work small. As a citizen sitting on the chair of authority--as a peon, or clerk, or officer--and performing one's respective functions, you impart your basic and inalienable dignity and worth to your temporary chair; but as a mere functionary or employee, it is the chair that imparts to you a temporary and alienable dignity and power.

All free people understand this truth and live by it, that man, the subject, is the focus of all dignity, and not things and objects, and that it is man that imparts dignity and worth to all objects and things. It is this revolutionary attitudinal change that must come to all workers and employees all over India today; the first revolution gave us political freedom and raised our dignity, externally; and this second revolution will raise our dignity, internally and integrally as

well, so as to make that freedom meaningful and fruitful to all our people. As I often love to express it: Do a peon's work or a clerk's work, or an officer's work, not with a peon's mind, or a clerk's mind, or an officer's mind, but with a free citizen's mind.

3617 HASSLE FREE TRAVEL: *Travel has many dimensions. Education is one. Hassle is another. How to have less of hassles? We learn for ourselves. Some learn for others. Mark McCormack is one of them. He has written a book, **What They Don't Teach you at Harvard Business School About Executive Travel.** The following are sample tips from the book:*

- [] One of the smartest tipping techniques in the world is to tip the telephone operators in hotels. They won't "find" you if you don't want to be found. You can explain stuff to them and they will kill themselves for you.
- [] Travel with the most unassuming luggage you can tolerate. The uglier the better. I can assure you that baggage handlers do not have Louis Vuitton luggage any more gently than they do the flimsiest cardboard suitcase belonging to the person holding the cheapest ticket in coach.
- [] Sometimes the best alternate airport is the railway depot. It's not always how fast you get there, but what shape you're in when you arrive.
- [] You should audition a travel agent like a doctor before surgery. Good travel agents are part tightwad, and they know how to navigate the maze of fares to get you the best possible flight at the best possible rate.
- [] Use a no-limit credit card to check in at your hotel, even if it's not the card you will eventually use to pay your bill. If you check in with any card that has a credit line, the hotel blocks or reserves a healthy chunk of credit for your bill to protect itself against absconding guests. Using a cap-free card could avoid an embarrassing surprise when the card is refused at a restaurant because the hotel has reserved a chunk of your money.
- [] Bring your own battery-powered alarm clock, set it yourself and place it across the room, not next to the bed.
- [] In a potentially time-wasting situation, don't get angry, get creative.
- [] Expect the unexpected and plan for it in advance.
- [] **Never have a business lunch with someone you've never met.**
- [] Important lunches should be one-on-one.
- [] Dinner is for bonding, not making deals.

3618 A STRATEGY FOR CHANGE: *World over, the need to change rapidly and effectively, to stay competitive, is accepted. Only many fall for quick-fix nostrums and business-babble fad. A survey of 50 large companies, active in change management, brought out those findings.*

- * The pace of change in the '90s is often overwhelming, and is driven by factors such as rapid technological advances, heightened customer demands and intense competitive pressures.
- * Companies typically respond by either downsizing or looking for a quick fix -- or sometimes by doing both.
- * With few exceptions, respondents said the change process didn't live up to advance billing -- that they didn't see expected results in improved attitudes or higher productivity.
- * Middle managers who remained after downsizing said a lack of follow-through and serious commitment by top executives often crippled the change process.
- * Rank and file often experienced a "chronology of disillusionment" characterized by early skepticism, then guarded approval, and finally severe disappointment when top management's actions seemed inconsistent with early expectations.
- * Many managers don't perform well in a "flattened" structure, even if they believe in it, because they have little chance to develop the necessary team-building skills.
- * Many companies seemed caught up in the tactics of a particular change strategy and lost sight of the goals.
- * Top executives often started out with good intentions, but lost focus because they didn't understand how much they would have to become personally involved to make change work.
- * The term "re-engineering" is regarded quite negatively as a roundabout way to say "layoffs."

The lessons to be drawn are that successful change must start with and be carried through by top management; and that no change strategy is a substitute for good old-fashioned strong leadership.

"Our respondents told us that canned processes, no matter how earnest or well conceived, do not produce the kind of lasting cultural change American companies need. The only process that does is one that nurtures leadership from within," the study's executive summary notes.

If all this seems obvious, than it's apparent the obvious bears repeating. Impose whatever hot theory or tactic du jour you will, it's still the company's leadership, vision and principles that must drive the process. Ultimately, companies are like people--real change comes from within.

Source:Donald R. Nelson: Puget Sound Business Journal.

3619 A COMMUNICATION AUDIT: *Thanks to ways in government, the word 'audit' and therefore the practice of audit is accepted on a sufferance basis.*

In fact, the practice of audit - not only financial audit - in any area of activity, for example, office or plant safety, can help the organization both on a preventive and corrective basis.

The accompanying piece on 'Communication Audit' is from a recent issue of Business First Of Buffalo. With modest assistance from a specialist, companies can organize a self audit exercise on communication.

When an accountant audits the books of a large organization, he or she determines its financial health by computing the ratio of cash resources and reserves to cash flow. Generally, the higher this ratio, the greater are the chances for financial health of the organization.

Such periodic audits help organizations select their investments, determine future markets for their goods or services, and plan their growth. In short, forecasts developed from these audits help organizations prevent crises, and thereby also ensure their survival.

When a doctor gives a patient a physical examination, the physician assesses the patient's health by comparing his or her vital signs with the norms for healthy people of the same age and sex. Repeating their examination regularly gives doctors and patients advance notice of developing ailments and may help forestall more serious conditions and lengthen the patient's lifespan.

Just as checkups by accountants and physicians provide clients with information necessary to maintain health, so too does a communication audit provide an organization with advance information that may prevent a major breakdown. Few people would deny the importance of

effective communication in maintaining a healthy organization, but until recently organizations have expended surprisingly little effort in the preventive maintenance that a regulation communication audit would offer.

Organizations that conduct a communication audit will derive valid information about their communication systems. With this information, they will become aware of current behaviors and practices and also the likelihood of future successes and failure. They can take the initiative in planning for their future rather than defensively reacting to communication crises. Valid information gives an organization the freedom to choose from alternatives which path it wants to follow as it grows and develops. By replacing guesswork with accurate data an organization can recognize potential problems. Audit data can be used in the following ways:

- # To compare the premeasurement and postmeasurement status of the organization's communication system and determine the impact of new communication programs.
- # To compare presurvey and postsurvey data to determine the impact of organizational innovations (restructuring addition of a computer, new organization's development programs).
- # To identify the current organizational structure as an aid to successful reorganization.
- # To identify key communications groupings prior to restructuring - especially important for large transnational corporations that make overseas assignments.
- # To identify major communication costs (telephone calls, meetings, postage, air travel) involved in expansion in other states or countries.
- # To develop new communication training programs geared to solve organizational problems identified by the audit.

Organizations with access to data from a communication audit will be able to answer many of the following questions:

- * What environmental factors affect the organization's communication system?
- * What structural factors affect the organization's communication system?
- * What is the impact of stress and fear upon the effectiveness of communication activities in the organization?
- * What is the relationship between mechanization and communication activity?

- * How can computers be used better to simulate organizational communication problems and activities?
- * What nonverbal communication variables exist within the organization?
- * What is the effect of change on communicative interaction and behavior?
- * How can formal and informal communication patterns be identified and standardized?
- * What is the effect of isolation on such variables as organizational interaction? morale? productivity?
- * What are the most effective communication media under specific conditions?
- * What are the communication preferences of individuals concerning superiors? Subordinates? Peers?
- * What is the relationship between the levels of the organization and the amount of information received at these levels?
- * What is the effect of timing (opportune or inopportune) of communication of important events on morale and productivity?
- * What is the effect of intergroup relationships on the decision-making process in the organization?
- * What is the effect of changing values and value systems upon the communication system of the organization?
- * What standards or norms should be developed to assess the effectiveness of the organizational communication system?
- * What is the cost in time and money expended to process efficiency of information sources?

These and many other questions can be answered by a communication audit. The key to a successful organization, however, is not to wait until the patient is sick to diagnose the symptoms. An audit should be conducted annually as part of any organization's preventative commitment to its own health and long-term stability.

3620 WORKING FOR MNCs: *Increasing number of Indian managers are eagerly joining foreign based companies that would do business in the Indian market. Something similar happens elsewhere too. May be we can learn from experiences elsewhere. The following is an extract from a Wall street Journal Article.*

In foreign-based companies, career success often hinges on a keen understanding of the differences in culture and management style. In any guide to handling these differences, generalizations must be made,

even though foreign companies and cultures also vary greatly from each other. Having said that, let's get to the generalizations.

There are advantages to working for foreign employers, including job security. While times are changing, the Japanese still try to build loyalty with job security. The Germans, says Dwight Foster of Foster Partners, an executive-search firm that does business with foreign based firms, "go through agony when they have to let someone go."

Many foreign managements also seem more willing to take a longterm view than their American counterparts, who often make decisions based on quarterly performance. I typically don't receive a phone call at the end of the quarter to discuss results, says George Gelfer, president of the U.S. unit of Franco-typ-Postalia, a German postal equipment maker. "You don't need to remake the world in 120 days," he adds.

Or, as John Bollock, vice president of human resources for Canon USA, puts it: "Americans view things in minutes; the Japanese think in centuries." What are the disadvantages of working for foreign managements? Top corporate management posts may be beyond your grasp. "There are very few Americans who work for Hitachi in Japan and usually at very low levels," says Bill Gsand, executive vice president, Hitachi America, and group president for converging technologies.

ALSO, THE STRICT devotion of foreign firms to carefully planning strategy and building consensus before acting may seem a bit slow for action-oriented American managers. "The John Wayne management approach ready, shoot, aim doesn't work here," Mr. Bollock of Canon says. "The people who are not successful don't understand that they've got to involve others."

Another problem for some Americans: Career paths are often ill-defined and slow moving. The Japanese, in particular, like to hire people and expose them to all departments early in their career. True career advancement might not come for years. That's great training for budding senior general managers, but not so great for those who want to specialize. What kind of people do well in this environment? Patient people, obviously. Also, foreign employers are "very concerned

with personal integrity, reliability and the ability to fit into the organization," Mr. Foster says. So just producing good results won't necessarily keep you in good standing. Be particularly careful about showing up early, meeting commitments and being a dependable team player.

Stamina can also be a valuable asset. Besides the long hours most Japanese executives put in, managers visiting Japan must get used to frequent nights spent socializing into the wee hours. "I was surprised at how much does goes on after hours," says David Westberry, an executive recruiter for Lamalie Amrop who has several Japanese clients. Mr. Westberry visited Japan last year and came back weary. But the formal Japanese get more informal after hours, and that helps. "You can get to know people and that's a necessity," he says, "because so much of business there is based on relationships."

Bonus tip, from the book, "How to Work for a Japanese Boss," by Jina Bacarr: Never sing your boss's favorite song at the karaoke bar.

3621 LAUGHING MATTER?



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