Management Ideas

FOR STILL BETTER
RESULTS
RELATIONS
REPUTATION
RENEWAL

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 management leadership

Published by: MMC School of Management III fl. Court Chambers, Mumbai 400 020.
Ph: 200 7911/200 0446 Fax: 200 0446 / 208 0404

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3789 FROM THE EDITOR'S DIARY

A Library in the Making

The Institute of Counseling and Transactional Analysis (Cochin) was set up in 1973. Thanks to the sustained and resourceful efforts of the founder Fr. George Kandathil, and his equally dedicated colleagues, the Institute is now recognised internationally as a centre for research and education.

One of their world class programmes is the 5 weeks PEACE programme. The 87th such programme commences on 6 September. The programme and the work generally combines science and spirituality.

In this Silver Jubilee Year, the Institute has a library related project. Should you feel like donating books (year of publication is immaterial) on any aspect of holistic well-being - psychology, spirituality or other - you are welcome to send them to the Director, ICTA Shantigram, Changapuzha Nagar P.O. Kochi 682 033

Recommended Reading

One of the living masters in Spirituality and Social action we have in India is Smt. Vimala Thakar.

She has a following from all over the world.

In the dialogues she holds from time to time, every word has significance. Fortunately for us, some have taken the trouble of recording a few of her talks and they are available in print. For the seekers of Truth, every publication is rewarding reading. Her style of clarity, precision and practicality fascinates me.

Following are some of the titles

Vimalaji on Intensive Self Education (45); Vimalaji and her Perspectives of Life (25); Meditation in Daily Life (25); Through Silence to Meditation (25); What is Meditation? (25); Meditation a Way of Life (30); Living a Truly Religious Life (75); Ego (30); Art of Dying While Living (75); Glimpses of Raja Yoga (75); Yoga Beyond Meditation (100) (Prices have been indicated in brackets)

Copies can be had from Select Books, 3E1, Court Chambers, New Marine Lines Bombay 400 020. Prices as indicated **plus** registered postage of Rs 12 per book. No VPP please.

3790 TIME TO DOWNSIZE BUZZSPEAK?

Keeping up with the rest of the world, we are also fast becoming victims of buzzspeak. The accompanying item gives a timely warning.

Memo to Associates

In benchmarking our company's performance against a peer group since our recent re-engineering, we realize that further rightsizing is in order to achieve the efficiencies needed to return to our core competencies. To ensure that this continues to be a high-performance workplace, we will begin outsourcing our human resources functions and convert other departments into cross-functional teams. A paradigm shift is necessary if we are to remain a learning organization in an era of discontinuous change. Our vision is that you empowered intrapreneurs, along with our fast-growing contingent work force, will think out of the box as we implement total quality processes. Our change management expert will contact you to explain our utilization of 360-degree feedback as part of our transformation to a pay-for-performance model.

- Yours in excellence, Chief Learning Officer I.M.Master.

Management mumbo-jumbo like this has become fodder for pundits from humorist Garrison Keillor to cartoonist Scott Adams, whose Dilbert is the fastest-growing strip in the land.

Spawning the patois proliferation is an unprecedented level of corporate turmoil. Fretful middle managers - desperately seeking to hold on to their own jobs - are displaying a voracious appetite for the quick fix. Academics and consultants happily oblige, churning out management tomes - and buzzwords - by the score.

Once the province of big-picture chief executives, "management by bestseller" has filtered down through the ranks. Any old functionary can pick up a hot book these days and turn his office into a buzzword farm. "Business bestsellers" - no longer an oxymoron - can rival top fiction titles in sales.

"People are throwing these buzzwords on the wall to see which one stick," said Charles B. Wendel, coauthor of "Business Buzzwords: Everything You Need to Know to Speak the Lingo of the '90s."

Given the endless quest for a successful business model, it doesn't take long for a mouthful like "imaginization" or "activity value analysis" to take on a life of its own.

Business-ese can have its strong points. For those in the know, buzzwords can be a handy way of distilling complex theories into a digestible dollop. And dramatic changes in the marketplace and the workplace certainly dictate the need for re-examining business practices and philosophies at countless corporations.

But beneath the ready acceptance - and the ridicule - lies a serious problem: the potential for buzzwords to become a surrogate for thinking, as misguided managers latch on to poorly understood concepts without puzzling out what ails their companies and tailoring an appropriate response.

Blind adherence to a management theory can backfire - damaging a company's reputation, harming its ability to compete and making managers the butt of jokes. Consider the accounting firm that barred the use of the term "cubicle" (too demeaning) in favor of "zone of value."

"When my so-called boss laid me off, he said, 'With the reorganization, your position is now surplus.' I was shocked. The rest of my reaction is unprintable."

Jenny G. former utility manager. Every industry has its jargon, but for sheer potential to affect the lives of workers in the trenches, no other lexicon can top the burgeoning lingo of business.

Ask anybody whose job has been sacrificed to the profit gods: · Does it feel better to be "downsized," or just plain fired?

What has been workers' response? A form of gallows humor, with cartoonist Adams as the chief buzzword executioner.

With demand soaring for his Dilbertian insights, Adams was able to quit his day job in the Bay Area as a mid-level manager for Pacific Bell. His daily strip and occasional books, such as this summer's "The Dilbert Principle" and the soon-to-be-published "Dog-bert's Top Secret Management Handbook," chronicle management gimmickry from the point of view of the lowly cubicle (or zone of value) grunt.

"The advantage of buzzwords, particularly acronyms, is that they're a more efficient way of communicating," Adam says. "Eventually, we will be very efficient at talking only to ourselves. All dating and procreation will stop."

He adds solemnly: "I think there is a dark side."

Scores of terms lurk within the "popular" management books that publishers gleefully turn out by the truckload. Many of them are quickly adopted into the nomenclature of managers, who use them as a shorthand way of expressing ideas that warrant pages of explanation in management textbooks.

The wave got rolling with Tom Peters and Robert Waterman's "In search of Excellence" in the early 1980s, which sought to pinpoint the secrets of high-performance companies. It surged with 1993's "Re-Engineering the Corporation," by Michael Hammer and James Champy, which spent 26 weeks on the bestseller lists and has sold nearly 2.5 million copies. Twenty years ago, a big title in the field might have sold 40,000 copies.

At their best, experts say, buzzwords create an efficient form of communication for members of the "management club."

At their worst, they can mask managers' inability to figure out what is wrong and fix it. Rather than elucidate, they often obfuscate. And they can serve as excuses for dispiriting, shortsighted strategies - such as the downsizing craze, which now has critics decrying "corporate anorexia" (a favorite term of consultants who, having encouraged companies to chop, now want to share with them ideas for "growing" their companies).

After Nynex, the big New York telephone company, cut thousands of jobs through early retirement - just as the telecommunications market was opening to greater competition - the resulting labor shortage so crippled service that regulators ordered the company to pay customers $50 million in rebates. Nynex ended up hiring back hundreds of new and former employees, many of whom continued to collect retirement benefits.

Buzzwords start sounding antiseptic, tending to dehumanize the intensely human process of managing people. "The use of these buzzwords anesthetizes you to the truth," said USC management professor Warren Bennis.

With managers raving on about "full-time equivalent" in the same breath as "team-building", it's no wonder that employees - er, associates - feel a bit of dissonance.

"There is a stark difference between all of the rhetoric going on in the business world and what's actually happening," said Jack Gordon, editor of Training, a Minneapolis trade magazine for "human resource development" professionals.

"All of the talk is about family and community and we're all a team. Actually, employees are viewed as being expendable."

"We are going through a redesign. Three employee committees directed by management consultants are coming up with new ideas for how to make the company more efficient. People are very skeptical. They suspect the ideas will be used to figure out whom to lay off. The word 'outsourcing' is being thrown around a lot." Mark M., engineer at a transportation company.

Robert Kreitner, who teaches management at Arizona State University, says most buzzwords are designed to eliminate resistance to change. Because many managers implement the theories without adequate thought and planning, the efforts are often doomed to fail - a process that further compounds corporate minions' fear of new schemes.

"Buzzwords breed 'me too-ism,'" said Kreitner, a self-appointed buzzword basher whose fingerprints nonetheless are all over a dozzy "organizational behavior modification," or "O.B.Mod."

"We're like lemmings. We run toward them and then, when the desired results aren't immediately there, we run away from them. It's a shame to run away from [solid fundamentals]"

Professors and consultants have discovered that they can mine management rhetoric of yore by rejiggering syllables or adding a prefix. Hence two similar terms now making the rounds: "hyperfast product development" and "hyper-competition." contained in the title of a 1994 book about the need for companies to step up the pace of change if they expect to compete.

Business Week latched on to "hypercompetitive" to describe software juggernaut Microsoft Corp.'s penchant for using its dominance in operating systems as a springboard to launch new applications and then quickly moving ahead to the next generation to preempt competitors. (Not so "hyper" was Microsoft's initial failure to pick up on the Internet's power, but the company has certainly gone into hyperdrive in an effort to unseat a feisty fledgling, Netscape Communications Corp.).

Speaking of Microsoft, that's one company that generally eschews management buzzwords, preferring a proprietary buzzspeak. Example: "Let's double-click on that guy to see how much bandwidth he has on the subject."

"After our company merged, the corporate controller from the parent kept referencing 'process re- engineering.' He was preaching the gospel without understanding the real problems of the division. You just don't march into an organization and start making drastic changes without understanding the fundamentals."

- Craig B., former vice president of finance for a Southern California high-tech company.

Champy, the consultant whose "re-engineering" ideas helped spark a surge of corporate revamping, has a ready retort when people ask whether he feels guilty about the widespread layoffs perpetrated in the name of re-engineering.

"Re-engineering didn't put you out of a job. It's technology and the nature of competition that put people out of work."

What he and Hammer had in mind was a worthy principle: Organizations must radically rethink the way they do their work and make appropriate adjustments. Just look, he says, at Digital Equipment Corp. and IBM Corp., which failed to see big changes coming and did not adapt quickly enough.

"Companies must do that to remain competitive," said Champy, whose latest book is "Re-engineering Management." But he acknowledges that when management theories get "commoditized," people can become cynical, you can lose the importance of a very good idea."

Told a a new book, "Co-opetition," by two professors from Harvard and Yale, he said: "I find it almost too inventive. It's exactly the creation of those kinds of words that gives rise to this jargon debate."

The book's authors, Adam M. Brandenburger and Barry J. Nalebuff, freely credit Ray Noorda, the founder of the networking software company Novell, with devising the term "co-opetition," as in "a revolutionary mind-set that combines competition and cooperation."

They are perhaps prouder of a term they did coin: "complementor," which they describe as the natural counterpart to "competitor." In the book, they feature semiconductor maker Intel Corp. as an example of a complementor - a company that believes in collaborating on products and projects with customers, suppliers and even competitors for the benefit of all.

Sure enough, the word recently got an official endorsement from Intel's highly regarded CEO, Andy Grove, who mentioned it in a Fortune magazine interview.

"Here's a word we really think should enter a dictionary," Brandenburger said.

3791 HOW DICTIONARY GURUS 'GREEN LIGHT' BUZZWORDS

When does a buzzword become legitimate?

Merriam-Webster Inc., publisher of Webster's dictionaries, moves at a less than scintillating pace when it comes to including faddish terms.

The Springfield, Mass., company's collegiate dictionary only recently installed definitions for "greenmail," "golden parachute" and "bean counter" - favorites from the 1980s, the merger-studded Decade of Greed.

Before Merriam-Webster adopts a term, it must find "citations from a lot of different sources illustrating a breadth of use over a period of a few years to indicate longevity," said Associate Editor Paul Cappellano. Asked about "re-engineering," he says the word now exists in the "self-explanatory 're' list" in the 10th edition of the collegiate dictionary, edited in the early 1990s. But he agreed that given its ubiquitousness in the business world, "that's really not where it belongs." He vowed to have it redefined for the next edition - in about five years.

The bugaboo "downsizing" had its germ in a term from the 1970s oil crises - when General Motors Corp. began talking about scaling down the size of its cars to make them more fuel efficient.

"Outsourcing" moved into the business vernacular after popping up seemingly from out of nowhere. The first citation has been pinpointed in a 1982 Fortune magazine, but the word made its official debut in the 1986 addenda to the unabridged Webster's Third New International Dictionary. Webster's defined it as a noun meaning "the procurement by a corporation from outside and especially foreign or nonunion suppliers of parts it formerly manufactured." The term is now one of the hottest of the hot and is widely used - as a noun or a verb - to describe the purchase by companies in any industry of goods or services from outside vendors.

Source: Martha Groves in Los Angeles Times

3792 EMPLOYEE EXPECTATIONS

The juniors should know the expectations of the seniors. Since juniors and seniors make a team, it is also essential that the seniors understand the juniors' expectations. This is becoming more and more important.

There are general expectations and specific expectations. We have an insight report of general expectations in the following story

What do employees want from bosses?

Often, in business, the obvious isn't so obvious, and assumptions are dangerous. Clarifying what employees need from bosses, team leaders or supervisors is valuable for accomplishing work.

Ruth Hisaw, executive administrative assistant and human resource manager of The Columbia Museum of Art, said, "Many employees take pride in their work."

"We can't be as effective as we could be without an understanding between supervisor and employee."

The understanding Hisaw mentions transcends the specifics of a job description and includes respectful, professional treatment on the job.

Here are the most frequently mentioned behaviors employees want from their bosses:

- Keep employees informed. "How can we help each other if we don't know what's going on? asked Hisaw. "I don't need to know everything, but when pertinent information is shared, I can be more helpful."

  Keeping employees informed also includes giving timely, constructive feedback.

- Seek employee input and be receptive to their ideas. "My boss takes my ideas into consideration. He never looks at me as if I have extra holes in my head. I feel more a part of the organization."

  Employees shouldn't expect all their ideas to be accepted, but do appreciate being asked for their input.

- Give clear instructions. "Some employees are reluctant to ask for instructions to be repeated for fear of being perceived inattentive or dull," Hisaw said.

  Avoid jerking employees around by frequently changing what you ask them to do, or they'll suffer whiplash.

- Show appreciation. Regularly praise employees. Tell them of compliments you've heard about them.

  Write notes, send e-mail, or leave voice-mail messages telling them you appreciate their contributions. Provide fair wages.

- Respect employees' work and position. "If they fulfill their responsibility, consider everyone a professional, no matter what their job," Hisaw said.

  Don't delegate, then hover. Let employees do what they are trained to do.

- Be a leader. Not everyone can be the boss. Some employees don't have the authority to make certain decisions or may act inappropriately.

  Poor leaders allow bad behaviors to persist. Good leaders set good examples in how they conduct themselves.

  Review with each other just what employees and employers appreciate from each other.

Source: Ann Humphries in Democrat & Chronicle

3793 WHY GREAT COMPANIES GO WRONG

We can learn as much from successes as from failures. Failures of great companies make news - and they tend to get studied. Here is a sample.

In 1969, 11 Fortune 500 companies reported a loss. In 1985, 70 did so. And in 1992, the number reached 149.

More and more, bad things are happening to good companies. And they are happening for two basic, related reasons: markets change, and companies become set in their ways.

Consider Ford, which introduced the Model T in 1908. For years, the car dominated the market; its 1921 share, for example, was 56 per cent. The success was easily explained. The Model T was a vehicle of unquestionable value, inexpensive but not cheap. Quality really was "Job One" for Henry Ford.

During the 1920s, however, the automobile market changed. Consumers became more familiar with cars. Ford's basic selling point, product reliability, could be copied by competitors. The country was growing fast; consumers were wealthier. And in that decade of the radio, the silent screen and sports, people grew more interested in entertainment and leisure.

Those changes shifted the meaning of the car. In 1908 the car was an appliance to take people from place to place. By the mid-1920s, it was an item of style, too.

In other words, the market had moved - and General Motors moved with it. G.M. changed models yearly, made cars in colors (no just the Model T's black enamel) and built a price pyramid - a car for every purse and purpose.

But Ford stayed still. Henry Ford was a household name and America's second billionaire, after John D. Rockefeller. Mr. Ford's product seemed beyond competition. But G.M.'s new approach left him in the dust.

And Ford was not alone. In the 1970s American motorists gravitated to radial tyres, which were longer-lasting and more fuel-efficient than the old-fashioned, bias-belted version. At first, American tyre companies resisted; then they started to make radials, but only half-heartedly. Eventually, almost all of them left the business to their French and Japanese competitors. Similarly, in the 1980s, I.B.M. kept peddling its mainframe computers to customers who were growing more interested in work stations and personal computer networks.

Adapting to changing conditions is difficult enough. But for good companies, including many in the Fortune 500, something can make this difficult job even more so: organizational calcification.

A new company has no existing structure, culture or operations. This absence of tradition, plus the urgency of survival, enables and impels new enterprises to be sharply tuned to market needs and competitive opportunities.

But when companies do well, their very success breeds habits of thinking, acting and perceiving. Then, when conditions change, this calcification makes it difficult for a company to recognize, let alone respond to, the new way. "Real" computer companies do not make "toy" PC's: That was the I.B.M. reaction to the first PC's.

Even when conditions do not change, calcification can lead companies to abandon their own markets. Department stores are an example. As they allowed their expenses to rise, they raised prices and reduced service levels. Their strategy was driven by internal needs - rising costs - not customer desires. As a result, the stores drove away the service-seeking customers they had once served so well.

How can businesses avoid the pitfalls of changing markets and habits that are hard to break? They must pose uncomfortable questions.

A company must ask not only if it is competitive, but also if it competes in the right dimension. Tyre industry executives were competing in 1965, but they were stuck in the rut of continuous improvement, trying to do better what they had always done. They were blind to a big technological discontinuity - the radial. They saw life as an incline; in fact, it was a staircase.

And rather than ask if a product looks good, a company must ask if the market will care. As Theodore Levitt of the Harvard Business School has written, a product is not a product unless it sells. Otherwise, it is merely a museum piece. To Henry Ford, nothing was more beautiful than the Model T; it was the car everyone should want. But people stopped wanting it.

An enterprise must also ask, "What are we afraid to find out?" In the 1970s, the worst possibility for Coca-Cola was that a competing product tasted better than its fabled soft drink. So, instead of conducting taste tests with Pepsi, Coca-Cola assumed the issue away. The mistake prompted a series of events that led to Coke's abortive formula change in 1985.

And a company must know not only if it is winning, but why. Rare is the company that knows the reason it has achieved leadership; hence, all the turnover at the top. I.B.M., for example, misremembered its own history as great mainframes and service. In fact, I.B.M's true history is taking great gambles for great gains: the transition from tabulating machines to mainframes in 1953, the introduction of the 360 computer in 1964 and the belated but rapid development of the PC in 1981.

In short, to succeed companies must focus outward; they must give customers something they want very much. If they focus inward, - the way I.B.M. did in sticking with mainframes for the large profits - they will fail.

Companies leave markets, and markets leave companies. Sounds implausible. Why would a company abandon a profitable market? And why would a company allow a profitable market to get away? Yet while some companies - Levi Strauss under Robert D. Haas, Intel under Andrew S. Grove and, recently, Ford - avoid these problems, many do not. Bad things have long happened to very good companies. And they are happening right now.

Source: Benson P. Shapiro, Adrian J. Slywotzky and Richard S. Tedlow in The New York Times.

3794 REDUCING HOSTILITY - THE THEATRE WAY

Hostility has become a business for some. It makes 'good' news too. The misery for many is considerable. We need a way to manage it, with the least damage. Here is an innovative way - at work some place in the world.

It was war.

The two companies that had worked together for nearly 100 years were on the verge of a meltdown. Feelings were running high as Company A began to test its wings and look at other manufacturers for its product besides Company B. Company B was incensed that the Company A would even consider using someone else after such a long business relationship.

There was so much resentment and so much hostility from employees at both companies it looked like the long-term connection was about to go down the tubes.

It was decided that it was time to take some drastic action to try and rescue the situation. That's when the actors were brought it.

Actors? It may sound odd, but a group of performers actually helped a bunch of extremely ticked off people sit down in a room together, discuss their feelings, and walk away with a new understanding that helped save a century of business dealings.

The actors were part of TransFormance Theatre, a California-based group of performers with a unique talent for helping companies tackle some extremely difficult - and emotional - situations in the workplace.

"We're able to intermediate for people who find that they cannot express some of their emotions that are inappropriate in the workplace," says Jonathan Rosen, the group's creator. "But we, as actors, can express those emotions for them."

Emotions like frustration, anger, sorrow, hurt and resentment were certainly part of the landscape when Company A and Company B got together, and often are on the agenda for less explosive sessions that may deal with changing company cultures or leadership development.

Rosen says a typical TransFormance Theatre project begins with a meeting to determine the issues to be addressed. Rosen then talks with employees, taking notes that will be transformed into a script and acted out by the performers using various props. Before beginning, however, the person who provided the script material stands in the front of the audience and tells his or her story.

"But then what we bring out is the feelings and the emotions of that story," Rosen says. "For example, with the two companies having that huge disagreement, we had several examples. One company felt like the college student who had just graduated from college but then the parents refused to give up the keys to the family car, while another company felt like a loyal, faithful wife that had been left behind for a mistress."

Rosen says that often through a mixture of long and short stories, employees begin to feel that others fully understand their viewpoint.

"We don't judge," Rosen says. "We make sure everyone's story is seen and heard and that there is a shared understanding. We're presenting it from their point of view. It allows people to be able to let go of those hostile and bad feelings."

Rosen notes that in the near-breakup of Company A and Company B, one employee told the emotional story of how he was a fighter pilot in Vietnam and was shot down three times. Each time, however, he kept himself alive by concentrating on his wife and children. When he returned to the United States, however, his marriage fell apart and he was divorced.

"He told those at the meeting that was exactly how he felt again when the other company was going to use another manufacturer. He felt truly betrayed," Rosen says.

And while not all of TransFormance Theatre's gigs are so highly charged, Rosen says the focus always remains the same: connecting hard business matters to the emotions at hand.

"We've got to deal with it authentically. People don't want to be treated like idiots. It's very important to engage people in order to make change, because you cannot separate the mind and the heart," he says.

Rosen says that with the mounting pressures of the workplace, the driving demand for change and quality and the increasing global competition, more employees bottle up their emotions to the point that acrimony and hostile gossip become the order of the day.

"By addressing these emotional issues, we can then get them working together toward a common goal," he says.

Source: Anita Bruzzese in Democrat & Chronicle

3795 FROM THE CONSULTANT'S DIARY

In 1960, when we announced the first ever skill enhancement programme on Rapid Reading, a friend of ours observed:The need is not Rapid Reading; the need is reading itself! It is on the importance of reading you should organise a programme. "Many don't read, once they leave school or college. One reason why obsolescence sets in the career of professionals making a toll on the organizations they serve".

If this was true in 1960, it is much more true in 1998. It is unsafe to be uninformed. There is so much to read and there is so little time.

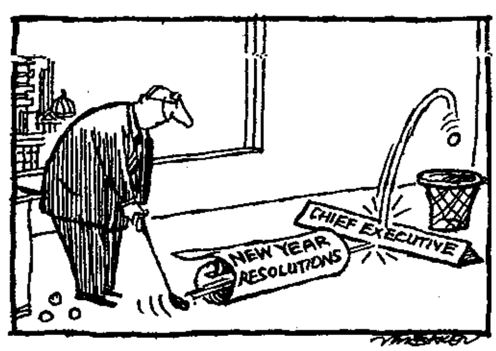
What is one way out? To step up one's skill in reading and reading is a skill that can be systematically stepped up.

For over 30 years, I have been helping groups small and large on the principles and techniques of skilled reading - also referred to as quick reading and rapid reading. Participants have doubled their speed of comprehension twice, thrice and even four times.

One reason I found why some people do not do general reading is the inadequacy of reading skills. Given the opportunity to step up their skills, they step up their reading and the resulting benefits to themselves and to their organization. This is what systematic training does.

3796 LAUGHING MATTER?

They're still laughing about this at IBM. Apparently, the computer giant decided to have some parts manufactured in Japan as a trial project. In the specifications, they set out that they would accept three defective parts per 10,000. When the delivery came in, there was an accompanying letter. It said: "We Japanese had a hard time understanding North American business practice. But the three defective parts per 10,000 have been **separately** manufactured and included in the consignment. Hope this pleases you."



Edited Printed & Published by N.H. ATTHREYA of MMC SCHOOL OF MANAGEMENT
3E1, Court Chambers, 35 New Marine Lines, Mumbai 400 020

Annual Subscription Rs. 240.