

**GETTING
AND KEEPING
GOOD
KEY PERSONNEL:**

A field research report

N. H. Atthreya

**MMC SCHOOL OF MANAGEMENT
BOMBAY 400 020**

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**This research report
costs Rs. 28/-**

INTRODUCTION

This survey research report arose out of a felt-need and a natural advantage.

The felt need is that organisations are finding that not-getting good key personnel is expensive for the organisation and that not-keeping them is even more expensive. The accelerated industrial growth, the inadequate availability of personnel and the phenomenon of "rising expectations" are making the need more and more acute.

The natural advantage is that we had the privilege of pioneering selection consultancy in the country in February 1960. We have assisted organisations in over 500 managerial selection assignments. More lately, we are less active in selection consultancy because of our shifts in professional interests. We, however, continue to believe that recruitment, selection, placement and promotion are primary aspects of human resources utilisation.

We thought sharing our experiences gained over a period of a decade and our perception of reality trends in India is a professional responsibility and hence this report.

27 October 1976

N.H. Atthreya

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S E C T I O N - 1

STEPS ORGANISATIONS ARE TAKING TO GET AND KEEP GOOD KEY PERSONNEL

(Results of a survey conducted among near 1000 companies -
large, medium and small - in various parts of India)

S E C T I O N - 1

STEPS ORGANISATIONS ARE TAKING TO GET AND KEEP GOOD KEY PERSONNEL

(Results of a survey conducted among near 1000 companies - large, medium and small - in various parts of India)

1.1 WHAT ORGANISATIONS DO TO ATTRACT PEOPLE

From the organisation's point of view, the most critical act is that of getting good personnel for key positions. On them depends the quality and the tempo of growth. If we are casual in our approach or compromising, we commit the organisation deliberately to a state of mediocrity.

Since there is a popular belief that we have all the men in the country and that therefore no effort is needed to attract them, the REPORTED PRACTICES become particularly heart-warning.

REPORTED PRACTICES

They plan their manpower needs: The Top Management and Senior management review their key personnel requirements periodically and they plan for atleast a few years in advance. They say that such a planning saves disappointment for the candidate and the company. "For one thing, we need not do things in a hurry."

The senior officers are briefed to look for potential candidates and look for them both from internal and external sources.

They build an image for themselves: This they do in many ways and over a period. They have an active public relations wing. They take to a good bit of industrial advertising. They take an active part in professional activities. They spread the word that theirs is a company that offers security and satisfaction, challenge and a career. The candidates say 'Yes' when you ask them: Do you know of this company?

They go for talents: They try to give the bright young people (in particular) the feeling that they are being sought after by them. They create the impression that they are constantly looking for good managerial timber. They go out and literally all out. They go to the universities and technological institutions and interview people on the campus.

They take to open advertising: They do not hide themselves behind a box number. Those who have built an image for themselves find this open advertisement particularly helpful.

The starting salary they offer is higher than the average salary and this they specify in their advertisements. They do not say "according to qualifications etc." They keep out the bargaining element. "If a position carries a salary and if you are offered that position, that would be your salary."

There is a fair amount of certainty regarding employment conditions. The candidate feels that "in that company" security of tenure, good working conditions and fair chances of growth are assured.

They employ systematic recruitment practices: Pressures do play a part. Conscious attempt is made, however, to reduce such pressures. The candidates get the feeling that the company is objective and systematic in its recruitment and selection procedures.

They put their best wares in the shop window: For example, if they have provision for overseas training, they say so. This, they say, does help to attract the ambitious.

For certain higher positions and when the company is new or not well-known, they take the assistance of selection consultants. This step, they say, gives the candidates further confidence in the company's objective and businesslike approach.

One company reports that the exploratory period approach is helpful. What they do is to invite the 'selected' candidate to spend a week or more with them so that he can get an idea of the men and things he may have to work with, so that the company will be able to size up his suitability for the situation. During that period he is their guest. At the end of this period either of them can say: 'Thank you' and part as friends.

"With major shortages of scientists, engineers, salesmen and other personnel still continuing (and promising to do more in the years to come: Ed) the recruiting task today demands more of management than many companies have seemed willing to put into it - more thought, more time, more planning and more money."

S E C T I O N - 1

STEPS ORGANISATIONS ARE TAKING TO GET AND KEEP GOOD KEY PERSONNEL

(Results of a survey conducted among near 1000 companies - large, medium and small - in various parts of India)

1.2 WHAT ORGANISATIONS CONSCIOUSLY AND SYSTEMATICALLY DO TO RETAIN GOOD KEY PERSONNEL

Getting good men is only half the battle. With a certain amount of effort it is possible to get good men.

Keeping them, on the other hand, is a continuing job. And a complex one too. The structure, the atmosphere, the internal relations and the like should be such as to retain them.

It is easy enough to say "Our managers cannot find a better place than our organisation". The dissatisfied man will HOPE that the other organisation may be better and walk out.

It is gratifying, therefore, to know that companies are taking conscious steps to retain good men. We list some of the practices below:

A GOOD FIRST IMPRESSION:

We treat every applicant with thoughtfulness and courtesy. We make it a point to reply all the letters. We go on the assumption that the candidate who is looking out for us may be the man we are looking out for.

When we call people for interview the dates are definite and the timings too. We are agreeable to slight modifications in dates and timings if the candidates so request.

When they come for interview we receive them and treat them well. We pay first class fare to and fro. We do all that we can to make their stay here comfortable.. It costs to do these but we think it pays not to stint.

Our frontage helps but we are anxious that they get a good impression inside our workplace. We make certain that someone does attend on them and well. We consider them as our guests. Whether we hire them or no is secondary at this stage.

Instead of describing it in so many words, we may say we actively try to create a good first impression. Anxious as we are to get the best talents we can, we know we cannot hire all of them. We know too they will be hired in some place and they may turn out to be our customers, suppliers or even competitors and we believe it is good business to build good relations.

NO SUSPENSE:

We want them to know we mean business. We let them know our decisions promptly. We do not keep them in suspense. We do not argue that silence means no suspense.

We make our appointment letter sound like an invitation to join our team. We keep our threats. And certainly we do not make it an one-sided contract.

BRIEFING THE NEWCOMER:

The first day we introduce the new member of the organisation to atleast the members of the senior or top management. We do this religiously. We think it is part of our job to spend time with them.

We also let them have a fair idea of the total organisation and their place in it. We do not rush them to their work place.

We do not take them under false pretenses. If at all, we play down rather than exaggerate their prospects here. We want them to walk in with their eyes open.

We give them an outline statement of responsibilities and authority. And the immediate boss personally explains what is expected of them. And this we do before the people take up the work.

HELPING IN THE INITIAL PERIOD

For the first few days and until the new member sort of feels settled, the immediate boss spends a few minutes with him everyday.

Further he reviews the work with him atleast once a month if not once a week. We consider this initial period is an important period for him and for us. We are anxious to make the adjustment easy and effective.

Even after he is settled we continue reviewing his work. We believe that able people like taking added responsibilities and such reviews suggest that we do add more.

And at the end of theyear we show our appreciation by our rewards. We find that non-grade increase (within a range) has good incentive value. You will be interested to know that in the initial years our increment is substantial and the added responsibilities too.

STATUS AND AMENITIES

We constantly review our fringe benefits and try to be ahead of others. In today's conditions these seem to be basic: housing, transport and risk coverage.

In our view many fringes cost little or nothing, especially when we compare the cost to their usefulness in attracting and holding executives. Status symbols like the executive lunch we do not grudge.

When we think of the pressures under which they have to often work it is understandable that the lack of little things upsets them. We make it a point to look after their little comforts like for example a lift to their workplace and back home.

When they go out on company's work, they are company's representatives. They will be better respected and the job will be easier done if they go about in decent comfort. To our way of thinking, his personal comfort is incidental. We think our managers treat this as a good gesture.

Taxation rates being what they are we are anxious to increase not the gross pay but the nett. We avail of the tax concessions permitted and pass on the benefit to our men.

SALARY AND SATISFACTION

Every three years we review our salary scales with the trends in the country and revise them-naturally upwards. We do wish things remain static but facts do not oblige us.

You may like to know why we give a higher start. For one thing, even this we think is not high enough. Living conditions being what they are salary below a point does not seem to make sense. It is true that their contribution in the initial period cannot warrant a high salary. We have found an answer in the accelerated promotion scheme. What we do is that we give more and higher responsibilities and that fast! Many measure up and deserve more than the salary paid them.

We do not have a formal incentive scheme for managers but at Divali time we give each of them a 'packet'. Depending upon each one's contribution to the organisation, as we see it, we give a sum.

SECURITY AND GROWTH

We give a contract if one asks for it. We believe that the gentleman's agreement is the best agreement. Because of prior sad experiences some see safety in a contract and we say: Yes.

One member of our top management is constantly and systematically keeping in touch with the manager population in our Company. Not merely through reports from their immediate superiors but through personal chats. We are anxious that we get the best material out of the existing ones for top positions. We know it is scarce in any part of the world.

We review the rate of progress of our managers. If one is stuck in a place for some time, we try to remedy the situation. Since we are fast expanding, this is not difficult for us. Occasionally we come across a situation when we get the feeling that the man has reached the limits of his powers; and if we find his ambitions unrealistic we share our frank views with him. We do not want him to go further up and fail.

In our company technological discipline is an additional qualification for a general management position. And we have made it known that unless he prefers to be only in the technical area, every one will be in the picture when a general management position is considered.

In matters technical we leave the last word to the men who should know better. In matters financial we suggest working within a budget. But we do give a free hand within their sphere of action.

When some years back we started giving discretionary powers to our key personnel, we had a lot of anxiety. The results these years have made us go for more of it. Occasionally we pay for the poor judgment of an individual but overall we are reaping rich dividends.

We are expanding and our operations are becoming more and more spread out. We want therefore managers who are willing and able to work as if it is their show. We delegate more freely now and they seem to thrive on it. Some of the older units are doing better than ever before. People, many people, seem to prefer to be employee-proprietors!

We encourage all forms of self-development. We subsidise in a big way their taking to any short-term or long-term studies. We do not pay full because we do not consider this a gift. Unless they volunteer, unless they indicate they are prepared to make atleast a token sacrifice, our efforts will be in vain.

S E C T I O N - 2

WHAT MANAGERIAL AND TECHNOLOGICAL PERSONNEL LOOK FOR
(Results of a survey conducted among over 3000 key personnel -
technological, scientific and managerial).

S E C T I O N - 2

WHAT MANAGERIAL AND TECHNOLOGICAL PERSONNEL LOOK FOR
(Results of a survey conducted among over 3000 key personnel -
technological, scientific and managerial)

2.1. ORGANIZATIONAL PRACTICES TO ATTRACT PEOPLE:
WHAT KEY PERSONNEL APPROVE, DISAPPROVE AND COMMEND

The key technical and managerial personnel among whom we made this survey give us the overall feeling that there will be more and more of avoidable movement and the consequent invisible loss unless the present practices of recruitment and retention are reviewed.

We summarise below the findings:

PRESENT PRACTICES WE APPROVE

Campus recruitment

Summer vacation employment

Through Selection Consultants: "Saves a lot of possible embarrassment"

A good image with a name for security and fairplay

A growth company

A company known to give attractive salaries, fringe benefits and known to have rational promotion policy.

A company that offers a good job title, a clearly stated job assignment.

Recruitment on a competitive basis

Systematic selection using objective techniques like group discussion method and psychological assessment and reference checking.

Systematic training here and advanced training overseas

Shorter probation period

Taking near relatives to ensure dependability

PRESENT PRACTICES WE DISAPPROVE

Inadequate care in selecting key men

Casual approach to selection

Hasty assessment - evaluating on the basis of 'I like him' or 'I don't like him'

First impression as the basis

'Personality' as the basis

Purely on recommendations from a 'somebody'

Blood relations as the basis

Insistence on and enormous faith in paper qualifications

Number of years instead of quality of experience held as criterion for selection

The over-fifty prejudice

Partiality for the "ex-civilian"

Recruiting a friend or relative and creating a job for him

"Often I wonder with my friends who have been abroad

whether what we in the country get is an employment or charity.

We are made to feel at every stage that they are obliging us by letting us live. Believe me, I am sick.

"Even when we send an informative resume we get a printed form to be filled. Fill we have to but what irks us is the list of irrelevant questions probably taken from an imported text book or may be a management programme.

"When we arrive at the factory you are reminded of a colonial office where no one worries whether you came or no. We should hang around; we should wait and find out how long we have waited and how long we may have to wait.

"Many companies do not believe in the common courtesy of acknowledging an enquiry. Perhaps they argue: This is India and Indians are used to worse things !!

"The onus of finding out whether they are interested in me is mine. They run short of even duplicated replies.

"We know we can't get an answer we wish for. And why do they hedge and give vague 'promises'?

"We learnt to our cost that in government circles 'promises' are promises only when they are given in writing and under a seal. What one on the selection board says is only a pious hope."

Cold, callous and critical reception
Inquisition type interviews
Treated as if you are matter to be processed
Inquisitive questioning at interview time
Misleading job description
Vague in their requirements - vague in the definition of duties and vague in the organisational relationships
False promises by selectors
Out of date pay scales
Bargaining on salary
Recruiting the overqualified
Stockpiling of talents

WHAT WE COMMEND FURTHER

Seek good men, and not wait for them
Do some advance management man power planning
Give a clear idea of progress opportunities
Offer systematic and continuous training and development
Go for good fringe benefits
Give a good job title
Keep knowledgeable men on the interviewing board
The selection board should have the man under whom the selectee is to work
Emphasise valid experiences and performance instead of conventional qualifications
Take raw men and grow them
Employ only average people if your organisation cannot provide growth opportunities
More than technical ability, leadership and group behaviour should be major criteria
Getting a second opinion from the outside professional should be a must for key jobs.

S E C T I O N - 2

WHAT MANAGERIAL AND TECHNOLOGICAL PERSONNEL LOOK FOR

(Results of a survey conducted among over 3000 key personnel - technological, scientific and managerial).

2.2 ORGANISATIONAL PRACTICES TO RETAIN GOOD PERSONNEL:
WHAT KEY PERSONNEL APPROVE, DISAPPROVE AND COMMEND

PRESENT PRACTICES WE APPROVE:

Delegation

Freedom to take decisions within one's sphere

Opportunities and facilities to grow

Appreciation of good work

Good cash awards

Timely cash awards

Timely promotions to higher grades

Accelerated increments

Periodical appraisal, merit increase and counselling

Generous fringe benefits, attractive retirement plans

Seniors whom you can respect

'Let the best man win' practised

Key men on a contract basis

PRESENT PRACTICES WE DISAPPROVE:

False promises at the time of employment

Changing job content too often

Too much interference in day to day work

Treating managers like high-paid office boys

All the time finding fault

Arrogant behaviour by the boss

Shouting all the time and in the presence of others

Red tape

Not preparing men for higher responsibilities and then
arguing local material is not good enough

Divide and rule

Ignoring that a man has a home

Despotism at the top

Making the company 'a family affair'

Indifferent to expert technical opinion

Indiscriminate and frequent transfers

Encouraging gossip and backbiting

Believing rumours as authentic facts and not making an
effort to verify

Playing favourites

Exploiting one's helplessness

Offering disproportionately high salaries to new comers

Recruiting from outside without promotion from within

Financial gap between technical and administrative men

Impulsive decisions to promote people

Promoting obsolete men, 'yes' men and 'ny' men

Not caring who is leaving and why

Seniority at any cost

FURTHER PRACTICES WE COMMEND

If perverse and narrow-minded men are in key positions weed
them out

Assess the men within the company before rushing outside

Promotion should be only on merit

Retire people at the agreed age-thereafter keep them as
advisers if you wish

Create a sense of justice and fairplay

Help your managers to update themselves

If you do not have opportunities for advancement, commend
them to others that may have things to offer

Tolerate bona fide mistakes

Consult them wherever they have a stake or can have a
valuable say

Encourage them to discuss their problems with their seniors

Check from time to time each manager's salary to see whether it is in line with the going range of other managers inside the plant and outside in the country

Realise and treat them as a resource among resources - a resource that can utilise resources.

S E C T I O N - 2

WHAT MANAGERIAL AND TECHNOLOGICAL PERSONNEL LOOK FOR
(Results of a survey conducted among over 3000 key personnel-
technological, scientific and managerial)

2.3 WHY KEY PERSONNEL QUIT AN ORGANISATION:

WHY COMPANIES LOSE EXECUTIVES

In any population - and managerial population is no exception - there will be maladjusted people. Temperamentally, these people cannot hold to a job.

Here we are not concerned with such personnel: we are concerned with the majority who quit because they find the situation 'impossible'.

For purposes of study we are distinguishing between those who are considering a change and those who have to quit a job without an immediate prospect of a new employment.

Psychological satisfaction apart, a job is an economic necessity for most of them. Despite our assurance that we will not disclose the identity to any unless and until they discuss the proposition with us and give their consent, they repeatedly plead that we should keep the matter confidential and not do anything that will jeopardise their present position; they are mortally afraid that they may lose their present job. The job is important to them.

There is one other reason why people prefer to change jobs and not quit and wait: their bargaining ability comes down pretty steep.

Despite these reasons, if key personnel leave an organisation there should be valid reasons. Following are some of the reasons we heard more often:

1. "The Managing Director's nephew has returned from his studies in the States. I have been asked to quickly hand over charge to him and take instructions from him hereafter. This plant I built with my sweat and tears and for the past six years I have been making it into a piece to be proud of. And now....."
2. "The new General Manager did not nince words. He said that he would find himself comfortable only in the immediate company of his tribewallas and ghamwallas. And the company wanted that General Manager and presumably this was part of the contract!"
3. "I said: Enough! and came out. For the sake of my children I should preserve atleast some self-respect. He thought he was obliging me by letting me be alive...".
4. "I waited and waited, pleaded and pleaded and they would not keep their word. Perhaps keeping the plighted word is not in their way of life"
5. "For months and practically every alternate day myself or my wife or my children had to go to the doctor. The doctor himself wondered whether it could be due to the 'clinate'. Before sickness becomes something chronic with us...."
6. "My wife and myself felt that to be fair to our children and their education we have to move to a place where the facilities are available. Explaining this to the employer would not help. Staying there and searching for a change would neither be desirable nor feasible. And, therefore...."

7. "Believe me, for four long years I could not take a single day off. I do love work but what irked me was being taken to task even if I take a day's sick leave. They said: Why take a holiday? We will give you pay in lieu. I found the only way I could take a holiday was to take a permanent holiday from the company"

The loss of a trained and valued management member is a serious and expensive reversal. When a key executive cleans out his desk to take another position, years of training of knowledge, of corporate know-how go with him. No matter how well qualified his replacement may be, a huge intangible investment is lost.

Executive retention is a major problem in most companies these days. If he wants to keep his executive group intact, the chief executive should be aware of the reasons why executives leave.

Charles E. Murphy

S E C T I O N - 2

WHAT MANAGERIAL AND TECHNOLOGICAL PERSONNEL LOOK FOR
(Results of a survey conducted among over 3000 key personnel-
technological, scientific and managerial)

2.4 WHY KEY PERSONNEL ARE CONSIDERING A CHANGE

If the question "Why are you considering a change from your present job" is asked on paper, the answer (on paper again) is: "To improve my prospects, to have more job satisfaction".

The detailed interviews, however, reveal that there are a variety of reasons why key personnel are considering a change. We present below a summary of our findings:

The survey indicates that the lack of opportunity to use abilities to a fuller extent is the most frequent reason given for seeking new employment. Assembled and put in one place, the following can well give the impression that all is not well at all on the employer front. This is not true. These are real but stray situations existing in some organisations some of the time.

PERSONAL

"My parents would like me to be near them in their age. If I can I would like to take a job somewhere near where they stay. I cannot get them here."

"I have properties and there is no one else in the family who can look after them. If I am too far from the scene, it means more uncertainty and I want to avoid this if I can."

"My daughters would be joining college soon. My office (and I don't blame them) has been shunting me from place to place - and to places where there are not even high schools. I am anxious that my children get their education. Even if I can afford, my wife thinks it unwise to leave them in the hostels at this age. I am therefore looking for a

change to a job in a place where I can educate my children."

"My children are growing and I should get them married. Unless I live and work in a place where my people live this will be very difficult indeed. As you know, most of my people live in Bombay."

"It is months now and I do not get a flat to live in. My office says it is none of their business. My wife and children are living with my in-laws. My continuing in this job is not good for anyone I feel."

"I don't like to work in a city like Bombay; it is too much rush. I prefer a quieter place."

"My wife says there is no life in this place and I agree. I would like to be in a city like Bombay."

THE BOSSES

"A new boss is coming from abroad. The first thing the new boss does (and this is the pattern in this company) is to show the 'favourites' of the present boss 'their place' and form a new group. And atleast for three years, I have to go through the agony."

"My 'friend' has been posted to the HQ and if I know him right he will sure cry for my blood. I want to quit honourably. You know in this place men in power can treat you meanly and there will be none to even understand you. To redeem your honour you may have to go to the court. I am not temperamentally inclined. I know I have put over 20 years of service in this company but in a situation like this..."

"If atleast my boss has abilities and leadership, I would not mind. The only thing he can boast of is his arrogance and his irascible temper."

"I am called an 'executive' but I am treated like an errand boy. Authority is centralised but not responsibility. If anything goes wrong, I get hanged."

"I agree blood is thicker than water but when jathwallaing, provincialism and tribalism are given pride of place I am at times non-plussed."

"I am not one of those who say the bosses should not be tough. So long as they are fair, I am happy and I can do my work. That is not so here."

"It is frustrating, believe me. I can't get a single decision from him for days. He says: Let me think over this. If atleast he guides or supports me when needed, it will be well. No decisions and no guidance, and he is my boss."

"Perhaps it is a matter of habit with him. He goes around to my subordinates and he does not follow channels. What is worse, he keeps me in the dark. You look a mug both in the eyes of your juniors and others. I can't stand this joke any longer."

"They want 'yes-men' and some say 'give them what they want.' I, however, feel that professional discipline requires we should speak out whatever is in the interests of the organisation. I find myself in the minority. What is worse, I am told in so many words: Do as I ask you to do. When I want your opinions I will ask you..."

JOB CHALLENGE AND ADVANCEMENT

"If I stay here longer I may lose what little initiative I have. An impressive job title and good salary I have but is that all that I want?"

"It is all set here. There is nothing to change, nothing to improve. You have to be a good little, good little boy and pass time by saying mean-nothings and doing mean-nothings."

"They said they have plans for expansion and foreign collaboration. I said to myself I will participate in building a plant. Nothing is coming through and there is no indication either."

"I equipped myself for one speciality and I am doing some work that has no relation to it. I explained this to my seniors and they do not seem to appreciate.

'One work is like another work' they counsel me.."

"I like the place and I like the people. But I am young and my boss is young too. I am ambitious: I do not wish to retire as Number 2."

"If I do not seek a challenging job at this age I will have to vegetate here for the next ten or fifteen years. I get good pay. They treat me well. Life is quiet and settled but I don't get the kick. I want something that really challenges my ability."

"It is all seniority, favourites and relatives here: I am looking for an organisation where on-the-job performance and behaviour count."

"May be for a good reason I was passed over for advancement. They did not care to tell me. They would not elucidate when I press for an answer. My future seems blocked here."

"They say that I am so indispensable in this department that in the interests of the organisation I should not be a line staff. Unless I get out I can't change my line."

"My company will be merged with another shortly and we can't have two secretaries. Also, the other man is senior."

"The public have a poor image of this company and I know I cannot alter it. The powers that be seem to be complacent about it all. They neither think in terms of growth nor improvement. To the outsider it may look as though I too am a party."

PAY

"The new men who are coming are paid fantastic salaries. For the fault of having been with the organisation for many years, the rise in my salary is 'normal'"

"I want to see for myself what is my market price. And perhaps this will tell my present employer the market prices are changing fast."

"If my income has to keep pace with inflation I have to come out."

"Certainly security is important but I would rather have the extra pay and arrange my own security. Unless I change over to a new company, this will not be possible."

"It is all flat here-certainly the salary. Your special effort is your pleasure: this need not be reflected in your pay. This does not sound logical to me. Even those in public service do not see logic in this."

RECOGNITION

"Like one among many children you have to fight for recognition here. I like to do my work but I do not feel happy to fight for recognition. And if you don't fight, you are just left out. I am in a dilemma."

"However well you do, the only reaction you get here is: I expected better from you."

"There is a pervasive fear that if you recognise a man's worth he will become swollen-headed and that he would ask for a rise and so the rule is 'mum' and I don't like that."

"You may call them frills but I think the employer should give thought to our non-work life as well. If he argues that you are paid a salary and outside-the factory life is your business, it looks rather out of tune with the times."

"This is like government. There is no reward for outstanding work and there is no punishment for sub-standard work. The pay-safes and the public-relation walls alone thrive here. I feel sick."

WORKING CONDITIONS

"I have pointed out a number of times that it is in the interests of the organisation to give me help. It does not make sense to them. With the result I give the organisation 30% of what I can as well give -. there is just not the time or energy to do the skilled job I can do."

"I like travel and I have done plenty but I find of late I am being unfair to my home and my employers do not seem to see the point."

" I am a professional engineer and I like to do a good job. To do a good job I need some equipment. I plead and plead for such equipment and the answer suggests that I should not mind about the quality I turn out."

OTHERS

"Everyday a threat is issued that no one is indispensable and anyone can be sent away before dusk. Whether it is meant, the behaviour seems in bad taste."

"My employer has many other interests and this business does not mean much to him but it does to me. I fear this will be taken over by the competitor sooner than later."

"No one feels secure in our company and I do not want my efficiency to be affected by a perpetual sense of insecurity."

"Perhaps all is fair in love and war but I have a partiality for clean business and what my company does is not clean. I risk my reputation if not my safety by staying on longer."

"Call it politics or what you will. One feels uncomfortable in our present set up. That cordiality is lacking. And I often get the urge to resign my job if necessary and get out."

"I want to start all over again. My present employment and my many years of preparation do not go together. I am prepared to take half my present salary, if it comes to that."

"Our Directors give lip sympathy to the policy of 'promotion from within'. Once in a way we do not mind a new comer if it is a matter of a specialised skill. To be told in so many words that the next important position will also be passed over and still tell us that we should prepare ourselves for higher responsibilities is demoralising to say the least."

"In 90 out of 100 cases, I am certain that a bad boss causes an employee to change his job. Confining myself to engineering profession, most managers get more or less the same salary in various organisations. To most of us, salary acts as an incentive only once a month, when it is paid. We normally adjust our needs to suit our pay packets. We do not think about remuneration from one hour to next. But we always think about our job and the boss who directs the job from hour to hour week by week and all the time. More than economic security, the strongest single motive of an individual is to build and maintain his own self-respect as an individual. If this motive is threatened in the form of a bad boss, the subordinate says "I am fed up".

:26:

So many managers have all necessities of life and status. Yet you can hear them say "I am fed up."

Fed up of what? -- his boss only.

After all, next to his wife (if married) the subordinate's world centers around his immediate boss. If he is a good guy, the employee sticks to him thick and thin. If not, he seeks a change."

S E C T I O N - 7

EXPERIENCES ABROAD IN GETTING AND KEEPING GOOD KEY PERSONNEL

(Selections from relevant literature)

S E C T I O N - 3

EXPERIENCES ABROAD IN GETTING AND KEEPING GOOD KEY PERSONNEL

(Selections from relevant literature)

3.1 THE SEARCH FOR EXECUTIVE TALENT

FINDINGS GOOD EXECUTIVES ranks high on the list of major problems facing many companies today. "The most important act of my entire business career", says one company president, "will be the selection of my successor."

Simple replacement is only part of the problem. More and more able executives are needed as the management work load gets heavier and new positions are created. This means the executive market will be tight for years to come.

Where will the management talent come from? And what can firms do to boost their batting average in picking good executives? In an attempt to find the answers, the National Industrial Conference Board recently completed a two-year study based on the first-hand experiences of top companies throughout the country.

While much has been written about executive development, the Conference Board found that little has been said about selection. Companies are apparently so busy training their present managers that they give less emphasis to the problem of choosing the best employees to be trained. Thus, they seem to be putting the cart before the horse.

The NICB survey included presidents of 62 large and small companies in all types of business. To obtain the most useful information, the Board queried only presidents of companies known to have good management programs.

From their detailed answers to the survey, certain major points stand out. One healthy sign is that very few of them are satisfied with present methods of choosing managers in their own companies. "We've only made a start in this matter of selecting executives. We wish we knew more," is typical of many responses.

Most are in agreement, however, that some definite plan is needed in selecting tomorrow's managers: Four out of five report being in favour of a nature take its course. But of these, very few claim their firms have adopted a systematic approach to executive selection. They recognize the problem but are not yet sure of the best way to tackle it.

On the other side of the coin, some presidents are still in favour of letting "natural leaders" come to the top. Between these views are the comments of those who straddled the question. "A plan is needed that will implement the selection of natural leaders", says one company head. Another reports, "Natural leaders will rise for the top jobs. But a definite plan is needed to provide middle-management personnel. The top executives will come from this latter group."

Of the methods actually used in most companies today to fill executive positions, promotion from within on the basis of performance is the most popular, in the opinion of the 62 presidents polled. Others mentioned were the use of consultants, pirating, nepotism, seniority, and politics.

According to the report, the president seldom makes a selection by himself. In only 33 out of 200 selections mentioned was the decision left up to the president or the president and only one other officer. More commonly, three or four persons participated, and sometimes as many as eight. In one case no fewer than 20 individuals were asked for their opinions.

Merit ratings were consulted in 60 per cent of the cases; medical records in 40 per cent; and psychological test scores in 13 per cent.

Although many companies have no formal programs for improving the selection of executives, a number of advanced firms have: (1) drawn up job descriptions for executive positions; (2) taken an inventory of the background and skills of their employees; (3) installed testing, rating, and appraisal systems; and (4) set up employee development programs.

Almost all companies studied by the Conference Board have a policy of filling executive vacancies within their own Company. Even when a systematic plan is lacking, firms prefer to choose their own people. A promotion-from-within policy builds company morale, and most firms would rather settle for one of their own employees than gamble on an outsider .

But the better-managed firms are taking their promotion-from-within policy a step further to insure a number of good candidates for every management job. They are keeping personnel inventories in much the samemanner as they keep materials inventories. Information about each employee is coded, punched on cards, and cross-indexed by age, sex, department, job level, training, skills, test scores and other important data. With this system, those employees qualified for executive openings can be quickly located. If the records don't turn up worthwhile candidates the company may then be forced to look outside.

A selection plan preferred by some firms is the "progressive hurdles" type. Under this program, a prospective manager is given a number of assignments of "hurdles" to overcome. If he makes good on the first test, he is advanced to more difficult ones. If not, he is rejected. Eventually, the most qualified reach the top.

The "proving ground" method is another approach to picking future managers. Juniors are given "Assistant to" or "Acting Director" titles, placed on Junior Boards, assigned to committees, and urged to participate in civic affairs. In these situations, candidates have a chance to show their abilities. If they fail, not much harm has been done. But unless a man is held responsible for certain accomplishments during this period, there is no real test of his ability.

Among the most advanced firms there is a marked similarity of approach to the problem of executive selection. All see the need for advanced planning. They also feel that executive selection will not be successful unless it is integrated into an over-all company plan for recruiting, selecting, training & developing employees.

Courtesy: Iron Age

SECTION - 3
EXPERIENCES ABROAD IN GETTING AND KEEPING GOOD KEY PERSONNEL
(Selections from relevant literature)

3.2 SUCCESSFUL SELECTION OF MANAGERS

A follow-up of Fifteen cases
By John Munro Fraser, U.K.

Do systematic selection methods pay off? Is the time and money involved in tests, selection boards, planned interviews and all the rest of the mumbojumbo justified by the results? Or, isn't it quicker and cheaper just to take a chap on if you like his looks, and hope for the best?

As the lecturer remarks when he doesn't know the answer, "These are good questions! Unfortunately, the literature on the subject provides very few good answers. The recent BIM Survey, selection methods in British Industry quotes only one modest little survey, carried out in the routine of a personnel department by a part-time student of this college. It suggested that, by following a reasonably systematic method, the interviewer had been right in nearly nine cases out of 10.

There are, of course, plenty of good reasons why convincing answers should be hard to find. Apart from the Armed Forces during the war, very few organizations take on large numbers of individuals of similar ages for the same kind of jobs. Nor do they have similar standards by which to judge their performance. This makes it very difficult to carry out statistically convincing studies, for the criteria of acceptance and success, on which the measurements essential to such studies are based, are unreliable and subjective.

Industry takes on a lot of different people for a lot of different jobs in a lot of different organizations. And what makes one person a success in a particular job in one company is often impossible to match up with what makes another

successful in another company, even though he may have been picked for a job with the same title. Each company has its own standards and its own measures of success; each makes its own measures of success; each makes its own kind of demand on its staff; and each expects its own level of effort on the job. Under these circumstances, largescale generalizations about the adequacy of a particular selection technique are of doubtful validity.

Studies of a more limited range, however, may be useful in showing the level of success which has, in fact, been achieved on certain occasions. One or two of these, on the same lines as that referred to above, have been carried out by students in this department, with similar results. In this article, some details are given of 15 managerial appointments which have been followed up from six months to three years after they were made. It has been made possible through the courtesy of a number of industrial companies in the Birmingham area, though for obvious reasons, neither the names of these firms nor precise details of the appointments can be disclosed.

In two or three of the appointments, selection boards were used, where six to eight candidates were invited to ~~spend~~ Saturday afternoon and evening with the employing company. In others, intelligence tests were applied. Common to all the cases, however, was a detailed biographical interview, and this may be considered the essential tool on which greatest reliance was placed. From it, assessments were derived of the five aspects of the individual on which the job-specification had been laid out.

1. His impact on other, or his selfconfidence in interpersonal situations, his ability to express himself clearly and convincingly; his manner and speech, dress and turnout.

All management jobs make some demand on these qualities and in the case of sales and certain other staff, they may be a major element in success.

2. His qualifications, in general education, specialized training or experience. The demands of any position from this point of view can usually be precisely stated.
3. His brains and abilities. This covers general "quickness in the uptake" along with any special abilities, such as facility with figures, that may be required.
4. His motivation, usually the most important attribute in any successful manager. The term is used to cover the 'goal-directed' aspect of the individual's make-up, his drive and enthusiasm, his ability to set himself targets and work persistently towards them, his determination in overcoming difficulties and achieving results.
5. His adjustment, or emotional stability. This is the other "success quality" or characteristic demanded by most management jobs. It shows up in the ability to stand up to responsibility, to keep one's head under pressure and generally to cope with the demands of a central rôle among other people at work.

It is not usually difficult to put together a description in greater or less detail of the kind of person required for a management job, if terms such as these are used. Nor is it difficult to make up one's mind about a candidate's impact on others, his qualifications, or his brains. Half-an-hour's conversation, some investigation of his background and the results of a conventional intelligence test will provide all the evidence that is required.

It is the characteristics grouped under the headings we have called motivation and adjustment that are difficult to assess.

Moreover these are the characteristics which usually play the larger part in determining success or failure in a management job. How can they be judged in a short period of contact with an unknown person?

INTELLIGENCE TESTING:

In any attempt to assess personal qualities, one must accept as a starting-point that this can never be done directly. That is to say, there is no form of X-ray that can be turned on to an individual to show larger or smaller amounts of "character", "intelligence" or "sense of responsibility" as solid little lumps of something within him. Personal qualities can only be seen in behaviour, and we must have some form of behaviour or performance to observe if we are to assess them. Thus if we want to know whether a candidate possesses 'intelligence' we must put him into a situation which demands the exercise of this particular quality. If this situation can be standardized, then it becomes possible to determine whether one candidate is showing more "intelligence" in it than another.

The academic psychologist would recoil in horror at this over-simplified description of the technique of intelligence testing; but fundamentally, this is what an intelligence test is.

The interview is another situation in which behaviour can be observed. But this is behaviour in interaction with one other human being. What becomes available for observation, therefore, does not depend on the candidate alone, but is greatly affected by the interviewer's handling of the situation. This is not the place to enter into a discussion of the skills and methods of interviewing. Suffice it to say that the performance observed in an interview will only be of value if the other individual, the interviewer, knows what he is doing and has his own behaviour well under control.

There are, however, other areas of behaviour which are not always adequately explored—areas which can provide valuable evidence about the personal qualities which a candidate has displayed in a whole range of situations. These areas are to be found in his past life, which can be examined through the medium of the interview, if it is properly conducted.

Everyone starts life from a certain background whose opportunities can be assessed by anyone with a little knowledge of the world. From this background, each individual moves through a series of environments, school, further education, work, service life and so on, each of which has its own standards of achievement. What sort of show the individual puts up in each of these environments depends to a very great extent on the personal qualities he has displayed in that environment. Thus a boy at a grammar school cannot pass three A levels, become a prefect, play for the first XV and stage-manage the school play, without showing brains, motivation and adjustment. He has probably had a considerable impact on others while at school as well. If he puts up a comparable performance in his further education and if his working life shows a series of appointments of widening scope and responsibility, it becomes impossible to doubt that he has continued to display these same personal qualities in all these successive situations. The likelihood that he will also display them in similar situations in the future thus becomes overwhelming.

This kind of interviewing raises many problems. The skill of the interviewer in encouraging candidates to talk freely and frankly about themselves; his ability to interpret their performance in various situations in terms of the personal qualities involved; the reliability of the information thus obtained; these and other important issues cannot be raised here. To some extent they have been discussed elsewhere.

The following 15 appointments are all of managerial level. They include a general manager, a production manager, a marketing manager, chief inspector, cost accountant, the head of a product division, sales engineers, project engineers, a London office manager and others. In order to maintain the anonymity of the people and the organizations involved, no details are given of individual appointments. The following notes, however, summarize the essential results of each "case".

Case 1: Reported on as fulfilling all expectations six months after appointment. This can therefore be classified as a "Completely successful prediction."

Case 2: Reported on as doing well one year after appointment. Two-and-a-half years later was promoted to a more responsible job within the same group. In this case, the organization felt that it had gained a valuable addition to its staff. For our purposes, however, it can be classified as a completely successful prediction.

Case 3: Reported on as doing very well indeed one year after appointment ("exactly the man we were looking for"). Completely successful prediction.

Case 4: Reported on as successful one year after appointment. Subsequently emigrated, his decision having nothing to do with the job. It is difficult to classify this as completely successful, though his performance on the job came up to expectations. Perhaps the best classification might be "successful prediction up to a point"

Case 5: Reported on as doing well one year after appointment. Completely successful prediction.

Case 6: Reported on as doing well one year after appointment. Subsequently promoted, and now holds one of the most responsible positions in the organization. Completely successful prediction.

Case 7: Still in position 18 months after appointment, though not considered upto standard expected. This must be classified as an unsuccessful prediction.

Case 8: Reported on as doing adequately in the job to which he was appointed after 15 months. Considered a doubtful bet for further promotion, however, and should perhaps be classified as successful upto a point.

Case 9: Reported on as doing reasonably well 18 months after his appointment, though some misgivings which were expressed at the time of the interview are proving justified.

Case 10: Reported on as doing well two years after appointment. Completely successful prediction.

Case 11: Reported on as doing well two years after appointment. Completely successful prediction.

Case 12: Reported on as entirely satisfactory two years after appointment. Subsequent domestic problems quite unconnected with the job, however, led to a decision that the locality was thoroughly uncongenial and resignation was tendered.

In view of the notes in the BIM survey on the interviewing of wives, it is interesting that in this case it was later felt that some discussions between the employing company and the candidate's wife might have been helpful. From the prediction point of view, it can be classified successful up to a point.

Case 13: Reported on as entirely satisfactory two years after appointment. Completely successful prediction.

Case 14: Reported on as doing well two-and-a-half years after appointment. Completely successful prediction.

Case 15: An emphatically adverse report was made on this candidate after an interview. In spite of this, he was appointed. In a very short time it became embarrassingly obvious that he was a complete failure and he resigned. In spite of the peculiar circumstances, this case can justifiably be classified as completely successful from the prediction

point of view.

Whether these results justify the suggestion that it is worth while spending half-an-hour on a systematic biographical interview with each candidate must be left for the reader to decide.

Courtesy: The Manager

S E C T I O N - 3

EXPERIENCES ABROAD IN GETTING AND KEEPING GOOD KEY PERSONNEL
(Selections from relevant literature)

3.3 WHERE RECRUITING ADS GO WRONG
By Arnold R. Deutch, U.S.A.

Recruitment ads don't get results when they approach scientists and engineers in the wrong way. Here are some tested methods for strengthening your recruitment advertising....

It is no secret that the shortage of scientists, engineers, and technical personnel is acute and it promises to grow worse. The growth of new industries in electronics, nuclears, and space technology, in addition to the increasing competition for new products in almost every product line, has created a demand for engineering and scientific talent that the current pool of experienced technical manpower cannot fill. And, to compound the problem, engineering enrollment in U.S. colleges and universities is declining.

This means that the companies that depend on the work of professional employees for their growth and progress—and there are many of them—are competing in a seller's market for technical talent, and they cannot afford poorly planned or misdirected efforts in their search for qualified manpower.

The most widely used recruitment technique is advertising and it is probably the technique that most needs improvement. For too many companies, recruitment ads are not producing results, primarily because they are approaching scientists and engineers in the wrong way. Approaches that work well in consumer advertising—and even in industrial advertising—are often ill-suited to the quite different requirements of technical recruitment ads.

Choosing a new job does not only affect the technical professional's career. It may also bring about drastic changes in the lives of his wife and children, particularly if he must move to a new locale. These changes may involve selling his home, severing his established connections and friendships, leaving a community he and his family have come to know well, and adjusting to a new community. It is obvious, then, that choosing a new job is infinitely more important to him than is, for example, deciding between competing brands of toothpaste or cars. And it follows that recruitment advertising must be directed toward needs, aspirations and satisfactions of major importance to him.

WHAT GOOD ADS ACCOMPLISH:

In order to be effective, recruitment advertising must perform several functions:

1. It must generate inquiries from people who are actively seeking new positions.
2. It must presell people who, though satisfied with their place of employment today, may be looking for a new position next week, next month, or next year.
3. It must reinforce present employees' pride in and loyalty to their company.
4. It must present an image of the company in which the stockholders and the public can maintain continued confidence.

Many engineers and scientists who are not in the job market read recruitment advertising, both to keep abreast of new developments in the field and to make a mental note of companies they might send applications to, should dissatisfaction with the present job or some other reason indicate a job change. (In a recent survey of more than 3000 engineers, over 70 per cent said they read recruitment ads either regularly or occasionally.)

Consequently, a company is not getting the full fruits of its investment unless its advertising is helping to create a favourable employment image among the professionals who are its potential future source of manpower.

The most important way to create such an image is to demonstrate to the technical professional that the company has a good potential for growth, that the engineering staff is regarded as important for company operation, that they will work in a creative climate where they are given responsibility and areas of freedom to exercise initiative and that the company has established tangible ways for providing professional recognition.

ESTABLISHING A CHARACTER

Recruitment advertising should attempt to establish a unique character that project a clear, distinguishable image of the company. The only distinguishing characteristic of many recruitment ads published today is the company name at the bottom of the ad yet a company that sounds like all of the other companies has lost one of its biggest assets: It fails to make an impression on the reader. A company can be sure that its ads reflect a distinct image of the company by using material from the company's own activities and experience. Specific facts should be included, for the facts about one company do not fit others.

THE FACTUAL APPROACH

Although recruitment advertising has to be concerned with building a good employment image for the company, its main purpose is still to produce direct action and this purpose definitely overrides the intangibles of long-term results.

What approach produces the most direct results? Copy tests

and surveys have demonstrated that engineers and scientists prefer informative and factual approaches in ads. This leaning toward the factual, specific, and rational is not only due to the fact that a choice of fundamental importance to the engineer is at stake; it is actually part and parcel of the engineer's psychological makeup. Studies have shown, for example, that the engineer or scientist is highly intelligent, ranking in the upper quadrant of all college graduates. The intelligence, however, is not all-embracing; it is directed to the world of phenomena to tangibles and things rather than to intangibles and peoples. Engineers tend, both by nature and by professional conditioning, to be fact-oriented and analytical in their judgements and decisions, and this fact-orientation comes into play very strongly when they look at a recruitment ad. They pay attention to ads that are professional, informative, descriptive, direct, and objective. In a recent recruitment advertising copy test, for example, the ad that received the highest rating from scientists and engineers elicited the following comments:

Reliability engineer, electronics: "An informative approach and a dignified proposition in accord with the dignity I like to attach to my profession."

Research engineer, aerodynamic: "It is most objective, without frills."

Engineering specialist, radar: "It gives most concrete information about what is really expected from the type of people they are looking for. Best describes duties and type of position."

Naturally, the recruitment ad must speak the engineer's own language. This does not mean it must be so esoteric or so cluttered with technical terms and symbols as to be utterly meaningless to any but technical professionals. But it should deal fluently with a technical subject in the kind of vigorous, practical, and nonstatic style the engineer or scientist is accustomed to seeing in his journals and reports.

BELIEVABILITY

In addition to being factual, the recruitment ad should be unpretentious and believable. The great importance technical professionals attach to believability became especially evident in the advertising copy test mentioned above. The respondents were asked what they considered objectionable in contemporary advertising.

Overshadowing all other criticisms, the great bulk of comments indicated that they were annoyed and repelled by the "brag-and-boast" approach ads that use exaggerated claims, misleading statements, gimmicky appeals, frills, and overglamorization of job vacancies. There is no doubt that an excess of superlatives evokes only boredom, exasperation, and rejection in most engineers and scientists. Far from influencing them, such ads actually repel them. Here are some comments from the survey that illustrate their feelings:

Research associate, electrical engineering: "I believe that there should be more honesty in advertising. After ten years of teaching and Industrial experience, I am well aware of how disappointing it can be to go to a company that promises "the moon with a ring around it". only to find all too often that you are an overpaid technician. It did happen to me!"

Reliability engineer, electronics: "Engineers and their professional dignity are not cigarettes, soaps, or napkins, so the advertising methods to sell the latter and hire the former should of necessity be different."

Research and development engineer, electronics: "Too many falsehoods are presented. All direct, sincere approach with solid follow-up is usually the bestseller, for a professional man will carefully evaluate a situation..... A person must feel that he should desire to become a member of a company after reading an ad."

All these comments indicate, we are dealing with highly

intelligent, professional men who like to check and double check all the claims and appeals made to them. Consequently, the "reason-why" technique and other rational appeals have to be used in recruitment advertising. Working within the framework of an engineer's fact-oriented outlook, an ad cannot for example, simply state that the company is "a leader in the scientific field". It must demonstrate the company's leadership by showing it at work in an advanced field, using interesting factual material to back up its claims.

Believability is thus one of the most important elements in a recruitment ad. It can be equated with sincerity-- a genuine, honest effort to reveal the intrinsic properties and advantages of the job.

INTERESTS AND VALUES

In order for an ad to "ring true", it must be prepared with insight into what is valid from the engineers point of view. Confronted with an ad that reflects his interests and values in an authentic way, the engineer responds positively: "These are my problems".... "This is exactly what I want" "That's me they're talking about".

The primary motivating factor in the engineer's psychological makeup is his absorbing interest in his work and the things he works with. As a professional group, engineers are so remarkably involved in their work that the challenge inherent in a job is much more important to them than fringe benefits, working conditions and facilities, geographic location, or even salary. A recruiting ad, to be effective, should appeal to this interest.

Some companies insist that the most important element in an effective recruitment ad is the mention of high salary and it must be admitted that salary looms large in almost all the

surveys conducted to determine what factors engineers consider before accepting a position. In fact, engineers value concrete rewards and material gain more than people in several other professions do. Nevertheless, a balance is usually provided by the engineer's strong sense of responsibility, strong workorientation, and conscientiousness, and it would be a mistake to underestimate the importance of broader motivations. Studies have indicated that the factors of career-consciousness and workorientation are more important considerations than salary in engineering motivation, and that an engineer is likely not to dwell so much on the question of money if he is promised creative and challenging work and the possibility to co-operate in the solution of tough problems. Dominating the engineer's psychology is an intense desire for stimulating, challenging, and creative work. Only when this is absent will he drive a hard bargain for monetary remuneration.

PREPARING AN AD

In addition to these fundamental points, much can be learned about the actual mechanics of preparing an ad from studies and copy tests conducted among engineers and scientific personnel. Some obvious questions immediately arise; How long should the copy be? Are illustrations effective? What about the humorous approach?

LONG COPY OR SHORT?

Consumer advertising is progressively using shorter and shorter copy, but this is not true of recruitment advertising. A series of copy tests have shown that more engineers find the ads "too short" than "too long". They want to find out as much as they can about the company that is advertising and about the exact nature of the job vacancies in order to make an intelligent decision.

In fact, as long as the copy tells the company's story

adequately, its length doesn't seem an important factor. The engineers were much more likely to criticize other aspects of the ad: "advantages weakly suggested", "too general", "overselling", "fails to make point clear", and "lacks interest value". It appears that length of copy does not enter into consideration at all if an ad is good in all other respects. It emerges as an irritant mainly in combination with other serious shortcomings in the ad.

ILLUSTRATIONS

Pictures and illustrations may be used for their attention-getting value, but they must not be too "cute" or unrelated to the copy theme. What's more, if their use means that copy content and length are sacrificed, they actually detract from the value of the ad.

Ideally, illustrations should augment, advance, or substantiate the copy message in an original and imaginative way to enhance total recall of the ad. Whenever possible they should make use of concrete engineering equipment or engineering symbolism to stimulate the engineer's attention and **arouse** his interest. Illustrations that are used merely for the sake of catching the eye are worse than none at all.

Copy tests corroborate this conclusion. Ads with non-technical art were rated least effective of the five different approaches tested. An ad that depended primarily on a piece of modern, symbolic, but non-technical art placed last in appeal and last in evoking the image of a company engineers would like to work for. Almost half of the engineers who participated in a recent study thought that this ad invited outright rejection or disbelief, and it was voted the least credible, convincing, and persuasive of the ads tested.

CARTOONS AND HUMOR

Cartoons and humor in recruitment advertising can also be self-defeating. Humor, especially the kind that reduces the importance of engineering as a profession, attacks the dignity engineers attach to their work. Moreover, job change is a serious undertaking for engineers, and humor of the flippant sort is out of place; it could well backfire by causing some engineers to lose their respect for the company. The disapproval, dislike, and irritation that an ad of this sort elicits tends to be directed at the company that uses it.

EFFECTIVE RECRUITMENT ADS

Continuing studies and copy tests indicate that engineers respond positively to some elements in recruitment ads. On the basis of these findings, it seems clear that recruiting ads should observe the following guides:

1. Offer specific information on job requirements and vacancies, describing flexible opportunities and diversification possibilities.
2. Tell a little more than is the usual custom about the company itself—its facilities, activities, and over-all projects and plans.
3. Communicate in a clear, specific fashion what is offered to the engineer and the advantages that working for the company would bring him.
4. Accentuate job dignity and a sense of engineer's professional status; promise greater scope for talents, and convey the idea that the engineer will not be one of a crowd.
5. Demonstrate opportunities to shoulder responsibilities, and make the engineer feel that the talent he brings to the company will be recognized and rewarded.

Recruitment advertising has made, during the past years, much progress in the use of more effective creative techniques, but

great opportunities still exist for improvement. It is an area that deserves careful attention, for a company's recruitment advertising does much to create the image that it presents to the professional community. As one respondent to a survey put it: "A company demonstrates its imaginativeness and outlook in its ads. I tend to gauge a company to a certain extent just by the nature of its advertising".

The following pages contain examples of recruiting ads that are almost guaranteed to leave prospective applicants cold-plus one that is clearly designed to give engineers and scientists the information they want.

RECRUITMENT ADS - GOOD AND BAD:

THE TWO EXAMPLES of recruitment advertising below illustrate the type of ad that antagonizes engineers and scientists. Although they may, at first glance, seem to have an appeal, closer inspection reveals that they are more likely to repel the very men they are supposed to attract:

CLIMB THE LEADERSHIP LADDER WITH BLANK, INC.

Give your career a "shot in the arm" by joining BLANK, INC., the biggest name in the aviation field. You'll find top challenge here and, if you're a fast thinker, you'll move fast up the ladder. Have experience in the following fields? Then write us, without delay.

Aerodynamic

Flight Propulsion

Mechanical Analysis

Blank, Inc., 00 Center St., Miami, Fla

Engineers: AE, ME

WANT TO BE TOP MAN ON THE TOTEM POLE?

- Then you're A-OK with this
aviation leader-Blank, Inc.

Many challenging positions with high career potential
are open to able, aggressive engineers experienced in:

Aerodynamics
Mechanical Analysis

Our programmes are important. Our salaries are the
highest in the field. Advancement comes rapidly to a
good man. Our location is really tops - Florida.

Your wife will want you to choose this engineering
opportunity. Here your family can live within easy
reach of famous beaches. Modern homes near our plant
are amazingly low-priced.

For a job that has everything, look to
BLANK, INC. Write us today.

What's wrong with these ads? For one thing, they give no
professional information and no real facts about the company.
Their ballyhoo style goes against the grain of engineers; they
are not written in engineers' language; and their general
flavour is cheap.

In contrast, the ad on the other page includes many of the
elements that attract and convince engineers and scientists
It is informative, professional, long enough to tell the
whole story, and it backs up its claims with actual facts
about the company. In short, an ad that does the job it
was intended to do. (Only the advertising copy, not the
original layout, is reproduced here.)

ENGINEERS

What we mean by INTEGRATED RESEARCH

at the G.E. Electronics laboratory

.....and why this concept is so fruitful
in valuable findings and
individual achievement

Any problem-plucked from the entire field of electronics -that becomes of interest to the Laboratory is studied simultaneously from every relevant technical angle, by specialized professional groups. These men maintain direct contact with each other, exchanging information on every phase of a project.

A current instance of this invigorating professional interaction at the Laboratory is a program for developing radically new radar techniques. Design advances-such as an electronically scanned antenna-will be coordinated with the handling of vastly larger amounts of data than radar systems have ever handled before. Scientists and engineers of all seven Laboratory subsections are making important contributions to this project.

Significant progress in the program is regularly covered in formal and informal conferences and in technical reports circulated to all groups. Representative report titles listed below indicate how far-reaching are the interacting investigations involved:

Ferrite Materials for Microwave frequencies by J.B.Linker and H.C. Rothenberg	An Electro-Optical Shift Register by J.A.Baer	The per- formance of an IF Integrator Preceded by a Linite by W.G.Hoefer
Analysis of Maser Techniques for infrared detection by G.K.Vessel	Topological Theory of Switching Circuits by C. Saltzer	Application of Low Tem- perature Solid State Amplifiers by H.H.Grimm

Laborary-wide interplay of varied talents is credited by scientists and engineers here with contributing materially

to their individual accomplishments. It is also valued as a prime ingredient in the unflagging intellectual appeal the Professional Staff finds in the Laboratory's diverse R & D undertakings.

PROFESSIONAL OPPORTUNITIES AT ELECTRONICS
LABORATORY

The Electronics Laboratory engages in applied research and advance development covering the entire field of electronics. More than 70 per cent of the Professional Staff have advanced degrees. Openings at various levels exist in the following areas:

Solid State Materials Magnetics and Dielectrics Solid
State Devices Network Synthesis Advanced Circuitry
Electron Solid State Devices communication Theory
Recording Devices Display Techniques Light Optics
Electron Optics Radar Techniques Antennas Microwave
Devices

for further information about current openings in any
of the above areas, contact Mr. Robert F. Mason, Dept. 00-0

ELECTRONICS LABORATORY LOCATED at Electronics Park
GENERAL ELECTRIC CO., Syracuse, New York

Courtesy: Management Review

S E C T I O N - 3

EXPERIENCES ABROAD IN GETTING AND KEEPING GOOD KEY PERSONNEL
(Selections from relevant literature)

3.4 HOW GENERAL ELECTRIC USES TESTS TO SELECT EXECUTIVES

By Marion L. Briggs, U.S.A.

In a number of its divisions, the General Electric Company has for several years been using psychological tests in selecting executives. The article describes the tests, how they are used and the results.

Two main types of test are used, one measuring intelligence and one measuring personality. They are used in conjunction with the more conventional selection procedures; interview, reference checks etc.

The most important point is that tests should always be administered by a trained person. There are many pitfalls in the use of psychological tests unless they are properly understood.

Before appropriate tests can be selected, the requirements of the job must be carefully considered and specifications drawn up (Incidentally, therefore, the use of tests serves a further valuable purpose in forcing management to make an exact definition of specifications for key positions). Some jobs demand more creative ability than others and there are different levels of responsibility to be defined. In the measurement of general learning ability, tests fill a very real need, for learning ability is very difficult to judge on the basis of an interview, and records of scholastic achievement may be misleading. The tests used have been checked by applying them to managers and supervisors in one division. It was found that, in general, people who reach high-level posts achieve high scores in ability tests.

In some departments, where mechanical intelligence in an executive is important-another characteristic hard to judge from an interview- a mechanical comprehension test is employed.

Personality tests should be used with more caution than tests of intelligence and learning ability. One reason is that too little is yet known about executive characteristics for a fixed pattern of desirable attributes to be specified. Again, since personality traits are nebulous and each is present in every person in some degree, it is easy for the personnel selector to over-estimate their presence in a particular candidate. However, the experienced evaluator can make use of the clues derived from the personality tests to guide him during the interview. The proper use of these tests can help to prevent a too rigid adherence to management stereotypes. After tests have been given, the results should be reported back to the applicant to enable him to benefit from such a professional appraisal.

When tests are used, it is found that the whole selection procedure tends to become more thorough and systematic; and the tests, far from becoming a substitute for other 'screening' methods, usually encourage management to adopt a wider, more balanced approach to appraisal in general.

Courtesy: B.I.M. Management Abstracts

S E C T I O N - 3

EXPERIENCES ABROAD IN GETTING AND KEEPING GOOD KEY PERSONNEL
(Selections from relevant literature)

3.5 SWAPPING SENIOR EXECUTIVES IS COSTLY
By T.M. Hunt, AUSTRALIA

An actual test of just one day's advertisements seeking executives to fill senior positions showed that 23% of the positions had become available due to company expansion. The other 77% vacancies were caused by the resignation of a previous executive.

The position has been reached when business must look for the causes of this disruption to their continued stability, and cease accepting it as a normal consequence of our present prosperous conditions. Quite recently, a senior company executive, commenting on the resignation of one of the company's "hopefuls", said this:

"What a fool he was. He had a wonderful future with us and he has put it all down the drain. Oh well. That is his prerogative, I suppose, and have no time to worry my head about people of that sort. He is not the only pebble on the beach."

Thinking such as this completely ignores one basic fact. This particular man had fifteen years' continuous service with his company. When he walked out the door he took with him such things as:

1. A thorough, if not complete, knowledge of the rules and procedures of the company. Foremost among these will be its foibles and its misdemeanours.
2. After spending 15 years in that particular industry,

he will most likely be relocated with the company's opposition. This ready-made source of information will undoubtedly react to the company's detriment.

3. This particular man had an injured ego. After 15 years, he could see only frustration and disappointment ahead of him for years to come. All his requests, at a critical time in his life, were met with a "don't worry", and a recommendation that he leavesthings in the hands of the management.
4. He had joined the company as a office boy, and had risen in the company service to the position of assistant purchasing officer. He had lately come to the conclusion that all he could ever get in the company's service, was the position of company purchasing officer, and then only after several years.

The author is quite aware that, in many cases "the grass is always greener on the other side of the fence, until we get there". But this executive had nothing to worry about in this regard. He had a firm written commitment, with two other companies, at a higher salary than he was currently in receipt of, and had been telling his close friends and associates in the company: "I should have done this years ago".

OTHER REPURCUSSIONS

This raises some intangibles, such as the effect of this action on the rest of the staff, the injury to public relations when he talked among his friends outside the company, and a determination to please his new employers by the unloading of as much information as he could to the detriment of the company he was leaving.

To make matters worse, there was no established company member

who could walk into the executive's shoes. The company would be faced with either getting a fully-trained purchasing officer from outside or training another man already employed by the company, for at least three to four years, and the danger that this man may not make the grade.

Some of the intangibles mentioned above may not be capable of translation into terms of money. The author confidentially discussed the case with two other senior executives in different companies. They estimated that the minimum cost to the company concerned, for this class and status of employee, would be in the vicinity of £10,000.

Whether you will agree with this or not is not the point. The plainfact is that to dismiss such an occurrence as routine and of no particular significance, is totally disregarding the complete loss of investment and other moneys, which will be a continuous process until another executive is appointed, and he is properly trained in company thinking and ethics, and an allowance for the possible failure of the new man.

Therefore, it is as well that we analyse the causes of why executives leave their jobs, so that top management can frame personnel policies to minimise such catastrophes and lead to a better understanding of the important things that promote the attitude of mind in the executive that he would be better off if he is transferred elsewhere.

The following have emerged as the most frequent of these causes:

AUTOCRATIC LEADERSHIP

Whenever an executive realises that he is just a gear wheel in the company's machine, and no serious attempt has been made to delegate to him the responsibilities of his position, he will always develop the feeling that a gulf exists between himself and his seniors.

POOR COMPANY COMMUNICATIONS

Top management is only fooling itself, when it demands that voluminous information must be passed up the line to them, and makes no serious effort to take their team members into their confidence and keep them advised of the company's objectives and plans ahead of time-particularly where such plans can affect the status of key employees. It is an undeniable fact that no more information of a reliable nature will be passed up the line than the volume that is passed down the line.

THE EMPLOYEE'S SELF-INTEREST

To every man, the most important person in the world is himself. He is vitally interested in his own promotion, commendation, etc. Where no periodical appraisal system is in existence, and very few, if any, of the employees of a company can see the 'road ahead', the company can confidently look forward to mistaken opinions originating in the grapevine-and a tendency for at least some executives to keep their eyes open for opportunities for separation.

MERGERS, AMALGAMATIONS, ETC.

Where these happen, it is practically certain that executives and workers are going to be suddenly put under the control of a management that they only partly know. Such things are often enacted confidentially, and rarely are even key employees of the company made aware of what is happening until it is an established fact. This sudden transformation of control to an unknown hierarchy can establish fears and doubts in the minds of employees, whenever the circumstances exist.

A SEVERE AND ITS CRITICAL TOP MANAGEMENT

Any management should be just as keen to compliment an individual executive on a good job done, than to criticise him on something that misfired. Remember Benjamin Franklin's advice:

"The fool is not the man who makes a mistake-the fool is the man who makes a mistake, knows he has made it, and makes the same mistake again". If mistakes are made steps in learning, the greatest ally you can get in rectification and non-repetition, is the executive who has made the mistake. But, if he knows that he will be bawled out, he will develop a defensive attitude which is fertile ground to breed dissatisfied executives.

LACK OF OPPORTUNITY

It is impossible to generalise about the desirability of remaining with a family-owned company. The wise executives will assay the situation early in the game-but he should not be surprised if some day he is shunted aside for the next generation in the family.

Favouritism, of course, is not limited to family companies. A similar problem can arise in a public company, if a dominant managing director is allowed to appoint close associates to management positions. Executives who are, or who think they are, victims of either type of favouritism are prime candidates for switching to another company.

HIGH LEVEL APPOINTMENT FROM OUTSIDE

Existing executives are likely to get restless if too many men are brought in at high levels from outside the company. Promotion from within is a splendid personnel policy, if it is possible. This importation of outsiders can be overdone. There is risk that the middle-management group, the men supposedly on the way up, will get the impression that when the next important position is open, they will be passed over. The wise company follows a policy of merit promotion from within, combined with periodic transfusions of executive talent from the outside.

AN UNREALISTIC SALARY PLAN

Within every industry there is a tendency towards uniform pay for similar positions, depending almost entirely on the size of the company's sales volume. Most executives know this, and it is easy for them to tell whether they are getting the market price by comparing their salary with those reported in various surveys, and talking to their friends in other companies. Salary comparisons may not be fair, but men will make them. So the wise employer will check his salary lists against available information, to make sure he is within the attractive range.

Of course, adequate salaries alone are not enough for executive retention. Most executives also look for forms of compensation that will let them keep a greater share of what they earn after taxation. They look for fringe benefits—such as superannuation, group life assurance, profit sharing or bonuses, etc.

A well organised retirement plan is a mighty big weapon to keep a man in his job, particularly those that provide a condition that the executive will not retain the main benefits of the plan, should he separate from the company before retirement.

"I WANT TO BE MY OWN BOSS"

Where there is a larger measure of democratic leadership, this yearning among executives is not so marked. But it always superimposes itself on the mind of the executive in the presence of precarious and autocratic leadership. To have this feeling in any marked degree, is a fallacy that executives should avoid.

They should know that it is natural for them to yearn for a situation where they can choose their own pursuits, hours, etc., but such privileges are fraught with difficulties and,

very often, impose hardships in long hours, etc. that are not generally recognised. The fact is that in retailing businesses, only one out of five people who launch a business in this direction, is an ultimate success.

The answer to this natural inclination is to recognise the executive as an individual, to give him his rightful due in praise and promotion, and value his suggestions and creative thinking, even though nothing may come of them.

IT PAYS TO KEEP THEM

These are not all the causes why executives leave their jobs, of course, but they seem to be the major ones. Executive retention deserves plenty of top-management attention. If a company can retain just one key man, by giving him the compensation, opportunity and consideration he deserves, it has solved one recruiting problem in advance.

The modern executive is highly status-conscious. Such status symbols as title, office location, and club memberships, are important to him, his family and his friends. As a result, many bright men with excellent performance records, leave good jobs for what might seem to some to be petty reasons.

But these reasons, petty or otherwise, have to be anticipated by senior management if they are to cash in on an executive's potential and command his best efforts during the major portion of working life. Certainly, any company can be a "good place to work" and when executives consider their company in this category, there is a marked decrease in their desire to separate from the company which has given them security, at a very large cost.

Courtesy: Rydges Journal.

S E C T I O N - 3

EXPERIENCES ABROAD IN GETTING AND KEEPING GOOD KEY PERSONNEL

(Selections from relevant literature)

3.6 HOW TO SPOT YOUR BRIGHT YOUNG MEN
By Evan Davies, Australia

One of the first questions that the manager should ask himself in attempting to pick out a junior staff with executive potential, would be an inquiry into brightness for what particular activity he has in mind for the future executive. Certainly, although all executive activities require above average intellectual resources and particular personality qualities, different facets of management have some special and specific requirements, which must be present in the executive if he is to successfully carry out these tasks.

Thus, before engaging in any programme of selecting bright young men with executive potential and developing them for future careers in organisations, the manager has to have a fairly accurate audit of his current manpower resources, and the estimate of manpower requirements in this field of company activity at future dates, so that he can programme to accommodate these needs as they arise.

Forecasting manpower requirements is always an extremely difficult task, because of the great number of variables influencing labour markets generally. However, unless the manager has some figure to guide him perhaps for the next five or ten years, then indeed he has no substantial figure with which to begin planning his executive development programme.

It sometimes occurs in larger organisations that a general

executive development programme is followed, in an effort to develop talent amongst young men, without any clear expectancy of the possible modes of absorption of these persons at a later date.

Generally, then, the manager who is adventuring into the field of seeking out his more talented juniors with the view of developing them so that they will fulfil the requirements of the company's executive structure in the future, needs to give some long and careful consideration to these various underlying facets of the problem. Until he has done so, then at the best, his selection and development of executive talent will be relatively less efficient, and at the worst will be quite inadequate for the requirements of the situation.

SPOTTING THE BRIGHT YOUNG MAN FROM SCHOOL

The only way to detect and establish the superior abilities of one person over another in terms of their potential for managerial responsibility is by a direct study of their behaviour. Consequently the longer one has experience of a particular person, then the better the understanding of their behavioural characteristics and usually the more efficient the assessment of their potential executive responsibility will be. The difficulty, however, often arises in which certain decisions of this kind have to be made, when only a minimum degree of knowledge of the person's behaviour has been possible, and in some instances the knowledge of the person's behaviour is actually negligible. Such an instance would be in the selection of new employees of the school leaving age.

What is taken to be one of the most important pieces of information in the selection of youngpeople at school leaving age is the results of their performance in public examinations.

It is true that the examination performance will provide the manager with an indication of the level of educational accomplishment achieved by the applicant over a set curriculum of studies for a specified period of time. As such, this does give the manager an indication of the level of accomplishment of the person, and it also provides him with a common yard-stick by which he can compare one applicant with another. Unfortunately, the yard-stick of educational accomplishment is not necessarily concerned with the same kinds of activities and requirements as those of a general work situation, and is certainly not the same as the requirements for effective executive performance.

Careful studies of the history of the applicant covering his behavioural activities over his secondary schooling period, derived from thorough forms of interviewing, will do much to provide a source of data which will be an important ancillary in appraising the aptitude of the young applicant for a business career leading to executive responsibility. This kind of information can be further supplemented by specialised kinds of assessments which attempt to appraise the various psychological characteristics of the person, as they exist for that person at that time.

Gathering together all these sources of data, it is possible then to make a choice in the selection of bright young applicants for business careers with an executive future which will have a reasonable degree of accuracy.

Because of the lack of positions in general business situations which will enable the young person to manifest executive talents and skills, it is sometimes possible to provide special behavioural contexts in which the young person is given an opportunity to show what special talents and skills he may possess. One of the most popular

techniques in this connection is for the management to provide a series of planned assignments for junior executive staff. In assessing their performance and effectiveness in carrying out these specialised assignments, a very good idea can be gained in terms of their potential for subsequent executive responsibility.

Another special situation in the work context which can be established is to be found in the provision of special in-service training courses which are directed not only to the development of the various capacities and aptitudes of the trainees involved, but at the same time provide a medium in which the special talents and resources of the junior staff member can be studied and assessed. Here again, because these intraining courses frequently follow an academic pattern, their usefulness in assessment is restricted to a certain degree. One will frequently meet with a situation in which a young staff member will do outstanding work in connection with the theoretical problems of the in-training course, but when actually given an opportunity to practise managerial responsibility, because of other deficiencies, he fails to live up to expectations.

THE BRIGHT YOUNG MAN LOOKS AFTER HIMSELF:

One of the most important things which the manager will keep in mind when studying the potential of his younger employees for executive responsibility will be the degree to which the young man develops and promotes his own particular intellectual and personality resources. The manifestation of enterprise and activity on the part of the person himself in his efforts to increase his own efficiency, knowledge, and potential for a greater degree of managerial responsibility, is one of the marks of a person with likely managerial potential in the future.

Case histories of successful managerial personnel inevitably show this facet in their development. There are always examples of activities and pursuits initiated by their own enterprises, in which they have attempted to extend their capacities and resources to the fullest degree of accomplishment. Persons who show a very small degree of this self-development, are usually less able in executive situations, and are most frequently, less apt for those kinds of work.

THE BRIGHT YOUNG MAN IS MEASURED:

Yet a further way of detecting executive talent would be to utilise modern psychological techniques in the assessment of the various characteristics of the person concerned. It is possible by using such techniques to gain a highly accurate assessment of the person's general intellectual resources, and at the same time to gain measures of personality characteristics which would play an important part in the subsequent performance of the bright young man in an executive situation.

At the same time, in the highlighting of particular strengths and weaknesses of an intellectual and personality kind, the data derived from such psychological assessment techniques can be utilised in the subsequent development of the person, so that his strength may be increased by subsequent specialised forms of training, and his deficiencies and difficulties decreased by other kinds of specialised training.

There are clear indications in a variety of empirical investigations with managerial personnel that a high level of intelligence is both necessary and desirable for the effective performance of senior executive tasks. Consequently indications of superior intellectual capacities and resources in the behaviour and performance of the bright young man, would be a positive indicator for subsequent potential

in executive and managerial responsibility.

Empirical studies with various kinds of managerial staff have indicated that of all the major personality variables which can be studied, the one of extroversion is a characteristic which has considerable importance in successful executive activity. Extroversion is here being used in its technical sense, to mean a person who directs his motivational energies and drives towards external activities and behavioural pursuits, rather than the person who is oriented towards his own thoughts and feelings in an introspective fashion. It does not necessarily mean the popular concept of extroversion in which the person supposedly is an excessively friendly fellow, who engages in an obnoxious degree of backslapping and bonhomie. The third factor, which has some empirical basis as being an important characteristic for executive performance and managerial responsibility, is the degree of confidence that the person has in his own particular capacities and resources. People possessing this personality quality have an expectancy for success in their activities, and when they undertake a task or a particular programme then, despite its difficulties and complications, their belief in ultimate success for the project never wavers. They may, indeed, have many misgivings and doubts about the outcome of particularly difficult circumstances, but their basic belief in their self-efficacy, and in the ultimate success of the programme, is one which is firmly established and self-maintaining. This is, of course, something more complex than self-confidence, and seems to be related to the long-term history of the person's development. There are also indications of an experimental kind which suggest that it is an acquired trait. Being acquired, it can also be developed under specialised conditions.

These are at least three things which can be observed directly in the behavioural responses of the bright young men with whom the manager comes in contact. If he is able to spot these three qualities, and along with this recognition, apply the knowledge and information that he has of the bright young man from the other sources outlined in the discussion, then he should have an opportunity to successfully select bright young men who would all fulfil his requirements of managerial responsibility in the future.

Courtesy: Rydgcs Journal

Note: Modern Management Counsel (3E1 Court Chambers, New Marine Lines, Bombay 400 020) is equipped to offer a STRENGTHS & WEAKNESSES test. This test is helpful to know one's personal strengths and weaknesses. Know-how can also be shared with organisations interested in acquiring the know-how.

S E C T I O N - 3

EXPERIENCES ABROAD IN GETTING AND KEEPING GOOD KEY PERSONNEL
(Selections from relevant literature)

3.7 RESEARCH MANAGEMENT : SOME CLUES FOR SELECTION
by Milton M. Mandell, U.S.A.

While business is becoming increasingly aware of its need for managers with the broadest possible background and outlook, and many companies are discovering anew the merits of the generalist over the specialist, others are beating the bushes for managers with scientific, technical, or other professional qualifications. The growing dependence on science and research has presented industry with a new and serious problem—the management of teams of professional workers. Companies now a days need men who can both grasp the widest implications of their increasingly complex research operations, and deal competently with the operations themselves.

Back in the old days when the R & D department, for instance was fairly small and was considered merely an adjunct to the company's major operations, its top spot could be competently filled by a good researcher with some minimal managerial skills. Sometimes the department would report directly to a high-level manager with many other responsibilities. Since it didn't make any elaborate demands on the company, he didn't have to have any detailed knowledge of what it was doing in order to understand its needs and translate them to top management.

But R & D is now a large and complex unit requiring several levels of supervision, demanding large appropriations, and having a major effect on operating and staff departments

throughout the company. Today the department needs to be managed by people who are thoroughly grounded in its technical work and, at the same time, have all the administrative and managerial skills required for the leadership of the other departments. The company is thus confronted by two questions: which of the managerial jobs are to be occupied by professional managers and which by manager-professionals? and how can the potential managers within the department's ranks be identified and moved up the line?

Unfortunately, there are as yet no definitive answers to either question. Because the questions are pressing, however, some sort of orderly, if unvalidated, principles must be followed. Here, then are a few criteria for determining which managerial positions require a professional background and for choosing the professional employees to fill them.

What Kind of Manager Does the Job Require?

Starting with the extremes, we can hypothesize that the immediate supervisor of a professional unit should always himself be a professional while the head of a unit with several functions need not. If a scientist or other professional is selected for the latter job, it should be because he has other, more relevant qualifications. Between these extremes lies an infinite number of possible managerial openings for which the general principle seems to be that an employee's professional background can take him as high in the hierarchy as there are jobs in which his profession constitutes the major function under his supervision—at the point where other functions become of equal importance, then other qualifications should take precedence over the professional.

Besides referring to this general principle, however, the company must always examine its organizational structure, for the decision on whether or not to fill a managerial job with a professional must often be based not on the managerial qualifications of the men available but on the place their professional function occupies within the company. The function may simply rank too low to warrant the selection of a professional as manager. If it cannot be placed higher, and if the top executive team does not include anyone with a professional background, then the company would do well to establish a position of "assistant to" a top executive so that the voice of the profession can be heard directly at the top.

The need here is as much psychological as logical. Professionals probably feel most comfortable in an organization where they think their problems are understood in the executive suite. On the other hand, they can be vicious in attacking men with backgrounds similar to their own who, they feel, subordinate professional objectives to administrative considerations. Sometimes, too, they resent those who are receiving higher salaries than they but are doing work that they consider less important than their own. Furthermore, because the aspiration for managerial work on the part of some professionals is the result of their lack of skill in their own fields, moving them into higher-level jobs is not likely to increase their former colleagues' respect for management. Finally, a man who has not practised his profession for years because he has become a manager may not have the proper humility when presented with a technical problem by an outstanding subordinate currently in the field.

Just as assigning a professional to a managerial position can prove either gratifying or frustrating to his subordinates, so professionals as a group have both assets and disabilities for the work of managing. They usually have the necessary intelligence and analytical ability, they recognize the importance of getting all the facts before making a decision, they tend to be objective, and they are work-centered. But they often dislike the kind of detail associated with administrative work, they shy away from the human factor, and they may be indecisive because they feel uncomfortable about making a decision when adequate data are not available. Fortunately, every profession consists of so many heterogeneous groups, differing widely in their interests and personal characteristics, that we can probably find in it enough people to fill our managerial needs. But we should try to reach these people within three or four years after they start their careers and not wait until they become fixed in the methods of operation and attitudes of professionals and can assume the methods and attitudes of managers only with considerable difficulty.

Making the Transition:

The change from professional to manager should be gradual. While still functioning primarily as professionals, those who seem to have managerial potential can be given committee assignment and specific administrative duties as tests of their interest and aptitude; then, increasingly important supervisory responsibilities can provide the necessary further testing. The biggest strain comes when for the first time, the professional is removed from close contact with the technical work, and knows that he is now an administrator.

For many men, this seems a point of no return and presents a great emotional shock. But it sometimes happens that a professional employee insists that he is not interested in managerial work without really meaning it. Such a statement should not be taken at face value, for it may be merely the product of a code that requires him to identify with the profession and of his feeling that interest in administrative work is as reprehensible to his peers as gambling is to a bank official.

How, then, can we identify the potential manager in a company's professional work force? No validated measures of managerial aptitude in professionals are now available, but the following questions may provide useful clues. A candidate for advancement should be able to score 'Yes' on these:

- Is he effective in working with laymen?
- Is he willing and skilful in explaining his own work to them?
- Does he respond well to constructive criticism?
- Does he have high verbal ability?
- Does he have broad interests? Is he interested in fields of knowledge other than his own?
- Does he have a broad educational background?
- Is he good at "sizing up" people?
- Is he more gregarious than people in his profession usually are?
- Does he observe such amenities as exchanging pleasantries with a secretary, thanking staff people for their help, and caring for his clothing and appearance?
- Is he effective in making requests for staff, space and equipment?
- Does he respect the ideas of people in his own profession?

Does he have any respect for administrative considerations, such as the objectives of those who use his results?

Does he pay attention to deadlines?

Has he used effectively the skills of sub-professional and blue-collar employees who work with him?

Has he been an officer or committee member in any type of organization?

Has he been effective as a member of a research or professional group?

Do his colleagues respect him as a person? In dealing with problems, is he willing to forego the depth of analysis that he is accustomed to as a professional?

Is he willing to settle for imperfect solutions when necessary?

And here are some questions to which the answer should obviously be 'No':

Is he overly sensitive in his relations with people?

Does he get unduly upset when there are delays or changes in work plans?

Is he impatient about having his work reviewed by people in other fields or coordinated with their work?

Is he interested in managerial work only because it will allow him to do what he wants in his profession?

It should be pointed out that many professional employees who have managerial aptitudes fail to display them fully because their interest has not been aroused or because they feel uncomfortable about taking over a role for which they have not been trained. The executive responsible for evaluating professionals in this regard also must not be fooled into believing that because their personalities are different from his own they will not be effective managers, and he must be sensitive to the signs of managerial ability that they display in their own

working contexts. A professional man's success in, for example, "selling" his speciality to management and getting large appropriations for his work can be taken as a good sign of managerial ability. His methods may be very much unlike those traditionally used in management, but they may prove equally effective.

In all its approaches to the problem of making professional men into managers—recruiting, selecting, training, and promoting—the company must recognize the professional's tendency to think himself different from those who normally make up the managerial force and the differences actually do exist. This same recognition will have to be embodied in the principles that eventually emerge from research on this question.

Courtesy: Personnel Journal

It is interesting to note that according to the author of Arthashastra, the proper scheme of salaries and wages was as follows: miscellaneous workers—60; Artisans—120; superintendents of departments—1000; superintendents of commerce; manufacturing etc. 12000; ministers—48000.
(All figures relate to panas)

— R. Shamasastry (ed.)
Kautilya's Arthashastra (ed. 1961)

S E C T I O N - 3

EXPERIENCES ABROAD IN GETTING AND KEEPING GOOD KEY PERSONNEL
(Selections from relevant literature)

3.8 WHEN AND HOW TO USE AN EXECUTIVE SEARCH FIRM

By Donald E. De Voto, U.S.A.

Sometime ago, the president of a medium sized consumer goods manufacturing company was jolted to be handed a regretful letter of resignation from his director of marketing. The marketing man had been approached by larger company with an offer that, as he expressed it, was "too favourable to turn down."

At all events, it was an offer that his own company was unable to match, and disappointedly the president turned his thoughts to the problem of replacing him. There was no one in the company capable of stepping into the marketing man's shoes right away. On the other hand, anyone who was brought in would have to have first hand knowledge of the industry as well as a broad marketing background. Short of raiding a direct competitor, the president had no idea where to look first.

He discussed his problem over lunch with a business acquaintance a few days later.

"Why not call in an executive search firm?" his friend suggested.

"Oh, those clock-and-dagger boys", the president said. "What do they know about our business? No--we have an excellent industrial relations department of our own. They should be able to track down the kind of man we need."

Flattered though the industrial relations director might have been to hear this tribute to his operation, it so happened that at that particular juncture he was up to his neck preparing for the company's next round of contract negotiations. Additionally, he was busy with an extensive retaining plan necessitated by the projected installation of automated equipment in one of the production departments. Obviously, he could not drop these urgent projects to devote all his energies to the task of finding a new top executive, nor could he delegate it to one of his subordinates. In the circumstances, the best he could do was to fall back on the usual channels—advertising, his industry trade association, and his own professional contacts.

SIX MONTHS LATER, THE COMPANY WAS STILL WITHOUT A MARKETING DIRECTOR.

Round about the same time, the executive vice president of a capital goods manufacturing concern plagued by lagging profits came to the conclusion that the company needed to expand its product line. He suggested to the president that they hire someone to generate and develop new ideas. The president, who felt that the company's paramount need at that moment was to cut costs, nevertheless lukewarmly agreed to the suggestion. Since neither he nor the executive V.P. knew of any likely candidate, an executive search consultant was called in and instructed to find a "director of special projects."

Just what kind of man was needed to fill the position was never made very clear, nor were its duties explicitly spelled out. But despite the vagueness of his assignment, the consultant was able to unearth two or three candidates who, he felt, might possibly fill the bill. Each of them, however, was turned down by the president and it soon

became apparent that aside from the fact that the company did not really know what it was looking for, the president had been secretly opposed to the project from the start. The search was eventually called off.

HOW TO DECIDE

These two instances are illuminating examples of the fact that, in trying to fill their needs for executive talent, many companies tend either to underestimate or overestimate the benefits of using a professional search firm. Company No. 1 would almost certainly have done better to have turned its problem over to an outside recruiter right from the start, but in following precisely this course, company No. 2 merely wasted its time and money.

How can you avoid making either of these mistakes? A moment's reflection will show that they are merely opposite sides of the same coin. Probably the readiest way, therefore, to decide whether a consultant can help you with a particular hiring problem is to pinpoint the situations where you don't need one.

Almost every well-managed company, for example, will try to promote from within wherever possible. If an opening arises and a well-qualified executive is already available in the organization, the opportunity for advancement should be given to him. Sometimes, though, there is some uncertainty as to whether an in company candidate really is the right man for the job. In that event, management might conduct an outside search to see if a better-qualified man can be found, or to establish some standard by which to judge its own man. Searches undertaken with this aim in view can serve a useful purpose, but as a general rule it can be said that if the company has a

search is not necessary.

Similarly, a search firm is not needed-and, in fact, is a waste of money-when the requirements for the new position are ill-defined, or management has merely a half-hearted interest in the whole project.

WHAT'S A STAFF FOR?

In any case, the industrial relations staff will normally be experienced in recruiting, selection, and placement. They can be counted upon for competence in attracting and evaluating management people, since they often follow the same techniques that consultants use. Through advertising and the establishment of contacts in the industry, as well as in the universities and professional societies, personnel people are usually able to satisfy many of the company's managerial needs.

On the other hand, because of the pressure of their other responsibilities, the personnel staff can't always spend the time on a particular hiring that the project requires. Often, too, personnel people are handicapped by the fact that they are, of course, identified with their company, and so have less flexibility than an outside search firm in making inquiries.

In medium-sized and small companies, it's unlikely also that the personnel man will have had the same opportunity to appraise a large number of executives in a variety of functions and industries as the outside expert has had. Nor, because of his company duties, will he be free of travel and on short notice.

For these reasons, it is often more efficient for the company to retain a professional recruiter than to rely on its own personnel staff, especially since personnel people themselves

no longer have the reluctance to employ an outside consultant that they often had in the past. It is now generally recognized that the use of a professional recruiter is no reflection on the competence of the personnel department. Rather, it represents the same kind of professional assistance that is supplied by an insurance or a pension expert, a labour lawyer, a safety expert, or any other specialist who is called in to help with a specific problem.

A typical situation where the services of a professional recruiter can be advantageously employed arises when there is a need for an executive with highly specialized experience, and when strict confidence must be observed in combing his particular field. In solving a problem of this kind, the outside man offers a twofold advantage- he can concentrate on the assignment better than anyone in the company, and he can do it without disclosing the company's identity. Furthermore, he may well already have a broad knowledge of what's going on in the field in question.

AN AID TO DEFINITION:

Again, if the need is unusual and not completely structured, a consultant may make a substantial contribution to the company's search. Sometimes an executive job is unusually complex and requires an unusual man to fill it. Management may not have an exact idea of the qualifications needed for the position simply because it has no parallel in the organization. Here the consultant can offer the advantage of an outside point of view. Additionally, by identifying and appraising prospective candidates and talking over their qualifications with management, he can help the company arrive at a practical definition of its needs

As an example, let's take the case of an investment banking firm that was recently looking for a new president. For a variety of reasons, this particular firm was quite different from others in its field. Because of this, the chairman was doubtful whether the kind of man they needed was to be found in investment banking circles. But investment banking was their business and if the prospective president was not to be found there, where was he to look for him? Very properly, the chairman turned the problem over to an outside consultant, who eventually unearthed an executive who had been a practicing attorney, a top executive in a commercial bank, and the manager of a large investment fund. His interests and talents coincided precisely with the client's needs and objectives - but finding him required first a precise definition of the qualifications of his position, and then a thorough survey of several business fields.

In general, it can be said that when a company needs a high level executive and the hiring decision will be made by the board or the president, or whenever extreme circumspection is required, it is highly desirable to turn to a search consultant. His freedom to move in any situation, his sensitivity to premature disclosure, and his experience in appraisal and discreet investigation can prove invaluable here. In short, he provides two-way communication without commitment.

Meanwhile, what about the cost? The consultant charges, of course, for his services and at first glance his fee may look stiff. Nevertheless, it can actually represent a saving in time, and money in more ways than one. Recently, for example, a chemical company was looking for a technical director. Though management knew exactly the kind of man it

wanted and had worked on the problem for two years, the search had proved fruitless. The inevitable limitations of time and lack of annoyntiy had had their usual hampering effects. Furthermore, the search was nobody's EXCLUSIVE job, and when other problems arose this one was pushed to one side. Finally, the company decided to use an outside recruiter, and the search was satisfactorily concluded in three months. The cost to the company during its two year effort was many times the fee charged by the consultant. In fact, the concentrated effort of a consultant is often the extra ingredient needed to insure success. Whenever, there is an executive opening that has gone unfilled for several months, management had best start thinking about employing professional recruiter to solve the problem.

A SPUR TO ACTION:

Besides being naturally in the best position to get things moving, the consultant can supply the additional energizing effect of an outside appraisal when company management is inclined to drag its feet. As a rule, his comments and recommendations tend to generate company thought and action and thus speed the search to a satisfactory conclusion.

Deciding when to use an outside recruiter is one thing-selecting the most suitable one is something else again.

In the end, of course, since consulting is a personal service, your selection will be a matter of your own judgement and personal feelings. If all the firms you investigate turn out to be of equal professional standing, select the one in which you feel the most confidence. This is very important, because any doubts on your part will cause friction and create roadblocks.

Needless to say, the quality of the service you get from a consultant will depend considerably on your working relationship with him. You retain a firm, but your search will be conducted by one of its members. Find out first who is to handle the assignment. Then meet and get to know him, to be sure you can work compatibly together.

Here are some further points that may help you to work most productively with an outside recruiter:

At the beginning of the assignment, arrange for the consultant to meet the executives who will be working with the new man, particularly his superior. A sure "feel" of the company environment and its people is a must for the consultant in any well-conducted search.

Consultants are analysts, not decision makers. They need to have every piece of information even remotely related to the opening that is to be filled. Some of their questions may seem irrelevant but they aren't: an abundance of information is necessary to produce a meaningful picture. The Consultant has to anticipate all kinds of questions from the candidates the interviews- and any discerning candidate will quickly lose interest if he feels the consultant does't know what he's talking about. If, for instance; you are looking for a director of research and development, don't be surprised if the consultant wants to know a lot about your marketing set up. After all, the end product of research has to be sold, and the candidate is bound to ask what the sales outlook is. (Incidentally, there's no need to worry about disclosing information to the consultant; his entire training and orientation are based on keeping confidences.)

Listen to what the consultant has to say. It has often been said that the hallmark of a good consultant is knowing what

questions to ask. An experienced consultant will have been exposed to many different company situations, and this broad background will be reflected in his questions. Also, though he will have suggestions to make, he will rarely insist, so listen carefully to his ideas. They are usually well thought out and to the point-sometimes the key point.

Keep your mind open if the consultant seems to be critical of your ideas. This does not necessarily mean that he is negative or professionally incompetent. He is a gauge of practicality and may well feel that you are too idealistic in your requirements. In that case, remember that he is in the best position to make comparisons in the hiring market. He is first and foremost a realist.

A search, like any other management effort, has its own problems and blind alleys. When they crop up, don't just sit back and let the consultant handle them. Participate. Argue. This give-and-take will sharpen the consultant's sights so that his aim becomes more precise. More important, it will eventually lead to agreement about just what the target is.

If the candidates produced by the consultant don't measure up to the need as you see it, discuss with him exactly where, in your opinion, they fall short. No consultant wants to make a mistake, but he cannot operate in a vacuum; he needs to know precisely why a particular candidate is unsuitable. If you turn a candidate down and the consultant intimates that your standards are too high, make him cite chapter and verse to prove it. But again, keep an open mind. He wants to find you the best man he possibly can, but he knows it is unrealistic to turn down candidates because they do not meet your specifications to the last dotted "i".

You should expect the consultant to do a thorough job of checking the candidate's professional and personal background. Here any particular points of company policy that need to be brought out should be made perfectly clear. If you feel more investigation is required, insist on it. These investigations should be documented and presented in writing. Remember, though, that a thorough investigation will almost always bring out some negative implications. If an executive is really topnotch, he's bound to have some critics. Consider carefully who is critical and what his motivations are. Depending on the source, sometimes a carping comment is actually a recommendation.

Because most companies seldom have to go outside to fill a key position, there is no need to have an established routine for executive interviews and negotiations. You'll find, however, that your consultant is very knowledgeable in this area. He will be able to suggest how to conduct meetings with candidates, how to approach discussions on compensation, and so forth. Also, he will have briefed the candidate so that he is prepared to discuss the matters of importance to both sides.

Actually, it's at this point that many otherwise successful searches fall apart. So listen carefully to the consultant's advice about the order of events and the approach to be taken in meetings with the candidates -- many a good man has been lost through inexpert handling of the final negotiations.

From the above observations it should be apparent that the role of an executive search consultant extends considerably beyond the corralling of likely prospects. Always bear in mind that while he will regard and conduct himself as a staff member assigned to an important project, he is also an

independent professional who is most effective when he does not automatically go along with all management's opinions. His objectivity and his independence are among the most valuable contributions he can bring to a company's quest for executive talent.

Courtesy: Personnel Journal

S E C T I O N - 3

EXPERIENCES ABROAD IN GETTING AND KEEPING GOOD KEY PERSONNEL
(Selections from relevant literature)

3.9 ATTRACTING AND KEEPING TECHNICAL PERSONNEL

The management problems arising from the rapid influx of engineers and scientists into industry have lately been coming in for a good deal of attention. In the final analysis, it is commonly recognized, the problem of how to manage these people boils down to the question of what kinds of wants and expectations they bring to their jobs. But engineers and scientists are not notably articulate, and as a result far too many prescriptions have been written without sufficient consultation with the patient. Diagnoses have tended to fall into two mutually exclusive categories holding either that technical men are very much like other-level employees or, more frequently, that they are a different breed altogether.

What, then, is it that engineers and scientists need of their jobs, and how different are their needs from those of comparable non-technical employees? In an effort to find a better answer to this question than the prescriptions now being used, the authors of this article undertook to examine the available research evidence and to study both prospective and practising engineers. The results of our investigations led us to conclude (with apologies to Thoreau) that most engineers lead work lives of quiet desperation.

A few experts from the research literature should suffice to illustrate the point. A fairly recent survey of a

randomly selected group of scientists felt that over a third of their time was devoted to tasks beneath their effectiveness was reduced by the amount of time they were required to spend in meetings, committees, and consultations. In addition, they complained that many of their supervisors had been advanced solely because of their technical competence and without sufficient concern for their managerial abilities.

These findings have since been supported by J.B. Boyd, conducted among engineers in a utility company. A substantial proportion of the turnover of this group, Boyd discovered, was among the most promising of those recently employed. Those who did not mind routine or detailed work were the more likely to stay, while those who were more interested in people were the more likely to leave. This indirect selection process was appreciably reducing the company's stock of imagination and potential leadership.

The ambitious study of employee motivation reported in *The Motivation to Work* found that for the two groups studied accountants and engineers-the most important positive motives have to do with recognition, advancement, and the nature of the work itself. Negative "incentives" - dirty washrooms, for example- may cause dissatisfaction and turnover, but the absence of these conditions has little or nothing to do with increases in productivity. Positively motivating factors, it was found, were pretty much the same for both the accountants and the engineers. Though the latter were more affected by the nature of the work itself and the former by opportunities for advancement, the differences were small.

The last of the findings worth mentioning here concerns a totally different realm-compensation-and comes from a report published by the Bureau of Labor Statistics in 1960. Comparing the salaries of various classes of technical and administrative personnel, the Bureau found that engineers enjoy a favourable differential at the beginning of their careers, and in fact earn higher starting salaries as college graduates than any other group at this level. After several years of experience, however, engineers not only lose this advantage but slip to fourth place among the seven groups compared.

A PICTURE OF FRUSTRATION

These research results outline a picture that suggests some of the reasons why industry had best concern itself very seriously with the management of its technical personnel. The technical employee, and the engineer in particular, begins his career as a well paid, fair-haired boy. But he may soon find himself assigned to relatively routine work in a job that - to make matters worse-leaves him more or less isolated from his fellow workers. In effect, industry has made him part of a stockpile against future needs. And because stockpiling is highly expensive and leads to under-utilization of abilities, he is also likely to find himself and his salary - advancing more slowly than he expected. At this point he may be eager to switch to a more challenging and remunerative non-technical job, but the very fact of his technical education may keep him from being considered for such a post and management will probably justify this by holding that it would be a waste of good technical talent to move him into sales or supervision.

This gloomy picture raises once again the key question: What do technical personnel want and expect of their jobs? Clearly, if industry is to develop alternatives to the frustrating sequence described here, it must know something about what job elements constitute motivating forces for this group. The first part of our own research was therefore concerned with the job expectations of students in engineering, who are, as it were, uncontaminated by any substantial employment experience.

The study group consisted of 376 upper-classmen majoring in engineering - 1960 mechanical engineers, 147 electrical engineers, and 69 engineers in other fields (aeronautical, civil, or chemical engineering and so on).

A short time before, Strother and Johnson had studied the way in which students at the School of Commerce of the University of Wisconsin responded to a series of hypothetical job offers. This study provided us not only with a research method but with data against which the engineering students' responses could be evaluated.

SIX FRINGE BENEFITS

The method consisted of presenting the students with six paragraphs and instructing them to assume that each one was part of a job offer that differed from its chief competitor only in this one paragraph. The paragraphs themselves described six different fringe benefits known to be offered by some of the companies recruiting at the University of Wisconsin. Briefly, the six benefits, the same as those used in the earlier study, were as follows:

1. Payment of expenses for conventions and Professional meetings.

2. Payment of expenses for University Institutes and courses.
3. Outstanding technical Library.
4. Extensive recreation benefits.
5. Liberal discount privileges through the Company.
6. Rapid promotion for able employees.

The students were asked to choose among these benefits in two ways: first, by the method of paired comparisons and, second, by assigning a dollar value to each of the paragraphs. In the first of these methods, the six paragraphs were paired off with each other in all the possible ways - this comes to a total of 15 pairs - and the participants were asked to choose one offer from each pair on the basis of personal preference. This method, besides providing adequate statistical data, resembled a kind of decision situation that frequently confronts the student in search of a job.

After they had finished evaluating the 15 pairs, the students were given a figure that approximated the going salary rate for their group and were told that this was the rate attached to each of the six offers. They were then presented with each of the offers in turn and were asked to indicate how much money a company not offering the particular benefit in question would have to pay to meet this competition. The participants, incidentally, were not permitted to refer back to the paired comparisons.

Statistical analysis showed that the engineering students' responses to these two questions were comparable to those of the commerce students - or, in other words that they could be translated into standard units on the same scale

- and that the ranking of the six offers in terms of the mean dollar values assigned to them was identical with their ranking by the paired-comparison responses. Since ranking by dollar values is, statistically speaking, the cruder of the two methods, we need here consider only the paired-comparison scaling. For those interested in the price tags, however, we might note that the dollar values assigned to the six factors by the two major groups, commerce students and engineering students, and by the three engineering sub-groups ranged from a low of \$ 12 a month to a high of \$ 43 a month.

HOW THE BENEFITS RANKED

Both the resemblances and the differences between the engineers and the business students are noteworthy. For both groups, opportunity for advancement is the most important of the six benefits, and opportunity for further academic work holds second place. The business students, however, assign third and fourth place to benefits that have no connection with the work itself—discount privileges and recreation facilities—while the engineering students give these ranks to the work-connected benefits of a technical library and paid attendance at professional meetings.

Not only is there a difference in the rank orders given by the two groups, but the one benefit connected with the nature of the work that is assigned the same rank order by both groups - university courses - has a substantially higher scale value for the engineers than for the business students. This is especially noteworthy in the case of the electrical engineers - a group often regarded as the elite of the engineering schools. For these students, opportunity for continuing education ranks almost as high as opportunity for advancement, and the company library, which ranks at

the bottom of the business student's list, has a higher scale value than any other third-ranking benefit in any group.

Taken in conjunction with the studies summarized earlier, these findings support the view that what engineers most want out of their jobs is pretty much the same as what other exempt personnel most want out of theirs. At the same time, however, the results indicate that engineers differ from these other groups in the importance they attach to the nature of the work itself and to the professional perquisites.

But to what extent do the desires uncovered in this study persist after several years of employment? In a second study, conducted at about the same time as the first, we asked a number of engineers practising in industry to evaluate their educational background. Their responses to our questions permit several inferences about their experiences and expectations.

A STUDY OF PRACTICING ENGINEERS

The study was conducted by means of interviews and questionnaires, and involved 42 engineers, approximately one-fourth each in mechanical, electrical, civil, and other kinds of engineering. The median age of the group was 39, reflecting an average of about 15 years of work experience. Three-fourths of the participants—29, to be exact — were working in technical departments; the rest were in sales, personnel, and other non-technical departments. Sixteen of them were in top management jobs (department head or above), 21 were in middle or first-line management, and 5 were in purely staff positions. Though in no sense a strictly random sample, the group was probably a fairly representative one.

To begin with, the study found that nine out of ten respondents favoured a broader undergraduate and graduate education for engineers. This feeling was especially common among the younger engineers, with the margin varying from five to one in the under 40 group to two to one in the 40-and-over group.

To determine what this "broader" education might consist of, we asked the participants to indicate in which of 11 college-level subject areas, they felt they were most deficient.

The 11 choices ranged from areas clearly in the liberal arts - the humanities, for example - to such semi-technical areas as industrial engineering.

THE ENGINEERS' CHOICES

The one field in which the greatest number of respondents felt themselves deficient, it turned out, was business administration, which was checked off by eight out of ten engineers. Its closest runner-up by far was personnel management, which six out of ten listed as a deficiency. No other subject area was checked off by more than a third of the participants, and industrial engineering, the most "professional" subject on the list, ranked last, with a total of only 14 per cent.

A cross-tabulation of these responses revealed that there were several variables closely related to the engineers' judgements about their educational background. The most important of these was the number of non-technical courses the engineers had taken along with their technical training. Though in general the relative positions of the subjects were the same for both groups, those who had had an appreciable amount of non-technical education gave less emphasis to courses in business and management and somewhat more to the humanities than did those whose background was almost wholly technical. For example, only three-quarters of the former,

as opposed to nine-tenths of the latter, felt themselves in need of more work in business administration. This suggests that the need for business education is fairly constant among engineers, for it seems safe to assume that most of those with a considerable non-technical background had actually taken courses in business and that it was for this reason that they did not feel in need of them.

The top Managers tended in general to indicate a greater number and variety of non-technical deficiencies than the middle and first-line managers, and electrical engineers tended to indicate more of these needs than mechanical engineers. The differences between those in technical departments and those in non-technical departments were negligible and varied more or less at random. Though this may sound strange, it is probably accounted for by the job histories of the group, which showed considerable mobility between technical and non-technical jobs. Over three-fourths of the engineers, the study found, had worked in more than one major sub-division of management—a pattern that, together with the process of natural selection that doubtless accompanies it, may be seen as enhancing the cogency of their opinions.

Thus the weight of the evidence from prospective and practising engineers argues that both their opportunities and their aspirations are much like those of their non-technical counterparts in the business world. The widespread practice of stock-piling engineers, which results in their being under-utilized in technical departments, leads ultimately to frustration; failure to give adequate consideration to their managerial potential further aggravates the problem.

One common result is unfavourable natural selection through turnover. Another is the engineer's failure to identify with the organization of which they are nominally a part. A search for other sources of recognition, including unions and militant professional associations, may follow. Unlike the foreman, who is part of management in law if not in fact, the engineer may find himself a part of management in neither fact or law.

The evidence strongly suggests that the engineer is initially inclined to identify with management. Only when consistently repulsed and frustrated will this inclination atrophy and the engineer turn to other ways of fulfilling his needs.

SOME ALTERNATIVE SOLUTIONS

There are three reasonable alternatives open to those responsible for the management of technical personnel. First, technical knowledge can be treated as just another form of skilled labour, with wage levels determined by the cost of living, collective bargaining, and the sheer amount of work done. This approach may, after a period of some discomfort, prove workable, especially for companies whose pay scales are based entirely on job-evaluation systems or whose engineers are unionized. Its results, however, are unlikely to be spectacular.

Second, scientists and engineers can be treated as professionals. Their salaries must then be based at least in part upon their professional potential, for their contributions, like those of the surgeon or the attorney, cannot be measured exclusively in terms of units of effort plotted against units of time nor even in terms of the demands of the task at hand. If they are to work like professionals, more attention must be paid to the perquisites of professionals. Even under the decidedly unprofessional conditions of stockpiling and the resultant under-utilisation of abilities,

technical people can for a time be induced to behave like professionals by being treated like professionals in other ways.

As a final possibility, engineers and scientists can be treated as part of the management team. They can be trained and screened as part of the group responsible for making the operating decisions and can be rewarded with advancement commensurate with their contributions.

In evaluating the three alternatives and their implications for the management of technical personnel, it is well to keep in mind that the viability of a company is closely related to its ability to innovate. Innovation takes two forms— inventions and entrepreneurship. Invention is, of course, the vital function of technical personnel, while entrepreneurship is the vital function of management. It is therefore extremely doubtful, in view of the demonstrated needs and expectations of engineers, that the first of these alternatives, the "marketable skill" approach, can be fruitful. On the **other** hand, the relation of both professional and managerial personnel to the process of innovation suggests that both the second and third alternatives are worth pursuing and can be reconciled with each other.

To an ever-increasing extent, management people are coming to regard their work as a profession, and the means are at hand likewise to make professional people regard themselves as part of management. The necessary routine of the drafting table need not be aggravated by the ignominy of a time clock, the annoyance of a six-party telephone extension and the frustration of an unnecessarily slow rate of salary advancement.

On the positive side, there are six basic guide lines for the management of technical personnel:

1. Avoid excessive stockpiling. In particular, make sure that it does not take place under the guise of training. There may of course be a genuine need for a certain number of trainees. Remember, however, that routine activities have very little training value and an engineer performing draftsmen's work is an expensive luxury.
2. Give engineers a chance to try both the management route and the technical route. Training programs, job assignments, and planning activities will help determine which Path is the better one for each individual.
3. Reward innovation and initiative on one scale regardless of whether they appear in the technical realm or the managerial. Both kinds of contribution are vital to the success of the enterprise. A top-notch professional person should never feel that he must abandon the thing he does best in order to advance. Many a good engineer has been lost and many a bad supervisor gained by this kind of promotion scheme.
4. Offer the engineers ample opportunities both for further technical training and for training designed to increase their understanding of the company as a business organization. Since they may follow either of the two paths of advancement, they will need both kinds of preparation.
5. Offer a program of professional benefits and perquisites designed to make the job of the professional

as attractive and satisfying as the job of the line manager.

6. Involve professional personnel in the managerial decision-making process. Their effectiveness, no less than that of line managers, depends on how well they understand the big picture.

Thanks to their education and their experiences in recruitment, most engineers and technical people feel that they are members of an elite, and they have accordingly high expectations. Their abilities justify this belief; their high expectations are warranted. Effective management of this important segment of our manpower strength consists of creating the conditions under which these expectations can be fulfilled.

Courtesy: Personnel Journal.