

MANAGERIAL REALITY

Balancing Technique,
Practice, and Values

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Balancing Technique, Practice, and Values

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Preface

Managerial Reality: Balancing Technique, Practice, and Values is directed toward students and practitioners of management. Like many others who teach management, each of us over the years has been confronted with the many discrepancies that seem to exist between what we teach about managing and management on the one hand and what our own experience and that of others tell us happens in so-called real organizations.

The enthusiastic reception our book *Organizational Reality: Reports from the Firing Line* received kindled the idea of someday preparing a book devoted to managers and the conflicts and challenges inherent in their roles. Accordingly, when our Executive Editor at Scott Foresman/Little Brown suggested that we do so, we happily agreed to undertake the task.

We surveyed reports by keen observers of management, self-reports of practitioners, fictionalized accounts of managerial behavior in novels and short stories, and on occasion, academic journals. Throughout our search we found a fundamental tension confronting managers between doing things right, doing the right thing, and doing what is right strategically and ethically. The perspectives that emerged from our search into this material provide the contents of this book.

It is important to realize that this book has a very different thrust from *Organizational Reality*. That book deals with people in a wide variety of organizational roles and thus has proven useful in connection with a number of subjects ranging from Organizational Behavior to Communication and Creative Writing. Here we are concerned exclusively with managers and managing.

Preparing this book has been a stimulating, intriguing, and educational experience. We hope that many readers likewise will find their perspectives on the practice of management revised as they make their way through the material in this book.

We are unanimous in our belief that the compilation of this book has been for us an enviable experience, a journey that has been interesting, exciting,

and most rewarding. Since our contributions are distributed equally throughout the book, the ordering of names on the title page is alphabetical as in our previous work together.

No book is ever solely attributable to those who prepare it, and this book is no exception. We wish to thank Allan Cohen for providing an adaptation of his article with David Bradford, and Robert Berra, Diana Cawood, Sue Peterson, and Merle Welshans for bringing particular selections to our attention. Cathy Corrigan and Nita Ditchfield provided valuable assistance in searching out and organizing the material. Sandra Van Duyn and Peggy Smith provided efficient and enthusiastic administrative and secretarial assistance. Joe Dobson's help in the final stages is also greatly acknowledged. We owe a debt of gratitude to the many university and professional students in our courses whose healthy scepticism of what we teach inevitably served as reinforcement toward this undertaking. We also thank the many astute and articulate students of management whose reports comprise this book. We are grateful to Lyman Porter for his wise counsel and to Randall B. Dunham and Jon L. Pierce for acting as reviewers of the project. Finally, our deep thanks to Jane Steinmann, our Developmental Editor and Ginny Guerrant, our Project Editor, who shepherded this book through with grace, good humor, and skill.

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Introduction: “Doing Management”

Managers make a difference! The way they work with and through the activities of others in organizational settings impacts the lives of others and the fortunes of organizations they are entrusted to administer. Sometimes the difference is a negative one. Managers make mistakes, err in judgment, create problems for others, or behave selfishly or insensitively. As a result, people on the receiving end of the actions get hurt and organizational goals may be seriously impeded. At other times, the difference is positive. Managers anticipate errors or recover them, judge astutely, create and respond well to opportunities and behave honorably, sometimes even courageously. When this happens, people being managed blossom, organizational agendas are accomplished, and society benefits.

As Drucker observes (“The Emergence of Management” in Section 1, *Managing: Its History, Challenge, and Nature*) defining management is difficult . . . “it denotes a function but also the people who discharge it. It denotes a social position and rank but also a discipline and field of study.” Drucker notes further that management “is the specific organ of the modern institution.”¹ Organizations are characterized by formal sets of relationships imposed on less formal relationships among humans. They involve technical systems interacting with human activities. We believe that the primary function of management is the coordination of human effort in a world characterized by tensions between formality and informality, between technology and humanity.

At its core, we think that doing management involves a myriad of balancing acts which are needed to facilitate and secure coordination and cooperation between and among individuals and groups in organizations. We draw on the balancing image because it captures the type of actions managers must take to coordinate people with different values, self-interests, and intentions and departments with different agendas, tasks, goals, and criteria for effectiveness. It reflects the trade-offs managers must make between us-

ing structural mechanisms for achieving coordination and cooperation (such as plans, systems of control, and of organization) and more personal techniques of leadership. The balancing image captures the dilemmas managers must face and attempt to resolve in coordinating differing perceptions and beliefs about what is right or wrong strategically and morally in the affairs and direction of the organizations they administer. It is a dynamic process not a static function—we talk about balancing not balance, although there clearly are points of balance.

Managers must be part artist and part scientist—drawing on intuition and logic to get the organization's work done. They are inherently drawn into political behavior, dealing as they do with the interdependencies between people and departments with differing needs, resources, and expectations. Doing management requires an ability to envision the big picture, to “see the invisible” as Jonathan Swift put it. It requires the stamina to work through the long hours and the crises that occur inevitably in organizations, as well as a willingness to persevere and to engage in the repetitive mundane activities of daily organizational life. Managers need to anticipate the future, read the patterns in the present, and comprehend the lessons of the past.

All of this is a tall order! There is a real danger that one might draw the conclusion from the above that managers need to be like “Superman” or “Wonderwoman” and this might lead one to buy the fiction of the “Superboss.” This also sets up expectations of performance that cannot easily or typically be met in the real world of organizations. In fact, chasing this goal of the perfect manager, creates, in the organizations (and business schools) of our modern post-industrial society, the addiction to work, and the workaholicism of the professional manager that is much discussed in the media and is analyzed in the article “Hooked on Work” in Section 8, Managing Hazards.

Our point, made in a number of ways in the articles of *Managerial Reality*, is that doing management is complex, challenging, exacting, and exhausting but that the path to effective management is not that of the “Superboss.” Clearly, to be successful, managers need to draw on their own particular skills and abilities. But they also need to work with and through the people (managers, employees, customers) and the systems (technical, legal, procedural) which are in and around their organizations. It is the interaction of the manager with people and systems that creates the challenge and also provides the opportunities for doing management effectively.

What is the primary focus of management? In our view it is the coordination of organizational activities and the securing of cooperation between and among organizational players (people and departments). Most textbooks deal with the functions managers engage in to establish and maintain such coordination. To help people learn about these functions, typical text headings and content deal with topics such as Planning, Organizing, Leading, Communicating, and Control. We have organized the material in *Managerial Reality* to reflect these traditional frameworks. As we have stated earlier,

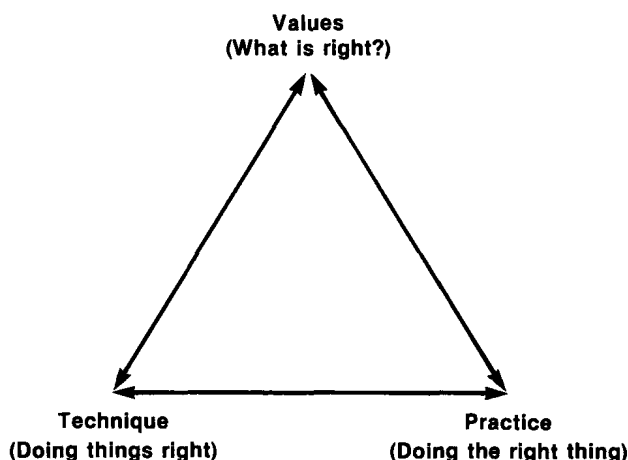
however, we believe that doing management is a complex balancing act and is much more dynamic than such functional categories suggest. Our choice of articles reflects this belief.

The essence of this balancing act can be understood by a simple framework that emphasizes three major organizational issues and the tensions between and among these issues. First, there is the issue of *doing things right*, that is, management that strives to use the logically correct techniques, plans, systems, and behaviors to coordinate the affairs of the organization. It involves an emphasis on managing “by the book,” the book being whatever has been determined as the technically correct activity or procedure. These are the systems of selection, planning, appraisal, law developed in the abstract, in the laboratory, or in the “ivory tower.” This is the realm of the manager as *technician*. Second, there is the issue of *doing the right thing*, of doing what is feasible, that is making the appropriate decisions and performing the appropriate coordinating activities, *given the circumstances in which the manager finds him or herself*, working with the personnel and resources available at a particular time and place. The manager takes action that is feasible given the contingencies of the actual situation. This is the realm of the manager as *pragmatist*.

Finally, there is the third issue—*What is right?* strategically and ethically, given the intentions of management and others (for example, employees, customers, stockholders, governments). What *should* the organization be doing to ensure its long-term effectiveness? What *should* managers be doing to ensure that everyone’s rights, themselves included, are addressed? This is the realm of the manager as *strategist*, as *moralist*.

The articles in *Managerial Reality* capture these issues and the dilemmas managers face in deciding how, in doing management, they are to incor-

Figure 1



porate logic (doing things right), pragmatic realities (doing the right things), and strategic and ethical pressures and considerations (deciding what is right).

Take, for example, the management of performance, and in particular, the appraisal of individual performance. Managers engaged in the appraisal of others must balance the technical requirements of appraisal (which are typically mandated by specialists in human resources and employment law) and the practical realities of their own objectives as managers, the circumstances surrounding the performance of their subordinates, and the particular qualities (skills, abilities, and intentions) of their subordinates.

Human resource managers typically want line managers to carry out performance appraisals that conform to the currently accepted behavioral theories and to company policy. Line managers on the other hand may want to bend, modify, or even ignore many of the technical and policy requirements of the performance appraisal system. They may do this to increase the performance of their subordinates, to make an example out of one subordinate so as to influence the actions of other subordinates, or even to move an unwanted employee out of their department. Managers acting in these ways act pragmatically, doing what they believe is the right thing in their efforts to meet personal and organizational goals.

Two excerpts from the article "Behind the Mask: The Politics of Employee Appraisal,"² (in Section 7, Managing Human Resources) illustrate this tension between the technical (doing it right) and practical (doing the right thing) aspects of managing performance appraisal.

Employee appraisal as a technique, as something to be done right is illustrated by the following statement:

At some places the PA (performance appraisal) process is a joke—just a bureaucratic thing that the manager does to keep the IR (industrial relations) people off his back . . . (Longenecker, et al., 1987, p. 186)

The manager is expected to "do it right." "Right" in this case is seen to be rigid and narrow and of limited use to the operating manager.

On the other hand, to meet pragmatic realities (for example, to do the right things), managers sometimes choose to "adapt" techniques to suit the purposes they see as important, to meet the contingencies they face. For example . . .

As a manager, I will do what is best for my people and the division. . . . I've used it to get my people better raises in lean years, to kick a guy in the pants if he really needed it, to pick up a guy when he was down or even to tell him he was no longer welcome here. It is a tool the manager should use to help him do what it takes to get the job done. I believe most of us here at _____ operate this way regarding appraisals. Accurately describing an employee's performance is really not as important as generating ratings that keep things cooking. (Longenecker, et al., 1987, p. 185)

The clash between the technical and practical requirements facing the manager quickly conjures up the What is right? question and thus, another balance point. What should the manager do? From a strategic point of view,

the clash will likely be between those managers wanting to maintain an equitable and coherent system of evaluation (that is, the Human Resource or Personnel Managers) and those who will argue that anything goes to deal with what they face in the trenches. For example, line managers will likely argue that they are responsible for the bottom line, for making things happen, and should thus have the last word. The strategic aspect of employee appraisal is illustrated in the following statement by a manager:

This thing (the appraisal process) can really turn into an interesting game when the HR (Human Resource) people come out with a blanket statement like "Money for raises is tight this year and since superior performers get 7% to 10% raises there will be no superior performers this year." Talk about making things rough for us (raters)! . . . They try to force you to make the ratings fit the merit allowances instead of vice versa. (Longenecker, et al., 1987, p. 185)

Resolution, in such a case, will come in part from which goals in the strategic plans of the organization are given more weight in practice and in part from who has more power in the organization, the technical specialists or the practical managers. Accomplishing balance between technique, practice, and strategy in managing performance appraisal is illustrated in the following excerpt from the same article:

At the last couple of places I've worked, the formal review process is taken really seriously; they train you how to conduct a good interview, how to handle problems, how to coach and counsel. . . . You see the things [appraisals] reviewed by your boss, and he's serious about reviewing your performance in a thorough manner. . . . I guess the biggest thing is that people are led to believe that it is a management tool that works; it's got to start at the top! (emphasis added) (Longenecker, et al., 1987, p. 186)

One of the issues that frustrates human resource specialists in many organizations is that they are consistently caught in the tension between technique and practice but rarely invited to contribute to the resolution of the strategic question. Nor is their perspective on the morality of organizational action much listened to.

From an ethical point of view, what is right becomes an issue of fairness in the system, between and among individuals. Should exceptions be made to a system to meet individual requirements and circumstances? What are the consequences for the individuals concerned, for the manager, for the organization? (Section 9, Managing Ethically, deals squarely with these issues of doing management.) Of course, the growing importance of the legalities of management's activities provides a direct bridge between ethics and strategy as well as between the techniques and practices of management. Increasingly there are very real consequences for managers and organizations associated with their ignorance of, or noncompliance with, employment law.

In general, one can see that the dilemmas of "doing management" while facing these issues revolves around the following kinds of imbalance:

Overemphasis on the technical aspects of planning without taking into account the practical realities managers face in getting the job done can lead to such things as endless bureaucratic hoops, paper chases, "analysis-paralysis" and frequently a frustrated core of line managers. Some fine examples of this condition are included in "Business Fads: What's In and What's Out." In that article Donald Frey, CEO of Bell and Howell notes: "We went down to Wright Patterson Air Force Base, where they had PERT charting down to a science. They had more guys working on PERT charts than they had doing the job."

Overemphasis on the practical, day-to-day demands and contingencies of doing management, on the other hand, can lead to narrow, rigid behaviors and techniques and resistance to changes in systems and techniques that have become outmoded. This is part of the reason the automakers in Detroit got into such difficulties when the revolutionary change in oil prices hit North America in the 1970s (see "Maxwell's Warning" in Section 1).

Efforts to blend effectively the technical and practical requirements of work can be seen in many of the articles in the book, including those that discuss the systematic (rather than faddish) use of Quality Circles in organizations (see, for example, "Revolution by Evolution: The Changing Relationship between GM and the UAW" and "Quality Circle Leader").

Overemphasis on strategy without attention to plans and systems can lead to empty rhetoric or hollow vision. On the other hand, too much attention to plans and systems can kill the vision and cause people to lose sight of the strategy. Furthermore, the recognition of differences (differences in values, perceptions, and self-interests) that is implicit in a strategy can be lost when the attention is all on the mechanics of plans and on their implementation. We say more about this in later sections. Resolution of these tensions can come when managers with technical biases discover the role perception plays in organizational life (see "The Journey from Novice to Master Manager") and when leaders seek to link a vision or strategy with specific plans, techniques, and systems (see "The Greatest Capitalist in History").

Overemphasis on technique can also blind managers to the ethical implications of their behaviors. At the same time, a concern with ethics that does not establish a system for managing ethically is likely to confuse managers or to encourage them to discount ethical stances when dealing with organizational matters (see, for example, "James Gordon, Manager").

Finally, overemphasis on strategy in the absence of attention to practical realities facing managers and the organization is likely to yield ungrounded strategic plans, ones that misguide action or are ignored by managers (see, for example, "The Creation"). Conversely, an excessive concern with the day-to-day activities or a preoccupation with the short-run can prevent managers from seeing the big picture and from accurately interpreting how changes might affect their organizations in the long-run (see,

for example, "Why Strategic Management Is Bankrupt"). Attempts to ground strategy in reality and to make what is present resemble what might be needed in the future are required (see "Ms. Raku" in Section 3).

In the real world of organizations, doing management requires attention to all these issues and their various interactions. Not all managers are responsible for determining strategy but all are involved in its implementation. All have a role to play in acting ethically (a complex issue in itself), being technically competent and practically effective. Balancing individual and organization, technical and human systems, social and organizational contexts and coordinating activities so that individual and organizational goals are met—is what doing management is all about.

About the Book

Managerial Reality is an anthology on management that is intended to portray through stories, anecdotes, reflections, and journalistic reports the richness, complexity, and excitement of management. We also hope to capture the diversity and challenge that managers face in their task of coordinating human effort in organizations. It chronicles the successes and failures of managers and the ethical and strategic dilemmas they wrestle with in getting their work done. It identifies some of the ways organizations penetrate the lives of managers at work and at home, at times creating opportunities for personal growth and career advancement but often creating hazards that managers must be alert to as they strive to balance organizational and personal agendas.

The book is organized around five basic principal elements of management frequently used in textbooks. These are Planning, Organizing, Leading, Controlling, and the Management of Human Resources. Emphasis is given to the broad contexts within which management takes place from its historical roots, and its social and political environments. Attention is also given to ethical issues affecting managers.

A fundamental theme of the book is that doing management involves finding balances between and among the technical, practical, strategic, and moral issues confronting today's managers. Management action in this context is illustrated at different levels from CEO to first-line supervisor.

Examples of management are drawn from a number of settings. In addition, two industries—automotive and computers—are featured in several articles spread throughout the book. These are major arenas of managerial activity in North America and in all post-industrial countries; they are of increasing importance in developing nations as well. The reader can easily isolate the automotive and the computer examples in the book and examine the many facets of managerial reality in them, treating them as complex case studies of management practice and experience.

We include articles that deal with both women and men. The organization of today and increasingly of tomorrow, involves women in key

managerial roles. The experiences, successes, and failures of female managers in this book provide an opportunity to compare and contrast them with male managerial experiences and to explore the interaction between and among male and female managers.

We also give some attention in the choice of articles to the international management scene. We expect this to explode in the future and to create many new challenges and concerns for managers. What is learned from that experience will inform, in a significant way, the discussion of management, its role, functions, and activities.

We use a wide variety of sources including *Fortune*, *Business Week*, *U.S. News and World Report*, the *New York Times*, *Wall Street Journal*, *Harvard Business Review* as well as books and anthologies on management. The selections are durable and evocative.

We believe that this collection adds perspective to traditional books on management. In T. S. Eliot's "The Four Quartets" the statement is made that: "We had the experience but missed the meaning." We think that in trying to convey the meaning of management, textbook writers frequently miss or leave out the experience that provides the basis for the meaning they give to the activity. We believe that the articles, stories, and reports provided in *Managerial Reality*, in part, redress this imbalance by providing a sense of experience that illuminates the meanings given in management texts. We think the book also provides experiences that provide meaning that will carry us beyond the current academic wisdom we have about what management is all about.

We hope *Managerial Reality* proves informative and interesting to a wide range of readers (students, academics, managers) interested in a fascinating and important topic.

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