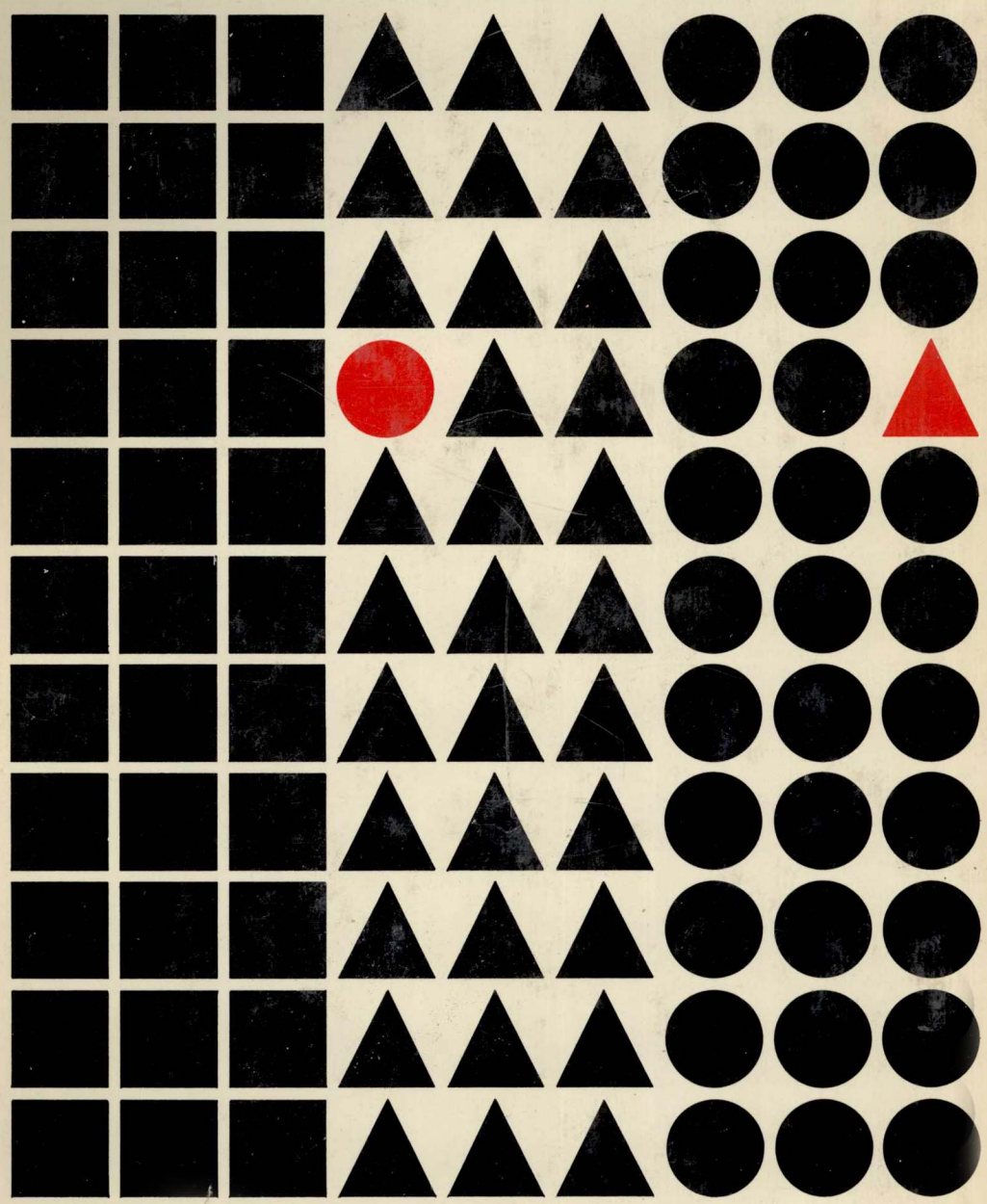


Maurice R.
Hecht

What Happens in Management

Principles and Practices



WHAT HAPPENS IN MANAGEMENT

**Principles
and
Practices**

MAURICE R. HECHT

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Preface

Many personal experiences, as well as information gathered over the years from friends in a wide variety of businesses and several universities, have gone into this book. The original sources of some of the concepts used here go back a long time, and I trust that I have not inadvertently stepped on anyone's toes. I have tried to put together a description of what happens in management, providing enough information to make an understandable story. I have not attempted to include everybody's ideas on a variety of topics, but have only used those which I find most useful to the understanding of a practical manager.

This book is intended to be a practical one. Theories have been conscientiously used but have been put in the background, because I do not feel that a manager has to have a full understanding of history and a knowledge of all theories in order to be a skillful practitioner. The basic ideas of this book have been filtered through my own experiences in the work world as well as through countless discussions with working managers. I do hope that they prove useful.

Maurice R. Hecht

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CHAPTER 1

Management

What is management?

A *simple enough* question, but there is no simple answer. Many a person who carries the title of manager is not really a manager. Open a dozen textbooks and you will find a variety of answers. Some books never define the word, some define it so rigidly that you could almost make one in a machine shop. A common statement is that a manager is a person who gets work done through people. Such a person could be a slave gang boss or a tricky manipulator, bending people somehow to do his bidding. And again he could be a manager.

To approach some definition, let us say that a manager is a person charged with, or assuming charge of, a number of people working at the task of getting some activity accomplished within a set period of time. The result could be a physical product or a service. The manager works with others to reach the objective. He may do none of the actual work himself but see that the work is accomplished by those who work for him.

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The manager may personally contribute to the work. For example, the head of a drafting department may apply his personal abilities to solve some technical problem being experienced. He may also support those working for him. Thus a sales manager may call on a major client, not to do the direct selling but to help out his sales representative.

Some people distinguish managers from what they call administrators, with the administrators being those who set policies and coordinate activities at the top. These could be senior men and even active board members. All those below occupied in managerial work are called managers. We will make no such distinction in this book. We will talk about levels of management but will not include board members. After all, stockholders should set general policies through the board as politicians, acting presumably in the name of the people, set policies for those working in government ranks.

Having said all this, we still have more to say to get some view of what a manager is, what he does, and how he does it.

A manager works in an organization—be it a business or a government or social agency—that sets out to accomplish some objectives. In view of this overall mission of the organization, the structure of its management is that of an accountability system predicated on human judgment. Managers are workers in this organization, even though they're not turning metal, making sales calls, doing counseling work, or putting financial figures into a machine. At the lower levels, managers have to have other people, as well as equipment, doing the required jobs; at a higher level, they coordinate the work of other managers.

MINIMUM RESPONSIBILITIES OF A MANAGER

To be accountable for his part of the organization's work at any level, a manager requires four minimal conditions:

1. The right to hire any person working for him or at least to say whether he wishes to have a person sent to work for him.

2. The right to decide the work to be done by his workers.
3. The right to judge the performance of his workers and award them accordingly.
4. The right to dismiss a person working for him or, if the outfit is large enough, have him transferred to another part of the organization where he may fit in.

Managers are naturally working within ground rules set by the organization and not going off as they please. Workers would have the right to appeal, particularly to their manager's manager or to a grievance committee.

It is these four basic conditions which set off the managers from the nonmanagers, whatever titles or names are actually applied to them. Without these conditions, no manager can be held accountable for getting his share of the work done.

To accomplish his work, a manager needs certain competencies. Basically, they are the skills required in his work, a clear understanding of what he is supposed to accomplish (vision may be a glorified way of saying this), and the ability to communicate with people and give them the leadership required to get the work accomplished.

AN ART AND A SCIENCE

Management is an art and a science. Science sets parameters, provides focus, and eliminates the poorest decisions; but when all the figures are in and thought about, intuition, whatever we might call it, makes the final decisions. This is true at the high levels as well as those below.

Obtaining facts and figures, aside from providing quantitative guidelines, is essential because studying them stimulates the knowledge beneath the surface of every person and brings it to aid in making the final decisions. If logical methods are not used at all, then relying on intuition is just playing lady luck. This is not the role for a good manager; he may and should take calculated risks, but not be a gambler. Who would wish to drive with a person who drove only by intuition and had no driving skills? A

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trained driver who practices his skills and is also a defensive driver is generally a much more capable one.

In a 1974 lecture to the Oxford Centre for Management Studies at Oxford University entitled "Is Management Really an Art?" (reprinted in the *Harvard Business Review*, January–February 1975), Henry M. Boettinger took a look at great artists in several fields, from painting to ballet, and discovered that artists who were top performers had at least two good qualities: great technical competence and imagination. Boettinger noted that these were also the qualities of a good manager, for he is one who knows his craft, is imaginative about it, and can communicate his feelings to those who work for him. So much for artists who despise craftsmanship or managers who won't acquire competency. And there are plenty of both around!

The competencies that must be acquired by every manager are the ability to handle the functions of management and to deal effectively with people to get the work done.

The reference to functions is not to such things as marketing, finance, manufacturing, and so on. These are the functions of the organization, as opposed to the functions of management. Unfortunately various people use different names to describe management functions. Here we will stick to five simple ones that are commonly used. They are planning, organizing, staffing, directing, and controlling.

A BROAD LOOK AT MANAGEMENT

We will start off with a broad look at management and then zoom in on various areas for deeper looks. Management is an activity, and if you start by looking at little pieces here and there, you can destroy the understanding of the whole. However, we will have to look at certain chunks, since the whole subject is too complex to discuss at once in any depth. As we do this, bear in mind that there is a living relationship between the chunks and that they cannot simply be put together like stones to construct a wall. They are more like parts of a body, which you can study separately up to a

point but can't simply throw together to make a living creature.

There are management ideas common to all management jobs. Experience in one field of activity may be helpful to a person who stays in that field and may make him a better manager than a person with no background in that field; however, it does not indicate that he has the capacity to undertake a higher position. A highly capable manager from outside is often a great asset to an organization.

Socrates, the Greek philosopher, stated this idea clearly some 2,000 years ago in a discussion he is reputed to have had with Nicomachides, who had tried to obtain a senior post in the army but had lost out to the merchant Antisthenes. During the conversation, Socrates reminded Nicomachides that Antisthenes had been very successful in organizing choruses. When Nicomachides objected that he couldn't see any similarity between managing a chorus and managing an army, Socrates reminded him that Antisthenes had had no skill in music or choral conducting before taking on that job but that the merchant had gotten the best people in the field to do the work. If he could have done this with music, the philosopher asked his friend, why couldn't he apply the same principles to running an army? According to Socrates, the most important thing is to have a clear idea of what is needed and then to provide it—for a chorus, an army, or an entire city.

FOLKLORE AND REALITY

There is much folklore about management which doesn't always fit reality, such as the myth that the organization chart shows how an organization works. Although such a chart should be drawn up to show the broad picture and the general lines of authority, it does not and cannot show the flesh and blood of an organization in action, nor is it meant to do that.

A related myth has it that the many and varied tools of management are the substance of management itself. It states that to utilize any tool from work study to job enrichment to systems technology makes one a good manager. They are needed tools, but

they do not make a person a good manager anymore than a good hammer and saw make one a good furniture maker. They may make one a good rough carpenter, but that is all. The tools of management come after the essence of management—the planning to achieve objectives, the decisions on what should be done, the working with people to coordinate and accomplish results. The tools come into use when the substance is understood, and then they help tackle the problems better and should improve the output of the organization, be it product or service. That is, the question “What are we trying to do?” must be addressed before the question “How do we do it?” Experience generally helps with the first.

Another myth states that a driving superman full of sizzle and always on the go is the trademark of an excellent manager. It is often the trademark of a man who spreads chaos and disarray rather than provides good leadership. Senior managers sometimes fall prey to this misconception and think of themselves as wartime commanders leading their troops to victory in a struggle to save the motherland or the fatherland or what have you. They fail to realize that all employees are not motivated in the same way as they are, that we are not brothers or sisters under the skin. Their style is often seen as that of a driving maniac whose perceptions of reality are out of line with the views of those who slave for him. Most managers actually lead more normal lives and generally take time off.

Professor Henry Mintzberg of McGill University points out a number of additional myths about management in his book *The Nature of Managerial Work*.^{*} A first fiction, he states, is that the manager is a reflective and systematic planner. In fact, Mintzberg says, the evidence is that managers work at a tough pace but their activities are generally brief, discontinuous, and varied. They tend to prefer action to thought.

A second myth often perpetuated in many textbooks is that the manager has no regular duties to perform. Mintzberg points out that there are numerous regular duties, often of a ritualistic nature

^{*}New York: Harper & Row, 1973.

(for example, the sales manager or president may regularly visit big customers). A key duty is the gathering of soft information and placing it into the mainstream of the organization's thinking. Often a senior manager hears news and comments that others lower down do not hear. This information can be very useful to the organization.

A third piece of folklore is that a senior manager requires total organized information. Great emphasis was placed in past years (and still is) on developing management tools of grandiose proportions into Management Information Systems. A manager could look at these from his perch high up in the work hierarchy and nod "yes" or "no," similar to a Roman emperor giving thumbs up or down to a gladiator after a fight. Mintzberg points out that this myth is not true; most managers favor meetings and telephone calls and not fat collations of computer information. There is a time for such systematic studies, but managers do not stick to them as their main or only source of learning what's going on.

A final myth listed by Mintzberg is that management is fast becoming a science and a profession. We dealt a bit with this previously in noting the study made by Henry Boettinger. Mintzberg adds that the managers' programs, which consist of scheduling time, processing information, making decisions, and other activities, are locked deep inside their brains. Judgment and intuition come strongly into play. This observation is similar to our note that the work setup of an organization is an accountability system dependent on human judgment.

These myths and realities are cited here not to discourage people from learning about management but (1) to cut away the false folklore about what a manager is, (2) to prevent people from merely learning skills and tools and thinking that *that* is management, and (3) to bring some clarity to the fact that a good manager is not a living computer that can be programmed with tools and skills but a skillful human who works just enough structure into any situation to get tasks accomplished.

If this is understood, then what a person has to do is recall whatever life experiences can help him manage, and learn in the

following pages a variety of knowledge and skills that can aid him in this task.

THE NATURE OF HUMAN WORK

What is the nature of human work? The answer to this question is important to anyone who wishes to manage the work activities of people.

Work, especially when we are measuring it, is commonly thought of in simple physical terms. The physicists think of work as the movement of mass through space, and that is how they measure it. For their purposes the definition is fine, but human work has more than a physical dimension. Often, too, when we think of work, we think of it in overly specific terms—say, shaping steel to certain specifications or extolling the pluses of a motor car to would-be buyers. We will look at this more critically when we come to discuss dividing up work and creating organizations.

For now our purpose is to demonstrate the dual aspects of human work. The word “work” itself and, to a lesser extent, the word management have been so accepted as part of human activities that neither has been carefully analyzed to see what is actually meant by them. If work were strictly a mechanical activity, then some day all work will be mechanized or computerized or both, and men will have little to do. But human work is more than this.

Human work is a goal-directed activity with two major characteristics. One, it requires knowledge (including skills) so that it can be carried out within set-down limits, including material limitations, various policies, rules, and regulations, limits of time and money. Two, it involves an element of essential uncertainty concerning the use of personal discretion in carrying it out.

The first aspect is subject to automation and computerization; the second one is not. Uncertainty is an unavoidable psychological aspect of work. It exists in the minds of all working people, not only those at high levels. To the extent that tasks can be mechanized at lower levels, uncertainty can be eliminated; but as long as the work is performed by a human being, this basic psychological aspect of work is personally felt. From a workman using a drill

and mentally adjusting himself to the jigs used in making his holes to the senior executive projecting years ahead to share in a business market, uncertainty is an important ingredient of work. Both are concerned with whether they are performing well, and they remain in a state of uncertainty for some time.

At the lowest level, the time span of uncertainty or psychological concern over what one is doing may be extremely limited. A clerk filing material decides to open a new file as he thinks this should be done. He soon finds out from a supervisor if he has done the right thing. Thus the span of time involved in using his personal discretion is very short. As you go up the management scale, the time of uncertainty may be years, particularly if extensive research and product and market testing must be done before management knows if it is right or wrong. Somebody who can't work at his own discretion over a long period of time could never handle a senior management position.

No one knows for sure what it takes to be a good manager. The basic requirement appears to be a mixture of intelligence, knowledge, skills and competencies, initiative, and motivation to achieve. Insofar as intelligence and motivation cannot be learned, the study of management should focus on the skills, knowledge, and competencies required to carry out with others goal-directed activities with objectives to be met. This requires not only a knowledge of man and why he behaves as he does—that is, how he is motivated and behaves under different conditions—but how to plan, organize, staff, direct, and control an organization in which people and activities are coordinated to achieve desired results.

In any organization people perform duties that are related to each other. The manner in which these duties interrelate and the behavioral rules which guide people, as well as the activities or tasks to be performed and the atmosphere in which performances take place, all are vital to understanding management. This is the main reason why we will spend about equal amounts of time in this book on studying people as human beings and on examining the structure and operation of the organizations in which people work. The material on the next two pages will help managers to evaluate their interpersonal skills at the work place.

Questions for Managers (and Would-Be Ones) to Ask Themselves

1. Do I like being accountable for the activities of others?
 2. Do I like explaining clearly and frankly to my superiors what I am doing?
 3. Do I have empathy, that is, do I have a clear perception of people, their desires, their fears?
 4. Can I deal with people without showing annoyance and dislike sometimes?
 5. Can I direct my subordinates and give them proper leadership?
 6. Do I keep my activities within reasonable time units?
 7. Can I see problems ahead and act to prevent them from becoming serious?
 8. Do I tend generally to check out items first and not make snap decisions?
 9. Do I listen to people without jumping in quickly?
 10. Do I give people proper attention when they bring matters up?
 11. Do I create a climate where people can freely open up with their own ideas?
 12. Do I hear clearly what people are saying?
 13. Do I tend to keep my cool when my ideas are criticized by my subordinates?
 14. Can I take criticism from my superiors?
 15. Do I praise my subordinates when they do a good job?
 16. Do I fully realize that I will not accomplish my objectives unless my subordinates accomplish theirs?
 17. Do I avoid showing favoritism in my work group?
 18. Do I feel good when I see my subordinates succeeding?
 19. Do I understand that I have to exercise control over my subordinates?
 20. Can I carry out company policies I may not fully agree with without making senior people the scapegoats so the heat is off me?
 21. Can I accomplish objectives within budget and time limitations?
 22. Have I new ideas to bring regularly to my work?
 23. Do I try to keep abreast of my work by reading and going to seminars or other similar activities from time to time?
 24. Do I enjoy one-to-one or small group sessions where I can counsel people and help them improve their work without acting like a bossy school teacher?
 25. Do I make long-term plans (one year or more to complete objectives) and work at them patiently without quitting them?
-

To evaluate yourself on these questions, tick off your responses as honestly as you can on the chart below in order to give yourself a realistic opinion. Get a subtotal by adding the number of checks in each column; then multiply by the number given. Add these figures for a grand total, and rate yourself according to the scale shown at the bottom of the chart.

<i>Question</i>	<i>Always</i>	<i>Quite Often</i>	<i>Often</i>	<i>Rarely</i>	<i>Never</i>
1.	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____
4.	_____	_____	_____	_____	_____
5.	_____	_____	_____	_____	_____
6.	_____	_____	_____	_____	_____
7.	_____	_____	_____	_____	_____
8.	_____	_____	_____	_____	_____
9.	_____	_____	_____	_____	_____
10.	_____	_____	_____	_____	_____
11.	_____	_____	_____	_____	_____
12.	_____	_____	_____	_____	_____
13.	_____	_____	_____	_____	_____
14.	_____	_____	_____	_____	_____
15.	_____	_____	_____	_____	_____
16.	_____	_____	_____	_____	_____
17.	_____	_____	_____	_____	_____
18.	_____	_____	_____	_____	_____
19.	_____	_____	_____	_____	_____
20.	_____	_____	_____	_____	_____
21.	_____	_____	_____	_____	_____
22.	_____	_____	_____	_____	_____
23.	_____	_____	_____	_____	_____
24.	_____	_____	_____	_____	_____
25.	_____	_____	_____	_____	_____
Subtotal					
	<u> × 4 </u>	<u> × 3 </u>	<u> × 2 </u>	<u> × 1 </u>	<u> 0 </u>
Total	_____ +	_____ +	_____ +	_____ =	_____

Rating Scale: 80-100, very good; 60-80, good; 40-60, think again about wanting to be a manager; below 40, try some other line of work.

Case Study
Eclipse Machinery and Electronics, Inc.

The following case, which is based on a real-life situation, involves many basic management activities and problems. Read through it once or twice, then write down your opinions of the situation using the questions at the end of the case as a guide. There is no need to stay with those questions only; if you have other comments and questions, write them down as well. It may also be useful to sketch out the relationships in the firm to obtain a rough idea of its structure and basic operating policies or lack of them.

This firm has a staff of some 125 people in the shop, office, and sales force. Charles Magneton started it when he was in his early thirties, about 12 years ago. Magneton was a graduate engineer with a flare for new ideas and little desire to work for others. When he graduated from the university 15 years ago, he went to work for a large electronics firm. He started out in sales but later became involved in shop operations. He wanted to try out many new ideas that involved broader areas than electronics. But his manager did not see eye to eye with him, and neither did the other top people, so Magneton quit and a little later started his own firm—Eclipse Machinery and Electronics.

His first customers were people he knew. He found that he was able to sell them new ideas, which he then had to develop in his shop. His first job was a small operation for an automotive parts manufacturer. He not only developed the required electronic controls but also built the moveable metals parts required in the operation. This mixture of mechanical and electronic parts fascinated him.

His own father and his wife's father, who were both relatively well off, lent him money to get started and soon things were going well for him. But Magneton quickly discovered that his plant could be very busy at times but slow at other times. He decided to take on several standard items that he could produce all the time, so that he could keep those who worked for him busy regularly.

A few engineers he had known at the university and at the plant where he first worked were attracted to his operations. Some