Don't Blame Your Staff it it Can't Read Your Mind

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Managerial history is replete with cases of subordinates failing to understand the real intent of their superiors. To be sure, some executives want to be ambiguous and unpredictable. It may feed their needs for power or their appetites for idiosyncrasy, which, as ends in themselves, are hardly likely to serve the goals of their organizations. One middle manager put it this way: "Mr. X plays his cards so close to the chest that even he can't read them."

This type of executive shuns predict ability, fearing he will be manipulated by others. However, catastrophes can occur when top management does not make itself understood. Such a failure to communicate led to the famous 1959 antitrust cases in the electrical industry, if the testimony of the corporate leaders is to be believed.

Executives in the major companies had engaged in restraint of trade-price fixing and allocating business among themselves by rigging bids. Seven of them received jail sentences, and the companies paid nearly $2 million in fines. Their stocks plummeted. General Electric's shares lost $684 million in paper value, and Westinghouse's lost $173 million.

In vain, top management described to investigators the directives they repeatedly had issued advising subordinates to obey the antitrust laws. The issue before the court was simple: What did the law breakers think top management really meant? "Was it a breakdown of written directives [due to] inflection of voice, and winking?" the late Sen. Estes Kefauver asked Ralph J. Cordiner, GE's chairman.

Ray Topper, chief executive officer of Anchor Hocking, says: "If the top executive's goals, values, standards, methods and personal behavior patterns are really understood, he has a better chance to build a staff that shares his objectives. They must know what kind of performance he approves and what he rejects."

To increase understanding between managers and their subordinates, the authors of this article have used a method that one irreverent chief executive who submitted to it has tagged "mental skinny-dipping." We have applied it during the past few years at a diverse group of companies in the U.S. and Britain. They include manufacturing companies in consumer and heavy-goods industries, aero space, and service industries like building maintenance and communications media.

The procedure subjects the executive to searching but respectful scrutiny before his staff; an interviewer puts to him the tough questions his people would like-but are often afraid or embarrassed-to ask. Generally, it's advisable to have the inter view conducted by an outsider, preferably a consultant who has worked with the organization and knows its history, current problems and plans for the future. It is helpful if he already has established a good personal relationship with the executive himself, is familiar with his background, and has examined his previous policy statements, speeches and other public pronouncements. It helps if the interlocutor is known to the staff as one who pulls no punches with management.

The executive should be briefed before hand and should understand that the suc cess of the session will depend on his going beyond generalizations by citing specific examples drawn from his own experience and events in company history and the competitive world. Of considerable value will be the frequency with which he men tions members of the management team and displays respect for peers and subordinates.

Some executives don't want any advance knowledge of the questions. Peter Pritchard, head of Britain's Pritchard Ser vices Group, was interested in "the broad areas" to be covered, quipping that "an Englishman is never wholly spontaneous."

It may be advisable to open the inter view with a tough, attention-arresting question. For example, we got off to a good start with the chief executive of a leading conglomerate by asking: "Sir, a recent story about your organization in The Wall Street Journal mentioned that you are 65 years old. Has any thought been given to the matter of your successor?"

We have found that the questions usually fall into these three basic headings:

1. Personal background. Here he gets a chance to talk about his early years, his schooling, his first jobs, the various stages in his career, his ambitions, how he got into the company, the course of progress, the most serious problems he encountered during his service, his role and that of his close associates in solving them.

Insights into his character may be revealed by questions that challenge him to indicate what he considers the most satisfying /aspects of his working life, the factors* he considers most important for his success and what he counts as his greatest achievements. Such questions lay the foundation for asking him what he considers to have been his most serious mistakes and what things he would do differently if he had the opportunity to relive the past.

2. Company history and policy. A good entree into this area is to ask, "What do you think are the major strengths of the company? . . . Major weaknesses?" A follow-up question may elicit whether any past strengths have been lost through the years, and why. Similarly, "What deficiencies have been corrected?" Conditions in the industry may warrant asking the same questions about competitors.

This area provides the opportunity to discuss the specifics of various company policies that have a direct impact on the future of the organization and the well being of the individual members of the group. For example: the outlook on prod uct development or abandonment; introduction of new services; contemplated changes in marketing and distribution practices; financing and investment is sues; executive recruitment and promotion policies; the company's ability to respond to the changing business environment.

In some cases we have found it fruitful to inquire into how the company relates to society in this period of change. This frequently leads back to prospects for the industry and the company.

3. His management philosophy. How does he define the manager's job? What the audience will listen for is what they themselves should be doing or not doing. They are interested also in understanding their chief's theory of organization-his approach to such familiar issues as span of control, bypassing, hiring, placement and promotion policies.

In one such session, the question gave Edward Uhl, chairman and chief executive of Fairchild Industries, the chance to dis cuss delegation. "Don't allow your subordinate to delegate up," he said. "Don't find yourself doing his job. You're the coach; you don't play his position for him. If you're spending too much time guiding somebody, correcting his errors, cleaning up after him, you have no choice-you have to make the inevitable decision."

It's good to recognize that different managers, equally successful, have different views on some subjects, like planning and controls. Even though they studied the same textbooks, their life experiences may have left them in different schools of thought. All accept the view that planning involves the allocation of resources and the preparation of a timetable on their use, but they may be at opposite poles on the degree of detail that should go into the planning, and the margin for flexibility. Appropriate questioning gives the top executive a chance to indicate just what he expects.

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