



People in Organizations

'People are our most valuable asset' has become more than a cliché for organizations in which more work is done by fewer workers. To capitalize on that asset, the human factor should rank first among managerial priorities ...

□ We tend to think of organizations as being inanimate. We speak of organizational "structures" and "systems" as if an organization were a building or a machine. Actually, it is more like a warm-blooded creature. For it is first and foremost an assemblage of living, breathing human beings.

It could be as big as a multinational corporation or as small as a corner store; it could be seeking profits or not, as in the case of a government department, social agency or public institution. Whatever form it takes, an organization brings people together to work towards common purposes. And each of these persons has a unique set of feelings, thoughts and attitudes.

So anyone who works for a business or similar organization must cope with other personalities. Employees are enmeshed in a complex web of relationships. Bosses must deal with subordinates and vice-versa; subordinates must deal with each other on their own level; middle managers must deal with people below, above, and sideways. All of these individuals must "live" together for a considerable portion of their waking hours.

As even the most happily-married pairs will attest, it is not always easy to live with anybody. People are awkward, inconsistent and unpredictable. They have prejudices, sensibilities, foibles and weaknesses. They see things through their own preconditioned perceptions, which might not accord with reality. They have their justifiable pride and sometimes quite unjustifiable egos. They do not always say what they mean, or mean what they say.

If human relations are delicate anywhere, they are especially so in the workplace. This is because

work is so important to people and their dependents; it has a crucial effect on how they will live out their lives. Thus they are extraordinarily touchy about what happens to them in their jobs; normal men and women who will laugh off a personal fault in a neighbour will spend restless nights brooding over the same fault in their working colleagues. Such is the intensity of work relationships that they can breed a mild form of paranoia. "He's out to get me" and "he's got it in for me" are commonly-heard expressions when workers talk in private about their supervisors or managers.

Although there may be bad blood among workers on the same level, the most harmful problems in human relations are usually between superiors and subordinates. In many cases these are the product of a mutual inability to communicate. After a lifetime of listening to contending parties, the great American judge Louis D. Brandeis wrote: "Ninety-tenths of the serious controversies which arise in life result from misunderstandings, result from one man not knowing the facts to which the other man seem important, or otherwise failing to appreciate his point of view."

Unfortunately, the potential for such misunderstanding seems to be built into the system. One of the complaints most frequently expressed in surveys of employees is that their bosses don't keep them informed about matters that affect their work or careers. To paraphrase Judge Brandeis, one party knows facts that are important to the other, but refuses or neglects to share them until they burst forth as disagreeable surprises. There could hardly be a better formula for ensuring that people will put

forth the minimum of effort necessary to hold their positions. Someone who feels left out of a group is not likely to care much whether it meets its objectives or not.

"Without a free, full flow of information and ideas up and down the organization there cannot be co-operation and understanding," wrote Scott Cutlip, professor of management at the University of Wisconsin. The flow of information downward is impeded by the hierarchical structure of management. Certain information is deemed to be for management's eyes only; like military officers and bureaucrats, managers place an exaggerated value on confidentiality. The ego-building properties of status also come into play—to know something that their subordinates don't know gives managers a glorious sense of sitting among the corporate gods.

Status can also stand in the way of arriving at the best decisions. In their 1976 book *New Ways of Managing Conflict*, the distinguished management studies team of Rensis and Jane Gibson Likert wrote: "... Leaders often strive to maintain and exploit status. When this happens, members of each group learn that it is best for them to listen only to the leader. They say 'yes' to the leader's solution without exploring other possibilities. There is no search for better, more creative solutions."

The situation, not the boss, decides what has to be done

Status owes its existence to power, and some managers and supervisors are all too ready to wield that power to the indirect detriment of the organization. It makes them feel big and strong to give orders and have them obeyed. In discussing what she called "the law of the situation," Mary Parker Follett wrote: "One person should not give orders to another person, but both should agree to take their orders from the situation. If orders are simply part of the situation, the question of someone giving and someone receiving does not come up."

One of the prime tenets of the law of the situation is that the situation does not "belong" to any particular individual. There is a natural tendency to personalize issues; the media does it all the time, as in "Bush's deficit."

When discussing problems at work, it is wise to separate the issues from the personalities: it is not Jane's problem or Joe's problem, it is simply *the*

problem. A proposed solution is not Jane's or Joe's, but one of *our* proposed solutions. In the first instance, no one is made to feel he or she is to blame for a situation; in the second, no one is made to feel rejected if his or her ideas are turned down.

Managers of the old school might wonder why they should concern themselves with such tender feelings. What does it matter if a person feels persecuted or rejected as long as the work gets done? The answer is that the work does *not* get done as well as it could be. When people are discouraged, they simply do not perform at their best.

An atmosphere of openness makes it difficult to cheat

"The very essence of all power to influence lies in getting the other person to participate," Henry Overstreet wrote. "Influence" and "participate" are key words in the modern management vocabulary. The old school subscribed to management by authority, which meant that decisions were made at the top and dumped from above on the people who would eventually put them into effect. The new school subscribes to management by influence, which means that decisions are made with the participation of all concerned.

Management by influence cuts two ways. In an atmosphere of participation, subordinates can, so to speak, manage the manager. There is nothing manipulative about this: when both sides implicitly agree that they are not in competition, it is automatically agreed that the subordinate is free to call some of the shots. Both submerge their egos in the search for the best course of action. To carry this off, they must keep in mind that they are in a symbiotic relationship—that, like it or not (or like each other or not) they have to work together to do their own jobs properly.

To a large extent, the nature of the relationship is determined by the subordinate's approach: "If you treat your boss like an omnipotent parent, you can expect him to treat you like a small child. If you expect your boss to solve your problems, the less freedom you can expect him to give you. In short, behaving like a responsible adult is the surest road to being treated like one," the American management consultant Michael le Beouf wrote.

If both parties behave like responsible adults, they form a partnership in which they both build on their individual strengths and compensate for each other's weaknesses. It is the old story of two heads — or two sets of judgments and competencies — being better than one.

Far from fearing that they might be usurped, well-adjusted managers realize that to coach subordinates to become more independent is to improve their own positions by producing better results for their particular operations. Of course, the giving of more responsibility entails a degree of risk; there could be foul-ups when an inexperienced person first tackles an unfamiliar assignment. But it is worth it in the long run, because there are bound to be days when the subordinate has to step in and do all or part of the boss's job.

On the other side, covering off a boss's weaker points can brighten a subordinate's career prospects by adding to his or her experience and capabilities. "You don't have to like or admire your boss, nor do you have to hate him. You have to manage him, however, so that he becomes your resource for achievement," Peter Drucker advised.

Regardless of the career considerations involved, a smooth working relationship between the boss and the "bossee" saves wear and tear on the psyche. When the two have worked out a *modus vivendi*, they are not carrying frustrations and resentments home with them. Both are happier in their work when they can rest assured that they can rely on each other for support.

Regrettably, there are times when such support is nowhere to be found in the hard world of business or public service. The only thing some ruthlessly ambitious bosses can be counted upon to do is let you down.

If everyone were honest and forthright, if everyone lived up to commitments made, it would be a joy to work with other people. Anyone who has spent time in an organization, however, knows that the reality is not nearly so ideal. Some people are scheming and sneaky, ready to put down their colleagues in their climb towards their personal ambitions. Some are unreliable, some lazy, some incompetent, and will cheat to cover up their deficiencies.

These unpleasant facts of life will never be elimi-

nated as long as people take short cuts to advance their careers, but their worst effects can at least be ameliorated by developing an atmosphere of openness in which it is difficult to act deviously. From the organization's point of view, this might save money and improve productivity by preventing people from spending their time playing personal power games instead of getting down to work.

If there are many sins of commission in working relationships, there are as many or more sins of omission. Some managers consistently make and implement decisions without involving those who have to carry them out. They are, they will say, too tied up with immediate problems to consult or inform the people affected. They do not stop to think that many of those immediate problems are back-lashes from previous decisions which were made without checking out the consequences with all concerned.

Managers should beware being cut off by their office walls

The former head of the Union Pacific Railroad, William M. Jeffers, used to tell a story on himself about losing touch with the grassroots. One day a veteran locomotive engineer who had known Jeffers on his way up came to see him with an idea for adjustments on some new equipment. Preoccupied with corporate affairs, Jeffers responded vaguely. As the old railroader was about to go out the door, he turned and said: "Bill, don't ever get so damn busy that you haven't got time to think!"

It is difficult to convince some bosses that working with people should be given the highest priority. Perhaps because human relations are hard to quantify or control, they would rather work with figures or paper or plans. They believe in consultation just so long as it is with others of roughly the same status. Their office walls have cut them off from what is going on out there where the basic work is done.

One of the most tattered clichés in business is "people are our most valuable asset." The current trend towards downsizing is rendering that almost literally true. When there are fewer employees, each becomes responsible for a greater share of an organization's money. In the old days, it didn't matter much if a pick and shovel worker walked off the job because he couldn't get along with the foreman. But think of the financial implications of having a

\$200,000 machine lying idle because its skilled operator has quit and can't be replaced right away.

It is commonly assumed that the more technology an organization deploys, the less the need for humans. This is true only in the most superficial sense. The fact is that the utilization of these expensive facilities in such a way that they fully justify the investment made in them can only be accomplished by well-motivated people. Anyone who discounts the human contribution to productivity need only think of what happens to production when a union instructs its members to "work to rule."

The community spirit can apply to organizations, too

"The race advances only by the extra achievements of the individual. You are the individual," the American poet and editor Charles Towne wrote. So it goes with the organization. It only moves forward through that little extra which individual employees have to give — or withhold. That extra can no longer be elicited by slave-driving or one-sided calls for loyalty. Among the present tough-minded generation of workers, outstanding effort will be not be volunteered unless it is demonstrably deserved.

It can be elicited, however, by organizing human relations in a way that offers individuals the opportunity to meet their full potential. This recognizes the difference between today's workers and those who have gone before them: on the whole, people in western societies today are better educated, more self-confident, more assertive, and more conscious of their rights than any in the past.

For organizational managers, this implies promoting a regime of participation, support, fairness, trust and candour. It means encouraging people at all levels to contribute their ideas on the premise that "none of us is as smart as all of us." This should not be difficult to do, because it corresponds with many fundamental psychological needs.

Deep down, people want to identify with a group, to make a contribution, to express themselves and exercise their creativity. They want to strive together with others to meet goals. They want to feel good about their jobs, because this translates into feeling good about themselves.

To conservative managers brought up in the produce-or-be-fired tradition, it may seem almost a heresy to say that one of the aims of an organization should be to make employees happy. But more and more, a happy shop is a successful shop as the emphasis in business swings towards the delivery of quality. True quality cannot be achieved by people who take their jobs for granted because they feel taken for granted themselves.

Conservative managers might protest that, by letting workers have a say in what's to be done, you create an uncontrollable free-for-all. But participation is not anarchy. People do not object to controls as long as they know why the controls exist.

Participants in any enterprise instinctively recognize that "somebody has to be boss," but bossing has now become less a matter of supervision and more a matter of leadership. Leadership may be defined as the ability to stimulate and co-ordinate the efforts of a group.

Real leaders do more proposing than imposing. They decide in broad terms what should be done, then make plans for how to do it — plans which can always be changed in the light of overlooked considerations or events. They then attempt to build a consensus among their followers on the course of action to be taken in the knowledge that the less support and commitment they have behind them, the less likely they are to meet their objectives. Consensus, incidentally, should not be mistaken for unanimity.

Organizations have been compared with communities, in which not everyone agrees with his fellow citizens or with the leadership, but everyone recognizes the desirability of contributing to the general welfare. In a well-run community, the individuality of each member is respected, and each is offered a voice in community affairs. The members need not love their neighbours, but they are willing to work with them peaceably once a policy has been determined.

"We require individualism which does not wall man off from the community; we require community which does not suffocate the individual," wrote the American historian and presidential advisor Arthur Schlesinger. Change the word "community" to "organization," and you have the key requirements of organizational management today.