

FORGET STATUS AND WORK AS A TEAM

This advice to British management comes from Professor Bill Reddin-one of MBO's key thinkers. Don't get nervous if you almost never see your boss. According to Professor Bill Reddin, this probably means he is doing his job.

As he puts it, 'A manager's true worth to his company may be measured by the amount of time he could lay unconscious in his office without anyone noticing. The longer the time, the more likely it is that he is in a habit of making long-run policy decisions rather than short-term administrative decisions. And these are the key decisions on a company.'

This informative chunk of paradox is very much part of Reddin's style, as are the instant direct style of delivery, and the almost missionary fervour with which he is promoting his version of management by objectives - MBO.

He is a mid-Atlantic man-leaving Britain at the age of 17 to spend the next two decades in Canada and a range of perspectives on executive techniques in the advanced industrial West gives him a stereoscopic view of the best managerial theory and practice that he sees as one of his main strengths.

Usefulness.

He is particularly keen on measuring the usefulness of any executive by visible outputs, or end results. Energy is often confused with effectiveness, he points out, and adds that it is usually impossible to measure managers by observing their behaviour. 'Less effective managers want to do things right, rather than do right things,' he says. 'They want to solve problems rather than produce creative alternatives, and delegate duties rather than obtain results for themselves.'

Reddin is a little guarded when questioned about the sheer baffling weight of theory now building up in the management world. 'Well, this is one of the difficulties for managers -all they can do is using the theories that make sense to them, and discard the rest. 'But let's not confuse theories with ideologies. There is nothing more useful than good theory properly applied, and in fact when I am called a theorist by managers I suspect my theories are beginning to raise some major questions or are having a major influence, and they feel uncomfortable about their performance.'

One of the unexpected things about MBO is that the system has a much bigger following here than on the other side of the Atlantic. Bill Reddin thinks he knows why. 'It's a very seductive mix of strong leader models and subordinate autonomy - and in the UK both those concepts are attractive. Britain is very good at separating office politics from social relationships - and has been since the days of the colonial stations. MBO is a way of representing this.'

Reddin is a fierce opponent of traditional hierarchical systems in business; they get in the way of the work, he feels. 'We've still got all this status stuff cluttering it up - status and authority, as such, are ridiculous. The job should decide what a person should do, not the boss. The myth is that the boss's job is the sum of all his subordinate's tasks - and it's not.' He views MBO as a good sharp surgical instrument to attack these blurred areas, and put authority back where it belongs - linked purely to competence or knowledge, rather than a position in the executive pecking-order. He also points out that where it has been correctly applied to companies with a management problem, it has occasionally led to the whittling away of a whole executive layer of people whom it turned out had no real function.

Rigid.

Management by objectives MBO in Britain - which Professor Reddin describes as 'almost a secular religion' is often applied in a rigid, formalized manner which tends to do more harm - than good to the executives involved.

'Organisations,' he explains, 'typically need to loosen up a little before they start to change. Many organisations have become frozen around their technology or their past, and do not have resources to commit to any major change. The unfreezing process can be provided by the proper introduction of MBO.'

His formula for successful change inside a company is detailed and comprehensive. He picks out the key components as: acceptance that present conditions are unsatisfactory; acceptance that something new is needed to move the organization ahead; involvement of the top team in a programme of change; a clear idea of the ultimate aim and the benefits it will represent; the involvement of a large number of managers; a comprehensive and well planned programme of change; and 'early success experiences in moving from the prior state to the new.' -

The best device for change and increased effectiveness is teamwork, Reddin argues - but he adds a cautious rider about the sort of loose thinking that the word 'participation' engenders. 'Management training must move more and more to a group or team emphasis. It is becoming clear that the individual group member in isolation can have little influence without the co-operation of the others. The best way to obtain this co-operation is to train the managers as a team, so that all ideas are team ideas, which the team is committed to as a unit.'

Painless.

At the same time, 'participation need not imply that the management will accept all the ideas suggested, and there is no need for any such suggestion. Participation can be used quite successfully when management says, "This much has been decided, what are your thoughts on the rest? We will seriously consider all your proposals, but cannot guarantee to accept them." The main ingredients for a painless introduction of participation Reddin identifies as the extent to which it is seen to be legitimate, honest and likely to be successful.'

What would be his central advice to British managers, as one who has been observing the game from outside? 'Well, fairly shortly: concentrate on effectiveness rather than status; realise that your co-worker's effectiveness is your responsibility too; remember that anybody should be allowed to discuss your own effectiveness; and bear in mind that because one man has a higher position than another, it doesn't necessarily make him better. In fact, all those have to do with one issue - the bold lines of demarcation that still run through the whole of British industry.'

Having said that, he goes on to spin off all kinds of other ideas geared to straightening out British managers, some of them political, some educational, and some administrative.

For example he would like to see all chairmen of companies being appointed at under forty years old, and being retired to a second career at well under fifty.

He would like to see much more use of behavioural science - his own major area of study - in both management and labour areas. The Industrial Training Boards, he argues, should shift its emphasis from individual training to collective training of executive teams - switching from operator to manager level, in fact - as well as sharply reducing their levies. -

Significantly, Bill Reddin practises what he preaches. Heavily involved and highly productive in at least four fields - academic life, consultancy, writing and straight business - he has four companies of his own - he uses MBO to work out his own objectives and work patterns. At the same time he admits that, as far as the behavioural science elements of the system are concerned, there is still a long way to go.

‘We don’t have anything as powerful as Ohm’s Law in the behavioural field. Really, we’re just out of the witchdoctor stage - about where medicine was in 1910, say. But’, he adds reflectively, ‘we are moving on fast.’