

# A Strategy For Excellence

**Elliott M. Estes**  
President  
General Motors Corp.

## seeking a closer relationship with education

*The following article was first presented by Mr. Estes to participants of ASTD's 31st National Conference, held in Las Vegas, May 11-15.*

I appreciate this opportunity to be with you — and not just because you chose Las Vegas for your ASTD conference site. This is an exciting town, of course. I don't know of any place in America where you can so clearly see the human compulsion to take great risks if the potential rewards are great enough.

It's not as obvious to most people as the rattle of dice and clatter of slot machines here in Las Vegas, but it is true: this country, its people and its industry grew to be as great as they are today because Americans have been willing to take reasoned, calculated risks.

### **"Billion Dollar Betting"**

At General Motors right now, for instance, we're betting billions of dollars that we can continue to be successful in the marketplace by building new cars in the future that are lighter, smaller on the outside, more functional and more economical with a gallon of gas. I think it's safe to say that our forward product program is the most ambitious and costly in the peace-

time history of the automobile industry. But we're *sure* we're going to have a string of winners, and that's not always the case when you do your gambling here in Las Vegas.

General Motors does support the training and development specialties that are represented at this national ASTD conference. Skilled management is more vital to success today than ever before; so is a work force of highly trained, highly motivated employees; and there's always the need for clear channels of communication between the two.

### **ASTD at GM**

We're very proud of the GM employees who are members of ASTD. We have quite a few. I don't consider myself one of GM's experts on training or development. But I think I do understand and appreciate the importance of these activities and the people who implement them.

As I see it, the important objectives that ASTD represents were once summed up very neatly and colorfully by John Gardner, a former secretary of Health, Education and Welfare who now heads Common Cause. Let me quote directly what he said:

"The society which scorns excel-

lence in plumbing, because it is a humble activity, and tolerates shoddiness in philosophy, because it is an exalted activity, will have neither good plumbing nor good philosophy. Neither its pipes nor its theories will hold water!"

### **Excellence Demanded**

Yes, modern society demands excellence at the decision-making level, but no more so than it does from the people who work with skilled hands. If one of these groups falls short of excellence, it will eventually undermine and undercut any success being enjoyed by the other. Good management cannot long exist without good production work and good production work requires the direction of effective management.

A half century ago, a character in an E.B. White short story commented, "I predict a bright future for complexity in the United States of America. Have you ever considered how complicated things can get," he went on, "with one thing always leading to another?"

White's character was right. With one thing leading to another, we have seen unprecedented change and increasing complexity in the past 50 years — in technology, in society, in business, in philosophy, in education, in train-

ing and development and in the need for training and development.

Management certainly has changed. When I joined GM 40 years ago as a co-op student at GMI, there was not a single federal standard or regulation affecting the design of new cars. Today, we must work within the constraints of 884 separate provisions just to meet the federal safety regulations that apply to our average full-size car.

Back then, if someone had asked about social responsibility, General Motors would have said, yes — we provide good jobs at fair pay

the case of the automobile mechanic. Fifty years ago, the average car contained about 4,000 separate parts. Today, the average car is made up of close to 15,000 separate parts. Sometimes people say they wish we had more old-time mechanics around. The truth is, we have too many. We simply don't have enough simple, old-time cars for them to work on — cars that do not have such things as fuel injection, exhaust gas recirculation for emission control, air conditioning and electronic ignition. To work on today's cars, we need mechanics armed with modern tools, but most of all, mod-

sending executives to MIT, Harvard Business School or other university programs.

Mark Twain once remarked, "I have never let my schooling interfere with my education." In line with that, I do not believe that training and development activities should get an automatic carte blanche from management for just any kind of program.

#### "Real" Education

In supporting training and development, corporate management is looking for real education for employees, not just schooling for schooling's sake. Therefore, training programs must be in synch with management — with management's goals and objectives and the strategy that has been laid out for achieving them.

One of the ASTD's objectives that I believe should get the highest priority is the discovery, encouragement and development of skilled, efficient managers for the future. Programs designed to do this are more difficult to judge than those designed to teach a single, specific skill.

But training, whatever its objective, should pay for itself; it should be cost-effective. Training ought to be accountable for what it does — in real, measurable benefits to the company. And I recognize it is not always easy to measure success in terms of dollars saved, increased productivity or improved quality.

At GM, we have found that our best trainers are those who understand our goals, those who clearly perceive the problems that have to be overcome to achieve them; they are the ones who will then set up realistic programs to teach employees to correct those problems.

If trainers will concentrate on designing the right kind of programs, ones that clearly advance the aims of the organization, they will deserve the strong support of management, and usually they will get it.



E.M. Estes (second from left) tours the Exposition Hall during ASTD's 31st National Conference in Las Vegas. Accompanying Estes are (left to right): Leopold A. Hauser, ASTD president-elect; Dave Coplai, Bill Sandy Corp.; and Chet Francke, General Motors Corp.

and good products at fair prices, and help with the various community funds and that's it. Certainly, the management of that earlier era never imagined that the actions of a few desert nations halfway around the world could one day have a sudden and devastating impact on car sales right here at home.

#### Modernized Training

The demands on the men and women who work with their hands have been just as dramatic. Take

ern training.

It seems fairly obvious to me that almost all workers, whatever their jobs, wherever they fit into the organization chart, will perform better if they are subject to one or more of the activities that fall under the general heading of training and development. But it must be the right kind of activity.

At General Motors, our training programs have ranged from teaching reading, writing and arithmetic, which we do for some of our hourly workers in South Africa, to

## Training Budgets Cut

I recognize, of course, that a historical complaint of many trainers is that they do not have the full support of management, and that they are not included at the highest levels of decision making. I also understand that complaints have grown as the nation's economic situation worsened — that many of you felt your activities were the first to have their budgets cut, and they may have been a little deeper.

Yes, at General Motors, we've had to cut our spending for training and development. With sales down, production off, profits down and thousands of workers on lay-off, we had little choice. But we have also had to cut back on all of our activities and most of our staffs. And in cutting back on training, we have tried to do it judiciously — not with a meat axe.

The proof that management, even in times like these, will support training programs if they are clearly paying their way and furthering management's goals can be seen throughout General Motors. For instance, Pontiac Motor Division has suffered substantial production cuts and lay-offs. Some training personnel have been reassigned, but the activities of the department have continued. Activities such as Pontiac's Team Audit Program, the assessment and discussion of individual performance with employees, are continuing. In fact, some training activities have been increased to take advantage of the additional time that is available because of low production volume.

## Training Program Support

During this period of reduced output, GM's Central Foundry Division has extended its Salaried Employee Utilization Program, in which employees become directly involved in establishing goals, measuring progress and developing their responsibilities and duties.

There are still about 110 individ-

uals working in Organizational Development - related activities throughout the corporation. In some locations, pre-supervisory programs have been expanded.

In addition to continued training for GM employees, we still have just as strong a Dealer Manpower Development Program. In an economic downturn like this, this program to train our dealers' retail sales personnel has taken on new significance and importance.

The point is: when management knows that solid contributions are being made, training activities will still get support — even in the face of severe economic conditions.

When it comes to giving training a greater voice in corporate decision making, I think you've got to earn it. I don't believe many managements will voluntarily give trainers a seat on the highest decision-making council just because trainers want it. But I don't believe they will deny them that seat, either — once trainers have proven that they deserve it.

If trainers are to enjoy greater influence in the corporate board rooms of America in the future, you've got to convince us of your worth to the organization; you've got to prove that your contributions can be real and lasting; you've got to show us that training really can help management achieve its goals.

I believe trainers have the potential to do all these things. But as someone has said, the problem is not so much that management does not believe in training, but rather that most past training programs have given management so little to believe in.

If you feel that your management isn't giving you enough manpower, enough money, enough influence at the top, then I say you should look at your own operation — look at it objectively, try to see it through management's eyes.

Do you have a systematic approach to training problems — an

approach that will give management confidence in your ability to predict and deliver results? Does your typical training proposal reflect sufficient insight into management's priorities and decision processes? Are you aggressively seeking new responsibilities rather than waiting for them to be handed to you?

## People Factor

People — that's why training and development programs have such exciting potential; they deal with people. Here in the United States or around the world, everywhere quality, cost and service to the customer is important, and all these things depend on people.

People who need to be trained. People who need to be motivated. People who need direction. People who need skill as managers. People who have to understand the

**BUHL**

## HIGH RESOLUTION SLIDE PROJECTOR



Buhl re-designed the lamp and condensing system of Kodak Slide projectors to give high resolution, color fidelity and even illumination. Try our QBC.

Lenses?...

For the ultimate projection quality, inquire about our high resolution lenses!

## HI-LITE 1200 WATT SLIDE PROJECTOR



Accepts cardboard or glass mounted slides  
Especially effective for large images...  
For brilliant screen images at long or short distances

For complete technical details...

Contact Buhl.  
BUHL OPTICAL  
1009 Beach Avenue  
Pittsburgh, Pa. 15233  
Phone 412-321-0076

**BUHL**

Circle No. 767 on Reader Service Card

organization's goals if they are to contribute fully to achieving them.

The only thing that sets General Motors, or any other company, apart from its competitors is its people. All manufacturers have access to the same basic technology. We use the same basic tools in our plants, the same kinds of raw materials, the same ways to try to reach potential new customers. What is different? The skills, quality and dedication of our people.

As trainers, the challenge before you is great. But so are the rewards if you live up to your potential!

### Strategy For Excellence

At General Motors, our plan for tapping more of the potential of training and development — our strategy for excellence — is based on four main elements.

First, we are moving toward strong centralized corporate policies and standards for the training and development of our people. Under GM's longtime policy of decentralized operating responsibility, we haven't had this in the past. As a result, some of our 150 local operations have had very effective training programs while others have hardly had any at all. We now believe that the complexity of the times requires more corporate direction. We have already consolidated the operation of the GM Training Centers programs and other consolidations are being considered.

As part of this move, we have also established new corporate standards for supervisory training. These very detailed standards set the performance levels required of every GM supervisor. Our various divisions must provide training to meet these standards, but they are free to develop their own individual ways of doing so.

Under this more centralized approach, the Corporation will begin auditing the divisions' efforts to see if they meet the standards and comply with policy.

A second major element in our plan is the development of strong local training functions in our divisions or our various plants. Each one will be staffed with training professionals, skilled in all phases of their jobs, but especially in managing the training process. We believe the day of the stand-up trainer is just about gone — so we are now counting on skilled professionals who can design training solutions to operating problems. A small centralized staff will act as consultants and program specialists to these local trainers.

### "Multiplier" Effect

Third, we want to make greater use of operating or line people as instructors. This will enable the trainer to spend less time conducting programs and more of it in designing training solutions. More of the stand-up training will be done by supervisors and other operating people. This gives us a "multiplier" effect, greatly magnifying the trainers' influence by the use of a cadre of instructors. In doing this, we will provide supervisors with some basic trainer skills and then equip them with highly structured training materials.

The fourth and final element in our strategy is the wider use of the external education and training resources that are available. We are trying to develop closer relations with schools, especially high schools and community colleges.

For example, when our Packard Electric Division decided to put a new wiring harness plant near Jackson, Mississippi, we worked very closely with Hinds Junior College. The school provided the building and the students; we provided the instructors and the specialized equipment. In that case, potential employees were trained before they were hired, and our results in that plant, by just about any measure you can imagine, have been extremely successful.

In seeking a closer relationship

with education, we are keenly interested in the career education movement that is taking place in the United States. We believe this may give industry and education the chance to form a new, more mutually beneficial alliance. We are also taking greater part in university-sponsored executive development programs.

We believe this is a sound program — a realistic one. We believe it will help General Motors' employees help management achieve our goals.

As trainers, you have contributed a great deal already. Much more remains to be done. This country must have good plumbing and it must have good philosophy. We have too many urgent challenges facing us to waste our time and energies fixing unnecessary leaks in either our pipes or our theories. We need to do the job right the first time — do it with highly trained, highly motivated people. People — that's the only real strategy for excellence.

USEASTD

---

Elliott M. Estes is president of General Motors Corp. He is a member of six of GM's top policy groups: Engineering, Industrial Relations and Public Relations, Marketing, Personnel Administration and Development, Research and Overseas. Prior to being elected president of the corporation, he was a director of GM and executive vice president in charge of the Operations staff. A leading participant in many engineering innovations introduced by the Pontiac Division, he assisted in the development of the "wide track" principle and the development of the Tempest, the first American automobile to have a front-mounted engine and a rear-mounted transmission for equal weight distribution.