A Design For Developing Managers

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So much has been published in recent years about the "shortage of executives and what to do about it" that there would seem to be little left to say. A great deal of this material, however, goes little further than defining the problem and giving a few case studies of company programs which have little practical application to the mass of business organizations. In fact, many business organizations which have neither the resources nor the need for "Management Institutes," as founded by General Electric and General Motors, or such comprehensive programs as exist at Sears, Roebuck & Co. or in the Bell System, must sometimes wonder if the old adage "the rich get richer and the poor get poorer" does not apply to developing managers, as well.

Conservative estimates give costs of training a single man at one of these quasi-Universities at a minimum of \$5,000.00. And, like many other costs, it is impossible to calculate certain intangible costs or losses occasioned by such things as reduced efficiency of the man's department while he is away at

school, the effects upon those left behind of singling out of certain individuals for formal training, and a multitude of other ramifications too numerous to list.

That is not to say that these "Management Institutes" or programs are not worth while. They are. Indeed, no company which has started one has closed it as a failure. Most companies express great satisfaction with the results obtained.

But, there is no need for despair in those companies which cannot develop their personnel in this way, for the alternatives can be just as effective if a coordinated plan of management development can be conceived and carried out.

Program Design

The importance of a well-designed plan to develop managers cannot be over-emphasized. In the design, first consideration should be given to the various levels of supervision to be developed. Supervision at New York Telephone Co., for example, is divided into

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seven levels. The seventh, or top, level consists of the thirteen company officers. First-line supervision, at the other end, contains thousands of foremen and other first-line supervisors. All levels are subjected in varying degrees and ways to management training.

This, however, is not typical. In most company plans, top management may have their skills sharpened by such courses as the Advanced Management Program at Harvard Business School or the Industrial Management Course at M.I.T. Foremen and other first-line supervisors have company-run indoctrination programs, foremen training, "How to Be a Better Supervisor" courses, and the like. Obviously, it is necessary when a man is given management responsibilities, to teach him how to exercise them properly.

The large and vital area of middle management, however, has not received nearly the attention it warrants. It is, after all, from middle management that tomorrow's top executives will be drawn. Not that there are no means of development used in this area, but as a man passes from first-line supervision to higher levels, he is often shocked to find that, while new duties and problems are set before him in a bewildering array, he receives less training than before.

There is, then, in most manager development programs, a gap. Unless the overall scheme of developing personnel includes a concentrated effort to improve the management skills of this group, the plan will not be as fruitful as it can be. We can, therefore, say that the first consideration of the well-designed plan for management development must be that it will include *all* management

levels, with much greater attention given to middle management than heretofore.

Program Content

The next part of a well-conceived program for manager development should be concerned with personal qualities or skills to be developed. There are three principal areas:

- 1. The acquisition of business knowledge or "know how."
- 2. The improvement of leadership qualities.
- 3. The development of conceptual skills—the ability to see the enterprise as a whole and how it fits into the business environment.

Here again, it is safe to say that a gap exists in most formal management development programs in existence today. This gap occurs when there is failure to educate managers in the great functional areas of business: marketing, production, accounting and finance. A man cannot use the tools of business intelligently unless he understands how they workboth as individual instruments and as closely related parts of a complete unit. Yet, it is in business fundamentals that so often a man is expected to come to the company previously educated, or he is expected to learn by experience-ignoring the fact that the experience might be fifteen or twenty years old and not at all geared to the changing marketing and technological picture.

So, it is necessary for the well-designed management development plan to provide for training in business principles, methods and practices—in short, modern business "know how." Fill this

gap in management training, and the shortage of executives will soon begin to disappear.

Training Methods

Another consideration which has received too little attention is the characteristics of the people who will be trained. These people are not pawns on a chessboard, but are men who have already achieved a measure of success in business. They are accustomed, in their roles in supervision, to a certain degree of authority-to handling real problems in a practical way. They are mature, experienced, and have responsibilities both of a business and personal nature. Yet, many management training programs subject these people to the same methods of teaching as are used with the average college or even high school student. It is no wonder that such programs often fall far short of their anticipated goals.

Therefore, the methods of training used are as vital to the effectiveness of the program as the content itself. Adult education, to a great degree, is self education. Companies don't really develop executives—executives develop themselves. It is first of all the responsibility of the individual. Manager training, though it should conform to certain educational techniques, must be acceptable to the individuals involved.

Management development programs must be designed to enable men to participate in their own development. The over-riding objective of any management development activity should be the stimulation and development of the individual's ability to think intelligently and constructively. There are, unfortunately,

only a few ways to do this. It takes a method which will add new knowledge and channel this knowledge into a thought-provoking medium, such as a conference or discussion. But, make no mistake about it, the conference alone will not solve the problem. It is what comes into the conference in the form of new knowledge and information and new ideas that make this method of training effective. And it isn't enough to have one man, the conference leader, to bring in the new material. All participants must contribute to the conference knowledge from sources other than their own experience if it is going to stimulate and develop their abilities to think clearly.

Company Relation

Many management development programs do attempt to relate their training to the operations of the company. In human relations training, actual incidents in the plant are often used as a basis of case studies of employee relations or for use in the "incident process" of training. We have already noted that training in fundamentals of business has been widely neglected. True, a number of men (small compared to the total need) are sent to University or American Management Association seminars for functional training. But often they are sent on a haphazard "as needed" basis, without their attendance being a part of an overall design for developing managers. While there is no denying the value to the trainee of rubbing shoulders with contemporaries in other businesses or even in other industries, what is lacking here is the chance to relate immediately this training to the operations of the company. And, unless a large group is sent from the company to such courses or seminars, their opportunity to discuss with members of the trainees' own company the relations of the business functions to the activities of the company is rarely present. Here is another place where management development must be strengthened. Thousands of dollars' worth of education are going to waste by this omission alone.

Individual Relation

One additional consideration which should be discussed in any plan for manager development is a means for giving recognition to the individual of his importance to the company. While this has long been recognized as fundamental to good employee relations, it has not received enough attention in programs for developing managerial talents. At a time when top management is asking the question, "How can we improve the skills of our executives and supervisors?," these executives and supervisors are asking: "What is expected of us? How are we doing? What do we have to do to get along in this company?" The existence of a management program alone will not answer these questions, nor will creation of a climate or atmosphere in the company which stimulates initiative fill this need. The management development plan itself must have provisions for answering these questions directly if the plan is to be an outstanding success.

These, then, are a number of factors which are currently being neglected, to varying degrees, in present-day management training programs. And yet, the gaps can be filled by any company of

any size. It isn't necessary to be an industrial giant to conceive and run a superior program. It is necessary to give consideration to these fundamentals: training for *all* levels of management; education in fundamental principles and practices of management; consideration of the characteristics of the recipients of training; provision for stimulation of intelligent and constructive thinking related to company problems; and, recognition of the individual's interest and stake in development as well as the company's.

Peter F. Drucker, in his book, "The Practice of Management," says: "In a competitive economy, above all, the quality and performance of managers determine the success of business, indeed, they determine its survival. For the quality and performance of its managers is the only effective advantage an enterprise in a competitive economy can have . . . There is probably no field in human endeavor where the always tremendous gap between the knowledge and performance of the leaders and the knowledge and performance of the average is wider or more intractable."

Certainly, it should be the objective of any design for developing managers to narrow this gap between what is being done and what can be done to develop leaders.

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