

It's The People . . . stupid

HUMAN-SIDE MANAGEMENT: Part I: The job of managing people.

Introduction:

Over the past thirty-five years, the casual internal observer in business has witnessed company after company fail its employees, ownership, and stockholders by turning its back on practical managing of human-side business affairs in fear of the law. How often have you heard, or said, we can't terminate this employee or that one because he or she is a minority, or she's pregnant? How many times have workers gotten by with poor performance because they are members of a protected class, or have seniority, or hundreds of other reasons we have all heard, or said?

Our state and federal employment laws were written to protect employees against unscrupulous employers taking advantage of each man, woman or child. Most of our labor and employment laws were written in the early twentieth century and, regardless of political orientation, were needed at the time of their enactment. Certainly new and amended laws have been brought down on a regular basis over the past fifty years. These too have their place and need in protecting employees. However, what many managers still don't get is that those same laws were written to protect business and our right to manage. It's easy to avoid doing our jobs as managers by blaming our inaction on the law. That is management by fear and ignorance.

You may note in the first sentence that our failure to employees is listed ahead of our failure to the ownership and/or stockholders. While it may be arguable, it is two-sided. Is stockholder return needed in order to maintain management and provide employment, or will employees provide the means of return hence satisfying managers and their stockholders? Human-side observation as well as experience as a manager and corporate officer leads one to believe that concentration on employee behavior and satisfaction is in the best interest of the organization, its owners and stockholders.

Central to the ideas expressed herein is the indisputable right for managers to manage their business. Management has every right to manage its business and, hopefully, in profit organizations, to make a profit. Profit is not a dirty-little-four-letter word, a word to be defiled and shunned in public gatherings; profit is a good word and the basis of our economic system. There is nothing in the law that prevents management from running a business and making a profit. Don't blame Congress, the IRS, the Equal Employment Opportunity Commission, the employment or labor laws for your failure to make a profit or manage your business. When it comes to human-side management, failure is blaming others for your decisions and inaction as a manager. Success is not fearing legislative restrictions but using them to the fullest extent positively and creatively.

Human Resources practitioners should restrain from ever telling clients, internal or external, 'thou shalt not'. A far better response is to formulate advice using experience and knowledge of employment law to show the clients how their goals can be obtained by using the law to their

advantage. Professional human resource operatives must be well versed in the law and its practical application and use that knowledge to the benefit of the organization. Permit one word of caution. Knowledge of the law without understanding the practical applications does not give the flexibility needed to serve the corporation or client.

Avoid the professional practitioner who can quote chapter and verse of the employment law. Bright and intelligent with a perfect retention of the law he or she may be. As the law is amended and new laws become effective, these individuals study the changes and commit changes to memory. However, when the journals report court or agency decisions based on those laws, they have little time to read the application of the law. Consequently, they do not serve the employer to the fullest. They tend to advise on the content of the law as opposed to their applicability.

The practical role of people managers:

The primary job of every manager of people must first and foremost be the management of people. Let's repeat that. The number one job of a people manager is the people they manage. It is not the almighty part, production schedule, efficiencies, profit, or any other measurement you may wish to apply. The primary job of managing people is people. It is a full time job if it is to be done correctly and if done correctly, the almighty part, the production schedule, the efficiencies and profit will fall into place.

Secondly, to do the job correctly, a manager of people must operate within a framework of rules and regulations that, in many cases, are arbitrary and flexible. The flexible and arbitrary nature of rules managers must follow includes state and federal labor and employment law. Courts and state labor boards differ by jurisdiction as to how any one law is interpreted. With the possible exception of the National Labor Relations Board most governing bodies almost never undermine management's right to manage.

So, people managers must manage people and they must manage those people in a manner that is consistent with all the rules, regulations, laws, and executive orders whose threshold for compliance embraces the business. Is that all there is to managing people? Well, no. There is still the job most managers expect to perform, the delegated jobs.

Therefore, the third job people managers are expected to perform is the job assigned by their superior. Formerly known as the five functions of management; planning, organizing, staffing, directing and controlling, today's management functions have different monikers; mission, goals, feedback, rewards and support. While the intent is unchanged, there are modern twists in stating the functions. Like any other professional approach to our job, psychologists, academicians and textbook writers suggest different labels for things we do. Otherwise, there are those who believe functional management not revising its lexicon and maintaining it in a steady state of confusion and flux is residing somewhere in the dark ages and not progressing.

Many managers try to keep abreast of current events by attending seminars and reading publications. They attend seminars and training classes in order to keep up to date with developments and to gain CEUs because some certifying body somewhere insists this is the only way to keep up with all the developments in a given field. Too often, contents of these seminars

prove to be rehashes of things we have been doing for years, only the name has changed. The fact is that the five functions of management have evolved from planning, organizing, staffing, directing, and controlling to mission (planning), goals (organizing), feedback (staffing), rewards (controlling), and support (directing). It is a matter of semantics, not of empirical study.

The recent issue of new rules covering the overtime provisions of the Fair Labor Standards Act more or less proves the point. As hard as the HR community tried to rid the law of some of its ambiguity in redefining 'discretion and independent judgment' as measurable criteria for administrative and professional categories, we failed. The final rules were published using the same vague references. Why? As so eloquently pointed out by Wage and Hour Administrator, Ms. Tammy McCutchen, the terms were put back in the regulation for the "lack of a better term." Our jobs haven't changed only the terminology.

The general manager of a chemical refinery in Indianapolis always talked to new management employees and management trainees during their first day on the job as a welcome and indoctrination. He would give great advice on pursuing a career and how to keep out of trouble. He would talk about doing the job, pride in the work, the company and even the lecture on dipping pens. However, the most lasting impression most took out of his office was his Creed neatly framed and hanging over his door for all to read as they left the office. It simply said: "If something has been done this way for twenty-five years, it's a damn good sign it's time for a change." This credo was hanging above his door thirty-years before Hammer and Champy wrote in *Reengineering the Corporation*, "the only constant in business today is change." There is also the old adage that urges, 'don't fix it if it ain't broke.' Change for the sake of change has not proven to be good for business. Change in terminology is often for the sake of selling books or texts and more times than not results in fad management. Change not backed by long-term, observable, repeatable, empirical study has little value.

In *Strategic Planning for Success*, authors Kaufman, Oakley-Browne, Watkins, and Leigh list forty-six popular management theories (fads) that have been promoted since the end of World War II. While some may question some of the programs as 'fad', the listing should open your eyes to 'quick-fixes' managers are ready to adopt for the sake of problem solving, often at the expense of good employees.

Too often CEOs hear about or may even read a book reporting great results in following a doctrine that sounds new and appropriate to the problem they have at hand. The CEOs do not promote the solution. No, they appoint a subordinate to appoint a subordinate to head up the program company-wide giving that third-tier manager exposure as the 'lead person' on a project that is going to save the company. (The fault must always rest with middle management.)

What is more, the recent college-educated stock analysts praise the actions taken by the executive on behalf of the company and stockholders to reverse less than expected results on the 'street' and advise buying stock in this progressive company. Needless to say, stock prices soar. When the program fails, as surely as every 'fad' program will fail, the third-tier manager loses face, maybe his/her job, the stock market dives, the CEO blames others but guarantees the analysts he has a plan for recovery. That plan, unknown to the analyst, may depend upon the executive once again finding the time to read a book or attend a cocktail party with Wayne

Gretzky where an executive friend tells him or her about another book that was brought to his attention. Nevertheless, based on that glimmer of hope, the stock will recover based on the executive's firing the person responsible for the latest failure to make a fad program work and taking action to correct the most recent problem.

(As an aside, I think Wayne Gretzky is the greatest hockey star of all time and I have seen the 'Rocket' and 'Pocket' Richard, Orr, Hull and many others. I refer to Mr. Gretzky only because I have had no less than eight CEOs tell me they had personally attended a cocktail party where Wayne Gretzky told a story of skating to where the puck will be rather than skating to where the puck is. My attitude has always been that the executives must think we are all idiots and can't read for ourselves well enough to know the source of their personal encounter with the great one, or that Mr. Gretzky attended so many cocktail parties that he had to retire. Maybe Tom Peters can write about egos in the Boardroom someday.)

Comments aside, the fact is, by any other name, the functions of management remain planning, organizing, staffing, directing, and controlling. By any other name they remain the constants in management.

So there you have it. What is the job of people managers? First and foremost, the job is to manage your people. Secondly, you manage those people within the confines of the law and your own corporate rules, policy and procedures. Thirdly, you manage those people as directed by your superiors in any or all of the five functions of management, the delegated tasks. How much weight is applied to each is pretty much a decision of senior management. However, the eventual success of the organization relies on how you manage the first two categories, managing people and doing so within the confines of rules and regulations. It's just that simple.

Next month's Human-side Management update . . .

Part II: Operating within the framework of rules and regulations.

Jim Ashcraft