

In the second chapter on the Janus Principle, one conclusion was that feedback was an essential prerequisite for organisms, organisations and individuals to grow and develop.

The summary from that paper included the following ideas about informal networks in organisations:

- These networks are vital as a source of innovation – developed through problem resolution, including root causes analysis.
- In healthy organisations, these networks are a vital source of (reverse) feedback to management on larger, organisation-wide issues that need top level attention.
- Innovation both depends on feedback and is a source of feedback – and feedback is essential for learning and development.
- Innovation does not often develop through polishing the existing way of doing things – we have to draw back to jump forward, and that includes challenging existing practices.
- Innovation is risky, and people need 'permission' both to share power across networks and to try out new ideas in pursuit of higher levels of performance.
- The negotiating model is a good enabler of effective management of network relationships.
- The negotiating model is a contradiction of old, command and control management styles – the latter have no place in managing network relationships – such management styles are power-based, not assertiveness-based.
- A final logical implication is that informal networks cannot be managed by the command and control management style – or any other for that matter.

It would be tempting to observe that nothing in the list of conclusions above is Earth-shattering. Although the route followed to arrive at them in chapter two was, perhaps, interesting, the conclusions are actually rather well known. One implication of that observation is that the business and public sector world should be densely populated with highly competent organisations and individuals. A quick glance at the general or business news, however, would suggest that such a comfortable assumption is not true. There are too many business crashes, highly publicised departures of executives and public service failures to indicate anything other than that the reverse is true.

So if feedback is a prerequisite for development and growth, and if that fact is well known, what is happening here? One possibility, at least, is that there is too little of this 'feedback stuff' about – or at least that whatever there is out there is not being delivered or used appropriately.

Before we consider the connection between feedback and ego, it is probably useful to re-visit the world of biology for more insights.

Darwin and survival of the species

In spite of the many arguments today about the validity of Darwin's theories – which incidentally have themselves evolved significantly through the research that has gone on since 1859 – the general position of the rational world is that he knew what he was talking about. In fact, his work has been described as 'a seminal work in scientific literature and arguably *the* pivotal work in evolutionary biology'.

Darwin observed, among other things, that:

- An implicit struggle for survival arises between species. This is because of a combination of a) species having great fertility - they make more offspring than can grow to adulthood –

- b) populations remaining roughly the same size and c) food resources being limited.
- In sexually reproducing species, generally no two individuals are identical. Some of these variations directly impact the ability of an individual to survive in a given environment. Much of this variation is inheritable.
- Individuals less suited to the environment are less likely to survive and less likely to reproduce, while individuals more suited to the environment are more likely to survive and more likely to reproduce. The individuals that survive are most likely to leave their inheritable traits to future generations.
- This slowly-effected process results in populations that adapt to the environment over time, and ultimately, after interminable generations, the creations of new varieties, and ultimately, new species.

Given that the environment also changes – another generally slow process, except when man intervenes - populations that are better adapted to environmental conditions are more likely both to survive and to generate new varieties and species.

The important point for management in all of this, is that there is an ongoing process of signals from the environment being processed, that then, after interpretation, modify the behaviour of populations as they evolve. This is an example of feedback in action as a control mechanism. Different variations in individuals fare better or worse in existing or changing environmental conditions. Variations that do not do well, die out and those that do well are adopted by the population at large, through the reproductive process - and the population evolves.

There are, however, striking differences between the behaviour of naturally occurring populations and the human-inspired organisms known as organisations.

The first difference is that intentionality occurs with human individuals – leaders / managers. There is a pro-active attempt to scan the environment to detect signals indicating the need to change direction, and to gain clues about which direction to go, and how to get there. The key is that the process in organisations is a conscious one, whereas in nature it is, as far as the individual members of the population are concerned, completely unconscious.

The second is the influence of the individual. Whereas in nature it is the population that responds, over time, in organisations, it is individuals or groups of individuals that make conscious decisions to change the (strategic) direction of a business, or the way it behaves in terms of its internal or external systems.

It is the influence of the individual that is both good news, and bad news, for organisations and their ability to adapt to a changing environment. Because the process of change depends on, and is driven by, individuals acting with intentionality, the good news is that the whole process of change can be much faster than the slow process of evolution. The bad news is that unless individuals do sense incoming signals for change, interpret them in a valid way, and then adequately implement valid change decisions, evolution takes over. The organisation achieves stasis, then goes into slow decline and eventually exits the business world.

Another risk of the involvement of individuals is that misinterpretation of incoming signals occurs, bad change decisions are made, and the exit route is shorter than otherwise it might have been.

It is consideration of the influence of the individual that leads us to a final, key observation about the difference between evolution in nature and adaptive change in organisations. Individual organisms in nature have no ego; neither do populations; which is a key enabler of how they learn and adapt to a changing environment.

A little touch of humility in management is a great asset

It is Jim Collins, (in *Good to great*¹), that observed that the type of business leaders associated with turning good companies into great ones is a million miles away from the high-profile, media-exposure-hungry CEO that has been popularised by the media across the western world. They

¹ Good to Great ~ Jim Collins ~ Random House Business Books ~ 2001 ~ ISBN 0 7126 8709 0

are more likely to be “Self-effacing, quiet, reserved, even shy – these leaders are a paradoxical blend of personal humility and professional will.” Not quite the stereotype of the guy in front of the video camera, with an ego the size of a planet!

The people indicated by Jim Collins are those who never stop learning; never stop seeking information that will help them make better decisions. They are not just open to feedback – they actively seek it, and the sources they tap are both external and internal to the organisation.

By contrast, so-called leaders² with giant-sized egos, are largely immune to feedback – even when they are up to their necks in the evidence that they, their strategies and decisions are wrong. This appears to apply both to 'leaders' of corporations and politicians alike – over-sized egos get in the way, specifically when the focus of attention is on the individual, not the organisation.

This comment about sources of feedback gives a clue to two different traps into which so-called leaders' over-sized egos can lead their organisations. One concerns business strategy or direction; the other concerns the key question about the degree to which the organisation is 'fit-for-purpose'. In this context, we will concern ourselves with a singular purpose for a fit-for-purpose organisation – and that is the delivery of the strategy.

Confidence – the feeling you have until you understand the situation

There is little to suggest that the Chairman, CEO and Finance Director of Marconi were anything other than totally confident that they had identified the right strategic direction for the firm to follow, in the heady days of the dotcom bubble. But reality caught up very fast, and it turned out that their acquisitions and other investments had been more disastrous than inspired. The point of mentioning the Marconi fiasco here is that the extreme ego-driven confidence of the Directors was matched by the equally extreme doubts of operational employees in the same organisation. The latter protested loud and long, but no one at the top was even listening. Certainly, no one at the top thought about inviting ideas or feedback on the new strategy from the foot soldiers in the organisation.

Perhaps even more to the point, while the Directors might have been forgiven for the early decisions they made, there was no place for them to run when the results started to come in, and yet they continued down the same path as before – in spite of the evidence that the chosen strategic direction was a path to extinction and not to distinction.

There is too little space in this paper to include a comprehensive 'hall of infamy' of failed businesses. There is, however, space for a short list of businesses that failed where there is a direct connection between that failure and leaders with giant-sized egos.

| | |
|------------------------------------|-------------------------|
| TWA | Pan American |
| Barings Bank | De Lorean Motor Company |
| Maxwell Communications Corporation | Bethlehem Steel |
| WorldCom | Enron |
| Arthur Andersen | Parmalat |

There are many observable symptoms that there are out-of-control, immune-to-feedback egos at work in the boardroom. Here is a short list for the wary to use as a check-list:

- The boss's language – expressions that are heavy on the use of the first person, singular. I, me, my – 'my team' – since when were employees - or companies for that matter - the property of some senior manager? (And there is also the use of the word 'they' whenever

² See the appendix for flavours of the month and a reference to 'leadership'

the boss is talking about why things have gone wrong!)

- 'Cornflakes ideas' – the ideas that come into the boss's head just after showering in the morning, and over breakfast – that become policy by 10:00.
- People who believe that 'they know' – who always have quick answers to everything – who don't recognise one of the universal truths – that the only truly knowledgeable people are those that understand just how little they know
- People with an unending stream of management initiatives – the NAFF³ syndrome – and who never check with operational people before the event about the wisdom of the idea, or after the event to find out how they initiatives actually work – see the appendix for a short list of 'flavours of the month' that are typical of the sort of initiatives that are commonly adopted.
- Where everything that goes wrong is down to the people who have to implement management decisions, and who get no say in what those management decisions might be. "You are wrong and I will tell you why you are wrong" - complete with pointing finger!
- A management style that is strongly focused on telling instead of finding out – combined with questions that are more closed-ended than open-ended, thus emphasising the focus on 'I' instead of 'we' or 'you'.

That last bullet point leads us to a key observation. If there is one universal management skill, it is the ability to ask good questions. 'Good' not just in the sense of being well framed – the open-ended question instead of closed-ended – but 'good' in the sense of the topic as well. 'Finding out' importantly applies to expected futures as well as interpretations of that which has already happened, or is happening. 'Finding out' is a concept that is simple to express but profound in its implications for the behaviour of managers - and the consequences for the performance they develop.

It is a truism that if senior managers, or any other managers for that matter, go into a decision making process believing that all that needs to be known is known, then the confidence that will be felt will be both great and totally misplaced – time and time again. The greater the ego of the manager in question, the greater the confidence is likely to be – after all, a 'master of the world' can hardly be considered to be wrong - ever!

This is the case where decisions get made by people who do not have to implement them. The decisions are implemented by people who had no part in the decision process, and hence no opportunity to offer some reality-anchored thinking before the decision was made. If the decision maker could watch what happens, at implementation time, without being able to intervene, that delightful sense of confidence would evaporate like the morning dew. This (unusual) circumstance has been set up frequently to demonstrate the point, and, generally, the decision-maker ends up doing the management equivalent of banging his or her head against the nearest wall – and sometimes literally so.

Which is all just another way of underlining the point that a little touch of humility in management is a great asset. Or that over-sized egos with all their unwarranted confidence get in the way of good – i.e. effective – managing behaviour. Especially, over-sized egos get in the way of feedback, and, as noted above, feedback is essential for continuing learning, growth and development.

In terms of our topic here, the key target of one set of good questions is all about generating feedback – from the people who would otherwise be on the receiving end of lousy management decisions – and at risk of losing their jobs as yet another business goes to the wall. This is the feedback we have labelled 'reverse feedback'. Not the employee getting feedback from the

3 Not another f-f-f-flipping programme!

manager on the employee's performance, but the manager getting feedback from the employee on the manager's managing performance. In the absence of reverse feedback, there is a sad progression that is all too common which we need to review next.

Three envelopes – or a walk to the bathroom

This (real) quotation from a conversation with a director of a company, in an office lift one morning, sets the scene. "Tell me, Andrew, is it only inadequate people who get to the top; or are they good souls who become inadequate when they get there?" The actual words were not quite so polite as that, but the message was the same!

So often, it is the latter of the two possibilities that is the case, so it is worth considering why this happens. When it does, it is, after all, a case of talent being wasted, and the result is generally bad for the organisation, the organisation's customers, its employees and, specifically, the employee in question, at the point of exiting stage left.

What happens is a deadly case of an inverse correlation – on the one hand growing ego and confidence, and on the other diminishing feedback, from source.

Consider the case of a bright young individual joining a company, probably with a decent degree in something useful – applicants with a degree in Madonna need not read on as, presumably, they already know everything needed for success in the business world.

After a while, having been predictably successful, the individual is promoted to a junior management role. As a generality, employees are neither trained in the need for and skill of acquiring feedback; nor are they trained in the essential interactive skills that underpin all success in management, if it is the long-lasting variety, that is. As these include all those good questioning techniques noted above, it is safe to assume that the (successful?) individual is blissfully unaware of the impact of their interactive behaviour on other people.

As with most new junior managers, the lack of training continues into the first management job. At which point, the new manager is now one step removed from the source of critical feedback, now about managing behaviour and the decisions that are made, to be implemented by some other benighted soul – who does not have the chance to explain why the consequences stem more from the original decision than its implementation. The probability of valid reverse feedback from source is now much reduced. As there is no critical feedback, blocked by the lack of skills of the newly promoted manager, the confidence that the new manager felt at the point of promotion is now increased, by the lack of reverse feedback.

As the new manager does actually have a degree of competence, results are mixed, with at least some good news, and, after a while, another promotion occurs. The manager is now even farther removed from the source of feedback about the actual consequences of management decisions made, and the managing style applied – and the probability of getting it reduces even more.

As this progression continues, two mutually-reinforcing effects occur. (The observant may notice the relationship between what is described here and the self-fulfilling prophesies noted by MacGregor in his studies relating to Theory X and Theory Y). With each promotion the sense of confidence that the manager is 'doing things right' increases. It must be so, as the climb up the corporate ladder continues, either in the same or different organisations. At the same time, the distance between the manager and the consequences of decisions made and style applied widens, reducing the probability of reverse feedback, thus reinforcing the confidence felt by the manager.

Unfortunately, there is another progression occurring, that exactly matches the managers progression up the organisational hierarchy. As the manager occupies increasingly senior roles, the nature of the decisions being made changes. The decisions reach farther into the future, (or

should, if the manager is not totally in the wheel-spin trap); cover a wider span of the organisation; and reach farther outside the organisation. This means that the degree of uncertainty and ambiguity that has to be processed increases. This, in turn, means that the demand for context scanning and decision-making skills increases. The problem is that, without reverse feedback, the manager's scanning and decision-making skills are at a standstill.

Which is another way of saying that the competence of the manager is going backwards.

It would be wrong to suggest that all top managers are incompetent. Those with under-control-egos who insist on and encourage reverse feedback, and then act accordingly, survive the ascent of the corporate ladder through an unending process of skill development – and an unending process of modification of their decisions by input from the organisation, both before and after the event. Those who do not, still include a minority that manage to make good business decisions, either through insight, instinct, good luck or good judgement. There are also those whose businesses survive their best efforts to destroy them, only because the destructive efforts of their competitors are even better targeted than their own.

But the reality is that non-listening managers never develop an organisation that is truly fit-for-purpose – and that is not only about delivering a sound business strategy. The best organisations have people in all sorts of jobs that engage fully in the development of business strategy as an emergent process, responding to changing external conditions as they occur. It is only through this sort of organisation that a business can be built and sustained that can achieve what are often mutually contradictory objectives – short term performance and long term security.

It is but a short step of logic to note the connection between the 'career-progression-without-reverse-feedback' problem and that of managers with over-sized egos. Indeed, it could be argued that this is a classic chicken-and-egg condition. Which is the cause of the other? Or are the two issues simply mutually-reinforcing? Whatever the case may be, it is a fact that so-called corporate leaders of the large-ego, non-listening variety are generally disastrous for their businesses, in the medium and longer term, if not always in the very short term. The problem is compounded when the 'leader' in question gets into the top job, as quite often they are hard to remove, as is not the case in the salutary tale that follows.

In case the reader has forgotten the reference to three envelopes above, here is a short version of a story popular throughout the business world. It concerns a newly appointed young director, for the first time with that magic word 'Director' in the job title. Being somewhat nervous about the step, the advice of an experienced director was sought - in fact the person being replaced, who was moving on to some distant and murky part of the hierarchy. "Don't worry" was the reply. "I knew you would ask that question. In your desk drawer are three envelopes, marked 1, 2 and 3. You will have three crises in results, and when they happen, just open the appropriate envelope, and you will find the answer to all your problems".

At the end of the first year, results were poor, and the new director was severely hassled by the CEO. Opening the first envelope revealed the message 'Blame the last incumbent'. The director produced a report, which pointed out that it was the policies and practices of the previous incumbent that had caused all the performance problems, and the submission of the report relieved the pressure, until the next end of year results, which were again poor. To head off the inevitable pressure, a new report was produced in line with the contents of the second envelope - 'Reorganise'. This suggested that the director had bottomed out the underlying causes of the performance problems, which were related to an inherited organisation structure that was fundamentally out of step with the current needs of the business. Another year's respite followed. Opening the third envelope a year later completed the cycle - it contained the inevitable message - 'Prepare three envelopes'.

There is an antidote, however, and it is sometimes referred to as 'taking a walk into the bathroom'. It is the first step in a process of discovery – which is another way of saying 'finding out' – that key

skill for all managers noted above. The point about the bathroom is that (nearly) all bathrooms have a feature in common – a mirror. Managers need, from time to time, to look in the bathroom mirror, as thus they will discover the prime causes of all their performance and other organisation problems. It is themselves. In fact, in the business management sense, we are all the authors of the worst disasters that befall us.

The logic is simple enough. Either the manager is making a difference or not. If the manager is not making a difference, then exit stage left is the only sensible and honourable thing to do. If the manager is making a difference and if performance is not as it should be, or there are other organisation problems, then the manager in question must be part of the problem. Any manager who denies this principle should be 'encouraged' to take the bathroom walk, and if totally opposed to the idea, should be 'let go', as one euphemism has it.

Once the principle has been accepted, the voyage of discovery begins. In spite of the inevitable resistance from bureaucrats and other corporate soldiers – all those who insist on the observance of hierarchies, status, structures and protocols – the manager should go directly to the coal face, sans entourage, and start asking open-ended questions. The topics are there aplenty, but here is a short list of 10 for starters:

- 1 How is the job going at this time?
- 2 What sort of difficulties do you experience in getting your job done?
- 3 What are the most satisfying aspects of your job? What are the most frustrating?
- 4 What could I do that would help you perform more effectively?
- 5 What do you think of our business strategy?
- 6 What sort of changes are occurring that would suggest that we may need to re-think our strategy?
- 7 What sort of changes would you like to see in and around your job?
- 8 What sort of changes have happened recently – for the better? For the worse? What effect did they have?
- 9 What could you tell me about that would help me understand the organisation better, that would guide my decisions to produce a better, more effective organisation?
- 10 How well do you think the management team is doing in managing and guiding this organisation? What do we need to do differently?

The fast talking trap

A recent assignment with a client produced a striking result, through the initial discovery stage. Lots of open ended questions were asked, and the conversations happened with a variety of people in a variety of roles throughout a complex supply chain. At the top was the customer – a large, well known organisation with a CEO often interviewed by and quoted in the media – company A. Next was a major supplier to the customer – company B. Then came a major supplier to company B – company C. Finally came a major supplier to company C – company D. All were engaged in the delivery of a massive infrastructure project, involving a heady mix of old, well-established technologies with new, leading-edge technologies. The project was complicated by the need to provide safe services to members of the public while all the work was going on. The risk of failure was high.

There were many differences in corporate culture and organisation focus and style across the supply chain. The key feature that is important here is the mental models adopted towards the various difficulties and failures that had arisen throughout the project at the time of the discovery step. One mental model appeared to be performance-focused, with an acceptance that only facing realities and dealing with them would deliver the goods. The other extreme appeared to be rooted

in 'I know what I am doing, and when things go wrong, I can quite rightly point the finger of blame at someone else'. At the farthest point away from the customer, there were people who readily used statements like "We really got it badly wrong with XXX." "We are still having problems with YYY, but we know about them and are working hard to fix them."

As the conversations moved farther up the supply chain, the flavour of the utterances shifted noticeably. By the time the customer was involved, the typical positions taken were 180° apart from those at the bottom of the supply chain. "We don't understand why the suppliers seem to think it is difficult to deliver what we want. It's really quite simple – all they have to do is stick to the standards." "Why do they keep on delivering such poor quality products, so that we keep on having to reject them." "The problems are all the fault of the suppliers".

Needless to say, the vast majority of the key, root causes of the problems being experienced all sat with the customer, which was in a state of organisational denial.

The original reason for the ongoing rejection of what the suppliers were trying to deliver was that the customer had never properly specified the products needed in the first place. This was compounded by serious disagreements within the customer about what was needed, with arguments raging between the proponents of old, tried (tired?) and trusted technologies – from the first half of the 20th century – and those who believed that new technologies were the way to go to reduce costs and provide better services. This meant that when any one part of the customer organisation was getting close to agreement about delivery of a product, there was always someone from some other part of the customer organisation who could find a reason for saying NO. As if that was not enough, the original specification was subject to unending change anyway.

In desperation, various suppliers issued guidelines of what they were intending to design and build, before the event. This got no response from the customer at all, until products were ready for delivery, at which point the guidelines were challenged - after months or years of work had been done. All of these problems stemmed from one simple root cause – there was no accountability for any aspect of delivery within the customer – only compliance with standards – which were themselves both out-of-date and contradictory. So while all the nay-sayers in the customer could block just about anything and everything, the pain was all felt elsewhere. And the farther down the supply chain, the more intense the pain – both financial and personal.

The point at issue here is that none of the causes of the problems were actually unknown within the customer's organisation. What was lacking was the willingness at the top to face up to these realities and deal with them. The failure of management to do so simply gave 'permission' to a lot of people to continue with the existing pattern of behaviour – which was bad for the customer and worse for the suppliers.

All of the successful solutions that were developed to improve effective collaboration across the supply chain started with just three managers, two of whom were in the customer organisation and one in Company B. They had the courage to 'look in the mirror' and recognise that they were part of the problem. They asked key questions; they listened; they interpreted – and then they acted. They engaged with many people in their organisations, and gave them a voice. They released time to invest in developing the system. They delegated decision power to give a lot of people more intellectually challenging and satisfying roles. They focused many peoples' roles on acquisition of new products, so they had to start to collaborate with suppliers to find solutions instead of finding reasons for saying NO. The winners were, as should be standard, the organisation, its suppliers, its customer, and – above all – the employees in both customer and supplier organisations alike.

Compare their response with that of the oversized-ego CEO, who just loves to appear on television, or give interviews to other parts of the media. This is the chap who keeps on talking about how the causes of the problems are always elsewhere. Traditionally, they rest with the Government and its regulations and other policies, the EU, the USA, the trade unions, unfair

competition from overseas, the world economy, suppliers and customers – and, these days, global warming. In fact they can talk their way to concluding that just about anyone is to blame - except for the fast-talking CEO, that is.

Think about some of the high-profile CEOs connected with the failed companies listed above. Remember their appearances before the television news camera. Reflect on all the excuses they offered for failure. And then remember how they all departed into oblivion, as the truth finally caught up with them.

Hands up all those readers who can look in the mirror and say out loud - “I am perfect; I have never made any mistakes: I never make mistakes”. Not too many hands waving? Well, that's a good start. Now go listen to the people in your organisation and find out just how far from the truth you would have been if you had stuck your hand in the air. The surprises might be unpleasant at first, but there is hope on the horizon. To quote another idea from Jim Collins (ibid) you are now heading for the Stockdale paradox. “Face the brutal facts, but never give up hope”.

Once you are through the pain barrier for the first time – the discovery that all those lovely decisions you made, in full confidence that they were OK, foundered on operational realities quite different from your perception – you are well on the way to making a truly wonderful discovery. Working with a bunch of people who can talk to you openly about what you do and how it impacts on them and their work; having many people around you to provide sound advice on strategy and other key business decisions; being able to bounce your ideas off people whose feedback is constructive; being part of an extended team that practices mutual support instead of internecine warfare is actually FUN!

Moreover, being surrounded by people who are also having fun at work is just great. As if that was not enough, be sure that performance will improve. There is little chance that tapping into the knowledge, expertise and ideas of hundreds or even thousands of people – and those that are in touch with customers and the rest of the outside world on a daily basis – will do anything other than make the organisation more effective.

There is an alternative, however. Avoid the discovery of realities, and the need to listen. Emulate the ostrich - just keep on talking, and if you talk fast and loud enough, maybe, just maybe you can keep the wolf from the door for a little bit longer. Temporarily at least, you will be able to boost your ego and sense of confidence. Alternatively, you could always bow to the inevitable, and get those three envelopes ready right now.

Appendix – Flavours of the month

The list of flavours of the month noted below is taken from the work of Pascale⁴ on management initiatives:

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| T-group training | Strategic business units | Zero-based budgeting |
| Value chains | Wellness | Quality circles / TQM |
| Matrix management | Management by walking about | One minute manager |
| Visioning | Workout | Learning organisation |
| Business process re-engineering | Empowerment | Intrapreneuring |

All burst on to the management scene, flowered briefly – and then faded into oblivion.

Inevitably, since 1990, there have been a few more management fads to add to the list to bring it right up to date. Not least of these are competency frameworks and the balanced score card, not to mention CRM, 6 Sigma, innovation centres, knowledge management, 360° feedback and the current obsession with 'leadership'. How many of these have already achieved their sell by-date, without eager change-managers noticing?

In passing, it might be noticed that all of these 'new ideas' are not actually new. They are merely old wisdom dressed up in a shiny new suit of clothes – of the emperor has no clothes variety? - all designed to get the hard-pressed CEO to part with the shareholders' cash.

This is not to suggest that any of these ideas is intrinsically wrong – although the evidence would suggest that one or two fall into that category. It is to suggest that the imposition of any of these ideas, from the top, with no decision or design input from the people who have to implement and live with them, and no feedback to update the design as experience is acquired, can turn what is essentially a good idea into a bad one.

In particular, an unending stream of top-down initiatives, all introduced just because of an article in HBR or the Sloan Management Review or a book in the airport bookshop, or because some snake-oil salesperson is flogging the idea as the new panacea to all management ills, is bound to lead to the NAFFP response.

That in turn leads to the total destruction of credibility of the 'new idea' and the destruction of shareholder value, via excess costs, disengaged employees and ultimately the loss of good people and their critical knowledge. Fashion in the clothes industry, and others, makes a lot of money for the vendors. Following fashion in management may make lots of money for another set of vendors, but does little to enhance the real performance of the buying business.

As ever, ego gets in the way. The first ego driver is the desire not to be seen not to be using the latest in 'management thinking'. Another may be the desire to get into the Guinness Book of Records – the first top manager to make one of these 'new ideas' actually work. Finally, ego gets in the way by blocking reverse feedback. The manager introducing yet another 'change programme' is protected from the information about what actually happens as a result – just like all the earlier change programmes emanating from the same source.

If only the champions of the cornflakes ideas could actually witness the common 'malicious obedience' response to their wonderful ideas, culled from yet another paper or book or sales brochure, perhaps the number of top down interventions would reduce, to the benefit of the

⁴ Managing on the edge ~ R T Pascale ~ 1990

organisation, its customers and employees.

Here is a short list of ideas, that have been around for years, that simply do not work, and are proven not to work. It is taken from a recent survey done by McKinsey on managing performance.

- The carrots and sticks of incentives appear to be the least effective of the four options commonly used to motivate and encourage employees to perform well and stay with a company.
- Applied in isolation, KPIs and similar control mechanisms (such as performance contracts) are among the least satisfactory options for improving accountability.
- Relying on a detailed strategy and plan is far from the most fruitful way to set a company's direction.
- Command-and-control leadership - the still-popular art of telling people what to do and then checking up on them to see that they did it - is among the least effective ways to direct the efforts of an organisation's people.

How many organisations are there out there, still trying to make these ideas work, in the face of all the evidence to the contrary? Many is the sad answer. The top managers who think they can be the first may have a beady eye on that entry in the Guinness Book of Records, but don't hold your breath! Their chances of success are about as great as budding athletes who have never bothered to find out about the living, training and diet regimes that will help to produce success, but instead rely on wishful thinking and couple of pints of beer and a greasy hamburger twice a day to help build up their strength!