

Developing the Skills of Management

By JAMES L. HAYES
School of Business Administration

INTRODUCTION

Management has become a professional employing skills and disciplines which are quite independent of trade or professional skills and disciplines. Engineers, accountants, teachers, and doctors can no longer conclude that proficiency in their particular profession gives them proficiency in management, nor does any profession preclude such proficiency. Conversely, it should not be assumed that any particularized schooling will of itself make a manager. Management is a skill in itself, often inherent in professional and skilled people together with their titled skill.

It is important that those of us who are professional people recognize that professional training in itself does not necessarily impart managerial skills. The educator may be slow to tolerate some inability to understand. The engineer may expect people to behave like materials. And so the professional world goes. The tool pusher in the field is as much a manager as any other man in business. He often forgets that when other people are reporting to him, he assumes an enormous responsibility for getting his work done through these people. This leads us to our definition of management.

What is management? Lawrence Appley, President of the American Management Association, says "Management is the responsibility for accomplishing results through the efforts of other people...management is not the direction of things, it is the development of people." Another accepted definition is "Management is getting things done through other people." These two thoughts about management go together.

If we are developing people, we are letting them do things and if we are letting them do things, we are getting things done through them. By the same reasoning, the process of doing accentuates realization of capacity and motivates further development. If the end of an enterprise can be accomplished through other people, these people are being developed in the process of doing. The man who does everything himself, however, will not have time to manage.

Experts for years have agreed that the management job is built around five areas: planning, organizing, coordinating, motivating and controlling.

This is the management job. These are the things all of us do when we manage. Some managers have a capacity to sense these five areas, and manage great groups of people with equanimity; another person finds it difficult to manage one other person. Most people who are actually managing have some natural capacity to manage, but we sometimes hear of a perfect manager.

The reason that these five areas become important is that those of us who are less than perfect managers, by studying the five areas carefully, can increase our capacity to manage. Perhaps we are now 90 per cent good managers. There is little likelihood that we will become 100 per cent perfect managers. But we can go from 90 per cent to 95 per cent, and thereby save our companies a great deal of money and take a bit of the work out of business.

It should not be thought that the simple knowledge of these five areas is sufficient to make a man a good manager. It is only when they are put into effect that

the management job gets done. Many people have forgotten that management is "getting things done." Therefore, when we discuss each of these areas it is not sufficient to simply think about them, but there must be a willingness on the part of each of us to try to put their principles into effect, and I am sure that you will find that they do work.

PLANNING

Planning is deciding in advance what you want to do and how you want to do it. This skill is usually mastered by highly successful administrators and managers at all levels.

There are two kinds of plans: long-range and short-range. Long-range is the dream; the objective can be reached in a series of steps some years hence. The short-range is the plan for immediate action---this month, this year. It is often a step in the long-range plan.

Any manager can plan. Often the excuse is heard that a man cannot plan because he does not know the plans of his superior. Granted that he would make better plans if he knew what his superior had in mind, this does not preclude all planning. If we look deeply into our actions we will find that we are always planning for something. It may only be to get home at night. But we do have some kind of an objective. This, then, becomes the first step in planning--setting the objective.

Setting objectives helps people do their work. If your people have some idea of what they are trying to accomplish this month, this year, or the next five years, they will have more of an inclination to work for accomplishment than they will to simply work. Anyone who likes work is crazy. But people who love accomplishment are normal. We therefore must help the other man's planning--particularly that of our subordinate--by giving him an objective in his language.

Much of human relations is complicated today by the fact that people do not work towards objectives: they simply work. It has a tremendous effect on people's attitudes if they know what you have in mind, understand what you have in mind, and feel that they are able to reach what you have in mind. Let people know what you think the future is. If your superior should say that you are going to increase output by 5 per cent, it is wrong to come to the conclusion that you simply must drive your people a bit harder. Driving them will give rise to a whole series of new problems, and you will be fortunate to get a 3 per cent increase in production.

But to let them know that you are after 5 per cent allows them to organize their thinking to reach the new objective. This will be far more effective with managers than it will with workers. Workers' accomplishments must often be translated into terms of increased benefits to them. Quite often they are correct that the benefits of production should accrue to them in part. Certainly they are never entitled to all of the benefits, or even a lion's share.

A very important thing about setting objectives, I think, is that it develops judgment. If every man is planning on obtaining results, he is forced to make certain judgments in light of these results. Otherwise, judgments become matters of convenience or expediency.

The function with a meaningful objective will abound in good judgments. The function which is operating from day to day without a known objective, except to get the work done, will encourage a greater number of poor judgment.

Planning For Controls

A rather important part of planning is planning for controls. We should think in terms of controlling the things we have delegated to other people. This means finding out what is being done and the areas in which proper procedures are not being followed or results are not being obtained. We will talk about this in detail later on.

But when you are making plans, plan on the controls that you intend to use. This will avoid the charge of spying, the feeling of suspicion, the attitude that you are distrustful and all the other things that people think about the superior who is trying to find out what is going on. Anyone who delegates will eventually find himself with the necessity for controlling the situation. As a matter of fact, one of the reasons why we do not delegate well is because we cannot control well, as we shall see.

For the time being let us say that if we are planning on an operation, we should tell the subordinate the method of control we intend to use, when we intend to exercise the control and what he is expected to do to facilitate it. Control may take the form of checking with the subordinate at a particular point in performance. It may mean having the subordinate call us on a given date. It may mean the submission of a report at stated intervals. It may mean a report only upon the accomplishment of a specific objective or an explanation of why something was not accomplished by a particular time. It can take the routine form "I will be in to see you at least once a year," or we may say "Bring the job back to me when it is finished." This is discussed in detail at the conclusion of this paper.

A useful technique for planning is the timetable. Once we have transplanted plans into functional realities, we must not lose the sense that these functional realities should come back together again in the attainment of the objective. Many functional performances depend on the completion of other functional performances. A house cannot be painted until it is built. Meanwhile the painter likes to plan.

Here the function of planning laps over to coordination. A timetable is a written instrument, which not only indicates when we are to start our function, how long we are to work on a project and when we are to finish, but serves as a guide to good administration by providing a source for coordinating action.

Of course, plans are not without limits. A plan is as good as the forecast on which it is based. Some planning may be too expensive when measured against the results expected. Time, being a regarnder of no man, may not allow for detailed plans.

Alex Rathé of New York University says planning can be complete if we only use the answers to Kipling's observation in his poem "The Elephant's Child."

"I keep six honest serving men
(They taught me all I knew);
Their names are What and Why and When
And How and Where and Who."

If we can find the answers to these six questions for things that we undertake, we probably will have a good plan.

ORGANIZATION

The second great skill of the administrator is the ability to organize. This is the determining of functions, the arranging of facilities, the assigning of people and the delegating of tasks. Most people who hear about organization understand the general idea of having an organization chart, but they do not sense the real meaning of organization. Many people who hear about organization think of line-staff relationships, but they do not really understand what the sense of this relationship is.

Most organizations have an organization chart. This is a picture. But it may be just a picture; it does not mean that you are organized. It means someone thought enough to write it down on paper. Quite often, perfectly good charts are torn apart by informal procedures which ignore them. Many an organization can look at its charts and quickly reduce that man number two reports to man number one. You know exactly what will happen!

The organization chart shows you the line of authority, line of responsibility and the line of accountability. It may indicate something of a functional breakdown and it may show something about the titles people have. This is all the chart shows.

Much can be done with organization charts since there are many different kinds. Here, I wish only to make the point that to copy someone else's organization chart is probably a weak procedure unless you are looking for a picture to adorn the wall. What works for one institution will not work for another.

The organization chart will bring out the span of control for an individual, that is the number of subordinates over whom he has authority and who are helping him in fulfilling his responsibility. It will also bring out the element of layering or the number of superimposed levels of authority from the top to the bottom of the organization. The span of control for a manager will average about five subordinates. Note the use of the word "average". When jobs are very much alike, the span of control can be increased considerably. Jobs of a radically different nature may indicate that two or three subordinates are enough.

The question often arises as to whether we should have a few or many people reporting to us. There are goods and evils in all of these things. When a person reports directly to his superior, communication is usually simple. But the superior may not be able to give the subordinate a sufficient amount of time and this will complicate communication at a certain point.

On the other hand, the deeper we go with layers of organization, thoughts must be passed from mouth to mouth, and the possibility of the same message getting to "the lowest man on the totem pole" becomes rather remote. Here is one of those things where judgment is involved. Do not do what the other company does. Do what your company and your people indicate is the wisest thing to do. We pay money for managers, not for charts.

Organization is, essentially, an arrangement of functions to accomplish an objective. There are some rules that will help you. The line has authority; the staff does not. Sometimes this is difficult for staff to swallow, but line has the authority primarily because line has the responsibility. Hence, authority and responsibility go hand in hand. It is a mockery to say that we give a man responsibility if we do not give him authority.

This authority is primarily the authority to make decisions. It means that a task has been delegated to a subordinate manager, and in the light of that task he has the right to make decisions to fulfill the results desired. You can easily see that this goes back to the

fact that every manager should have his own objective. If a subordinate manager has his own objective and has been delegated the authority to reach this objective, he will be forced into a pattern of developing judgments.

One of the principal deterrents to good organization is the lack of ability to delegate. Most managers work their way up in an organization. Because of this type of movement they have a tendency to add responsibilities without adequately shedding old responsibilities. This is another element of judgment: a man must know his capacity. Beyond his point of capacity he can remain a good manager only if he knows enough to delegate some tasks as he acquires others. The more tasks that he assumes, the greater becomes his job of coordinating and the less time that he will have for personally implementing his responsibilities. If he does not have a good sense of delegation, he will fail as a manager.

It is surprising how often managers fail to delegate the simplest task of opening mail or the rather fundamental undertaking of writing replies. Quite often correspondence coming out of institutions is dictated by three or four people who seem to take particular pride in signing their name to letters. Often the best letters are written by secretaries without having any superior see them. The manager can still sign letters written by others, and use some of the time saved for coordinating the efforts of those to whom he has delegated greater tasks.

In the oil fields, it is not uncommon to see a man who will push workers out of the way so that he can take over and do the job. This gives him a superior attitude. This man feels that when he does the job he instantly commands the respect of everyone around the rig. But it is sobering to remember that we are also humiliating the man whose job we are taking over. A lack of faith in subordinates creates many other difficulties in management. The best way to train a man is show him how to do the job and then let him do the job. This is the true sense of delegation.

At the same time, it is probably true that the oil industry has many complicated line-staff relationships.

We ought to keep in mind that authority flows through the line. Most conflicts between line and staff are attributable to one of two causes; usurpation of line authority by staff or abdication of line authority by line. The line man must be happy with a perfect job. Another interesting observation is that most staff people who take over line jobs or line authority at times are people who are sincerely interested in getting a job done. The reason that they step in is not because they wish to be predatory, but because line has abdicated authority.

If you are the boss, be the boss. Stick your neck out and assume authority, otherwise, you will soon be complaining that you have responsibility but no authority. And, of course, this is inconsistent in good management. Sometimes the line man surrenders his authority for his own insurance. If I can go to my boss or to a staff man and ask his opinion in a judgment I must make, and he makes a decision, thereby assuming my responsibility, there is only one man who can be wrong. If the decision is wrong, I simply return to my boss or the staff man and tell him that he certainly missed out on that guess. This, in my mind, is social security! Any time I can get my boss to make a decision, there is only one man who can be wrong.

Position Description

There is another device called the Position Description which supplements the organization chart. The Position Description is a statement of responsibilities belonging to a particular job. The jobs of certain engineers in the oil business is quite well defined, but they do vary somewhat

by title from company to company. It is unfair, therefore, to assume that a new man knows exactly what a title demands of him.

To expand the meaning of the title, we use the Position Description. The Position Description will be brief enough so that when a subordinate undertakes the job he will be aware of the broad areas in which he is expected to operate. The Position Description is also a useful tool in hiring. To show the prospective new man the responsibilities he will assume, allows him to come into your organization with fewer misconceptions about his job.

Standards of Performance

In addition to Position Descriptions we may have what are known as Standards of Performance. These are statements of the results that are expected when a job is well done. These are difficult to write for most jobs and are often the last tool added to the management kit. They are definitely a part of organizational thinking. To say that I have a responsibility does not tell me what results are expected for the fulfillment of the responsibility.

Perhaps I have the responsibility to hire people, but that does not say that I can hire anyone I please any time I please. I may have the authority to buy bits on an open end basis but that does not mean that I can stack them up beside the rig until I have the best collection of bits in Texas. Every man asks himself the question "When am I doing my job well?" The boss knows. If the boss does not know, then he has no right to expect that the subordinate should know. The Standards of Performance are an attempt to get the thinking of the superior and the thinking of the subordinate close together and this can best be done in terms of results.

For many of your men in the field I am sure that you have Standards of Performance well established at the present time. But I doubt that many management jobs have these standards. We must remember that the setting of standards is not a tool for punishment, but rather a tool for development. If a man is not up to standard performance, it then becomes the responsibility of the manager to help develop the subordinate to the point where he can do standard work.

Standards aid our ability to delegate. If we delegate in terms of expected results, we are apt to give less attention to how a job is done. If "how" is important we resort to policies and procedures. Seldom do we tell the maintenance crew how to wax the floor. We simply say, "I want that floor to shine." You have ascertained in your own mind how much it is worth to you to have the floor shine and whether maintenance makes a major or minor task out of it is of no consequence, if the floor shines. But we often fail to do this when we delegate jobs of higher value.

Certainly your profession must see people who go home every day wondering if they have done a job. Sitting down and writing Standards of Performance could minimize a great number of palliatives that we are peddling as good management today. Here is an illustration I like to think of: If I am halfback on a football team and they pass me the ball, I start running towards my objective and I make my touchdown; the stands cheer. Because I knew where I was going and I knew when I got there, self-satisfaction was my first reaction. While I appreciate the cheers from the stands, they were subsequent to my self-satisfaction. Even if I had not received the cheers I still would have gone home a satisfied man.

On the other hand, I can think of the man who receives the ball and at the same time someone kicks mud in his eyes and he starts to run. He does not know where he is running but it seems the best strategy. He feels someone hit him and someone tries to tackle him, but he runs on blindly. All of a sudden the stands cheer. The cheers at

this point become significant because they now tell him that he has accomplished something. The cheers now are primary and the self-satisfaction follows.

If you think of this for a minute, you will detect a great deal of this type of administration today. My boss may say "Son, that was a great job you did." And I think to myself, "What did I do?" It is a good device. But little by little it may become artificial and a substitute for a sense of accomplishment. If a man in your institution has responsibility for doing something in terms of results, praise will be welcomed but it will be less essential than knowing he has accomplished his aims.

Talking about Standards also brings forth the point that talking results gives purpose to a job. When we really delegate a job, we say, "Within policy this is the condition I want to prevail when we have finished." Do not tell a person how to do the job. Coach him if he wants help. Help him think the job through. But eventually build him to the point where he can do it for himself. Of course, his system may be different from yours. Why? Because he is different from you.

We are constantly bending people to do it our way when they know how they could do it better their way. Business does not have too many better ways but it certainly has a great number of different ways. The Standard of Performance is one of the greatest organizational tools we have for implementing delegation and getting results. It will help pull a whole institution together. I strongly recommend this to you as one of the most difficult tools to fashion and yet one of the most useful. If we cannot put down what we expect people to accomplish, we cannot expect accomplishment. This area deserves your thinking and study.

Organization, then, is a mental image which, when implemented with a chart, Position Description, Standards of Performance and Planning, use the principle of specialization of labor in a harmonious interrelationship which culminates in the attainment of an objective.

COORDINATION

The third skill of the manager is coordinating. This means bringing people together in an organized pattern of lateral relationship for the accomplishment of a known objective. From the very definition you can see how coordination depends on planning and organization.

It is not unusual in any organization to find all managers, because of their backgrounds and training, proud of their accomplishments. I am sure that you find people in the oil business who will not listen to other people in the oil business because they feel they have not had time "in the field." This works both ways.

There are men who have worked around rigs who know more about some of the engineering problems than most professional engineers who have heard about it in school or read about it in books. At the same time it is unfair for the tool pusher to presume that he knows all about engineering and the engineers are simply "book pushers." Getting people to work together is a tremendous skill.

Policies and Procedures

Two tools which are often found in this area organization are policies and procedures. An institutional policy is a group of related principles, embodied in rules, designed to condition the actions of all personnel for the achievement of a known objective. Obviously these are closely inter-related to rules and regulations but generally are a bit broader. Established at a higher level, they provide the lower echelons of management with a foundation for decision-making and authority. If a manager finds his

day constantly interrupted with questions of the same kind, requiring simple decisions, he has a situation demanding a policy. The subordinate can then make the decision.

A procedure is a mode of action for the accomplishment of a task. It is instituted for many reasons — economical flow of work, safety, completeness. It is a good device for coordination. If a task is delegated to me and I act without thinking, I may complicate the work of the other people. We see this often in the oil fields.

We may get our job done, get way ahead on our paper engineering and suddenly find that we have complicated the problem for all those who must execute what we have developed. There will be other weeks when these same people will sit around twiddling their thumbs waiting for us. In order to be sure that all parts of the business are working harmoniously, we may have to set up procedures so things flow from step one to step two to step three in a regular, orderly manner.

Coordination, then, is working effectively, vertically and laterally, within and across functional lines, to accomplish a known objective. The minute we start talking about coordination we recognize one of the defects in an organization chart. Most functions of an enterprise cannot operate independently of other functions. Many people who study the science of management find therein a certain amount of insurance for isolated operations and a reasonable defense against encroachment by other people.

This is perversion of organization. No organization chart has ever made functions independent of each other. No organization chart has ever meant that a man is to live by himself in an institution. No organization chart has absolved the individual of the responsibility for adjusting himself to meshing with other individuals for the attainment of the common objective.

But, factually, as long as men are men, the spirit of independence will be dominant in most of us. The achievement of personal worth will tend to make us jealous of the command or the distraction of another person. The manager must possess the skill to overcome these deficiencies and indicate to men why they must work together.

The manager must have time to sit down with his subordinates and talk face to face. He must have time to call them into conferences and meetings so that each man appreciates the other man's problem and freely contributes what he may to aiding the other man. A most complicated form of administration is brought about by the administrator who simply consults with individual subordinates but seldom brings them all together. This spirit of independence for functional operations is illustrated thousands of times to the average administrator.

Communications

Coordinating introduces one mammoth topic — communications. This is a fascinating topic. It is probably the primary thing that people are not doing well. The ability to coordinate is based largely on the ability to communicate.

When I communicate with you, you may find it difficult to understand my exact point. Yet I may talk with my own group and find ready acceptance of my ideas and even find my gang at times racing ahead of me; and so do you among your colleagues. I believe this has some force in leading engineers to associate with engineers, tool pushers with tool pushers, businessmen with businessmen, and so on. But as these associations increase, we tend to forget the ability of the other man or the professional in another field to grasp our thoughts.

I may say something to you with completely correct grammatical construction, using the correct words as defined in the dictionary, and I have a clear conception of what I want to communicate; yet if you do not receive the same idea that I have in mind, no communication has taken place.

One of the same reasons why Johnny can't read is because Jimmy can't write. To read much of the material which is being written today, the average reader must be superior to the reader of the last generation. I know this is so in my profession and I presume that it may be in yours. Often we are not broadcasting and receiving on the same wave-length.

I had a rich personal experience last year in teaching a group of foremen. During the first classes they studied the principles of management without saying a word. Like all teachers, I was anxious to hear their reaction to some of these principles. About the third night of our meeting I opened the class with the question, "What do you think of your boss?" The answers surprised me because I did not understand that so many bosses could have a shadow cast upon them in so few words. The language of the few who answered was rough. But, strangely, I understood exactly what they meant. My first impulse was to tell them that, in the schoolroom atmosphere, we do not use that kind of language. But I am sure that communication would have stopped right there. Listening carefully, I found that the terms designating their bosses were quite as often terms of endearment as they were modes of criticism: the power to listen and the power to interpret.

Likewise, the power to interpret calls for a deep understanding of the individual. Is he saying what he really means? Is he writing to communicate or writing to think aloud? Is he asking you a question to get your honest opinion or does he wish confirmation of a preconceived conclusion? This particular part of communication I am discussing with no further detail because a great deal is being said about this these days.

We often forget that it is impossible not to communicate. If we say nothing to our subordinates, we are communicating as truly as when we speak. One of the most common forms of communication today is neglect. Neglect communicates the message, "You are not important," "I am not going to give you authority," "You are stymied." This lack of attention will drive promising young managers to other institutions where, for the time being, opportunity for recognition looks better.

In all coordinating, as in all communicating, I recommend my good friend the question mark as a useful tool. Sometimes the only benefit of a meeting or conference is the opportunity to ask questions. What is the other department planning over the next 30 days? When are we adding the new men to the staff? Each of us can work better when we have answers to questions which affect our plans. Since subordinates are not always thinking on the same wave lengths as you are speaking or writing, they must have the privilege of "tuning in" with questions. It is so easy to become imbued with what we know that we presume other people should be able to know with the same ease.

MOTIVATION

The next main area of our management skill, about which I hardly dare talk to you a great deal, is motivation. Most men know more about motivating than they care to admit. They actually can motivate when they want to motivate, and they can be cold when they want to be cold.

The first good trick for motivation is Standards of Performance, which we have already mentioned — telling people the results you expect and when you expect them. It occurs to me that a great deal of artificiality is entering

into motivation today. We forget people as people.

When I tell a manager the results I wish, his mental processes start with what he has, what he needs and a method by which he will arrive at a conclusion. He stresses some kind of a logical process. On the other hand, if we tell a man how to do something we are probably burdening his memory and stressing cooperative obedience in doing exactly what we ask him to do in the way in which we want it done.

A second basis for good motivation is integrity. A lack of this element has rendered good theoretical management skills ineffective. Look back to communication and see how integrity affects this. Follow all the rules in the book in doing something of benefit for subordinate managers and they will gather around at a coffee break and ask cynically, "I wonder what the angle is on this benefit?" They are suspicious because of the past record of the administrator.

On the other hand, the manager who is a bear in his office, is loud and sharp with his subordinates and violates every principle of effective communication may draw a smile and the comment, "Good old Doc. He yells at everybody. If we have these benefits coming, we will get them." Here, confidence in the integrity of the superior has given meaning to his unorthodox words and ways.

I have a deep feeling that the manager who lacks integrity is missing one of the important elements of communication and one of the important elements of motivation. It is extremely difficult for any two-faced manager to communicate. It is difficult to become enthusiastic in working for a boss of whom you are suspicious. It is difficult for any manager to motivate men until he has learned that a man dealing with men must sense that they have not only ambition and feeling but memories.

A great deal of emphasis is being placed today on the fact that we are dealing with individuals. Certainly this is true. But in attempting to motivate an individual we often forget that this individual represents a family and a future. The young manager may seem unwilling to extend himself beyond the basic requirement of a position. We say young people are not as responsible as they formerly were and wonder how we may motivate effort in this young manager. But let this same young man carry his bride over the threshold of his well-mortgaged home and he suddenly catches fire. This motivation increases with family, reputation and status.

Many managerial movements consider the individual and forget his family. Organizational changes illustrate this. A man may, on his own, accept the challenge of a new uncharted function, but his family responsibilities might incline him to retain his present secure position, from which he can see his family's growth and education. He declines risks. Motivating this individual will require a special flexibility and understanding.

Motivation and communication take on a great deal of artificiality until the element of trust has been established. Whatever you say to a manager, he tries to determine what you mean. If he is suspicious, what he thinks you mean is seldom good. A few years back a series of articles appeared in Fortune magazine entitled, "Is Anybody Listening?" Later they appeared as a book. This is filled with illustrations of public relations and communications that were totally ineffective in getting a message to the employees, because of changes and differences in attitudes.

One of the very simple motivators is talking to subordinates. The man who says, "I don't have time to talk to people," is saying "I don't have time to manage." A manager who cannot sit down on some kind of a regular schedule and visit all of the subordinates who report to him is missing an excellent opportunity to motivate.

Have you ever detected the camaraderie that exists

between the superintendent and the four or five people who have ready access to his office? Most of us know enough not to criticize the superintendent to one of these men because they think the same way as their superintendent. A good part of their motivation must arise out of the fact that they are able to talk with "the boss."

Industry today has utilized this same motivation procedure in what they call appraisal. This is a process of periodically evaluating the abilities of a man, bringing into balance his strengths and his limitations and then most importantly, taking the time to discuss these with him and make suggestions on how he can improve. Actually this process has more in it than meets the eye. It is a process not only of talking but, to repeat, it is a process of listening. A subordinate, in discussing reasons for his lagging performance, will often give the superior a clue as to where the superior himself may be doing a poor management job, and thus not inspiring others to desired results.

Most of us admire the success of our superiors. They have achieved a success we can hardly question — they have a bigger job than ours. We would like to have the opportunity to talk to the boss, find out how we could do a job a little better, what he wants us to do to improve our job. Here we find that the Standards of Performance is basic.

If our superior has told us the results he expects and we have voluntarily accepted the job, we are in a position to measure our own actual performance against the results expected. When I go in to you, my superior, for evaluation it is no longer a process of having you sit in judgment. Instead we start the conversation in answer to your question, "How do you think you are doing?" We know our Standard: we know our performance. We might just as well admit the areas in which we are deficient. No one has accused us of anything. We have accused ourselves, if this be necessary. Recognizing the discrepancy between the Standard and the actual performance we are motivated to improvement. Of course this will not work out universally but it is a rather sensible motivation device for making bigger, more responsible managers of the people we now have.

Once we have a fair measure of actual performance and a clear understanding of expected results, any discrepancy may be referred to as the "training gap." This is our opportunity and responsibility to guide a subordinate into developing himself to the full job.

CONTROLLING

The last tool of the good manager is controlling. This is done with charts and reports and personal supervision. We might lay down a rule at the very beginning on this subject. Unless control instruments are used for purposes of detecting management weaknesses or purposes of correction, they will fail as a medium of management. A man will never intentionally fashion the club with which he is to be beaten to death. Exactly the same is true of any type of control report.

If any kind of report is used only to highlight weaknesses for purposes of criticism, then you will find the tendency for reporting media to change in style and content to the point where they are useless. Ask for these instruments of control in order to highlight the area where management must be improved. This is the whole idea of control. Control is the report or checkback which tells us what is happening to our planned operations and warns us of perils ahead so that we may plan

accordingly.

Control is probably the least understood element in the management formula. Going back to the notion of planning, you will always find a man who says, "The only way to get a job done well is to do it yourself." Not only does this indicate a man who is a good doer, but it also indicates a man who feels that when he does something himself, it is under complete control. He does not know how to delegate a task and yet fulfill his responsibility.

The story is told of the old lady who did not want to fly because she was afraid the plane would crash. A friend chided her with the observation, "When your time has come, your time has come." Her retort was, "Suppose the pilot's time has come and mine hasn't?" On the ground, this old lady had herself under full control. Some managers are like this.

The purposes of control are many. It tells us how good our planning, organizing and coordinating are. It indicates whether we should change any of these. It measures results.

Obviously we must steer between doing the job ourselves, which is complete control, and ignoring the job until the results are brought to us. The manner in which we do this will vary with the task and with the individual performing the task. Usually we set control at a point where strategically we want to know the results in order to make further decisions.

The oil business is in a rather crucial period. We are between tremendous investment and a tremendous future. If we cannot get production, we lose money on our investment. If we do not make the investment, we will not be ready for the future. Probably no place is there a greater demand for good managers than in the oil business right now.

On this basis, the oil business has many statistics that are gathered together and should be read, digested and analyzed by people in the field and behind the desk. The importance of figures, however, is that something happens as a result of them. We do not want people that are simply statistic happy. When you read figures, they are controls. They tell you what you should do, where you should concentrate your attention as a manager, to whom you should give help, what sight needs supervision, what production should be re-evaluated. This is what controls does — it indicates action needed.

And another control is budgets. To produce a barrel of oil for more than it is worth is silly. The president of your company cannot control costs nearly as well as the man on the firing line. This is the deep responsibility of every manager: to be sure that the job he is doing is being done as economically as possible. If every man would remember that his wage is a cost, and as a cost, is competing with other costs, he would then conclude that any control of other costs gives him a better opportunity to earn more money and conversely, that he cannot earn more money as long as other costs are high. Controlling costs is the best basis for rewarding a good manager.

There is little doubt in anyone's mind but what the oil industry has a tremendous future ahead of it. Right now, there are pessimists who remember the days when things were better and cannot see the day when the future will be brighter. For the young man there is no better way to prepare for the future than to develop his skills in management. We will always be able to find workers of a kind. Managers are at a premium and will be at a premium for at least the next 25 years. It is on this basis that I would like to have you take home any thought that you have found here that will improve your ability to manage tomorrow's oil business just a little bit better.