



A Glimpse Into Factual Success Mantras Of Business

Management - Laxity Or Strictness - Striking The Balance

■ By Rajeev Aggarwal

“LIVE and let live” is a mantra that strikes a very pleasant chord in the core of humanity, and everyone says that this should be practiced by one and all without fail, and under no circumstances should this aspect be not adhered to. As human beings, we all have a right to live, a right to survive and nobody should create a situation whereby another creature's possibility of survival becomes a question mark. Our basic scriptures talk about kindness, care, concern, and go to the extent of teaching us the merits of sacrifice, that we should forgo some of our needs in case it benefits someone else.

All this sounds very good and is definitely a pleasure to our ears to perceive this humanistic approach, and one can never be politically incorrect if one is following the path as stated above. Where is the dilemma? When one enters the professional arena – how does a manager demand a certain minimum standard of performance from his team, even if his team members have to sacrifice some “personal priority” of theirs to meet the exigency of work. This is a major challenge that is facing many managers when they have to assess which “personal priority” of his junior colleague is truly genuine or not? And, should the manager lay-off redundant staff and thus deprive them of their means of livelihood?

While as CEO of a distressed organisation, my mandate was to turn the organisation around and restore investor confidence, I was faced with the onerous task of taking some very strong decisions, which would be very harsh for some of the employees. The organisation was stressed in many aspects – low order book, losses were piling up, mal-practices were also identified, productivity was low, market reputation was rather poor and clients were not keen to award contracts to us. The good side was the owners/ promoters were keen to revive the organisation and assured full support from their side.

Revival of an ailing organisation demands that its employees put in special efforts. I was regularly putting in very long work hours and this encouraged a lot of persons to follow suit. These were the persons who demonstrated their commitment to the organisation, and very rarely they came up with “personal” reasons that would require them to stay away from office when required. They found ways and means to address their “personal priorities” without even bothering their bosses about it. The problem area was with the others, who continued in their lax ways of working without the slightest compromise on their “personal” priorities. Every small personal matter was very important and when questioned – they would say that their family is first! This has become a very popular slogan these days. Can the boss tell his subordinate to stay back even if his young kid is sick? The boss would find it impossible to do so. It is for the employee to assess if his sick child needs his personal presence or not. Parent Teachers Meetings were another occasion, sports day of children, family weddings and funerals and so on and so forth, were occasions where some employees would come up with non-negotiable reasons and stay away from work.

During the turnaround exercise, it was imperative

that the human resource pool of the organisation needed a revamp as well. The committed performers stayed while the slackers were let go after an unbiased assessment of their performance, where also their frequency of being away from work at critical times was factored in their ratings. In this process another challenge came up – protectionism. Few of the middle managers started protecting favourite colleagues of theirs. They were covering up such persons who were poor performers, and when challenged, these managers would respond by meekly requesting - “Sir, they are low salary people and their family is very needy so please let them continue, and I will take care of their job”. I had no issues granting flexibility to good performers who hit hard times, but I was not finding it justified to grant this flexibility to slackers. I was discovering that the organisation was heavily saddled with such favourites and their managers were not concerned about the losses being incurred due to these non-productive employees.

I started telling every such manager/ supervisor to allocate a pool of money from their share of operating profits that would be set aside as “charity”, and use that pool of money to pay the salaries of the slackers who were to be retained. I was pleased to note that very rapidly such requests faded away. I had to make it clear to my team that we were running a commercial organisation with a heart, and not vice versa. Generating returns for investors was our key man-

date and that should not be forgotten when looking at the overall picture.

Another situation was faced when the entire oil & gas industry faced a downturn in 2008, and healthy organisations like mine were seeing orders getting cancelled, implying that mass lay-offs would be necessary to cut costs. At that time a poll was taken - if all were willing to take temporary salary cuts to save some jobs, and unanimously the entire organisation agreed. Higher waged persons took a higher cut while the lower waged persons took a lower cut. Many jobs were thus saved and the organisation displayed its “heart”.

Management is not a static activity, there is no cruise control button here, managers have to keep their attention on their team of human resources at all times. Several books on psychology and organisational behaviour have been written, and the one that stays on top of my mind is “Games People Play” by Eric Berne, M.D. Though there are many advanced theories that have succeeded this book that was published in 1964, the fundamentals laid out in this book have stayed with me. Yes indeed, people do play games at their workplace, and bosses have to be smart enough to manage them.

There is no fixed principle that dictates the balance between laxity and strictness, managers have to keep managing this issue, and always keep the vision and mission of their organisation in clear focus.

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