

A PATTERN FOR EXECUTIVE PLACEMENT

BY BERNARD HALDANE

LEADING authorities in the field of occupational psychology have frequently pointed out that most people are nowhere near 100% efficient at their jobs. Carroll L. Shartle (Professor of Psychology at Ohio State University, Executive Secretary of its Personnel Research Board, and formerly Chief, Division of Occupational Analysis, War Manpower Commission) puts the typical figure at 30% efficiency. It is relatively rare, he says, for men and women to produce the results they might obtain if their talents were more effectively organized. Obviously, if this 70-point gap between average and maximum individual efficiency were narrowed only 10%, the result would be a rise in the average of individual productivity from 30 to 37 points, or a gain of over 20%.

One of the reasons for this neglect and waste of manpower is that very few top-management men know or recognize the varieties and number of human aptitudes. Another is general lack of information on how these aptitudes combine to form personality and work patterns. A third reason is a failure to realize the results of misapplication or neglect of talents.

On the basis of several thousand conferences with management men during

the past year, as part of the activities of the Executive Job Counseling Service,¹ and of reports from all parts of the nation to the Society for the Advancement of Management, this article proposes to examine what can and may be done to assure better utilization of human talents at the management level. It should be obvious that what is said will be pointed mainly toward companies which have given insufficient thought to problems of executive placement. Some of the very largest companies (say in terms of more than 10,000 employees) have already taken steps to do a better job in this area; and, though even in many such companies there still exists plenty of room for improvement, the most serious deficiency probably shows up in companies of medium, or medium-to-large, size.

Importance of Problem

Why should business leaders be concerned about this situation? It has existed for a long time, and individual companies have apparently continued to progress. So has the economy as a whole.

The "Human" Age. Hiroshima, paradoxically, emphasized not so much the beginning of the "atomic" age as

¹ The Executive Job Counseling Service, of which the author is founder and General Director, is an activity of the New York Chapter of the Society for the Advancement of Management, started at the Veterans Service Center, New York, as an aid to business and industry as well as to veterans. It had been observed that many veterans whose wartime experiences proved that their abilities could be effectively expressed at the management level

found themselves at a loss when seeking civilian employment. The situation was that a shortage of men and women qualified to fill management-level jobs "existed" at the same time that these veterans with the desired capabilities were having so much difficulty making connections with companies seeking supervisory employees. The EJCS was designed to bridge that gap.

the beginning of the "human" age. Management is being compelled more and more to consider the sociological results of its economic activities. Union contract clauses give proof of this, with rest periods, pensions, hospitalization, income (annual wage) guarantees, welfare funds, education, training, and blind respect for old age in unqualified seniority clauses.

At a level which is most important to individuals, however, the unpleasant fact remains that many men and women are not happy in their work. If you question a foreman, do not be surprised if he can cite case after case where one machine operator produced 50% more work than another at the same machine for the same length of time. Furthermore, examination of records will reveal that the lowest producers are the ones most responsible for higher absenteeism ratios, for the largest proportionate number of accidents, for most of the labor turnover, and for the greatest quantity of goods in reject piles. They also are responsible for most of the petty grievances filed with union stewards. Obviously, these are the workers who are not well fitted for their jobs, who have cause to be dissatisfied with their accomplishments, and who in effect hold the average of individual efficiency down so low.

The same facts apply even more strongly to management personnel. The executive who enjoys his work is almost certain to be operating at greater efficiency. (If this sounds like a bromide, let the reader think of it in relation to his own enjoyment of the work he does.) Such an executive will find, as he should, that effective work is a natural outlet for human energies seeking to express themselves. His personality may be expected to be buoyant. He will want to go to work in

the mornings, and, because his work does not overstrain his mental and physical attributes, he is not likely to be so tired and irritable at the end of the day. This will result in his being less subject to nervous and related diseases, a better family man and a better neighbor, more tolerant of other people's difficulties, and relatively unresponsive to the importunings of less well-adjusted irritators.

Practical Advantages. It is easy enough to recognize these facts; it is harder to take action on them. That is why they are worth repeating — in the hope of prodding the leaders of business enterprises to do something constructive. Perhaps in this connection, therefore, it is worth noting that entirely apart from the "human" reasons for being concerned about effective placement of executives there exist good dollars-and-cents reasons, from the hard-headed business standpoint, particularly when the long-run view is taken.

The fact that savings in dollars and cents result for business and industry when men are placed in positions where they will enjoy their work has been confirmed by the experiences of the Executive Job Counseling Service. The EJCS, which has encouraged men seeking jobs to take the initiative in knowing what they have to offer and the positions in which their talents will be most effective, pointed out in its first annual report (1947), for instance, that such men hold special advantages for employers:

(1) Because these men know what they want to accomplish as a profit-making activity for an employer, they require less interviewing time when being hired.

(2) When employed, because they enjoy the kind of work accepted, they do better work, more work — are more pro-

ductive than the average person whose main interest is the paycheck.

(3) Because a definite accomplishment is their main objective, they become more effective and skilful in observing and solving problems hindering that accomplishment — so they help to increase output, improve quality, reduce unit costs.

(4) Being more fitted for their positions, they are less prone to the irritations and irritabilities which result when such is not the case. Accordingly, they are less likely to respond to agitational situations and more likely to get along well with their associates. At the same time, they become a constructive force in the organization and serve to counteract detrimental influences.

(5) This job-fitness and job-enjoyment also make them less subject to absenteeism and job-jumping tendencies. They see a career in their jobs, they see their jobs as their future, and they are less likely to walk out seeking other connections. Both their stability and their loyalty are enhanced.

(6) Being less subject to irritability and accompanying nervousnesses, they will be less liable to suffer from the diseases and accidents which too frequently accompany such conditions.

Present Inadequate Practices

Present practices, however, usually fail to encourage the development of people who are "at home" in their jobs. Gordon T. Bowden in "Adaptive Capacity of Workers," in the Summer 1947 Number of the HARVARD BUSINESS REVIEW, indicated how narrow is the view that is being generally applied to workers as far as their capabilities are concerned. And certainly general experience suggests that manpower is being wasted, especially at the management level, and too narrowly oriented by close job definitions which also contribute to unadaptability and refusal to accept responsibility. Executives are

encouraged to waste time (red tape and paper work), neglect their talents (disproportionate rewards for accomplishments alongside of frequent denials of credit when due), and let slip their citizenship duties by being made so tired at their jobs that community politics are left to the politicians.

Inside a company, the situation is often aggravated by the fact that a pseudo-competitive spirit prevails there, with one man frequently seeking to outdo others and obtain undue credit. This can happen, in truth, only when a man feels his job is too big for him (or that he is not properly adapted to doing it really well), and he becomes afraid of losing it. Such an attitude builds up distrust in the management team, frequently compelling the establishment of a time-consuming routing system which delays prompt action by keeping information from those most instantly affected by it. Conference instead of executive action then becomes the rule, in this way helping the "weak sister" maintain his position and shift responsibility from himself to the group. (This is not meant to detract from the known values of the conference technique as properly applied to major decisions and the overcoming of difficult problems.)

Personnel Department. At first glance, one would suppose that the proper solution to this problem would rest with the personnel department as being particularly able to bring to bear a trained and objective point of view. More than that, one would think that the director of the personnel department (or perhaps he is called director of industrial relations) would be the one individual in the company most expert in placement techniques.

Policy-making management appears,

however, to have developed for itself a position aloof from the personnel department. The Executive Job Counseling Service has had more than 4,000 conferences with management men during the past year, and almost all indicated that top management usually does not trust personnel directors with the selection of key men. In addition, top management generally refuses to permit the personnel director to attend policy-making conferences.

The properly trained, experienced personnel or industrial relations director is in every way as important a man as the chief engineer of an organization, perhaps more so. He is the man who should know how to select the right man for the right job, thereby assuring the higher individual productivity deemed so desirable. He should have the power to shift job assignments and otherwise reorient personnel. He should have the authority to install training procedures designed to help individuals realize their highest vocational potentials. And he should have sufficient staff to take care of departmental details.

It seems almost obvious that to place the right men in the right jobs, and to reorient them so as to fit into the pattern of his company's operations, the personnel director needs to be part of the policy-making team. When a top executive keeps the personnel director from policy meetings, he is reflecting on his own judgment as a selector of men. For was it not he who approved the employment of the personnel director? And if properly chosen, the personnel director would be, one would think, the kind of man whose opinion would be valuable when policy matters are under discussion.

Frequently, of course, the personnel director has been poorly chosen. He

may actually be no better than a combination of correspondent (to follow up references) and salesman (to sell employees the idea that they are being treated well). This kind of man does not have the vision needed for policy making. The fact that such men are still being appointed to personnel posts, as many of them were during the war, is a sorry reflection on the judgment of many key executives and on their understanding of the requirements of the position.

At present, almost all personnel directors are either inadequate for their jobs or, if they are the kind of outstanding men that they should be, are underpaid and underauthorized to perform their functions. Perhaps as a result, most personnel departments have developed weak spots. It is important to review these, because they must be remedied before personnel departments can even be considered for the role they ought to perform in the area of executive placement. In this connection the list of weak spots disclosed in the course of the activities of the Executive Job Counseling Service, and taken from its annual report, should be of some help:

(1) A confusion of "capability" and "experience." These are not synonymous, although most employment interviewers insist on "previous experience." Related experience and achievements frequently are disregarded, while considerable weight is given to chronological listing of past jobs. This latter must nearly always be a listing of dissatisfactions, so it would appear that personnel departments normally give more weight to directly related negative results than to records of positive achievement.

(2) Ninety per cent denial of the possibility that a man can learn anything useful while in government or military service. Little attempt is made, as a rule, to

evaluate such service to see how much of it could be of value to a business.

(3) A similarly blind attitude toward applicants over 40 years of age. Much medical evidence exists to show that mental agility is approximately the same at 70 as it is when a man is 35 years of age. Physical ability has, of course, changed. An erroneous belief exists, however, that it is unwise to hire men over 40, and interviewers have been known to create considerable ill-will by announcing as a "policy" that men over 40 cannot be considered. Each applicant should be considered on the basis of merit. Older men can bring mature and considered judgment to a position. It is not true that you cannot teach an old dog new tricks.

(4) A rigid promotion-from-within policy. Such a policy is practical only where the most exhaustive selection of younger applicants has been originally made. This includes the careful over-all planning for organizational expansion, an allocation of funds for grooming of juniors for the various key positions due to become available and, to meet the complete requirements of such rigidity, a line-of-progress chart for each new employee showing him the good things the company has planned for his future. Chinks must be left in the armor of such a policy, because personnel selection practices are not so perfect as to permit it to function and an organization to stay healthy for an extended period of time. If the promotion-from-within policy was originally a façade to help build morale and reduce the costs of labor turnover, it should be redesigned to fit into a new purpose.

(5) A general lack of honesty in hiring and firing procedures. It is common practice for personnel men to follow a public relations policy and give only favorable references for men whom they formerly employed. This practice cannot be condemned enough. It prevents a man's making a deliberate attempt to change his approach, where necessary, and encourages other employers to hire unfit personnel. One way this dual misdeed can be

corrected, a good-will producing one, is to give each "released" man an objective appraisal, in writing, of his personal and vocational assets as observed while employed. This would help him capitalize on his capabilities and reveal the deficiencies he must overcome, at the same time as being a guide to whether or not he should continue at the same kind of work. This is a costly, but necessary task which can save a billion dollars yearly in labor turnover costs alone.

(6) A satisfaction with "good enough." Personnel men and supervisors appear to have developed a firing line, a productivity floor to which a man may drop before he is discharged. Since it is a fact that each man can do something well, would it not make more sense to have a productivity objective for each position and, when a man cannot reach it, try to shift him to the kind of job at which he will be effective? A man must be "good" not "good enough."

All of these six weak spots, although of course applying to placement in general, are particularly significant when it comes to the matter of executive positions, which are so much more complex and intangible in their requirements and so much more important in their effect on company operations. It is the author's firm opinion, nevertheless, that the existence of such weak spots does not mean that the personnel department should not contribute strongly to the solution of the problem of executive placement, but rather that one of the first steps in that solution is the building up of the personnel department so that it is qualified to give the kind of help it should.

As it is now, most personnel departments follow a policy of refusing, in effect, even to consider applicants for management positions — not a positive rejection of applications but rather a neglectfulness that serves to arrest ap-

plications from qualified men. This is hardly surprising in view of the fact that top management almost never really entrusts to the personnel department the job of finding personnel for its team. Top management often does not even report to the personnel department the vacancies that develop in key-executive, and frequently not even junior-executive, positions. Lacking knowledge of such needs, personnel department interviewers are unable to find reasons for suggesting that competent applicants be interviewed by superior officials. Instead, they usually give the applicant a form and ask him to send it in. At the same time, the high-caliber applicant is told that no known position is open but that his form will be kept in the active file for reference should an opening occur. But the "reference" is unlikely to take place, except occasionally when top management fails to find a satisfactory applicant through other channels.

Costs of Hiring. Top management usually locates applicants for executive positions through personal associates or by "stealing" from a rival company. This practice can be very expensive in the sense that it narrows the field of choice and therefore leads to possible neglect of many men who might be much better qualified.

Another practice which is becoming more commonplace is box-number advertising in newspapers and trade magazines. This has the advantage of at least appealing to a wider group of potential applicants. Here, however, the relatively high costs resulting from bypassing the personnel department show up even more glaringly. It may be worth while to consider a hypothetical example of the way in which hiring often takes place, with the understand-

ing that although some of the initial costs apply only to box-number advertising, the expenditure of management time involved is largely true of all hiring for executive positions which does not utilize the personnel department.

Suppose an advertisement of two inches is taken in the *New York Times* at a cost of about \$50. Before the advertisement is placed, the key executive who is to do the hiring will have spent about two hours trying to determine the requirements of the job and the copy to appear in the newspaper. Some 200 applications will be received, and his secretary will spend half a day going through them, giving him about 20 for consideration. He may scan these in two hours and ask her to request 10 of them to call. Seeing them will take about eight hours, by which time he will have settled on, say, three good prospects.

These three will come back again, talk with him for another 15 minutes each, and then be shunted to another executive for his opinion. This series of conferences will take at least another 75 minutes. Assuming that these two executives agree on one best man, that man is brought in again, this time for a round of conferences with other key men with whom he will be associated if the connection is finally made; and following this the top management team gets together to discuss the applicant. These conferences take about three hours.

All this time costs the company at least \$10 an hour, making a total cost of about \$260, including advertising, before the man starts work. And this might be the same man who was told by the personnel department that there were no vacancies.

There are also costs involved in breaking in a new man, which are com-

pletely wasted if the man leaves because of failure to fill the position successfully — the penalty for poor hiring. What would these amount to? Salesmen are said to cost a minimum of \$2,000 before they begin to bring returns to their employers. It is known that labor turnover in a factory costs about \$200 per man. Even the lowest-paid employees are believed to cost at least \$50 before they begin to earn their pay. It may safely be assumed, therefore, that turnover at the management level costs more than \$2,000 per man, some estimates having run as high as \$10,000.

All through the interviewing procedure described, there have been personal judgments based on study of the applicant's experience record, his reactions and personal appearance, and the impression he has made on the executives seeing him. Was not this the way all the wrong men (as well as all the right men) used to be hired? The assumption, of course, is that this will be another of the "right" selections. Basically, it is another "trial and error" case.

Use of the personnel department would surely be a less costly way of selection than this or any other of the usual methods, if only because it would give greater assurance that the man employed was right for the job and therefore would give greater protection to the company investment in the man.

If the personnel department were alert, it would have its psychological testing room or be associated with a consulting firm of industrial psychologists. It would have on file the results of tests taken by all executives and reports on their personality patterns. The key post to be filled would be analyzed in detail, with particular attention being given to the functions to be performed

and the personalities of the executives with whom the new man would be in contact.

According to Dr. George K. Bennet, President of the Psychological Corporation, and other authorities, personnel selection must not be based on tests alone. There are too many personal qualities and aptitudes which cannot be reliably rated by accredited forms of testing. Other forms of rating elements of personality, such as the Sheldon techniques,² which may prove helpful for evaluation purposes, likewise can only be used as supplementary devices. Nevertheless, such procedures, properly applied by the personnel department, would provide objective assurance on some of the qualities possessed by the man finally selected.

Let us assume the same advertising and letter-screening procedure as described above, with 20 men calling for interviews. They would be asked to fill in forms, would be given brief interviews, and then would be asked to take a group of aptitude, personality, and interest tests selected so as to facilitate comparison with existing executives. More careful interviewing at the beginning could even cut down the number of persons who might be tested to about six — with testing costs, if a consulting firm is employed, amounting to between \$200 and \$300. By charting the test results on graph paper, points at which applicants might clash with other members of the management team would be easily discernible. When an applicant's interests and aptitudes obviously ran counter to the position, he could be eliminated.

Additional interviews with those passing through this psychological screening

² Dr. W. H. Sheldon, *The Varieties of Human Physique, and, The Varieties of Temperament*, (New York, Harper & Brothers, 1940, 1942).

would result in the selection of only two or three for final consideration by the key executives — obviously a great saving of top-management time.

Fitting the Position to the Man

Even though a company may have a well-organized personnel department which is active in executive placement along the line of the procedures just described, there still remains the possibility that optimum efficiency and happiness may not result for the individuals selected. There is a new development in this field, however, which promises to carry the problem much nearer a 100% solution. Fundamentally it is a change in emphasis rather than a change in procedures. Instead of fitting men to positions, it tries to fit positions to men.

This way of selecting management personnel was developed by applying engineering techniques to personnel selection and evaluation procedures³ and first carried out in counseling management-caliber veterans at the Executive Job Counseling Service. In this connection, it may be worth noting that on a questionnaire 74.6% of the veterans counseled said that the guidance given them on this basis had helped them "re-orient their abilities so as to be of greater value," and 100% reported a rise in their morale. The following description of the way this technique was developed will make clearer how it may be applied to any management job.

The first need was to determine the objective. Of course, in a competitive economy the ultimate measure is dollars-and-cents profits for the company.

³ Bernard Haldane, "How to Get an Executive Job," included in Section 3 of the *Annual Report* — 1947 of the Executive Job Counseling Service.

Directly in line with this, however, is the more immediate objective mentioned throughout this article, namely, optimum efficiency of individual workers, and this was the goal adopted. As a practical matter, the objective was set as "optimum efficiency for each group of functions to which a job title may be attached" — with the understanding that in the case of management personnel the grouping of functions should be adjustable to the man, since the management man must be many-sided if he is to be effective, not strictly a specialist.

Recognition of the fact that job titles mean different things to different people brought out the need to describe in better terms the particular position for which a man was sought. At the same time, it became obvious that an understanding of optimum efficiency was necessary. Studies revealed a shocking lack of literature on the intellectual demands made on executives by different jobs, although there are several books on physical demands.

A switch was then made to empiricism. Examination to discover the kind of men who appeared to have optimum efficiency (and thus would give a company the greatest profit) indicated that they were the ones who seemed to be "natural" at their jobs, who were most frequently in good spirits, who obviously enjoyed their work and did more of it, who were more interested in an accomplishment than in pay day, and who took pride in their work. They were the "dependables." Their greater productivity continued day in and day out.

With this fact as a guide, an almost complete reversal of procedure resulted. It was at this time the thought took hold that instead of seeking a man for a defined management job, it might be

more practical to discover the functions a man could perform most efficiently and with the greatest personal satisfaction; and that if these man-abilities did not quite match those required for a given job, it might be wise to modify the position to permit the man to be most effective.

A missing link was soon observed to be the frequent omission of personality attitudes from management-job descriptions. This was an indication of how much more fruitful the approach could be if companies (as distinct from individual applicants or nominees for management positions) adopted it wholeheartedly. We shall want, of course, to discuss the implications for companies in some detail. First, however, let us take a brief glance at the way the approach works from the standpoint of individuals.

From the Individual Standpoint. As it is now applied, the technique requires a man to decide for himself that he wants some one position more than any others. He makes a careful study of that position, even going so far, if he has to, as to read trade papers about it to steep himself in the fields where he might best serve. This gives him a first chance to know whether or not his desire is mistaken.

His second step is to break down that position into functions he would have to perform and attitudes he would have to express in order to do a really effective job. These functions and attitudes — for example, trouble-shooting, planning, report writing, group leadership — are listed down the left-hand side of one or more sheets of paper.

The third step is to take each of these functions or attitudes, separately, and prove by citing profit-making experiences or related accomplishments

that he can perform or express the particular item being considered — for example, “investigated customers’ complaints about delivery” as evidence of *ability* to trouble-shoot, even though trouble-shooting in the position in question might deal with much different material. By following through on each item, a man soon finds out how good he is, or how much he lacks, in relation to his particular objective. If he lacks a little, he knows the fields in which he requires additional training or education. If he lacks too much, he knows he had better consider another objective.

Perhaps the most important result of this approach is that it encourages a man to think of himself in a systematic way. He learns to total his multiple experiences, taking a bit from here and a bit from there to prove he can perform an apparently unrelated set of functions. It stops a man from talking about doing a job or having done one, and starts him thinking in terms of producing results (for his employer). By stimulating his pride through exhibiting his accomplishments to himself, it drives him to seek greater accomplishments and to offer more of himself at his work.

On the man’s part, the result is *voluntary* productivity, which needs no spur to urge it ahead. And with it goes a great deal of pleasure and enjoyment, for it represents a man’s own choice of a position. Here are three examples of results achieved as the result of the activities of the Executive Job Counseling Service: (1) The reorganization and consolidation of the experiences of a motion picture theater manager, in the manner described, enabled him to compete successfully for a position as city manager, although he had no engineering degree. (2) Another man,

at 42, shifted from department store section manager to personnel director, with only a high school education.

(3) Still another, whose prewar experience was limited to coaching athletics, became an electrical development engineer.

In a sense, these are extreme examples, because of course only a few men could possibly expect to achieve so desirable a change in positions. On the other hand, the examples should serve to emphasize the point that in the majority of cases a man's greatest potentials have never been realized in the performance of any one job at which his abilities have been applied and thus they may not show up in a survey of his previous positions as such. Essentially, a man must always be "bigger" than any single job he has held.

Use by Employers. While the importance to individuals of such an approach cannot be overestimated, the problem at hand is how it may be related to a particular management-job opening and the selection of the right man for the post.

To those who practice this new technique, the solution is simple. The personnel department, or the interested executive if the matter has not been entrusted to the personnel department, has the position described in functional terms. It is assumed that the applicant has made his approach in functional terms. If there is little resemblance between the two lists of functions, no matter what the man's experience may have been, he is unlikely to be satisfied with the position and therefore should not be employed. If the functions are comparable on the two lists, he is well worth interviewing because the indications are that he would enjoy doing the work called for by the position and

therefore would be likely to perform at optimum efficiency.

This technique requires but little change in the forms already being used. The most important change would be in the one given to applicants. A supplementary page could be issued on which the personnel interviewer would write the title of the open position. The applicant would then be asked to write a description of what he considered the job to be. His answer would indicate his understanding of the position. Then he would be asked to write, in a column provided, a list of the functions he would have to perform and the personality attitudes he would need to express in order to do that job well. Finally, he would be asked to cite experiences to prove he could, if given the chance, perform each function and express each attitude well. (It would, of course, be preferable if each man applying for a position arrived with a functional outline of his qualifications, but it will take a long time for this to come to pass.)

Incidentally, although psychological tests still would be desirable, this technique makes them less necessary.

The big change really has to come in the minds and hearts of those seeking employees — both within personnel departments and at the top-management level. A little intelligent selfishness of thought will show that really profitable results will accrue when each man is helped by this or some other technique to find the job that is right for him. Much more effort must be made to discover if the applicant *really* wants the position he says he is after. Despite the fact that what a man will be tomorrow depends on what he learned yesterday, in selecting him for a specific position consideration should be given less to what he has done and more to what

he can do. Conceivably, this might even lead to abandonment of the technique of listing chronologically the positions a man has held, except perhaps as a supplement to the functional presentation of his qualifications. In general, the degree of effectiveness of the chronological recital of experiences is best indicated by the present ratios of labor turnover, as well as the pleas of industrial leaders for higher individual productivity. The chronological résumé indicates, as a rule, only where and when a man was dissatisfied with his job, or where and when some company was dissatisfied with his work. But an employer must always be more concerned with potentials than with history.

It should be noted that this approach demands more than ever that the six weak spots mentioned earlier be corrected. Or, to put it another way, sincere adoption of this approach will force personnel departments to do the things which that list of criticisms indicates they are not now doing. As pointed out earlier, the effect of such improvement, although applicable to placement problems in general, is particularly valuable if the personnel department is to be able to fill its role of participating actively in executive placement.

By following this approach, then, personnel departments will in fact be giving first consideration to "capability" rather than to experience, including the capability that may have been shown in government service and that which may be possessed by older applicants. The new technique helps particularly to overcome prejudice about the value of government experience. It permits a man to say, for example, that he knows a great deal about small precision metal parts assembly because he was an instructor in the handling

of light artillery, including machine guns. In one actual case it permitted a man to say that he devised a procedure which saved his employer \$6 million -- by changing the value of sugar ration stamp #9 from five to ten pounds of sugar and thus saving the American people \$6 million which might otherwise have been spent on new ration books. Certainly our wartime experiences proved that the talent to think up new ways of getting things done exists in much greater degree than had been realized; and it is a capability available for use by industry as well as by the government.

Furthermore, this technique, by making more sure of hiring the right man at the start and by bringing out in the open the general direction of the aim of new employees, will assure more efficient operation of any "promotion-from-within" policy. At the same time, if applied throughout any company, it will help in the consideration of men for special training and advancement and in the development of the objective vocational appraisal recommended for presentation to severed employees.

This approach will also serve to emphasize the need for being more interested in "good" than in "good enough." It is readily understandable that a man working at a job which gives him satisfaction will not only have high morale and convey part of it to those around him, but will also produce at a considerably higher level than the "firing line." Once there are enough such men to effect a rise in the level of average productivity, other workers will be compelled also to adopt an attitude of trying to do their best.

All these changes can be made within the personnel department. But obviously only top management can remove the lack of faith in the competency of

the personnel director and his department. Top management will always have the final say, as it should, on the selection of key personnel. It needs, however, to divest itself of the predecision details, recognize the vital importance of the personnel director in orienting the production, clerical, and sales staffs, and realize that these people are the ones who have considerable influence over the company's growth and profits. From that point, it may be easier to take the step of giving the personnel director a voice at least in the pre-evaluation of applicants for management and executive positions.

In this "human" age, the new executive needs to have a far greater understanding of people and of what motivates them than ever before. He must realize that it is practical selfishness to look for the best in the other man, in his employees and associates, for only by doing so can he find the best and put it to use. More than that, the executive will be serving himself by helping the other man also to know his own

best talents and how they can be made most effective. This will spur the reciprocity and mutual helpfulness so essential to high morale. In this regard, one of the most interesting results of the Executive Job Counseling Service activities has been the way it has invariably raised the morale of those who received its help.

Higher morale leads in turn to higher productivity. Each executive who knows his own capabilities, who has a positive objective and a plan for reaching it (such as provided with the aid of the approach described), is an executive interested in greater or lesser degree in helping others discover and reach their objectives. Spread this attitude through industry at the management level, and it will soon permeate the entire organization. Then each man will seek, more and more, to achieve his highest potential, to express most constructively his natural energies, to do the right thing by himself and incidentally by his employer. This attitude can lift productivity to undreamed-of heights.

Copyright © Harvard Business Publishing. All Rights Reserved. This content is intended for individual research use only, subject to the following:

Unless permission is expressly granted in a separate license, this content may NOT be used for classroom or teaching use, which includes teaching materials, electronic reserves, course packs or persistent linking from syllabi. Please consult your institution's librarian about the nature of relevant licenses held by your institution and the restrictions that may or may not apply.

Unless permission is expressly granted in a separate license, this content may NOT be used in corporate training and/or as corporate learning materials. For corporate users, please consult the specific terms of your company's license(s) for complete information and restrictions.

For more information and teaching resources from Harvard Business Publishing including Harvard Business School Cases, eLearning products, and business simulations please visit hbsp.harvard.edu.