

why you need this book

Chapter 1: Why you need this book

This book is different. No, really. Let me explain.

If you go into an airport bookshop, you will see a lot of books for managers. Most of them tell you stories about how it has been done somewhere else.

Often they have sensible advice. But when you read them you usually realise that they are not about you. You see that the way your own organisation is structured, the way it is led, the atmosphere in the office, how people are recruited and trained, how what people do is rewarded – all these are different in your office from the way they are in those books. So you think, “Well, it may have worked there for him¹. But, with all those differences, how could it work here for me?”

You are asking a good question. Management researchers have worked away industriously for something like a century now, but they still cannot agree on how organisations should be run, or what you need to do to make them successful. So you would be right in thinking that something funny is going on. Are the authors just touting for more business, like the outside experts who come in and do an expensive study, and then come to the conclusion that more consultancy work is needed? Well, maybe there is a bit of that². But there is more to it too; and, if you go on reading, I hope to show you what.

You might think that there’s a right answer to every management question. Once upon a time, nearly everyone thought that. Management theory grew out of a military background, one where people like to know clearly what’s

¹ They do tend to be “him”...

² cf Micklethwaite J and Wooldridge A, 1996, *The Witch Doctors*, Heinemann, London, pp 49-68.

what, and it was given its biggest boost at the turn of the last century by an American army engineer called Frederick W. Taylor.

Taylor's were the days of H. G. Wells and Jules Verne, of the magic of electricity and the steam turbine, a time when (how unimaginable!) messages could be sent instantly, by...vacuum tube. In those days, it was common to think of science as revealing the unambiguous Truth and the absolute Reality. Taylor was driven by romantic dreams of entrepreneurial progress, as well as of the United States' Puritan roots. And he claimed to have discovered *scientific management*, the "one best way to organise". He had a vision of organisations and their workers as machines with a myriad complex parts, and their expert managers as operators controlling them in every detail. Scientists were like the priests of ancient Egypt, governing all real access to knowledge; and managers, to Taylor, were going to be the priests of the 20th Century.

Taylor has had a huge following, and still has gigantic influence. Nevertheless, he has also been described as "a disturbed personality" and "one of the most criticised of all organisation theorists"³. Indeed, one expert has gone so far as to say "the sheer silliness of many of his ideas, and the barbarities they led to when applied, encourage ridicule and denunciation"⁴. And to begin with, it's important to realise that, when you have a management question, there often *isn't* a single right answer.

Indeed, as it turned out, Taylor's way was not so evidently the "one best way to organise". No sooner had his ideas started gathering pace in the USA, than an alternative view emerged in Britain, proposed by a Cambridge academic, C. S. Myers.

³ Morgan G, 1986, *Images of Organisation*, Sage, London pp 29-30.

⁴ Rose M, 1975, *Industrial Behaviour: theoretical development since Taylor*, Penguin Books, Harmondsworth p 31.

why you need this book

Challenged to account for unexpected cases of fatigue and boredom among soldiers, which had alarmed generals and politicians in the First World War, Myers set up a National Institute of Industrial Psychology. And that began the work of what has become known as the “human factor school”, which took a very different and much broader view of what makes people tick than Taylor’s had, and has since influenced a range of successor movements and institutions⁵.

Nor is this the only alternative to Taylorism. Indeed, one survey has set out in detail no fewer than ten competing theoretical models for thinking about and acting in organisations, describing them as things ranging from machines, political systems or cultures, to organisms, psychic prisons, and flux⁶.

This doesn’t mean, of course, that there are no right answers to management problems. But people and organisations are complicated, and it does mean that right answers are often hard to spot, that sometimes there is more than one right answer, and that sometimes the least wrong answer is the best you can hope for. You do need to be well-informed, to keep your wits about you, and to know when to trust your common sense.

Another important thing to bear in mind is that the quality of what is written about management really does vary a great deal. Some books are written by successful, wealthy, self-opinionated businessmen, with limited scientific knowledge and an appetite for publicity. These can be a good read. They can be inspiring. But, if you think about it, of course, the idea that what worked for Henry Ford will

⁵ Rose M, 1975, *Industrial Behaviour: theoretical development since Taylor*, Penguin Books, Harmondsworth p 67 and Parts 3 and 4.

⁶ Morgan G, 1986, *Images of Organisation*, Sage, London (no, even after reading his brilliant book I’m still not very sure what he means by “flux” in this context, though it does sound good).

what works at work

work for you too could well be no more than a wild hope. And it's not just eccentric geniuses who espouse it. As I write this I'm looking at a copy of *People Management* with an article⁷ about the management style used by the successful restaurant chain Wagamama – with the implication that readers will find it works for them too. That may fit with the celebrity culture, but in fact it has nothing to do with good management: a good manager will use techniques which have been shown to work for a situation which is similar in relevant respects to his own.

Even very famous academics sometimes write books based on what they assume to be the case, rather than what has been shown to be fact by robust research and statistical analysis. Now, it is true that people who have spent a lifetime thinking about organisations have often acquired a great deal of wisdom about them; and the development of theory can certainly be very important even when it is not open to proof. But, as Copernicus, Darwin and Einstein showed (each in his own way), there is always a difference between the voice of experience, however authoritative, and conclusions reached after sound scientific work; and sometimes what looks like common sense turns out to be nonsense.

Moreover, there are sticky problems with organisational research, problems that are hard to exclude and that do not seem to go away. Most importantly, studies in the social sciences are much more complex than demonstrations of Boyle's Law, since it is often impossible to control for externalities. At the most general level, it is inescapable that human society is very complicated: as a result, the rationality of people's decision-making is always limited, because there are important parts of their situation which they can never thoroughly understand⁸.

⁷ 15 June 2006 p 32.

⁸ March J G and Simon H A, 1958, *Organizations*, Blackwell, Oxford.

why you need this book

There are more specific problems too. For example, as often as not, the raw material that academics have to hand is their students, so a lot of psychological experiments have always used students as their subjects⁹. This may be no problem where the work is on visual perception. But when it is on interviewing techniques, do we really have grounds to think that teenage psychology students with little experience of work or life will react the same way as (say) forty-year-old managers in the processed food industry? On the other hand, attempts to use the results of real-life consultancy work for research are very often thwarted, since the firms studied have the reasonable fear that publishing details of what they do might tell their competitors things which they really do not want them to know.

Another problem is that psychological research has traditionally focused on individuals, often because there it is easier to control their experimental environment: and psychologists' default mode, therefore, is to look at individual differences and reactions. But, actually, most important things about the workplace happen not to isolated individuals, but within a social system. This is much more complicated and more expensive to study, and the amount of academic time, money and effort available is limited. Hence these vital issues of how social events influence what happens at work are often poorly researched.

Again, because the USA is five times the size of Britain, and richer to boot, a lot of the published research is done in America. Of course the two countries have a common heritage, and mostly share a language, and we have been soaking up Hollywood films for several generations, so they *are* pretty similar. But there are also obvious big differ-

⁹ Now see Heinrich J, Heine S J and Norenzayan A, 2010, "The weirdest people in the world?", *Behavioral and Brain Sciences* Vol 33 Issue 2-3, pp 61-83. Note too that leadership studies have often for obvious reasons been funded by the US armed forces, and use servicemen as their subjects, which gives rise to additional doubts about how representative they are.

ences (think religion, or guns, or the NHS). Indeed, most firms publishing psychometric tests, usually American, have found it necessary to develop special versions for the UK. So it is risky to make assumptions that results which are valid in the USA are also valid in Europe. But, pressured by time and cost, people often do just that¹⁰.

Finally, a word of caution about common sense. We all laugh at the time and effort wasted by social scientists who labour to prove that children like to eat chocolate, or that bereaved people get sad. But though the obvious is often true, common sense is not always a good guide. A major step forward in the 1960s was when psychology started to develop a catalogue of ways in which people often or always misunderstand the world. For example, people tend to think their own successes are down to their ability, and their failures to their circumstances; to link the failures of others to their abilities, when it is circumstances that are to blame; and to exaggerate how much other people agree with them, or how much other people notice what they do. Such biases warp people's judgement, and lead to poor decisions¹¹.

Compare the case of medicine. Most doctors are rightly committed to evidence-based medicine, driven by scientific findings. But they also know that they have to work in a real world where not every patient is suffering from a

¹⁰ A few differences in a little more detail: in 2007 capital punishment was favoured by 69% of Americans but only 50% of Britons (Grey E *et al.*, 2007, *Attitudes to the death penalty*, Ipsos Mori); in 1998/99 internet advertising was thought to be (i) informative and (ii) trustworthy by 62% and 48% respectively of Americans, but only 46% and 37% of Britons (Mojsa M and Rettie R, 2003, *Attitudes to Internet Advertising: A Cross-Cultural Comparison*, Kingston University Occasional Paper Series No 54); the proportion of people blaming obesity on food companies or the government, rather than saying it's the fault of obese people, is around twice as high in Britain as in America (study by the McCann-Erickson group of advertising agencies reported on www.foodnavigator-usa.com on 7 July 2004).

¹¹ Heider F, 1958, *The psychology of interpersonal relations*, New York, Wiley; Kahneman D, Slovic P and Tversky A, 1982, *Judgment under Uncertainty: Heuristics and Biases*.

why you need this book

disease for which there is a proven effective treatment, and that, for many, the treatments which have been found useful in the past are worth using again, even if there are as yet no double-blind-controlled trials to prove their effectiveness beyond doubt.

Equally, in the world of business, managers will often come across situations in which there is no demonstrably right course of action. In such cases they too need to use their experience and their intuition. However, when they find that there is real, hard evidence to guide them, then they are unprofessional if they do not let that rule their judgement.

Of course, it is not easy to tell the sound, evidence-based advice from the froth of self-important puffery. That can often take a lot of research for which busy managers do not have time¹². The modest aims of this book are (i) to flag up the circumstances where management has been more successful as a science, and to help the reader to get a feel for when one might look to rely on authoritative findings; and (ii) where there is no robust empirical basis for decisions, to give a bit of background about where the conventional wisdom in such cases has come from, and offer some suggestions about what sort of action might make sense.

Do not be put off by these warnings: they are not there to rubbish an important discipline, but to counter some of the bombastic assertions which are too often made. For we

¹² Appeals to improve communication between the academy and the manager's office have been in vain: Rousseau D M and McCarthy S, 2007, "Educating Managers From an Evidence-Based Perspective", *Academy of Management Learning & Education*, vol 6 no 1 pp 84-101. Recently, even HR managers, when asked to identify well-established management research findings, answered 43% of the test questions wrong in America and 38% in Holland: Rynes S, Colbert A & Brown K, 2002, "HR professionals' beliefs about effective human resource practices: correspondence between research and practice", *Human Resource Management*, vol 41 pp 149-174; Sanders K, van Riemsdijk M, & Groen B, 2008, "The gap between research and practice: A replication study of HR professionals' beliefs about effective human resource practices", *International Journal of Human Resource Management*, vol 19 pp 1976-88.

what works at work

do know a lot about what works at work, if not quite as much as some people claim¹³. Let's start where people begin in organisations: let's start by looking at recruitment and selection.

¹³ The extent of disagreement among leading academics was recently surveyed by Guest D and Zijlstra F R H, 2012, "Academic perceptions of the research evidence base in work and organizational psychology: A European perspective", *Journal of Occupational and Organizational Psychology*, 85, 542–555.