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MANAGERIAL CONTROL

17 December 1948

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GENERAL HOLMAN: Gentlemen, our subject this morning is, "Managerial Control." To introduce the subject let us assume that you are the head of a large supply organization; that you have a good staff and a well-trained and experienced organization, or think you have; that you are responsible for the procurement, the production, and the movement of many types of critical supplies; that you are responsible for appreciable sums of money; and that you are responsible for the proper employment and the welfare of thousands of men.

Now, from where you sit as head of this organization things seem to be running along all right; but how do you know that? Or, conversely, if things are not going smoothly, which is more likely to be the case, how can you put your finger on the trouble spots quickly? Or, better still, how can you perfect methods and techniques to prevent difficulties from arising?

Management over a period of years has developed and occupied itself with methods and procedures which permit it to have available proper information and to exercise proper control. Our speaker this morning will discuss some of those controls. He is Major General Clinton F. Robinson, who was the Director of the Control Branch of the Army Service Forces throughout the entire war. Since the war he has held important assignments in the War Assets Administration and the National Security Resources Board. He brings to this platform a wealth of experience in this particular field.

I take pleasure in introducing Major General Clinton F. Robinson.

GENERAL ROBINSON: General Holman and gentlemen: The subject that has been assigned to me has a very imposing title. It is also one that is very vague. I am not going to read to you this morning a learned treatise on the subject. Neither am I going to reminisce about the Control Division of the Army Service Forces. Rather, I would like to give you some general observations about the subject of management resulting from my experience before, during and since the war. I give them to you for what they are worth.

Why do we talk about management, particularly to a military group such as this? If you consider today's national and the international scene, you note many large conflicting forces at work--political, social and economic. Enormous organizations and institutions, public and private, have been developed over the last fifty years. Governments have become very much larger and more complex. The material things of life are more abundant but seem to have gotten ahead of our capacity to

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control them. You get the impression that one of the things we really need is better management of all our affairs. We have so much, and it seems to me that, in so many ways, we are not properly directing it to our ultimate ends.

I believe that this is equally true of the military. War has gotten to be an extremely complex business. There are so many things to deal with. In a headquarters like that of the Supreme Command in Europe during the war practically every human activity you could think of was involved, as well as military operations per se. The necessity of combined operations and the present efforts to coordinate the three forces adds to the difficulties. One of the most important things that the military needs to think about is management.

We are inclined to overlook management in the military. There is a reason for it. Consider the tactical organizations in the Army, Navy, or Air Force. We pretty much take for granted the way they are organized and the methods that are used to operate and control them. Why is this? For years and years the military has been developing a pattern of organization, a pattern of procedure, methods for doing things, for tactical formations. It has been done in great detail. We have training and procedural manuals. We even prescribe in detail from topside exactly how to teach a person to shoot a rifle. Such things have become habit, second nature, with us. That is one of the reasons we can expand the Army or Air Force in such a hurry. Those habits of thought, organization and procedure are quickly transmitted to the temporary officers who man the tactical formations in time of war.

But let us look at the situation above the purely tactical, at the Bureaus of the Navy and the Technical Services of the Army, at the headquarters of the three Departments, the Joint Staff, the Munitions Board, at such war organizations as EUCOM and Supreme Allied Headquarters. I think that you will agree that their management left much to be desired during the war and still does. In these areas we have not developed accepted and well-understood patterns of organization and methods of operation.

One of the reasons for a great deal of the prolonged discussions, arguments and practically continuous changes in the topside organization of the Military Establishment and its three Departments is the lack of management analysis. It seems to me that of all the subjects studied here in the Industrial College, management should be pre-eminent. It should be one of the most important, if not the most important, subjects in all the higher educational institutions of the Army, Navy, and Air Force. And management is not much different in the military from what it is in other government departments or in private affairs. The same problems are present; the same principles apply.

It is dangerous to try to theorize about management. Everybody has his own ideas about it. Everybody considers himself an expert. There is great danger of oversimplification. But it seems to me that there are six major elements involved in good management in any type of undertaking.

The first of those is to have a clear, concise statement of the mission of the organization. This seems very simple. It is obvious that everyone in the organization ought to understand fully and precisely what should be accomplished. But look around you. How many organizations do have such a mission? Very few. That is true not only in the Government, but also in private life.

An example can be found at the present time in some of the discussions and arguments that are going on about the organization of the Department of the Army, the Headquarters here in Washington. I do not believe that there has been a proper statement of the mission of that headquarters, and the lack of it accounts for some of the differences in viewpoint as to how the Army ought to be organized at that level. To be specific, it seems to me that the Department of the Army has the mission: to raise, mobilize, train, equip, supply and maintain ground troops and units. Note that I have made no mention of strategic planning and the direction of military operations. If we left these functions out of the mission of the Department of the Army, some of the arguments about how the Department ought to be organized would disappear. It seems obvious that strategy and over-all direction of military operations in any future war are not going to be functions of the Headquarters of the Army, Navy, or Air Force. By necessity they must be a combined function, such as it was in the last war, exercised by the Joint Chiefs of Staff.

I cite this situation simply as an illustration of the first element or principle of management, that is, to clearly state the mission.

After this is done, the next major element is that of planning and scheduling all the specific things that must be done in order to accomplish the mission. This is also an obvious statement. But I can well remember back in the days of 1941 and 1942 in the Army that we did not have proper schedules of construction, procurement, or supply. There were all kinds of pieces of paper floating around purporting to be schedules. Officers would have them in the bottom drawers of their desks. They would say, "This is the tank schedule; this is the artillery schedule." But other officers would have different pieces of paper and different figures. None of them were coordinated with each other or any over-all plan. This planning and scheduling of everything that needs to be done to accomplish the mission is a very difficult task in any large logistic organization. But certainly the mission cannot be properly met without it.

The third element of management to be considered is organization. Many officers confuse organization with management. But, organization is just one part of management. This principle of management can be stated; that any undertaking ought to be organized in the way that is most appropriate to carrying out its mission, plans and schedules.

Here again is a simple obvious statement but its application often leads to great difficulties. There are a great many so-called axioms of organization, such as the "span of control," "the staff-line principle," "authority commensurate with responsibility." Probably you have observed that they are more often violated than followed. That sometimes makes me wonder whether or not there is validity to any of them.

Basically, organization is simply a division of work. But when you start to divide the work of a large undertaking, you generally get into trouble. A number of logical patterns will present themselves. The work can be divided geographically--for example, six army areas or five overseas theaters; or division by functions, personnel, supply, finance; or again division by commodity such as an Ordnance Department to handle tanks and automotive equipment, a Quartermaster Corps to handle shoes, overcoats, food. The surprising factor in very complex undertakings is the number of types of division of work that occur and the fact that they all have a degree of logic and their own peculiar advantages. The real difficulty arises in trying to put them together. It results in overlappings and duplications. For example, if the work is divided by commodities and by functions, there will be a unit dealing with tanks from the standpoint of procurement and another dealing with tanks from the standpoint of research and development. Where does one unit stop and the other begin?

Personally, I think that there are two major principles which should not be overlooked in any organizational problem. One is to keep the organization as simple as possible. The other is to pick out a logical plan and stick to it. Don't try to combine several plans; don't compromise. Compromising seems to be the universal result and the curse of practically all attempts to improve organization.

Many of the problems of organization flow primarily from a different consideration from that of the axioms or principles of organization. They flow from a great many human factors, such as pride, jealousy, stodginess about change, the desire to increase the importance of one's activity. How many times have you heard arguments about "This activity is so important that it must be separate and report only topside?" Everyone can make that argument about his activity; almost everyone does.

A good logical organizational plan can be developed; but the real problem is not that plan itself. The real problem is in the human factors. Until the personnel in the undertaking see beyond their own activities, adopt an attitude of the good of the whole, it is very hard to put over any organizational improvements.

Leaving organization, the next major factor in good management is personnel, particularly key personnel. Of course intelligent, energetic men in the positions for which they are best qualified is an extremely important factor in the success of any undertaking. But here again I would like to emphasize the fact that good personnel policies and practices is only one factor in management and should not be considered the only factor. How many times have you heard this argument? "If you just get the right man, put him in charge and give him enough authority, the problem will be completely solved." A great many people hang their hats on that theory. You find it very prevalent outside the Government. During the war WPB suffered from that attitude. There were a great many very capable men brought to Washington in WPB on the theory of: "Get the best man, put him in charge, give him enough authority, and everything will be all right." But what actually happened? It was almost the end of the war before WPB was in shape to do a thorough job. The other factors of management had not received sufficient attention. Necessary as they are, good key personnel is not the complete solution to management. Activities are interrelated. Unlimited authority to the man in charge of one activity means that others suffer. Team play is required.

The fifth major element in management is one that I think is overlooked more than any other. It is just as important as the others. There are various words that can be used to describe it, systems, procedures, methods, administrative practices. It includes such things as inventory control, supply procedures, distribution methods, personnel practices. You can have the best supervisors, a good organizational pattern, mission clearly stated, well-drawn plans, but, something else is needed, efficient systematic methods for doing the work.

You have often heard the argument in the Military Services: "Only set policies; don't give details. To do so destroys initiative. Don't tell anyone how to do it but only what to do." But this is a curious argument. It shows a lack of appreciation of one of the basic factors of management. As a matter of fact in the Military Services, we are told in detail how to do many, many things and properly so. Consider all the tactical training manuals, the minutiae they contain. We take them as a matter of course. But if the Quartermaster General is given a standard inventory control system, a great hue and cry goes up. Initiative is being destroyed. Prerogatives are being encroached upon. Why is this? In the Military Services we have properly reduced many operations to efficient systematic routines. In others we have not. Apparently we accept the former unconsciously and resist the attempts to do so in the latter. Many logistical activities and the activities of higher headquarters particularly fall in the latter class. Systematic routines free commanders for considerations of real policy. In my opinion there is more room for improving operations and making savings in this factor of management, procedures and methods, than in any other in the Military Services at the present time.

Finally we come to the last, the sixth, major element of good management. It can be termed "follow-up." It might be called "control." In spite of the fact that all of the other factors of management which I have been discussing have been taken care of, still, in a large, complex undertaking the commander and his chief assistants must have some independent method of finding out what is really going on and checking on the performance of the entire organization. Oral or written reports or conferences with the chief subordinates is not enough. In any large organization there should be a small, highly qualified unit divorced from any other duties than to discover and recommend ways of improving operations. There are many techniques and methods for doing so. I will mention a few.

One is through statistical methods. That generally causes everybody to say, "What more reports." The experience in the Army Service Forces during the war is, however, revealing. At the beginning there was a mass of inherited statistics and reports. But they weren't very well designed and really didn't show what was going on. I don't say that the problem was completely solved. But we did get to the point where we knew factually, by statistics, whether or not we were meeting our schedules and our plans. And in the process statistical reporting was substantially decreased by using judgment and modern statistical techniques.

Another method of follow-up is that of inspection, of going down to the basic operations, into the warehouses, the ports, the personnel centers, the training camps, and finding out exactly what is going on. There is often a great gap between what various layers of command honestly think is happening in the field and what is actually happening.

Another technique that was used successfully during the war was that of making surveys in conjunction with those actually doing the work. Statistical methods would reveal failures to meet schedules. A field survey with those responsible tracing what was happening all the way through from top to bottom would reveal the causes and suggest the corrections to be made.

The development of simplified and improved procedures naturally follows from the checking up process. There are probably many of you who are familiar with the graphical method of presenting administrative procedures that was developed during the war.

There are two major managerial aids that the man at the top of any large undertaking should have. They are his right and left arms. On one side the commander should have an assistant who is responsible for the coordination of planning; for passing out to other elements of the organization the mission, the assumptions, the objectives to be met; and then reviewing the detailed plans developed by the various units of the organization to determine whether or not they fit together and will accomplish the mission.

On the other side the commander should have an assistant responsible for checking up, for finding out whether everything is going according to plans, whether schedules are being met, what the deficiencies are, how they can be corrected, how operations can be improved.

Neither of these assistants, I believe, if properly handled, detracts or interferes in any way with the prerogatives of other subordinates. It need not stifle their initiative. It need not interfere with their carrying out of their duties and functions. Of course, unless it is well understood and accepted as necessary, there may be difficulties. No one likes to have their plans reviewed. No one likes to be checked up. But I don't think any top commander can afford not to perform these two essential functions and he cannot do them unassisted.

To summarize briefly, it seems to me that, in addition to all the other things that top commanders, top-staff officers, need to know these days, they also need to know and practice the most modern techniques of good management as developed in private business and elsewhere. It seems to me that there is inadequate training in this respect in the Military Services.

The major elements involved in good management are: to know the mission clearly and concisely; to have schedules and plans that will accomplish the mission; to have an organizational structure that is well understood, as simple as possible, and adaptable to the undertaking; to have the best obtainable personnel in the key positions; to have a well-understood, efficient set of administrative procedures for conducting the operations; and to have a continually following-up on what is going on. No one of these factors is an answer in itself; it is the use of all in proper relation that brings good management.

GENERAL HOLMAN: General Robinson, I know that I speak for the entire faculty and student body and our guests when I say that this has been a very splendid talk. We thank you again for your contribution to the Industrial College.

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