ENLIGHTENED HUMAN RELATIONS

30 September 1959

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COLONEL REID: General Mundy, Gentlemen: You have now laid to rest Colonel Sylvia and his Management Committee, Staples, Ramsey, and Sloan. You are at the point now where you can analyze human relations factors, set out the problems, and come up with pretty good solutions, even if they do differ once in a while.

Before we go into Bob Knowlton and his festering problem, let's pause and take a look at what was accomplished.

The lecture today is on "Enlightened Human Relations" and actually this could possibly be the title of this section of the Foundations Unit, Enlightened Human Relations.

Our speaker today has a wide background in teaching and in training in human relations in management. He is presently the vice president of The Reuben H. Donnelley Corporation in charge of management development. Incidentally, as we came up the stairs, he looked out the window and saw the motor-boating marina out in back, so I might add that he is also a motor-boating enthusiast and formerly was a sail-boater. He is a collector of classical records and of folk music. And, for that very small minority still remaining in this class, Dr. Hoslett has continued to remain a bachelor.

It is my privilege and pleasure to present to you for his first appearance at the Industrial College, Dr. Schuyler D. Hoslett. Dr. Hoslett.

DR. HOSLETT: General Mundy, Colonel Reid, Gentlemen: Thank you very much, Colonel Reid, for that generous introduction. There are some facts about my life of which I didn't know you were aware.

That reminds me of a man who was introduced in a similar generous fashion. His chairman said at the conclusion of his remarks in presenting the speaker, "In addition to all of his qualifications, the speaker today has made a million dollars in the oil business." Now, as anybody who is not in the oil business knows, that is not particularly difficult, but the speaker wanted to correct that impression, so he

said, "I must correct the chairman's remark at that point, because, actually, gentlemen, it wasn't the oil business, it was the coal business; and it wasn't a million dollars involved, it was only $100,000; and it wasn't I, it was my brother-in-law; and he didn't make it, he lost it!"

I mention that to put these remarks this morning in the proper context, to indicate that the person who has the reputation is sometimes not able to live up to it and that your speaker approaches the subject in all modesty. My good friend, Mr. E. F. Nelson, vice president of our corporation for the Chesapeake and Potomac region, and who supplies you with your excellent buyers' guide in the "yellow pages," has often said of me, "Yes, Schuyler Hoslett is a modest man, but, then, Schuyler has a lot to be modest about!"

This is the first of three points I would like to develop in the 45 minutes we have together this morning: "What training and teaching in human relations is not, or should not be." (This is just one man's opinion, but it may serve to stimulate our thinking and to prepare us for that very difficult case involving Bob Knowlton.) Let me say immediately that human relations training cannot do the job of changing personality characteristics in any deep way.

There are people in this country, and some very prominent businessmen among them, who think human relations training should be able to achieve changes in a man's personality. Now, experience proves, as well as experimental evidence, that this just isn't possible once men reach the age and maturity of those of us represented in this room. We are conditioned at a much earlier age in the deep way that affacts us the rest of our lives.

So we are going to make that point quite clear, that this is not the purpose of human relations training. We can't do it, and, beyond that, gentlemen, if we could do it possibly we wouldn't know what to do! In all the studies of leadership there is nothing very conclusive in terms of what characterizes the great leader, or what characterizes the good leader, or what really differentiates between a leader and a follower. You've had that evidence in your reading, and past speakers from this platform at this College have given experimental data on this subject.

Take the factor of emotional control as an example. Is the leader more emotionally controlled than his followers? In general, how many people think he is? (Show of hands.) How many people think that, in

general, a leader is less emotionally controlled than his followers? (Show of hands.) A larger group believe that. How many people here believe that in general there is no particular difference on this point between leaders and followers? (Show of hands.) The largest group on the latter.

We've got quite a mixture of opinion right here on that topic. But, as far as the evidenee is concerned, what evidence there is suggests as indicated here, that some leaders have more emotional control than their followers, some have less, and a great many have about the same amount--no differentiation. So, if you are going to build up a pattern of selection for leadership, you can't use the emotional control as a factor to select the best leaders, because some of our best leaders in certain senses have very little emotional control. And, if you set up a selection pattern emphasizing emotional control, you would eliminate those persons with all their qualities and all their contributions from the group.

The same thing is true of the factor of dominance. Should a leader be dominant? You know, in the accepted sense of the word, that some top management business executives pound the table and say, "I want it done this way," and, "Are there any questions?"--and never entertaining any. There's that kind of dominance. Well, is a leader more dominant than followers? Some leaders are, some are less dominant, and some are about the same as their followers.

Long-range and deep changes in personality take place through experiences that we cannot simulate in ordinary training in the business or military sense. And, as I said, we don't know what we would be trying to do if we could change these characteristics. About the only conclusion you can come to, gentlemen, in a facetious way, as to the differentiation between leaders and followers--or in business terms between senior executives and junior executives--is the statement that in general senior executives are heavier than junior executives!

This reminds me of the statement attributed to a national education association some time ago, explaining that children with larger feet read faster than children with smaller feet. Of course, generally speaking, children with larger feet are somewhat older than children with smaller feet!

This is the second point I want to make about human relations in terms of what it should not be: human relations should not have as

its sole objective teaching people to be nice to each other all the time. By "nice" I mean pleasant, cooperative, smooth, understanding, permissive, adjustable to the other person's point of view in every situation. Now I want to clarify this so as not to leave the interpretation that I mean that training in human relations should not teach people to be "nice." To some extent, yes. But training in human relations must differentiate between the situations where you are pleasant, permissive, and understanding and those other situations where you are strong, directive, and even dogmatic.

As one works in this field he finds that many of the problems in industrial and other organizations arise from the fact--not that people are not nice enough--but from the fact that people, especially superiors working with subordinates, will not always face up to the hard problems in human relations, the hard, tough problems between a superior and a subordinate or a superior and his superior. This is seen in many places in many different kinds of situations.

For example, there is the difficulty experienced in talking to a subordinate about some instance of poor performance, some instance of discourtesy, some failure to follow through, some instance of neglect of detail. Surprising as it may seem to people in the military, many businessmen fret and fuss a long time before they will talk to a subordinate frankly, openly, clearly about these kinds of problems. There are, of course, many people who have no trouble in doing this. (You may know some of them!) But a great many people have this problem.

Doctors' reports in recent years have indicated that a good many sick executives are sick, in part, and sometimes in large part, because of the troubles in communicating and getting understanding with subordinates, due to the lack of backbone to face up to these faced problems with their own people.

It is also illustrated, gentlemen, in the year-end performance reviews or merit reviews. Many superiors, at least in business, find this a very difficult and trying period in their lives, when they have to sit down with a subordinate and work out with him what was good about this performance, in what areas he needs to make improvement in his performance, and to suggest somehow some concrete steps for improvement during the next year.

One reason, of course, they find it difficult is that during the course of the year many of these questions haven't been faced up to and discussed thoroughly. That's why it is difficult at the end of the year to say, "Well, your performance was bad in these factors," when, during the course of the year, you haven't been telling the man that his performance is bad in those factors.

That is why many consultants have found, when they go in and study the execution of performance reviews, that the superiors will say that it is a very difficult thing to do--that they don't sleep the night before they give one of these performance reviews to a subordinate. And they find that subordinates say that they don't sleep the night after!

This lack of facing up to the problems is also seen in business, and in other organizations, in the failure by a superior to take action toward an ineffective subordinate, even after giving him a great deal of time and help to secure improvement in his performance. You'll find company after company in which men are on the payroll from 3 to 5 to 10 to 15 to 20 years after they should have been separated, by any standard of objective evidence. The reason they are on the payroll is because of this failure to step in and take positive steps at the time they are indicated.

So I hope I have made this point clear. I do not believe that human relations training has as its total purpose getting people to be nice to each other. I think it is important to be nice to each other, but I think there is the other side.

If that is true, what are the objectives of human relations training? (This is point two on my outline.) I think, fundamentally, human relations training has to be tied in with other types of training. It is probably wrong to separate out human relations training and say, "For this period of time, or for this course, we are all going to take human relations training, and we are all going to improve ourselves in human relations." It is much better, in my view, to integrate human relations training with the other types of training and make it a part of the whole management process, as it is in life.

We don't take from 9:00 to 10:00 in the morning to be human relations experts in our daily lives, but from 9:00 to 10:00 in the morning we are working on some aspects of planning, organizing, controlling, and directing, and motivating, all of which have some reference to

human relations. We can't separate out human relations training very carefully and nicely as a separate segment, except for academic purposes.

Human relations training should be integrated so that, when you have a case, like the Bob Knowlton case, it is not entirely a human relations case, though that is its central emphasis. There are some aspects of organization in that case. There are some aspects of planning or lack of planning in that case. There are some questions raised in that case as to what the organization should have done to keep Gerald and Knowlton from getting into trouble.

So, in that context I think of human relations training as an integral part of other kinds of training. And in this context, I think human relations and other training have these two major goals: No. 1, to help every manager, at every level, assure himself that he is doing his part to meet the organization's planned goals. The second goal, and related to the first, is to help the manager assure himself that his people, that is, his subordinates, are getting maximum satisfaction for their work.

Each of us has an objective of seeing that the work goal is accomplished, whatever it is. In business we measure it in profits and sales; other organizations measure it differently. But, whatever the goal is, a manager also has the opportunity and obligation to see that the people working for him get maximum satisfaction in the process of achieving these goals.

Now, this raises lots of questions. It raises the immediate question: Are these two goals complementary or conflicting? Can you give all people maximum satisfactions and achieve the work goal? The point here, I think, gentlemen, when I say you help people to achieve satisfaction on the job, is that it does not mean that everybody gets as much satisfaction as he wants. The superior simply cannot give every subordinate all the satisfaction he wants on the job. He can't give him as much money or as much approval or as much recognition or as much promotion as the subordinate may want: Also, our needs vary; some of us just want offices and titles, others of us want money, others of us want approval, in large degree.

Thus, when I say maximum satisfaction it doesn't necessarily mean as seen by the subordinate. But it does mean, gentlemen, that

the superior should have the very best insight that he can develop into what the needs are that motivate these subordinates--what kinds of satisfactions will get better performance from them. This then puts the focus and spotlight on the central element of the superior-subordinate relationship as the clue to good human relations.

In our own corporation, which as you know is primarily a sales organization, we have spent several years in emphasizing the improvement of the relationship of the superior and the subordinate, to obtain better communications and understanding, and thus to get better results as a consequence. We put our primary emphasis on this. We could have put our primary emphasis on improving the written communications--more manuals, better house organs, and so forth--and we have done a good deal of that. But sound face-to-face relationships at every level is the most important factor in terms of improved communications and human relations. It is also most difficult to achieve.

Now let me say just a few words as to what the characteristics of good human relations training are, as I see them, bearing in mind that this is not a complete catalog and that many of the items are controversial. What are we trying to do in teaching human relations in an organization? I think basically one begins with the objective of making a few percentage points of improvement. You are not trying to remake people nor are you trying to improve efficiency 25 or 50 percent but, if you can make an improvement in performance effectiveness of 2 or 3 percent a year, that's pretty terrific.

Some experts in human relations object to this point of view. They think the thing to do is to get problem people together and give them deep, specialized, intensive treatment, and sort of remake their beings. This is useful in individual cases, but in general I take the point of view that if you are doing mass training (and I think mass training should be done from the botton to the top as in our own company, where everybody gets the same kind of seminar on this subject) your goal is a few percentage points of improvement.

Now, if you have that as an objective, what should follow? In the first place, training of this sort is not meant to be revolutionary. In general this training should renew people's awareness of basic principles and practices in human relations. You may say, "Well, that's a truism," or "That's a very solid statement," or "There's nothing novel in what you're saying, Hoslett," and that's true. But I want to get across the point that most of us could be better managers than we

are without going to school. Most of us know how to be better managers than we are. And one of the purposes of training is to renew and refresh and revitalize the understanding of the principles and practices that we have forgotten, because, if you had a training course that was entirely new or revolutionary in concept and in content, it would be useless. It would be useless because you cannot apply that new and revolutionary material in a habit-bound, long-established, tradition-focused organization, as most business organizations are and as the military must be. So, you obtain the new and the revolutionary in terms of stimulus, in terms of excitement, which is achieved mostly through the teaching methods that are used, such as the case method. And it is here that you get the newness to an old set of principles and practices, really, because you don't have to take modern literature to get a set of principles of human relations. You can go back to the ancients, to the Greeks and the Romans, and get just as good a set, or use the Bible, if you like.

Secondly, in general this kind of training should get across to the people a sense of both the opportunities and the limitations of human relations in their organizations. Now you see this is sort of a practical point of view again. But, with all the talk about the organization man in recent times, and conformity, and getting along in the organization, and what this does to an individual's self-respect, his initiative, and so forth, it must be borne in mind that an organization has to be lived in with some degree of stability for the individual who is inhabiting it. At some point, perhaps, there are individuals who cannot live within the confines of a conformist organization; and the military, business, and the Church are all comformist organizations.

This, I think, becomes an individual matter--at what point you can't take it; at what point you won't put up with it; at what point you see greater opportunity for good for yourself outside the confines of the organization. I think that, in terms of training in human relations, the training must be realistic and point out what these confines are, what these limitations are.

For example, in terms of communications, which is an important part of human relations, what are some of the limitations to better communications in an organization such as we represent? Think for a moment. There are some built-in limitations that you work around and work within, and which you can't get rid of. You know what they are better than I. I know what they are in my company. You know what they are in your organization.

As an example, one is the number of levels through which communication must pass up and down. I don't know how many levels are represented in your particular organization. In some parts of one company there are 13. In other parts of the same organization there are 4. In the parts with 4, obviously communication goes up and down much faster and with much less distortion and much less attrition than in the longer hierarchy. But if the system and the purposes of the organization are so complex that you have to have a long hierarchy, then you can't do anything about it. But it has an inhibiting effect on communications, a limitation, with which you have to live. It is something that people must be aware of in terms of training.

Another factor that is important in communication as a limitation is the effect of the status system. What I mean by the status system is a series of levels of superiors and subordinates from the botton of the organization to the top. In every one of these levels, in terms of face-to-face communication or written communication, we have another barrier, another filter. This is built into the organization. And nobody here proposes to throw out the status system. Of course the Russians, in their wildest revolutionary dreams may have thought something of turning the social organization upside down, but their status system is becoming even more concrete, definite, and deep than our own.

So that's something you live with, but it is important, again, to be aware of what this does, because the situations or persons we live with we sometimes fail to appreciate after years of experience. A person you think you know awfully well for 10 years may be a person you really know less well than somebody you have been in contact with for two weeks. The newer contact stands out in the disparate parts of his personality--the person you have known for years may not.

I am impressed again and again, though, with what the status system does to communications and to people, and I am impressed with how much attention is paid to what the boss says, or what he does, or what he writes--and how much time is spent needlessly in interpreting and misinterpreting what the boss says.

I'll just take time for one brief example to clarify my point. When I left Columbia University in 1955--where I had started an executive program at Arden House, which some of your colleagues have attended--to join The Reuben H. Donnelley Corporation, I was hired by the

chairman of the board a very fine gentleman--was then and is now--and I found that, during the first three or four weeks on the job, when I would come in in the morning to the offices in Chicago, he was always there ahead of me, smiling and cheerful, and generally his greeting was, "Good morning, Sky. What can we do to help you?" I was his assistant, but I was brought in from the outside. He was the big boss, and this was very kind and thoughtful. He would go on and say, "Is your office all right? Is your secretary all right? Any people that you want to meet?" And so forth. Then, after several months of being around the office and meeting people in the field, but not having constructed anything concrete in terms of a "program," (you know you always have to have a "program")--I noticed that on some mornings the chairman of the board was not quite the same--at least he didn't seem the same to me because he didn't say the same thing. He would say on these occasions, "Good morning, Dr. Hoslett. How are you getting along?" I don't know if that impresses you, but it seemed to me at the time to be significantly different from "Good morning, Sky. What can we do to help you?"

I could have taken time to figure out what he meant by that. I won't tell you; perhaps I did! And I won't tell you what he says to me now in the morning. But the point is we are all doing this, and, more important, all our subordinates are doing this to us in terms of interpreting what we mean. There is a lot of waste time and emotion involved in this.

There are some ways to make communication easier between superiors and subordinates, some ways to avoid the time that is spent in this kind of activity, which is a part of training in human relations. I mention it only as an example of the limitations that are involved in this system in which we work.

Well, if you are talking about training, you are also talking about opportunities. There are limitations in every organization, but there are opportunities, great opportunities. And one of the opportunities is to help people to communicate better face to face. Much of this type of communication is in terms of one man listening to another man. There are rules and there are skills that can be developed to improve a person's listening habits, if he wants to apply them. This is one of the opportunities. We have done a great deal of this in our company. Some people now say we have come to the place where everybody is listening to everybody else, and nobody is saying anything. This is not

true. You know it cannot be true, being a sales organization, because most sales managers want to talk most of the time. I'm one of them.

Another opportunity is to try to help people differentiate between what are facts and what are assumptions, what you really know and what you infer. A great many business decisions are not made on the basis of facts alone. A great many of them, I am sure, are made with limited facts. They are made mostly on the basis of hunch, intuition, judgment, and inferences from the facts available. I have no quarrel with this, but I think it is important that all of us try to understand when we are dealing with facts and when we are making our personal assumptions about those facts.

This reminds me, in terms of assumptions, of a manufacturer in Detroit who gave his wife a skunk coat for Christmas. It was supposed to be a nice gift. She came down Christmas morning, opened the package, pulled out a beautiful skunk coat, and turned to her husband, saying, "I don't see how such a beautiful garment could come from such a smelly little beast!" What did he say? What could he say? He said, "I really didn't expect thanks, but I do demand respect."

Another case from business: I was walking past the President's office one day and I overhead him say, "Let's get rid of Schuyler." That's the only fact I had. I could make quite a few assumptions and inferences from that statement. I found out later that in speaking of the agenda of a meeting for the following day he said, "Let's get rid of Schuyler first and then go on to these things." Well, it's important.

If you don't think it is important, let me give you a case from married life--not my own, as the Colonel has pointed out--but from another person's married life. This well-to-do gentleman in Baltimore got up one morning--his wife was still in bed--went to the window and said, "My! What a beautiful morning!" His wife bolted upright in the bed and she said, "Are you trying to start something?" What's the meaning of this? She was making an assumption. She had been planning what she was going to do with that day--shopping, ironing, and performing other tasks. Her husband, on pleasant days, oftentimes wanted to take her on picnics or to spend the day fishing together. So, when he got up and said, "My! What a beautiful day!" it immediately meant to her, making an assumption, "He wants to go on a picnic, and I don't want to go." That was important to them, important enough that they called in a marriage counselor to straighten it out.

All right. Now, specifically, what should human relations training contain--specifically, in addition to the two general ideas of (1) renewing our concepts of principles and practices and (2) teaching realistically what are the limitations and the opportunities for improvement in human relations training? Beyond that, thirdly and specifically, I think training in this field has no significance whatever unless it is an emotional involvement. It is not good enough just to have an intellectual exercise. It is not really good enough just to take a case and say to yourself, "Well, I wouldn't have done this." "I would fire him." "How did he get in here, anyway?" All of us can sit back and look at other people's mistakes and say what we would have done, and a great many of us are able to read books and talk very glibly about human relations. But it doesn't have any effect on your behavior or my behavior unless some gut-level learning takes place, and this doesn't come through nice conversations, discussions, pleasantries, and lectures; but it comes from emotional involvement in the situation. We've got to have that if there is going to be a change.

How do you get it? Partly through a kind of mixture of techniques you are using in this course, and partly, through giving opportunity for the practice of skills, such as coaching skills, counselling skills, listening skills, criticism skills--when one man gets up and takes the part of a character and another man gets up and takes the part of another character, and when they criticize their own performance and the group sitting there gives them additional criticism.

This is one method, role-playing. There are many other methods, and many that go much deeper than this. They suggest the fact that we can't learn these things sitting around and talking about them or reading about them. We must be emotionally involved to develop new skills. In other words, we must have feeling.

Habits (writing on the blackboard K-A-I-S= H) or behavior, are composed of these elements (knowledge, attitude, intelligence, skill).

Now, there is nothing very scientific about this. It can't be proved that our habits are composed of knowledge, attitude, intelligence, and skill. You can devise your own scheme. But it includes roughly the major elements that affect our habits, and of these major elements you could work for years on knowledge and skill with very little effect on the individual; and intelligence is relatively stable. Thus, if you don't get to his feelings and attitude toward this learning process, nothing much is going to happen. In short, if he is negatively oriented

toward coming to this course, for example, he can stay here three years instead of one and get three years' worth of knowledge and perhaps three years' worth of presumed skill, but very little change over here (habits). That's why I say that you have to have the feeling element, emotional involvement, built into training in human relations for results.

If that is true, feeling involvement, and skill practice, lead to some improvement in self-awareness for each individual of his own actions and the effect of his actions on others. You see I am making this personal. I am saying you shouldn't go through a course like this without coming out with some better appreciation of the kind of person you are so that you can better establish what you should do on the job to get better results, because you know yourself better.

When I say this, I am not talking about a deep probing analysis of your inner personality. Most of us can't stand that. I am talking about looking at one's self and giving one's self some tests. One of the most general tests was suggested by Dr. Galston, a psychiatrist, when he said this: "Operations-wise, the executive who, upon examination (self-examination) over a period of time, finds himself harassed in his operations and irritated, troubled, and distressed by his associates should suspect himself."

You might say that is self-evident. If he is harassed six months out of the year, or nine months, or most of the time, if people around him give him trouble, you say, "He ought to look at himself." We all say this in terms of somebody else doing it. But we ought to say it in terms of ourselves. Have we had this experience? How much of the time are we irritated and distressed by our associates or subordinates? It is a good general test. You might want to apply it to yourself sometime. I might want to apply it to myself. I have.

That's another kind of simple test one can use. In a more specific way I have found the following test to be helpful at times. I take any kind of situation which either turned out poorly in terms of the results I wanted or turned out well, and ask some general questions about it--and try to answer them as objectively as possible. We all know it is very difficult to be objective about ourselves. But in some situations that didn't turn out well we can ask these questions: No. 1: What happened? Most of us rationalize what happened. But try as objectively as one can to state, preferably on paper, what happened. No. 2: What did I do? This is different from: What did I think I was doing?

or What was I trying to get done? No. 3: How was it interpreted? This may well be distinctly different from what I thought I was saying. Then finally you say to yourself: No. 4: In a similar situation, what could I have done, not done, or have done differently, which might have obtained a better result? If a person is serious about himself, this kind of self-analysis helps, because you can recreate a situation much more objectively than you ordinarily would when you stumble through it and say, "Those guys don't understand. I don't like it. They are dumb. What the hell."

All this, gentlemen, should culminate, in adaptive follow-up action by the organization and by the individual. A person has to adapt what he learns to his own situation. You can learn general rules here, refresh yourself on general rules, but they don't mean anything unless they are adapted. This is one of the real problems. People learn something about how to listen. They they try it and find out that it doesn't work. Why? They listen to somebody who talks all the time anyway. Then they say, "That's no good. I spent all day listening to him." You obviously know that before you listen to the person who talks all the time.

It reminds me of a firm in New York that provides rules on how to write a novel. They said, if you combine the four elements of religion, royalty, sex, and mystery in appropriate quantities, you'd be bound to have a successful novel--just as I could give you the rules on how to listen if you wanted them. Somebody sent in the following complete novel--and I suggest to you that he was not adapting the rules, because this is the novel he wrote: "My Lord, the princess cried, 'I'm pregnant and I don't know who done it.'"

So the individual has to adapt the rules to his own situation, and then the organization, finally, must follow up. Now, in our own seminars in this field, at the end of the course, each individual works out for himself, not under pressure or compulsion, a few things on which he intends to make improvement, a few situations he attempts to work on, dealing with other people. He sets himself a deadline on which he is going to look at himself and look at this relationship and see what has happened, and then, later on, if he is inclined to, he writes to me or tells me about the experience. This is not a means of formal check-up. We don't get letters from everybody in the seminars, obviously, but we get enough feedback from the managers to issue newsletters from time to time describing these experiences, without

identifying the persons. These newsletters go to all the members of the organization, serving as an additional stimulus to thinking and action in this field.

The important point is that there is some setting of goals, modest goals--remember that--not big ones, modest goals, and there is some deadline for reporting, and there is some feedback. This does a great deal to make people accomplish what they intend to accomplish, and it also does a great deal to stimulate the whole organization to continue thinking about this subject.

Gentlemen, we are going to take a break. I have gone five minutes overtime, with your permission, and we will be ready for questions in a moment. I would just like to say that there are many aspects I haven't touched upon, and I haven't touched upon them because I don't know anything about them!

COLONEL REID: Dr. Hoslett is ready for your questions.

QUESTION: Doctor, the Navy follows the custom--and I believe one of the other services does the same thing--of not showing the semi-annual fitness reports, or efficiency reports, on an individual to that individual at the time they are prepared. Would you care to say a few words on the pros and cons of that?

DR. HOSLETT: They are not shown at the time they are prepared or later, I take it.

STUDENT: They can be seen later at the bureau.

DR. HOSLETT: They can be seen later by the individual?

STUDENT: Yes, sir.

DR. HOSLETT: How much later? Just to clarify that.

STUDENT: At the Bureau of Naval Personnel you can see them perhaps when you are in Washington sometime, years later.

DR. HOSLETT: Years later? But not as a part of regular procedure?

STUDENT: No.

DR. HOSLETT: If you happen to be going through the files you can get them out, or something. It's a very important question. General Mundy commented on the same type of question a moment ago, whether or not the fitness report or the performance review should be shown to the subordinate. Obviously there is no answer, because there is no one right way to do these things, and a great many organizations are experimenting with different ways. I'll tell you briefly what we are doing as something of an experiment. I would say as a generalization that when you don't show them at all--they are made by the superiors on the subordinates and they are put away and used for their various purposes later on without the subordinates' seeing them--you have to be awfully sure that the persons who are making them are as objective as possible, and this is sometimes assured by having more persons in on the act of making a review than just the immediate superior or the immediate superior and the next higher superior. In our own company we use the two higher superiors of the individual involved, plus a third, who is a neutral coordinator. In some other companies they go as far as having five. I don't know what you do, but it would be very important, if it is not seen by the subordinate and is going to be used later on and affect his career, in terms of promotion, change, rotation, and schooling, that great care be taken to see that it is as objective as possible. I have to say "as objective as possible" because none of these reports is completely objective. It can't be, since these are human beings grading or reviewing other human beings. So that's one way.

If you are going to show it to the subordinate, I prefer a method other than the one of simply having the superior make out a report and call in the subordinate and say, "Here's what I said about you." That's one of the old-fashioned performance reviews to which I referred earlier, in which the superior sometimes doesn't sleep the night before and the subordinate doesn't sleep the night after. We prefer the kind of system in which the subordinate makes an analysis of his own performance before he talks to his superior about it. At the same time he is making a report, answering certain questions on his own performance, his boss, the next higher boss, and his coordinator are making a similar report; that is, answering the same questions, though the superiors have a few more questions than the subordinate has, but they are basically the same questions, as part of the performance review. Then the subordinate comes in at an appointed time and talks to his superior about his performance. There is only the immediate superior and the immediate subordinate involved in this, because you don't want to have five officials ganged up against one

subordinate. This is not really a counselling or a coaching session, when you have that sort of situation. The first step is for the subordinate to say in answering these questions, "Here are the areas in which I think I have done well last year, with some evidence to prove it. Here are the areas in which I think I could make improvement." And thirdly he suggests the concrete things he thinks he can do during the next year to make improvement. I emphase "concrete" and "specific" because very often these are very minor.

Then, what does the superior do? Well, to the extent that he agrees with the subordinate's review, he so states. To the extent that he disagrees, he so states. To the extent he has some other constructive criticism to add, he so states. They then together write out a final report which reflects their joint views on what the program for improvement will be for the next year.

This, you see, makes it more of a mutual working together of the superior and subordinate at each level, for what purpose? No. 1, to get a rating on performance. No. 2, to get some indication of potential. But, very importantly, to get down in writing an agreed-upon program for improvement. And in this program there are places to indicate the dates for follow-up, and who is going to do what and when; and at the next annual review they take a look at how much was accomplished on this program.

QUESTION: Dr. Hoslett, some of our top executives in industry have stated that they feel that the educational institutions in physical sciences should include more in their curricula of the liberal arts, particularly literature, fine arts, and even music appreciation. On the other hand, some of our educators in these institutions feel that the physical sciences should be stressed even more for the younger students and that the liberal arts should come after maturity. What are your views on that?

DR. HOSLETT: These are really controversial questions, which I am not competent, I think, to answer adequately. But, in spite of that fact, I'll make a comment. My reaction is that, from a business point of view, in general there should be considerable education in the liberal arts when a person is relatively young. It's all right to say you are going to study the liberal arts when you attain middle age, but, when you reach middle age, if you haven't had liberal arts when you were young, you are not likely to be interested. Again, going back to the point we made earlier, our formative period is over. My

friend Nelson, here, reads a lot of history, but I am sure he started reading history when he was much younger than he is now. If he hadn't, I doubt that you could get him to read history.

That's why I think that, whatever other problems are involved in getting enough technical and scientific education into the curriculum, if you don't get liberal arts in at a formative period of interest, you are not likely to arouse interest in it later on.

Beyond that, I do think it is important. It is important in business, especially for general effectiveness at the higher levels. I can't prove this, but I believe it.

QUESTION: A recent speaker from this platform advocated as one possible means of improving communication to the higher-level executive structure the strategic placing of certain information-gathering individuals at the lower echelons. Would you comment on the effectiveness and the desirability of this technique?

DR. HOSLETT: I can't comment, obviously, from a military point of view or a governmental-wide point of view. I think it is probably true that a great many executives in the higher levels have certain people in the lower levels of the organization who pass on information to them. They have their own private grapevine.

One of the dangers is, of course, that, since there are limited numbers in this group which report to some higher executive, they are not picking up all the information, or all sides of the story, and therefore you get a certain kind of distorted communication coming up to the top.

I think the higher executive has to use those sources with discretion, if he uses them at all. This is one of the real problems, to use them with discretion. When he gets a piece of information through that source, he should check it out, without identifying the individual, against his other sources of information through the regular line or staff channels, and come to a conclusion.

What I think is a preferable system to using a private grapevine, but very difficult to achieve, is to have the relationships between superior and subordinate from the top down such that the important information does get up. This is a hard job. This is what I was talking

about earlier. If you've got your line and staff organizations set up in a decent pattern and you've got the relationships such that people can feel free to push information, good and bad, up, well then you are sitting pretty as a manager. This is hard to achieve, but I think it is a much better goal than the goal of trying to set up a pattern of reporters, because after a while those reporters get known to other people in the organization, and it affects their usefulness to the higher manager.

QUESTION: There has been a school of thought that has been quite critical of teaching human relations in colleges and universities. Malcolm McNair has been one of the proponents of this thinking. Do you feel that this is a concern over the overemphasis of techniques and procedures, or do you feel that, perhaps in terms of the emotional involvement that you brought into your lecture, fellows going to colleges, particularly at lower ages, cannot bring that experience to the school and hence profit from this type of training?

DR. HOSLETT: Malcolm McNair, as you know, wrote an article in the "Harvard Business Review" perhaps a year ago attacking the teaching of human relations. There is nothing wrong with attacking human relations, because we attack everything else in management from time to time, and it serves a good purpose. But I think Malcolm McNair and some of his associates had a different kind of human relations in mind from the kind of human relations training I talked about this morning. I think they are of the impression that human relations means, generally speaking, teaching people to be nice to each other, and only emphasizing skills, such as listening. I think my definition, as I gave it earlier, is more sophisticated than that and more hard-headed. I also happen to think the training in skills is very important, if it is accompanied by emotional involvement. You've got to practice some skills if you are going to do something differently. Somehow you've got to take time to do it.

This is a different question from, When do I use that skill? You use it when it is appropriate. You've got to use judgment as to when you use a skill. But you are never going to develop that skill unless you have a chance to practice.

The other point related to it is: When can you learn these skills? Some of them you can learn in your formative period at high school and college, and you can carry over a great deal of that. It is probably more difficult to teach human relations skills when people get to

our ages. But, on the other hand, you have a factor you mentioned, that it is very difficult to teach young people much about how to live effectively in an organization, because they have never lived in an organization, except the family.

This is why I used to find it quite disheartening at times to teach undergraduates, and even graduate students and why I find it so exciting and stimulating to teach mature men in organizations, especially in my own field of business, because they bring a background of experience--of opinions, feelings, and prejudices developed from this experience.

It is something of a dilemma. If you've got all this background built in, it's hard to change, and yet if you didn't have it you'd be in a vacuum of inexperience. So the only possible point of attack in a practical manner is to say, "Here we are, as we are. What can we learn to improve ourselves at this point?"

COLONEL REID: Dr. Hoslett, speaking for the group here in the auditorium today, you have certainly brought us some down-to-earth facts and factors relative to enlightened human relations. We thank you very much.

DR. HOSLETT: Thank you.

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