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COMMUNICATIONS IN HUMAN RELATIONS

Mr. William Oncken, Jr.

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Reviewed by: Colonel Tom W. Sills, USA

Date: 21 October 1960

INDUSTRIAL COLLEGE OF THE ARMED FORCES
WASHINGTON, D. C.

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27 September 1960

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COL. COLMER: General Mundy, Gentlemen: The mere statement that this speaker is presenting his seventh lecture at the Industrial College should suffice as an introduction. But I don't get up here very often and I'm not going to let you off that easy.

In our study of human relations we have covered many reasons why people act like people and not like monkeys. We know that it is necessary to have conditions which motivate them to work harmoniously towards common goals. But how do we bring about satisfactory relations in our society, particularly in industry, and more specifically in one company in industry? Obviously, understanding one another is a prerequisite for working together.

Communications in human relations, our lecture for today, is perhaps the key factor or condition in developing any successful industrial relations program. The speaker, Mr. William Oncken, Jr., has had a broad academic background, plus extensive experience, in the field of management consultant. At present he is a principal member of the management consultant firm of Richardson, Bellows, Henry and Company. He is widely recognized and frequently sought as a luncheon and banquet speaker, educational adviser, and member of employee relations boards of national associations. His lectures have been so successful at this college that we anxiously await his annual presentation.

Mr. Oncken, it is a pleasure to introduce you to the Class of 1961.

MR. ONCKEN: Thank you, Colonel Colmer; and good morning.

I saw a cartoon in one of the New York evening papers about a year ago which showed a boss sitting in his wall-to-wall carpeted office, with original oil paintings on the wall, and mahogany desk, and a squawk box apparently wired into the old man's panic button, so it showed he was a wheel. And he'd just called in one of his long-faithful employees, Charlie, who looked like he was within about three or four years of retirement, and he leaned back and he was saying: "Charlie, we've been observing your performance now for the past twenty-five years, and we've come to the conclusion that you're not quite what we're looking for." Whatever else may have transpired between Charlie and the boss, there was no communication. There may have been talking in one direction, talking in the other, they may be conferring, but there was no communication.

So my definition of communication this morning will be this: Communication is the chain of understanding that integrates an organization from top to bottom and from bottom to top. It is the chain of understanding that integrates an organization from top to bottom and from bottom to top. It is, therefore, not to be confused with paper transmissions down, paper transmissions up, or order-giving down or "Aye aye, Sir's" up. These things are only effective if there has already been established a chain of understanding, for if this chain does not already exist, then order-giving is likely to come a cropper, as well as are reports in the form of "Aye aye, Sir's" going up the line. So we're going to talk about this chain of understanding that makes these other things that have the appearance

of communication work.

We use the phrase "chain of understanding" advisedly because it makes us all think of another kind of chain that we are all familiar with. This other chain is the chain of command. We all know from experience that, given a little thought, a chain of command is very easy to devise and very easy to maintain. From my own experience I know that all you really need to do is to use a little management know-how, get yourself a great, big, brown piece of paper, put it on something flat like a table, get yourself a T-square, a pair of dividers, and a sharp HH pencil, and you start drawing boxes. But when you've got this thing filled with boxes, you should stand back and view your product with perspective to make sure that you have wound up with more boxes at the bottom than you started out with at the top. If you come out any other way, it shows you've got no talent for management work.

You then write in position titles, functional statements; and if you are part of a Civil Service type military organization, this must also be followed by job descriptions covering what goes on in each box. These don't fit on the chart; so you file them. But that's no loss, because you'll never refer to them again anyway.

Having done this, you then frame the product, after having pasted in the pictures of the incumbents, especially those toward the top, the wheels. And then you get this thing posted in some prominent position in the headquarters building of the installation; and the purpose of doing that is to serve notice on all passersby as to who is entitled to needle whom

about what. That's all it's for. In my experience, the higher you go, the sharper this needle becomes; and the lower you go, the closer you get to the 40-hour week. And this exhausts my knowledge of the chain of command. That's all there is to it.

However, to make this thing work as the words on it say it's supposed to work, a chain of understanding must be provided, for without it, it won't work. As a matter of fact, we frequently run into this phrase in managerial affairs, "It won't work." Or "We tried it once and it fell flat on its face." Now, this "it" may be a form of organization, it may be a system of procedure, or what-not. And I am sure you recognize from experience that "it" never works, that "it" always falls flat on its face.

The fact of the matter is that these things neither work or don't work, they neither fall flat on their face or don't fall flat on their face, it's the people that don't work it, or ^{it's} the people that fell flat on their faces trying. Never the system. And perhaps this is the reason why so much effort is made in changing systems and procedures and revising organization patterns--because of the belief in the fiction that "it" will somehow or other work.

People can make a poor form of organization work; and the best form of organization in the world, left to itself, will fall flat on its face. The chain of understanding is the key to what works and doesn't work.

Well, now, having said this, we want to take another step, and that is that if there is to be a chain of understanding integrating the organization

and thereby linking these various boxes, it's necessary that each incumbent in each box be speaking the same language. You may say that this is a rather academic observation, because in this country everyone speaks the same language. However, I'm sure that in your experience you have run into circumstances where perhaps an individual may have said to you that he's been in his present job now for two or three years, he respects his boss' competence and all of that--as a matter ^{of} fact, they're both in the same line of work--however, he'll say to you: "In the last two years I've come to the conclusion that my boss and I do not speak the same language; and I doubt whether we ever will." What he means is, he wants out.

Or perhaps you've run into some boss who ran into somebody who had a Form 57 an inch and a half ^{thick,} meaning he was the best-qualified man on the register, paper-wise. And after two years he'll admit that he's well qualified. But he doesn't speak the same language, and probably never will. What he wants to do is to try to find out how he can fire this guy.

Now, he doesn't want to fire him based upon competence, because he can't get him on that, you see. He knows his stuff. And he might not even be able to fire him on objective considerations of performance either. He may be doing what it says. But still they don't talk the same language, this is crucial in their working relationship, and therefore he wants to get rid of him. Try to make that one stick with the Civil Service Commission and see where you get. But this is one of the problems.

I'm not making fun of the Civil Service Commission because I'm an outsider looking in and making fun. I was once a Civil Service personnel officer. This, of course, may color everything I say hereafter in an unfavorable light. But this chain of understanding depends on people speaking the same language.

To really put it down, I could find myself in France, perhaps, through some reason that I can't now anticipate. I once studied physics. I'm not qualified any longer as a physicist, but I think I could teach it. I could go down to some employer and hire myself out as a junior physicist, working for a Frenchman who's also a physicist.

Well, you know perfectly well that even though we have the same background, and I may be fully qualified in physics from my standpoint, when he starts talking to me, he will talk to me in French, because he has no choice, because he knows no English. And I will be listening to him in English, for I have no choice either. I don't happen to know any French. Now, when he's talking to me in French and I'm listening to him in English, we have ourselves a problem, which in the Navy we used to call "snafu." The textbook writers call it "administrative deadlock." My phrase for it is "Our wheels are spinning." In terms of our joint relationship which is provided for on the organization chart by a vertical line connecting the two of us, that line is not functioning--the one that connects us. ^{And yet} it is there for a purpose and that purpose is being vitiated.

There are two ways in which the company could solve that problem. One is to separate the two of us, put me on the ground floor in the north

wing and put him on the top floor in the south wing, and have no dotted or solid lines connecting us. This would make us individual contributors, and we would now be making money for the company independently. We don't have to talk to each other. But, on the other hand, if it turns out we have to talk to each other, I've got to report to him, then the only solution then is to see to it that one of us learns the other fellow's language. And, rank having its prerogatives the way it has, you know which of the two of us is going to wind up going to night school.

Well, now, you may say: "Well, Bill, what are these languages that run around in every organization? You claim that there are different ones, which, when they get caught ^{cross}wise, defeat the organized purpose that the people have in mind, and which, when in parallel or translated, tend to enable an organization to do something that adds up to far more than the separate individual efforts of the members."

Well, now, I hope that you've got this thing sitting down in front of you/ (referring to printed sheet). Just lay it right on your lap, so we're both looking at the same thing.

This thing is divided up into quadrants. It has no title, on purpose, because, if it did have, every one of us would slot it in some particular part of our concept of the subject matter of management; and this is what I don't want. Our talk will be the context of what we have here. But if we take the second quadrant--trigonometrically speaking the second quadrant, which is the upper left-hand corner--we'll start there.

These words "planning, organizing, directing, coordinating, and controlling" are one of the languages that runs around in every organization,

FUNCTIONS OF MANAGEMENT

PLANNING — WHAT ARE WE AIMING FOR
— AND WHY ?

ORGANIZING — WHO'S INVOLVED
— AND HOW ?

DIRECTING — WHO DOES WHAT
— AND WHEN ?

COORDINATING — WHO INFORMS WHOM
— AND ABOUT WHAT ?

CONTROLLING — WHO JUDGES
RESULTS — AND BY WHAT STANDARDS ?

ELEMENTS OF MOTIVATION

OPPORTUNITY — APPEALS TO ONE'S
NEED FOR SELF-REALIZATION

RECOGNITION — APPEALS TO ONE'S
NEED FOR SELF-ESTEEM

BELONGING — APPEALS TO ONE'S
NEED FOR SELF-IDENTIFICATION

SECURITY — APPEALS TO ONE'S
NEED FOR SELF-PROTECTION

PRINCIPLES OF ORGANIZATION

UNITY OF COMMAND — TO PROVIDE
FOR SINGLENESS OF PURPOSE

SPAN OF CONTROL — TO PROVIDE
FOR INTEGRATION OF EFFORT

DELEGATION — TO PROVIDE FOR
TIMELY AND EFFECTIVE ACTION

SPECIALIZATION — TO PROVIDE
FOR COMPETENT PERFORMANCE

KINDS OF AUTHORITY

OF CHARACTER — THIS IS
DEVELOPED, AND EVOKES CONFIDENCE

OF LEADERSHIP — THIS IS
EARNED, AND EVOKES TEAMWORK

OF POSITION — THIS IS
DELEGATED, AND EVOKES COMPLIANCE

OF COMPETENCE — THIS IS
ACQUIRED, AND EVOKES RESPECT

and has to. These are the basic English words of the language of management. It is the language in which every boss speaks to his subordinates. The boss tries to get across to his subordinates the answers to the following questions: "What are we aiming for and why? Who's involved and how? Who does what and when? Who informs whom and about what? Who judges results--and by what standards?"

Now, if I'm working for you and I'm hazy on your answers to a majority of these questions, you and I will never communicate, if I'm hazy. You may look at these and smile and say to yourself: "Well, I've never been in a job where I wasn't reasonably hazy about my boss' ideas and what the answers to these questions are. 'What are we aiming for and why?'--that seems to shift every day. 'Who's involved and how?'--this is any man's game--survival of the fittest. 'Who does what and when?'--it all depends on when the pressure is on. 'Who informs whom and about what?' Play your cards close to yourself. Don't tell anybody anything that you don't think they need to know, because you can't tell what they're going to do with the information once they get it. 'Who judges results and by what standards?' This might be left completely unsaid, because if you say what standards you're going to judge a man's efforts by, then you're going to have to stick with that. On the other hand, if you leave this unsaid, he doesn't know what he's shooting for, and therefore you can always harpoon him with the Monday morning quarterback."

As a matter of fact, it appears that one of the most effective formulas for success in business is to see to it that your foresight is better than

your boss' hindsight is going to be six months from now. This is known as clairvoyance, which most people don't believe in; and yet it must exist or there wouldn't be as many people successful in your line of work and also in business.

Well, this language here is the language of management; and we just state this proposition flatly: that if the people in the organization do not understand well enough, the answers to these questions as they are conceived in the old man's mind, they have not been communicated with. It's that simple.

Now, of course, as we all sit here, naturally you're not thinking of your present boss, because you're not part of an organizational structure right now. But I'll bet you that you're thinking back to some boss that you had, whose inability to get these things across, or unwillingness to get these things across, stands out like a sore thumb. You'd know how you'd run his job.

However, there was a once upon a time when he thought about a boss that he had, who wasn't nearly as bad as he is right now, but he doesn't realize this. As we get up in the chain of command, the importance of seeing to it that the boss' answers to these questions are understood, begins to diminish, because we're much more concerned now with our boss, who's a much more high-powered guy, who carries a lot more weight, and our preoccupation with keeping him satisfied is far greater than our preoccupation with keeping our people's desires to know the answers to these questions fully satisfied.

Well, these functions of management are the language of management, and these are the things that appear in job descriptions. We're a relatively small firm. We've got about thirty-five people. Any outfit that small should have its head examined if they've got job descriptions. So we have them just the same. And we have them because we advise our clients to have job descriptions, you see; and we'd look pretty silly if we didn't practice what we preach. So we have them, and I've got one.

I've got it under the glass top of my desk. It doesn't run as long as the job description I had when I was a civil servant in the Navy. Their descriptions run to about ten or eleven pages, when the Army was only doing it about a page and a half. But this really makes no difference. The content of job descriptions are these words: "The incumbent plans, organizes, directs, coordinates, and controls" whatever function he's responsible for. And then the rest of it is to show that he does this thing on a more responsible level than the President of the United States.

Each job description, when it's all finished and locked up, is a statement of what the man's boss wants out of that man's job. And my job description on my desk is a statement of what my boss wants out of my job. He wants better planning, organizing, direction, coordination, and control of the effort for which I have functional responsibility. That is what he wants. It says so right there. This is what he wants out of my job.

Well, we are very sophisticated now about putting down in writing what your boss wants out of your job. That's your job description. They

have never gotten around to matching this with another piece of paper, and that is, what you want out of this same job that your boss wants something out of. And unless this is perfectly clear to you and him, also we can get no communication. Let me give you an illustration.

There are times when I will call my dear wife and say: "Sweetheart, I'm not going to be home. Don't count on me for dinner tonight. I'll probably be in late, on the 10:10 train." I did that just lately.

So her immediate question was: "Well, where's Bob Moore?"
He's our vice president.

I said, "He's on the West Coast."

She says, "How long is he going to be there?"

I said, "About three weeks."

She said: "Is there any chance at all that he will know that you worked late tonight?"

I said, "Not a chance."

She says, "Come home, you fool. That's pretty poor timing."

Well, we laughed.

As a matter of fact, if my dear wife wanted to know why I was working late that night and I gave her my job description, it would not satisfy her. This would only tell her what I was doing that night. I was either planning, or I was organizing our next month's effort, or I was getting ready some directive information for a client, or I was worrying about how we were going to coordinate the various parts of the house, or perhaps I was trying to set up how we were going to judge results when we get them.

But to her this still wouldn't answer the question "Why?"

Well, for that I need another piece of paper over here, on the right-hand side of the glass top of my desk, which says what I want out of this job. That we've got under the heading "Elements of Motivation." And I think that all of us want out of his job four things. One is an opportunity to be doing things that are significant and important by one's own personal standards. That's what I want-- by my own personal standards. The company standards are also important--that comes later--but by my own personal standards I want to do things that are significant and important.

A That is why the great quest, of course, always is, on the part of the commanding officer or president of a company, to try to get at least one or two or three people in his outfit who he knows are high-standard people in certain areas of their performance and behavior and conduct, if he's a man who has high standards, because it's much easier, if you can find such people, who are ready made with high standards, to get them on board and have them work for you, than to walk in someplace and you don't know what the standards of the people are. You don't know who the low-standard people are and who the high-standard people are. And you won't know for some time. And then it's even more difficult, once you find out who the low-standard people are, to try to jack up their standards, so that higher standards will become their own higher standards. But, regardless of all of that, every one of us wants an opportunity to do significant and important work by our own personal standards, whatever level they may be. And from experience I think perhaps you will agree with

me that, on the whole, most people, at least at lower levels in the organization, do not have the opportunity to live up to the higher standards they already have. This is a problem of management--to draw this out.

Secondly, you and I want recognition; not a file folder full of commendations. We don't want our boss to walk in every morning and pat us on the back and tell us we're doing a good job, especially if we happen to know that he's just finished taking a human relations course. We certainly don't think he should be doing his home work on our time. But to recognize our individual dignity as human beings.

And just briefly to say what we mean by that, or at least what I think we mean by that: The day I was born there was conferred upon me the dignity of being created in God's image. Just as when a son is born to a royal family, there is immediately conferred upon him the dignity of being a prince. Now, he did nothing to merit this. He didn't earn it. He didn't work for it. It is not a reward for anything at all. He just is one, just as I, created in God's image, have this dignity, which I did not earn^{or} merit. Merit had nothing to do with it. And I'm stuck with it too. My responsibility, therefore, is to live up to what I am, rather than to try to become something that I am not. And this is also your responsibility. And in the analogy of the prince, his responsibility is to live up to what he is, rather than to try to become something he is not. He's a prince.

Now, the ^{worst} thing you can say about would be that later on he might become a boulder, commit crimes, murder, mayhem, what-not, and wind up in Alcatraz. And yet the worst you can say is, There's a prince

in Alcatraz. Nothing happened to his status. All that happened was that the environment that he was in changed because of some of the things that he did.

And so it is with us, and I would like you to recognize my dignity in all of your dealings with me. And don't be confused about how I behave. After all, the dignity that I have was conferred upon me. And the Almighty gave me this dignity before there was a file on this. He didn't ask whether this was right. There was no 201 file. He just took a chance.

I recall that a salesman for the Alexander Hamilton Institute told me a story about he wanted to sell a correspondence course to the whole plant. So he tried to see the president. He couldn't see him. And that's pretty tough, when it's top bill and he can't see the president of the company. So, being an ingenious fellow, he found out that this president used to go down to the YMCA. So he was down at the YMCA just about the right time. He inquired, "Where is this president?" "He's down in the shower room."

So he goes down to the locker room and strips himself naked and goes in the shower room, looking for the president. Well, there were fifteen fellows down there and he couldn't tell which one was the president, of course, naturally, because God does not confer his dignity with distinction among people in their birthday suits. So he looks at the fellow that he thought looked like he must be the president. So he sidled up to him and really treated him like a human being. He picked up his soap, you know, and helped him find where he put the towels, and really was, I mean, treated

him like a human being.

Well, after it was all over and he went to the locker room and got dressed, he lost his president. Well, so ^{he} high-tailed it around over the plant. And when he got to the plant, he was astounded and dismayed to find that the man whom he had treated like a human being was the doorman. What an awakening! Never treat a man like a human being unless there's something in it for you. You realize that, don't you?

That's what we mean by recognition of the dignity of the individual, which does not know distinctions in ranks, status, prestige, economic status, social status, or anything else. It is completely devoid of those distinctions. That does not mean that those distinctions do not exist and do not have their proper place. So let's not get mixed up about this.

Belonging. I want to belong to any outfit that I think is going places and taking its people along with it. And so do you. Nobody wants to belong to a losing team, certainly. And if you happen to be a winning man on a losing team, that's worse yet. If you're a losing man on a losing team, that's bad enough. Nobody wants this. Everyone has pride of belonging. As a matter of fact, the football player who carries the ball over the goal line takes a certain amount of personal pride in the fact that he did it; but he's even more concerned with the team that he did it with and for. This is what we mean by belonging.

And then finally, security. Everyone wants to be able to plan ahead with confidence. On the economic side, you want to plan ahead with confidence, and so do I, in our personal financial affairs. Right now I happen to be buying on time payments a TV set, a dining room set, an automobile,

and a lot of other things I don't even know about. That's a wonderful feeling to go to bed at night with the full assurance that all of these things inevitably and inexorably will be mine. Serene, sweet, untroubled sleep. There are few things of which I am more certain than these. I can meet that next payment. It's not the size of the pay check that spells economic security. It is the inexorable regularity with which what pittance your boss does pay you comes in, so you can meet that next payment. The only time I feel economically insecure is when that payment changes. I've been fortunate enough over the last several years for this thing to go up; but that still fills me with economic insecurity, because my wife and I usually burn the midnight oil for about four or five days, each time I've had a raise, to figure out how I'm going to spend the overage. This is not what we call the ability to plan ahead with confidence. So once we get this thing revised upward to my new salary, then peace sets in. I'm able just to meet that next payment and I can go to sleep.

Now, of course, it may be revised downward. That doesn't make any difference. We would just burn the midnight oil and spend less, and then we would go to sleep. This is economic security.

Emotional security is the other kind. That's the ability to plan ahead with confidence in your personal relationships with the people you work for and with and through, as well as the outfit that you work for. For example, if I happen to be working for you, and on important policy matters you blow hot on Monday, cold on Tuesday, lukewarm on Wednesday, sideways on Thursday, and then on Friday you raise the dickens with me because

I'm not following the policy, obviously I will be unable to plan ahead with any degree of confidence in my dealings with you.

Now, the psychologist would say that you were causing me to become emotionally insecure. But, not being a trained psychologist, my word for it would be, "I can't case you." And make no mistake about it, if I can't case you, I won't work for you. Now, don't get me wrong. I'll stay on your payroll just as long as you like, but I won't work for you.

Which now brings us the full circle, in fact, to the reason why I was willing to spend an extra three hours, at night, at the office, in spite of the fact that the boss would never know about it, because of this.

In the lower left-hand corner you've got what I want out of my job. In the upper left-hand corner you've got what my boss wants out of my job. Now, as long as I am convinced that I can get more of what I want out of my job by giving my boss more of what he wants out of my job, he's going to get more of what he wants out of my job. If it doesn't work that way, my head should be examined.

On the other hand, if I ever get convinced that by giving my boss more of what he wants out of my job, I don't stand a Chinaman's chance of getting more of what I want out of my job, I'll kiss my secretary Good night at five p.m. sharp, and whisper into her ear, and to hell with the management. And if I don't do that, my head should be examined.

It's very interesting sometimes when chief executives, whether they be commanding officers or company general managers or presidents, stand by their window looking out at the employees flocking out, and they see a

bunch of clock jumpers, and they say: "Ah, times have changed. Why, when I was a young fellow, I was glad to have a job. I used to really take care of that thing. But now look at them. They can't wait till they get out of here."

Well, I submit that in some cases where this thing is going on, and when the observation is that way, I would not say to the gentleman who is making these remarks this, but I would think: "I wonder whose head ought to be examined--those people down there that are jumping the clock or the old man up here making that observation." Obviously they are convinced that by giving the management more of what it wants out of their jobs they don't stand a Chinaman's chance of getting any more out of their jobs of what they want. This wouldn't be true of all of us, but it would tend to be that way.

And yet you can go through that very same plant and find people lingering, staying. Of course, when they get out of the union ranks, it's almost required that one do that. It used to be in the olden days, before World War II, that the bosses ^{were} out playing golf and the workers were working their heads off. Now it's the other way around. The workers are out playing golf and the bosses are working their heads off.

Well, now, these are the two languages. My boss and I, in this particular context I'm talking about, we understand each other. When he came back from the trip, I went in and informed him on what we were up to, what I did, and we understood each other. But we understood each other because he understood my language and I think he understands what

I want out of my job and I think I understand what he wants out of my job. We've got a "nat." We just can't lose for win it. But when there's confusion about this, you can't win for lose.

Well, now, you may say to me: "Well, Bill, let's take an illustration from communications, because that's what we're talking about."

Well, before we do that--we've got lots of time; fifteen minutes is a long time--I'm simply saying that there has to be, in order that this language really gets across--and I'd like to now move down to the lower right-hand corner--it's a question of the believability of the person who does the talking, whether it's subordinates talking to superiors, or superiors talking to subordinates. We've got kinds of authority.

This is not a textbook way of looking at it, but it'll serve our purpose this morning.

I suppose that, whether it's in business, in the government, or in the military service, there's hardly a single organizational complaint that is voiced more than this one: "I've got much more responsibility than I've got authority." This is the old hat, the old saw, the old excuse for not being able to produce for the manager. "You give me all this responsibility, but you don't give me that much authority. I just can't operate."

Well, there are four kinds of authority, and so I'm going to have to define authority for our purposes this morning. Authority is whatever it is a man has with which he can affect the behavior of someone else.

9) A policeman has got a badge, and that very badge can influence my behavior right off quick. This kind of authority is the authority of position. That's

the third one on the list. It's delegated, and it evokes compliance. Everybody's got it, some of that authority.

But at the bottom we've got another kind. I will go down to the drug store with a prescription that's for nothing but aspirin, but I don't know it, because it's in Latin, and get three of these tablets and pay ten dollars for them and take them. Why? Because I have confidence in or I have respect for the competence of the doctor. He's not my boss. He hasn't a thing on me. But I'll do it. I respect his competence. If he says so, I do it. He doesn't need the authority of position, which is delegated. He's doing quite all right with the authority of competence.

Then there's another kind--the authority of leadership. This is earned, takes time, and evokes teamwork.

Now, the authority of leadership is actually conferred from below upon up, as you all know. That man is a leader/whom the people confer leadership right through. They will follow him. So that's another kind of authority. And there are people who can move mountains with just that one single type of authority.

And then, finally, there is the authority of character. This is developed over the years. It starts when you're a kid, and goes right on along. And this evokes confidence. And there are some people that you know this man does not know what he is talking about--number one. Number two, he has no authority of office, so far as I'm concerned. Number three, I don't know whether this fellow is really worth being my leader or not. But this one thing I know: He's a man of integrity. I'll stop there. That's the authority of character.

Now, when people say they haven't got enough authority commensurate with the responsibility, they are picking on just one of these four kinds of authority, and that's the authority of position. So what I like to say in rebuttal is that you are only talking about 25 percent of what you're supposed to have. That 25 percent is controlled by your superiors. What about the other 75 percent that is strictly up to you?

And it may very well be that management tends not to give full delegated authority in order to test the individual and see how much he can compensate in these other three departments for what purposely they don't quite give him enough of in that which is just handed out. It might possibly be purposeful in the interest of developing leadership. It could be.

But when one talks to a man, one has got to develop as much of these four kinds of authority as he possibly can if he's going to be believable and influence behavior. You know that it's a matter of personal discipline.

And then, finally, on the organizational side, the organization itself has got to be so constructed that certain things are provided for. You know these organizational principles. They are old hat. Unity of command provides for singleness of purpose. That doesn't mean you're going to have it. But as long as it's provided for, then a man that is capable of singleness of purpose can give effect to his singleness of purpose.

The span of control is to provide for integration of effort. In this case that we were discussing this morning--Captain Shattock--I looked for evidences of integration. If I had looked at an organization chart, I'm

sure that integration would have been provided for. But the man wasn't getting it. But at least it should be provided for. Then get the kind of man that can get what's being provided for.

Delegation is to provide for timely and effective action. But it takes men to get what's provided for.

And then, finally, specialization is there to provide for competent performance. And this again is true: The fact that it's provided for doesn't insure that it will happen. But it has to be gotten. And people who have in large measure the kinds of authority in the lower right-hand corner are the kind of people that can draw out of the organization the things that have been provided for.

Now, for our nuts and bolts application.

Communications is said to happen three ways--down, and up, and across. And according to the thumbnail sketch that you have in your preview of this, we're supposed to talk about these and what the obstacles are to them; then how these obstacles can be overcome.

Let's talk for a moment about downward communication. We are not talking now about orders and directives. This merely gives information, but it does not promote understanding. So the question now is, Why communicate downward at all?

Every boss has two supreme responsibilities when you get down to it. One is to understand, and the other one is to be understood.

I happen to be working with the general manager of one of our client firms--an awful nice fellow. I've been working for him for years. We're

almost drinking pals right now. But you don't want to carry that one too far or your points don't get made. So I said to him: "Bob, those are your two responsibilities. For the first, to understand, you get a gold star, but for the second, to be understood, you go to the foot of the class."

Why communicate down?

Well, of course he says: "Bill, I do communicate down. See all these directives I've got?"

I says: "I never thought about that. They're not promoting understanding. They're only promoting knowledge and that's not communication."

He says: "Well, what should I talk to the people about?"

Well, this is a big question. What do you talk to people about and why? Well, we communicate down for a number of reasons. Primarily to satisfy the needs of what the people want out of their jobs.

If you look at all this in the lower left-hand corner, take the bottom one "emotional security." One of the purposes of the communicating downward is to prepare the ground for change--prepare the ground for change.

Now, it's said that people resist change. I don't believe it. But I do believe this: that if the ground hasn't been prepared, they've got nothing to walk out on in terms of planning ahead with confidence in their relationships. You change relationships that people have been able to plan ahead on suddenly, overnight, without warning, and what have they got to grab hold of? Nothing. An organization has got to be gotten used to, just like a bicycle has got to be gotten used to.

I raised my boy on a bicycle. I bought him a bicycle--this was my

13-year-old boy--when he was little. It had training wheels in the back. He finally got pretty good at a four-wheeled bicycle. He was able to plan ahead with confidence. His reflexes worked fine. He says: "Daddy, I want you to take off the two rear wheels." I says, "All right." I took them off. I says: "All right. Now I'm going to have to run along with you for a while." This was communication downward to prepare for change.

But no; he was a man. He wasn't going to do this. So what does he do? He gets on this two-wheel thing and he goes down the street, and before he's through, he's been into a lamppost, he's been into a car, and he's all covered with bruises. But he's a man. Well, now, he's got this thing cased and he knows how to operate a bicycle; but the transition was tremendous.

But it's very tempting, is it not, to say: "Well, we're going to hold up--me and my executive officer and maybe a few other cultured souls-- and we're going to redraft the whole damn organization chart, and on Monday at 0900 people will unlock the sealed envelopes and they're going to find out where they are. And then when it don't work, you say, "Gee whiz. People are just no damn good. They ought to be able to see that it's obviously better. Why, naturally, it makes more sense. Look at all of the complaints we've had. This takes care of them. What's the matter with people?"

The only trouble is, they went from a four-wheeler to a two-wheeler. They're not opposed to a two-wheel bicycle. Not at all. They just want to get a chance to figure out how this thing goes. That's all. And in the

meantime you're very protected. Just make sure ^{that} / you don't get your fingers someplace where they're going to get nipped off. So we communicate down to prepare for change.

Another reason we communicate down is to head off ^{false} rumors. Truth preceding falsehood puts falsehood in a disadvantageous position. And if ^{the} commanding officer, the one who's doing the talking, whether he's the exec ^{or} whoever he is, if he's got the authority of character behind him in what he's saying, he's really got the edge on the rumor mill. He's really got it. If he's only got the authority of competence and hasn't got anything else, he isn't going to get very far, because facts don't speak for themselves. They must be spoken for. And I'm going to repeat this. Facts do not speak for themselves. They must be spoken for. For anyone can take the same set of facts and produce different understandings out of them. You know that as well as I do. That's another reason for communicating down.

And then you may say: "Well, Bill, what do you communicate down?" Well, No. 1, everything they're going to find out anyway from somebody else. The other way of doing it is, take a man and put him in his job and you say: "Well, Bill, you've got the job. Now get lost." Where's he going to get his orders from finally? Where's he going to get his point of view, his understanding from finally? Well, from this. That's all right if you've got an understanding with the rest of the fellows.

But then you may say to me: "Well, yes, Bill, but you can't tell people everything." This is so. You can't tell people everything. But silence is just as loud a communication as speaking is. Have you ever

come to work in the morning and noticed that the old man, who normally said at least a few words in the morning, hasn't said anything all day? What happens at the coffee cracks? "What the hell's on the old man's mind? There's something brewing." The man has already spoken by saying nothing. It's just as bad as if he had said the wrong thing, if this is possible.

So we want to lay down another principle. You've got to tell people anything that they think you're trying to withhold from them; anything they think you're trying to withhold from them.

You come home at night and you really feel down. Normally you're fairly voluble at home, but this time you just had nothing on your mind at all. And so you sat down and ate your dinner and didn't say a word.

So your wife says to you: "Henry, you've got something on your mind."

"No, I haven't, sweetheart."

"Yes, Henry, I know you have, because I've seen you many times and I know you've got something very important on your mind. And if it's that important, I should know about it."

So you say: "I'm just tired. My mind is a blank. I haven't got anything on my mind."

So it goes on until about one o'clock in the morning. So what do you finally do? You've got to cook up something, some fictitious facts, and tell them to her, because she thinks you're withholding something, which you are not, but you are and you've got to tell her.

Well, this may not be ethical, this may not be straight, and I don't

defend the practice. But sometimes we're forced to some rather bizarre activities.

We've got to talk about things that people think we are withholding from them. This is known as maintaining the posture of communication. When the people know that you're not trying to withhold anything, they don't even want to know about it any more. This is known as full disclosure and the open books. Not the open door, but, rather, the open mind.

I just happen to be fortunate right now in working for a man that I've known for twenty years. I know right now that he doesn't withhold anything from me. They had a board of directors' meeting two weeks ago. If he'd been a different kind of a fellow, I'd have been beating on his head to find out what they were cooking up/ ^{upstairs.} Knowing Bob, I don't even want to know. Why should I? He's not trying to hold anything from me. Therefore I don't find out. If he knows, it's good enough for me. That is maintaining a posture of communication.

What about upward communication? Oh, I know there's still another question. I can see it in your minds. "What about the stuff you can't tell them?" The answer to that is very simple. You tell them, as I think Bob, my boss, would do if it turned out that we didn't have good communication. What he ought to do is to say: "Well, Bill, we had a board of directors' meeting a week ago last Wednesday. I can't tell you what went on. But as fast as I can, I will." And then, if he does, we're on our way. You don't have to violate a confidence. You don't have to tell people things that are not so.

I used to work for Bu-Ord. We had a union problem out there-- mind you, a union problem. When we got out there to look at it, the whole thing really stemmed from this: The old man had a monthly stag meeting every morning, and the department heads went in there, and when they came out, they didn't say anything. And this continued on. Now, there were changes going on in the organization--changes. But it just so happened that those changes did not stem from that meeting. But nobody knew this. So the union finally decided that if the old man is going to operate in secrecy, if he's going to make changes and he doesn't ask them "we're going to get in the old man's office with a battering ram."

When we got down there, I talked with a major, who happened to be in a secretary's position at this meeting and said: "Why didn't you tell the fellows what goes on?" He said: "You wouldn't believe it, but nothing goes on in those meetings. How could we?"

And yet seeing people go in, seeing them come out, saying nothing, and changes following, obviously meant that these boys were playing their cards close to their chest and "they ain't no friends of ours."

This was communication without words. Upward communication is for the purpose of maintaining control, because one of the elements of management is to know--the responsibility to understand as well as to be understood.

In your case of Captain Shattock, for example, without loading your own interpretation of the thing--you know that letter that he got from his finance officer. What was his name? DeLane or somebody? Well, when he finally got down with the fellows and let it come out just the same

as it was the first time, he started to raise hell about it. Do you remember that? Upward communication--to understand what's going on.

But this is a real tough problem.

I have a talk that I've given in some places on upward communication alone. And the name of this talk is "Diogenes, his lamp, and the honest man." The top man, until he knows his people real well, doesn't know whom to believe. That doesn't mean he doesn't know who the liars are. There are probably none of them lying. But he still doesn't know whom to believe, for the simple reason that upward communication is filtered by what the men want out of their own jobs. I'm going to give you an illustration of this, and you can carry that on from there.

When I was in Bu-Ord--I had been there about a year--I was working for a fellow by the name of Howard Langley, who is still there. One of the finest fellows I ever worked for. And I was walking down the hallway. It was on a Monday morning, about ten o'clock. Howard was coming up the hallway. Well, now, these are what we call two echelons of command advancing toward each other. And I could see that in his eye he had the controlling gleam. Being a manager, of course he's got to do these five things; and I could see that control was in his eye. He was going to ask me something.

Well, if he had asked me any other time than nine o'clock Monday morning, anything would have been better except then. So I tried to avoid the encounter. But there were no passageways that would help me out, no men's rooms, no nothing, and no real reason to turn around. So we drew up abreast.

He looked at me and he said: "Bill, how's the work coming?" Well, in my own mind I had to case his question lest I let that lead me into a trap. So I thought to myself: "Well, this could be just his way of saying a cheery Good morning. On the other hand, maybe not. Maybe something deeper underlies this. Maybe there's something he already knows about what's going on in my section. And on that basis, in asking this question, what might he know?"

"Well," I thought to myself, "there are only two things he could about it, and they are Project A and Project B." (Now, Project A was six weeks ahead of time and in fine shape. Project B was far behind and in lousy shape.) "I wonder if he knows about B. . . . If he doesn't know about B, I'm just walking in the lion's cage to talk about it to him right now. On the other hand, if I take the risk and only talk about A, and he does know about B, he's going to turn on his heels and say to himself: 'Well, I'm looking for an honest man.'"

And I can see him going back to his desk, sitting down, and shaking his head and wondering, "When can I get an honest answer? All he tells me are the good things."

So he sees on his desk--in my imagination; I'm thinking through the consequences of all this--a note from the admiral saying; "Choose me out a fine young fellow who's got a lot of ability to assign to me for a three-weeks detail on a special job, and here it is. I want the man for whom this will be a real opportunity."

So Haward looks at it, shakes his head, and says: "Well, I would

have picked Bill for this; but based on our encounter and my revised estimate of him, no. It can't be Bill."

Well, what happened? My opportunity would be shot right away. That would take a terrific beating. When a man says he's got a revised estimate, my recognition takes a beating. I'm not sure what my attitude toward him would be and whether we're still on the same team. After all, it would queer our relationship. Belonging would take a beating. And as far as my ability to plan ahead with confidence in my relationships with him, that would take something of a beating. So I'm not just about to stand there and preside over the liquidation of my psychic income. No.

So, instead, I say to him: "Well, Project A is in good shape" and I look at him to get a clue as to what he knows. But he's an old hand at this; so he gives me a deadpan.

Now, you understand. He's trying to control. He's trying to get upward communication. This is what he's paid for. He's trying to get out of my job what he wants out of it. Of course I'm watching my share too.

So I say: "Well, now, on the other hand, Project B is not quite in the shape we would like to have it in." I look at him again, and I get nothing.

how

So I say: "Well, of course, you know[^] this thing happened. We're about six weeks behind and we filled out Form 907, as stated in the Bureau of Supplies and Accounts Manual 3, chapter 4, section 6, footnote 5, which refers back to section 3 in volume 1, which has to do with expenditures"

over five hundred dollars except as hereinafter noted in connection with Public Law No. so-and-so, whichever shall occur earlier."

in three minutes

I could lose anybody[^] with this kind of talk, but not this boy. He's sharp. He's still with me.

So at about the end of ten minutes he finally loses track, looks at his watch, and says: "Oh ho. Well, Bill, we all have our problems, don't we? I'm sure glad to see that you're on top of yours. And if there's anything I can do to help you out, don't hesitate to call on me."

Now, let's see what happened. He wanted to do a control job; wanted to know what's going on. That's what he wanted out of my job. What did I get? Well, when he said to me: "Well, Bill, we all have our problems," I was welcomed into that great army of successful executives who have problems. "Welcome aboard, boy." So my belonging was now secure. I'm not going to lose that.

When he said: "If there's anything I can do to ever help you out, don't hesitate to call on me," the door of opportunity was wide open.

When he said: "I can see that you're on top of your job"--well, naturally, any guy that could talk for ten minutes[^] in a confusing way obviously is on top of his job. So I've got recognition.

And, finally, I can still now plan ahead in my dealings with him. And when I came into a position of conflict between getting out of my job what I wanted out of it, and giving the boss out of my job what he wanted, I had him hands down.

This thing took about a half hour to transpire. He did not earn his

money, for he was paid to get the answer. I didn't earn my money either, because I wasn't paid to protect my psychic income. It was a net draw between us, and a net loss to the Bureau of Ordnance.

This is one of the blocks to communications upward, and that is, the consequences of what your interpretation of his question might be in terms of how you answer it. Every boss is extremely sensitive to this, and it is one of his biggest worries and difficulties in upward communication.

This starts you thinking along upward communication lines. And since our time is up now and you want to discuss Joe Robbins, and there's so much horizontal communication involved, we're going to have a question period anyway, and we can get into that then.

Thank you.

COL. COLMER: Mr. Oncken is ready for your questions.

QUESTION: You have told us about the process of up and down communication. I wonder if you would care to comment for a minute on sidewise communication.

MR. ONCKEN: Yes. The Bureau of Ordnance is not a bureau of weapons. I don't know how it's organized now, but when I was there, across the top it was functional--repairs, production, management, quality control, maintenance, and such things. On the other hand, somebody had to worry about torpedoes, mines, depth charges, and what-not. So there was a staff crew that had type responsibility for weapons, although the organization was functional.

Well, we got a letter then from the field addressing a total question about weapons, cutting across all the organizational lines on the top line. We've got an ensign sitting over at the type desk, so that when a question comes in about weapons, he gets it. He's got to coordinate the answer. That goes on to R&D, and this question is really loaded, because this is really an internal political problem. So I get the first crack at it. And they frame their recommendation as to how this part shall be made in such a way as to protect the very thing they have been fighting for now with the admiral for the last two years. So this letter at least is not going to let the Pandora's box out.

Well, the ensign takes the matter over to Production. They look at what R&D has just written and they hit and sky and say: "Ah, ha. The hand is now revealed. None of this nonsense." So they write down what they think the answer should be.

Then it goes over to the Information Center. They look at it to see what these two fellows are up to. "By George, we're going to make a test case out of this." So they write their answer. And then it goes to Quality Control.

Finally it gets back to the ensign's desk, with five mutually exclusive ways of answering this letter. Therefore some compromise has got to be made.

Well, while all this is going on, the ensign is going back, going back, going back, getting deeper and deeper into something that is way over his head, the Information Center sends out a tracer to find out what the

hell has happen^{ed} to this inquiry.

Well, nothing happens to the tracer, until finally the commanding officer, when this question comes to him, talks to the admiral. He blows his top. So he looks at it. The whole thing looks disarmingly simple to him. So he dashes off a reply.

The point is that the admiral wrote his reply not based on his authority of competence, because he didn't have any competence to answer that letter. That's what he's got his people for. It was only based on his authority of rank. And this is what we call a rank decision.

And why? Simply because each one of the departments--Research, Production, Maintenance--collectively have figured out what they wanted out of their function in terms of opportunity, recognition, belonging, emotional security--being able to plan ahead with confidence. This is known as long-range planning. "Well, don't change my plans now. I've been working at them for two years. I'm not going to let this make the change." It's to protect what they want out of their own function.

Take the Supply Corps of the Navy, for instance. They have a supply officer at a shipyard. Who is the supply officer working for? Is he working for the shipyard commander? Or is he working for the Chief of the Bureau of Supplies and Accounts? Well, in some ways he's working for the shipyard commander and in some ways he's working for the Bureau of Supplies and Accounts. However, when it comes to his own career, he's got to take care of the admiral who is in charge of the Bureau of Supplies and Accounts.

Now, maybe there are some supply officers here. You may think to yourselves: "Well, I never had to do that." You've probably met admirals who never did. Admirals are secure. But this problem does exist and it has got to be cleared. So that is horizontal communication.

The only way to overcome that, if you're the old man, is to get the boys together and say: "Look, we're all in the same boat. Why don't we coordinate this within the walls of this room?" and lock them up until you get something. Coordination has got to be made to work, based on the old man's psychic income and the collective psychic income of the base, rather than on the separate psychic incomes of the different individuals.

But there's so much delegation by indication--"You've got to supply something," as though that thing could operate itself, mind you, without relation to any of the other functions. "You've got the production function. You've got this," almost as if each job on the organization chart was a job that could be done by itself, such as a machinist can do a job in a boring mill. He can't do it that way. He's got to do it with and through others. And you as the C.O. have got to line them up and put them on bread and water until they find out that the psychic income of the entire establishment is put above the psychic income of the individuals. And when I say "psychic income" I am talking about the sum total of these things (indicating). On a functional basis this guy is going to defend his against the others.

QUESTION: You indicated this morning that you can't communicate everything. Executives as a lot seem to be terrifically busy, with the

short memos, short conferences and discussions as they go along the hall, and there are some real time limitations. What further comments or suggestions do you have as to how this relates to communication, and how it can be improved?

MR. ONCKEN: Everything that an executive does communicates. Everything he does communicates. When he walks down the hall, he communicates. When he comes in to work, he communicates. If he gets to work fifteen minutes before opening time, he is communicating something already. Of course you've got to find out in those fifteen minutes if he's communicating some particular thing. But he's communicating on-time performance. By the way in which he talks to people he communicates.

So it's not a question of taking special time out for communication. It is a question of recognizing that everything you do is a form of communication and exploiting it to the hilt.

Now, at the risk of using a very poor illustration, but it happens to be a very spectacular one, one which Mr. Khrushchev just happens to know--that everything he does communicates. He just knows this. But if you asked him if he takes time out for this, I think he would be confused as to what you meant.

Now, let's take some specific illustrations. Take something that happens on the base all the time. Take P. I. & E. P. I. & E. can be like Sunday School used to be when we were kids. You sit there and throw paper clips, paste chewing gum underneath the chairs, play tit tat toe, while the poor sergeant or corporal up there is trying to talk about the

virtues of American democracy. Well, this is nothing.

On the other hand, the C.O. has these luncheons. I happened to know a C.O. who had lunch four times a year with the instructor in P. I. & E., talking about his own ideas and opinions. Well, what happens? The instructor could then say: "I happened to be talking about this very subject with the C.O. the other day." How very interesting that is! Immediately that gives the instructor a lot of authority he didn't once have. Maybe he had the authority of competence to teach, and he had the authority of position--he is the teacher, you see--but he also had something from the old man that the old man had, that was transmitted to him--the authority of leadership and the authority of character, that he couldn't develop on his own right at the level at which he was working. It was a purposeful sort of thing.

I am not saying anything that you didn't already know and couldn't have said as well. But perhaps there's something that you have in mind that I haven't touched on.

QUESTION: Yes. I think I understand what you said, and I think we agree. But there still is the problem where the boss has something in mind but doesn't have the time to explain what it is, and therefore you don't have the ability to perform. And this is inherent almost, it seems to me, in the process.

MR. ONCKEN: Yes, sir. I am of the opinion that any man who has an urge to explain will find the time to explain, if he's built that way. If he's not built that way--and that doesn't mean he can't be built that way--then

he's not going to have the urge to explain.

This friend of mine, Bob, that I used to talk to--I always agreed with Bob in everything that he said or talked to me about as to how well he understood how things should be done. But then I said to Bob: "Yes, but you haven't told anybody." Do you know what his answer was? It wasn't "I didn't have time." He said: "Why should I explain anything to anybody? I understand the problem. So if I tell him what to do, that ought to be enough. I understand it. Once I have explained it to him for an hour, if it took that long, he would find out I was right, wouldn't he? Then why go through all this nonsense?"

That is just like a salesman saying: "I want you to buy a Cadillac." You say, "Why should I buy a Cadillac?" "Oh, I haven't got time to explain all these things. I know you should buy a Cadillac. I know it. I've got a reputation for being right. After I explained it to you for a whole hour, why you should buy a Cadillac, what difference would it make? You would find out I was right anyway. So to save us both some time, buy the damn car."

So there's an element of salesmanship in leadership. The man who hasn't got the urge to tell the men will never find the time to do it.

QUESTION: We have heard a lot about the value of informal communication upward. I wonder if you would comment on that.

MR. ONCKEN: You read about the open door policy. Years ago I had a commanding officer who decided he was going to have the open door policy. Maybe he saw it in a book and thought it was a good gimmick.

So he put in the open door policy.

Well, nobody ventured in for, I guess it was, some two months on the open door policy. Of course the reason why was probably the same reason why the human race didn't get around to eating clams for so long. Who was going to be the fall guy to find out if they were poisonous or not? Therefore they procrastinated for a long time. The man who ate the first clams should have a monument built to him. That's why I say I'd rather see an open mind policy than an open door policy.

Now, one of my bosses has a custom where at nine o'clock every morning we division chiefs are supposed to come in his office, split for who pays for the coffee, and we just sit and drink coffee for half an hour. Well, he has nothing to say to us, usually; and we don't have anything to say to him either. We just sit there and drink coffee. Well, he uses that half hour to work off this paper work that he has while we are sitting there. So he gets a zero on that.

I know that many a time there were some things that I wanted to get close to him on, but I didn't know how safe it would be. You can't tell when you propose something with the boss, how he will take it. You can raise it by asking a neutral over here, "Can you tell me about this?" and you look at the boss. If he doesn't flinch, you get a little bit closer.

Or you can say to him: "I heard that at the admiral's last meeting this thing was decided. Were you there, Sam?" (Sam's the boss.) "Yes. I was there." "Well, is that right--what we heard?" "No. That's wrong." "Well, what did happen?" "Well, I had to leave just as they

got to that." "Oh, well." But do you think I could just walk in and find out the answer to this question when, obviously, when you get down to it, it's none of my business?

Well, why do I make it my business? Well, I want to be one of the informed circle. I owe it to my own self-respect. I know there's something going on around here. It doesn't help me in my job. But I've got to know. If he asks me, I'll give him an honest opinion. If he's silent and won't tell me, then I've really got to know. This is the upward communication process. Then there also has to be this downward communication, so the individuals can plan ahead with confidence in their dealings with him. They've got to case him. You've got to case him.

Well, to wind up, I'd like to mention one thing that may be of interest to you as career officers. It was of tremendous interest to me when I was in the Civil Service. I am sure that none of you is making a fortune out of being in the military service, and I can assure you I'm not making a fortune where I am working. But I make a modest sum of money, and I did when I was in the Federal Government. And I stayed in the Government about ten years. I often tried to figure out why I did it. After all, people were coming to me and saying: "You could make three times as much on the outside." I think every one here has been told that by somebody. When you get on the outside, you find out what you can sell yourself for.

I could get a job swabbing floors down here at the Union Station. I've got up here "opportunity, recognition, belonging, and security," and there are two kinds of security--emotional and economic. So there are

five things that I work for. I could swab floors down at the Union Station, and if somebody offered me the job, I'd case it and find out what's in it for me.

Now, right now I have an adequate amount of opportunity to do significant and important work by my own standards. So that's quantity A. You don't figure these things out on a slide rule. When it comes to recognition, that I get in my line of work, my minimum requirements are met, and they happen to be B. From the standpoint of belonging, I work for a good bunch of people. I can respect them. They're good Joes. I know their families. They know mine. C on that. When it comes to emotional security, I can plan ahead with confidence in my own work pretty well. I have more of a problem with myself, as a matter of fact, on that score than I have with my boss. So I've got an adequate amount of this. We'll call that D. From the standpoint of meeting my next payment, based on having three kids and what I'd like to give them, I've got this--E. The sum total of all that I work for, of course, is the sum total of all of these things, which is F.

Now, F is my income from my job. Only one portion of it, E, is money. But it is income, because if you take any of these things drastically away from me--I don't care which one you take--I will become less productive. I can't help it. I'm a human being. But this is not all money income. We will call it psychic income. It's the kind that you feel. And even an increase in the money income has a psychic benefit. Witness the man who gets his first pay check at a higher rate. He gets a truly emo-

tional irrational reaction. It has nothing to do with figures.

Well, now, let us suppose that I go down to the Union Station and swab floors. One requirement that I have is that if I do swab floors in the Union Station, my total psychic income must be the same down here as it is in my present job. I'm not going to work for less. So I case the situation to see what I get.

Well, from the standpoint of opportunity, I do not regard that as significant and important work from my professional standards, the reason being that I'm in a different profession from what they're in. So that, consequently, is zero.

Recognition? I can reason that all forms of human labor have equal dignity. Whether you be a candlestick maker, butcher, baker, or bricklayer, President of the United States, Senator, or what, they all have equal dignity. I was taught this in third grade. However, none of my friends took that course; so they don't know about this. Therefore, when they find out that I'm swabbing floors, they will feel embarrassed for me. And since they are the only ones from whom I get recognition, I obviously don't get any of it, however I may wish to quarrel with their standards. Zero for that.

Belonging? I have no hankering to belong to the floor swabbers' union, or Mrs. Oncken to the Ladies Aid or the Community for Betterment among floor swabbers' wives. That's something on which we are social snobs, simply because we've been living in the same wolf pack for years and we're not going to change just because my job changes. So I'll get nothing

out of that.

When it comes to my emotional security, I understand that when floor swabbers get promoted to foreman, their authority goes to their head and they stride about drunk with power. I can't case a man like that. My emotional security would be zero. So I get none of that.

Now, the only thing I've got left is the money part. The question is, On what level do I wish to finance a settlement? It's a simple algebraic problem, because I've already established what this shall be--no less than what I've got now. So $0 + 0 + 0 + 0 + E = F$. What does E come out for me?

I'll tell you what it comes out. It would be one hundred thousand dollars a year after taxes, on a twenty-year contract. That would add up to F and I'm going to work at the Union Station at the same pay I'm getting now, which is this.

You may say: "Well, Bill, how do you figure that out?" Very simple. I will use the money to purchase off the job the opportunity, recognition, belonging, and emotional security that I don't get on the job.

I'll take \$25,000 out of that and exploit some very interesting real estate speculation opportunities. ^{It} I will take \$25,000 to meet my standards of A. But, having done so, my A is restored. I grant you it's off the job. But I don't care whether it's off the job or on the job. I've got to have this to stay in balance on my psychic income.

I'll take another \$25,000 and put a down payment on a beautiful home in Westchester County. A down payment of \$25,000 gets you quite a house.

So that when my friends walk by, one will say to the other, "Who just moved in there?" The other will whisper in bated breath: "Why, don't you read the Sunday supplements? It was the Onckens, of course." Well, when they talk like that about you, you've got recognition. I've got it right back here where I want it.

I'll take some more money and I'll belong to the exclusive country club, and I'll ingratiate myself with its membership, become active in community affairs, be appointed the chairman of the Community Chest drive. And then finally the mayor of New Rochelle, or wherever it is, will refer to me as "Bill Oncken, that great pillar of the community." And when he talks to you that way, you belong, absolutely solid. I've got that back.

When it comes to emotional security, I'll have a cocktail party at my home every Friday afternoon at five o'clock, to which I will invite New York's Four Hundred. Normally you might wonder how come a floor swabber can entertain on such a level. But in New York you don't ask questions like that. You just keep coming.

I will invite my floor swabber boss too. He's on my invitation list. He will recognize after the first few parties that he would like to remain on my invitation list, which means that he will want to be able to plan ahead with confidence in his dealings with me. And you may be sure that he will realize that in order to be able to plan ahead with confidence in his dealings with me, I'm going to have to be able to plan ahead with confidence in my dealings with him. And he will have learned that in a flash of intuition

without ever having taken a course in leadership. What a saving to the company! So I know I can case him on account of he wants to case me, and my emotional security is back where I want it.

Now, how much money have I got left after I have purchased and restored these other elements of psychic income to where I need to have them? Well, exactly what my annual salary is right now. What do I do with it? The same things I do with my present budget--so much for food, so much for clothing, so much for transportation, so much for this, that, and the other thing. As a matter of fact, I wind up with exactly the same amount of money that way as I do now. Or, to put it another way, I have a job which pays me \$100,000 a year in psychic income, of which my company pays me a small fraction in cash for expenses. The rest comes with the job.

Now, from the standpoint of up and down communication, every boss has got it. Anyone can see how they figure their own psychic income, because when you've got it figured how the set of figures should be, you're already 90 percent down the pike of him being on your team.

At the risk of taking another minute: People vary in the order of importance with which they list these. The younger you are, the more you are looking for this. As they say in the Navy, a fellow wants to make chief on his first cruise. That's all right when you're young. The older you get, the more these things down here become important. And finally you've got this economic security down here, which becomes very important at age 50 and beyond. They change in order of importance as time

goes on. And for any particular individual at any given stage in his career they will vary somewhat from one to the other. Don't quarrel with a man's priority system. You're not going to change it. Find out what it is and put it to work.

The other thing is that they vary also as to occupation. Scientists define these things one way for themselves, bricklayers another way for themselves, and accountants another way for themselves. So you've got two dimensions of difference--difference in order between people in the same occupation and difference in definition between occupations.

So this is the old leadership saw! "Know your men." But this might help a little bit in reminding yourself of the terms in which we get to know our men, for the purpose of helping each man become convinced that by giving you more of what you want out of his job, he's got a real opportunity of getting more of what he wants out of your job.

That's why you don't treat any two people the same. Nevertheless, you can't say it too often. It's Solomon's song. It's wisdom to treat people differently and yet fairly across the board.

Thank you very much.

COL. COLMER: Mr. Oncken, you always do such a fine job here at the College that, even if you were swabbing decks at the Union Station, you can always come over here and treat your psychic income this way. Thank you very much.
