Plain Talk © about Business Performance

Has Alchemy Become A Management Comptetence?

You remember alchemy, don't you? According to most reference books, alchemy has to do with changing lead into gold, or trying to. Over the years, alchemy, or the pursuit of it, has been connected with making something out of nothing. And now, it is apparent that in some companies, alchemy has become a management competence. Some might know the competence as 'managing with smoke and mirrors' or 'being so busy stirring things up that accountability can never take hold;' but the bottom line is the same thing – there are managers out there today who just don't get it – and then blame everyone else for their lack of ability to know what to do.

I recently was at a company in which the senior management team has developed the alchemy competency to a high degree. There I was, brought in to review how the company's senior team was making its decisions; good company – not the biggest, but over 500 people; spotty growth pattern, but almost a 20 year history; and company morale sliding downhill. After talking to some employees, I observed the senior in action for several hours. I was mystified how they had managed to survive for as long as they had before all the mid-managers quit.

Several things were going on in rarefied air of this senior management team. First, the head of the company had this pattern of behaviour in which he would hire internal consultants for specific tasks. These hires were not slouches – as a matter of fact, most of them had been pretty smart, but over a period of time – usually a year or two – they would be relegated to the scrap heap of worthless people who should be sacked. And by then, he had become enamoured with a new concept and hired someone else. The next most senior person had a pattern of behaviour in which he would keep making explicit and implicit structural changes in the mid-management that no one seemed to know what was expected of them. A nice technique – keep stirring the pot and you will never have time to see what you have made, much less, let the changes have a chance to take hold and realise their potential. And the next most senior person had a pattern of behaviour that resembled sort of a Jekyll and Hyde personality shift. For one week, he was your best friend, supporting whatever you thought was the right thing to do; and the next week, was all over you like an invasion force, taking no prisoners. The only thing that they seemed to have in common was an innate ability to expect that for their efforts, they would see

consistently high performance. If this isn't the practise of alchemy in the workplace, nothing is.

And where do you suppose that I found out all this? From employees and the senior managers themselves. Talk about a political environment. In a group, you would have thought that they all had the same secret handshake, but as soon as you talked to them separately, they unleashed barrage after barrage on each other. Senior management team? Not even close. How about senior management collective was more like it. Nice place to work? Not even close again.

What these senior people seemed to not understand was that keeping things changing constantly does not create an environment for success. When I inquired why they kept everything up in the air all the time, the response I received was that they didn't feel that their employees were up to the challenge all the time. This is no different than that a parent who, deep in his heart, truly wants his children to grow up to be good citizens, good parents, and good partners. But in the process of growing up, most children begin to 'test' their own decision-making abilities. Parents are then faced with the dilemma: do we tell our children which decisions they make are wrong or do we support them, with the expectation that they will learn from mistakes? If we don't let our children make their own mistakes, how will they ever learn? It is the same with a business: if senior managers don't trust their employees to do what is best, employees will begin to not even make decisions; because if they do, they will expect that their 'collective Dads' (senior management) will criticise them constantly. Not exactly a motivator, is it?

Let's get back to the guys in the head offices. These three top managers are at the fabled 'fork in the road.' If they continue to demonstrate the same behaviours over time, they will continue to get spotty results; they will continue to have employee morale issues; they will continue to go through supporting managers faster than water through a sieve. And more over, their behaviours are putting the company at risk. I can't tell you how many employees I spoke to were seriously thinking about moving on, but the number in percentage terms was staggering. Apparently that is okay with the senior team, after all, they seem to think they can make something from nothing…and at the rate they are going, that is what they will have to work with.

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Leadership Lesson Questions from Has Alchemy Become a Management Competence

1. Does your company have a set of stated values?

2. Does the company's senior management demonstrate them in their actions?

3. Are there "undiscussables" in your organisation?

4. What is the current level of managerial and employee satisfaction?

5. How do you know that?

6. What is the impact of that level on performance?

7. What happens when managers and employees become dissatisfied with the way in which they are treated in the organisation?

8. If the level of managerial and employee satisfaction is low, what can be done to raise it?

9. What can you do?