

# Looking for my keys

*Why does management so often adopt a primitive approach to sophisticated problems? Dr Leandro Herrero believes it's time to stop using rudimentary, neon-lit solutions and look further afield and in darker corners*

**A** man is searching the grounds of a large garden. He looks in different places, behind trees and under bushes, all in one corner of the garden. Another man approaches.

"What are you doing?" he asks.

"I'm looking for my keys, I've lost them," says the first man, continuing to search the undergrowth.

"Do you know where you lost them?"

"Yes, over there," says the first man, pointing in the opposite direction to where he's searching.

"Wait a minute," says the second man, "if you lost your keys over there, why are you looking for them here?"

"Because here there is more light."

There is nothing like good light to help find lost keys, or answers to questions, or solutions to problems. But often the attraction of a good light makes us forget that the questions and problems may have little to do with the lit territories where we look for answers and solutions. Still, we prefer places where there is more light.

Daily management is full of examples of 'looking-for-my-keys' syndrome. If we can see it, grab it, count it, modify it or take any action on it, it seems a good reason to focus attention on it. But if the problem is obscure, the issue complex or the topic or facts 'fuzzy' or 'soft', we often look for solutions in the corner of the garden where there is more light. But the answers may be complex and dealing with the soft and fuzzy issues may not be something we are equipped for. It may be harder in the shade or in the dark, but these may be the places that need our focus. So here are a couple of apparently unrelated examples that share the same traits.

The need to 'find money' to balance the yearly budget and deliver targets promised to investors – particularly in the second half of the year – often initiates a familiar ritual: the cutting of the training budget, the travel budget, conference attendances and a 'headcount freeze'. Accountants will give you a number of good and legitimate reasons for these cuts. After all, these are costs one can 'control' (by deciding not to spend); besides, other

parts of the budget may already have been committed. Firing people in September for budget reasons and then topping up the headcount in January using the new budget has not yet become part of the ritual, to my knowledge. In countries where the severance package is minimal it could be done, I suppose, but I have not come across such Accounting Fundamentalism yet. And in countries where the severance pay is close to a nice golden parachute, the practice would defeat the objective. In both, the exercise would be a bit stupid but I wouldn't be surprised to discover it's practised somewhere: it wouldn't surprise me if Accounting Fundamentalism did search for its lost keys in the well-lit part of the budget garden, that is, those targets that can be counted, costed and supposedly controlled. 'Travel', 'training' and 'conferences', for example, could easily be part of the cost-cutting ritual, sharing the common basket of disposable activities. While outwardly acknowledged as important for the overall development of the company's IQ, they are seen by the Financial Guard as suspiciously semi-luxurious or prone-to-waste items. After all, who can put a value (monetary, of course) on training and development, or attendance at a conference, or face-to-face meetings between widespread project teams?

## Pavlovian management

Training in particular is one of the most displaced items in the portfolio of an organisation's activities. It is still considered a perk in many companies: good managers, people who have done well, people on the promotion path get the opportunity for that corporate executive programme, that week in business school, or attendance at that trade conference. Implicitly or explicitly, it's seen as part of the reward. But the idea of training as a perk is crazy. Those who need to be sent on an executive development programme or a training course could be precisely the opposite: those who haven't done well, who are under-performing or who need help. Far from perks, training is in many cases a remedy. But that's another story.

One problem with this Pavlovian management where, when presented with budget shortfalls, the company triggers the kind of cuts and freezes described above, is that it often generates 'preventive strike' management behaviour: spend as much as you can on conferences, travel, training and recruitment at the beginning of the year, just in case. But this isn't the point. The point is that in many cases those budget lines are simply the ones with more light, the ones where it doesn't take much effort to find savings.

The consequences of such cuts are often neglected. There is no arithmetic in place to assess the cost-of-not-doing: of not having that face-to-face meeting, of delaying that recruitment activity. There may well be other areas where managers could look for savings but often this just isn't on offer. 'Management', or 'finance', or both, dictate that particular items should be cut, period. They do not give

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Illustration by Rob Wilcockson



The key to your management problem may be somewhere you haven't thought of looking.

“how to tackle the 80%, so I'll tell you what we've done with the other 20%.” The other 20% seemed to have got a few million dollars' investment on unified global IT systems that allowed scientists to find and share information, search for data and look for answers to problems. They certainly had a state-of-the-art technocratic solution. This honest manager was in charge of producing beautiful technocratic solutions to the wrong problems. And I admired her courage in standing up in front of 300 people to say she hadn't a clue on how to address the human factors in that business of 'knowledge management'. The IT systems light up part of the garden and, like the man at the beginning of this article, she was honest enough to say the keys were lost somewhere else, but, hey, let's enjoy the sunshine, let me share with you a few hundred powerpoint slides on how to spend a few million on 20% of the problem.

As different as they are, both the Pavlovian management and the 'beautiful solution, wrong problem' case show there is a sort of management magnet drawing us to the easy targets, the things we can control, the visible part of problems. We have an affinity with the tips of icebergs. We sometimes use the term 'focus on the obvious', for example, in order to assist our behaviour. And this is interesting because 'obvious', etymologically, means 'lying in the way' or 'meet in the way'. So the obvious is strictly speaking something that may 'get in the way' and prevent, possibly distort or make us stumble. The obvious, etymologically from the Latin, means an obstacle. Does it ring any alarm bells?

### Cosmetics management

A variation of the looking-for-my-keys management syndrome is Cosmetics Management, where the entire organisation makes all sorts of organisational chart changes, creates new reporting lines, and generates a lot of noise and disruption under the banner of 'change', all of which, under a critical eye, turns out to be cosmetic surgery. Many 'change' management programmes do not deal with people's attitudes and/or real behavioural changes. Those are the shaded part of the garden.

If you've lost your management keys, don't be afraid of searching everywhere, even the difficult places. You may be better than you think in the shade and the dark, and you might eventually find your keys. There is no secret to dealing with the soft, the less obvious, or the fuzzy side of management. It just takes practice. It's like changing nappies: alien at first, unexpected, unpleasant, in need of precise psychomotor coordination, repetitive and not immediately rewarded. But eventually you will be able to do it in complete darkness and with a deftness that could surprise you. SM

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managers the opportunity of finding savings in the shaded areas as well as the lit part of the garden. Instead, management or finance says: “We've lost the keys, and you must search over there in those bushes, yes, over there, that sunny area, sorry.”

I have enough friends in the financial community whose disapproving faces I can picture on hearing these arguments, which they will probably consider 'simplistic'. I have also spent enough years dealing with budgets to challenge my 'number' friends to say this life vignette is wrong. Am I suggesting a sort of financial nirvana where there are never cuts? Of course not. If one has to 'find the money', responsible managers will have to do it, period. But they should be allowed to examine the entire garden.

A second example is the one of fixing technological issues when the original problem is largely human. At a knowledge management conference I attended a while ago, a brave manager from one of the top pharmaceutical companies was supposed to present on how the whole area of knowledge management had been tackled in her organisation. This company is well known for having so-called knowledge management systems which, seen from the outside, look like a fairly sophisticated IT system to capture, store, share and utilise knowledge of many forms. The reason I have called her brave is because she told us upfront that she, as senior manager in charge of the programme, recognised that knowledge management programmes and systems are about 80% human capital – about how people learn from each other and share information, their attitudes, mutual trust, etc. Only 20%, she said, was about technology, sophisticated IT systems such as corporate portals. “We don't know”, she said,

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