The Promise of Paradise:

Do union-less, supervisor-less organizations deliver the results you desire? (published in Economic Times, 12th July, 1999)

"We should examine things deliberately, and candidly consider their real usefulness, before we place our esteem on them... otherwise, we may happen to admire those accomplishments which are of no real use, and often prove prejudicial to us, while we despise those things on which our safety may depend."

Aesop's fables.

Think of a typical factory and you'll have visions of workers on an assembly line, dull and de-motivated. A demonical supervisor with a stick in hand stalks the shop floor, looking for "offenders". There is tension in the air, one false move from either side can snowball into a strike or a lock - out. The annual agreement with the union is another confrontation, fraught with uncertainty and tension where all sorts of deals are struck. Threats, gheraos and morchas are the order of the day and "industrial peace" is an oxymoron. Amidst all this, productivity, quality and employee morale plummet to rock bottom.

Given this picture, naturally most managers would today like to go in for what seems to be "The Promise of Paradise". Yes, it is the union-less and supervisor-less organization, much talked about by human relations experts and companies like Semco, P&G and Southwest Airlines.

So let's take a peek at this new paradise....

All the employees are motivated, quality conscious and driven by their own initiative. Since they are all organized into "self-managed work teams", obviously there are no inspectors or supervisors. The employees are so mature, the management so benevolent and their communication so open that no union is required. Each employee is fully aware of his / her role in the organization and is completely committed to company goals.

But why would a manager want this dream to become a reality. Supporting all these fanciful ideas, is the belief that: Managers should be freed from the mundane tasks of fire fighting, supervision and problem solving, so that they can devote their time to more "value added" activities like process improvements and innovations. In other words the managers would like to have a more "exciting" and "relaxed" job.

In a classical system, we have a set of motivators and punishments. Motivators, typically include salary, annual bonuses and other incentive plans. Punishments are usually in the form of reprimands, suspension and layoffs. Within this framework, an employee performs his / her job. There is a union to represent the employee and negotiate annual agreements on his/ her behalf. A "responsible" supervisor performs all the mundane tasks of ensuring that the employees perform as per expectations, solving problems, fire-fighting and reporting to top management. For supervisors, "responsible" usually means that he has sufficient freedom to do what he likes as long as the output is not affected and the managers are not burdened by any additional problems.

We have here a completely clear business contract between two parties (ie union and management). Both the parties are clear of their respective sources of power and also the tactics to be used in the exercise of their power. Based on the balance of power in various circumstances the results of the negotiation shift in favor of either party. There is no fuss

about employee involvement, empowerment, open book management, flat structure, mature human beings etc. Just a normal working business relationship.

For the more grandiose, union-less, supervisor-less organization you must first go through the troublesome task of convincing all the managers (most of whom are reluctant to relinquish control), all the employees (who are anyway more comfortable being treated like a pair of hands).

Once convinced, everyone must be trained, the employees to function without a supervisor and the managers to function in their new role as "coach and counselor". The latter (training the managers) will be more difficult than you can imagine since most of your managers will be "super-supervisors" i.e. supervisors who had performed well and were promoted to the post of a manager. So since they know nothing but supervision, that's what they will continue to do, even in their new role. These old skills must be forgotten and newer skills (process improvement, innovation, coaching and counseling) taught.

Before the employees can be "empowered", all their hygiene needs must be well looked after. (Which means that you've got to do something about that canteen!). Also all the "sensitive" financial information must be shared with them (think of how you will justify those obscene hotel bills and lavish meetings!).

In short treat all employees as if he / she were a CEO of your company, mature, intelligent and responsible.

If all this has not changed your mind in favor of the conventional system, here's the bombshell. Since now you have delegated a major portion of your head-ache (of mundane problem solving and supervision) to your employees, you must also be willing to transfer an

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equivalent portion of your salary to them. You don't expect them to take on all the "responsibility, accountability and maturity" thrust upon them for free, do you?

In any case since you have yourself risen to this position of authority through the conventional system, its high time you realized that a major chunk of your salary is to do all that mundane supervision and problem solving!

In return for an exciting job and a good nights sleep, its only fair that you share your benefits with them.

So think twice before jumping on the "empowerment" bandwagon. You may have to pay more than what you "bargained" for!

Remember, there is no free lunch!