# D. GAINING COMMITMENT TO ORGANISATIONAL OBJECTIVES

An effective organisation will always seek to synchronise its own objectives with those of work teams and constituent individuals within them. When we considered motivation, we briefly explored psychological contracts – those factors which bind organisations and the employees. There is a whole range of factors which can influence this – some people will work just for the money, whilst others may have a high degree of commitment to the organisation's goals as these can help advance their careers.

The corporate plan will have as an integral feature a mission statement and objectives which evolve from it. These will be concerned with the achievement of key targets, ensuring that the profit motive (or other motive as determined by the board) can be met. In order for this to be done, it is necessary to get as much productivity out of employees and other resources as possible. A highly committed workforce will assist immensely in this, whilst one which is ambivalent about the organisation's welfare will almost invariably perform less well.

The human resource plan should consider more than just supply and demand conditions for labour. It should have built into it methodologies for developing staff so that they feel a valued part of the organisation. All managers should be made aware of this crucial element of the organisation's plan and encouraged to act upon it. As well as being a centralised and specialist role, developing people is a responsibility of **all** who manage or supervise staff.

## *Methods of Gaining Commitment*

There are many tried and tested methods of gaining commitment to corporate objectives:

(a) **Clarification of Objectives**

This should be carried out on a "top down" basis. Some techniques such as team briefing can play a major part here. If the company operates a Management by Objectives system, there should be a direct link between strategic goals, tactical plans and operational targets.

(b) **On-going Review of Achievements**

Managers and supervisors at all levels should be made responsible for monitoring progress and matching this against overall business performance. The focus should be on strengths and what has gone well. In this way, each team can build on its successes.

(c) **Target Setting**

In the absence of targets, it is impossible to understand what has been achieved. Targets are therefore essential. As well as production targets there should also be others, such as quality management and even people management targets (such as reducing absenteeism, professional education and so on).

(d) **Good Quality Communication**

Organisations which communicate well as a whole are likely to be able to get employees committed to objectives. Communication should be direct, with a focus on quality, not quantity.

**(e)  Participation and Involvement**

MacGregor's Theory Y model suggests that a substantial proportion of people working in an enterprise want to get involved and if permitted to do so can channel their creativity to the benefit of the organisation.

**(f)  Walking the Job**

Peters and Waterman tell us that effective managers stay close to the "front line" to keep aware of issues and problems facing their teams.  Further, in functions related to delivering products and services, managers should adopt an "up front" stance to ensure that customers are getting what they want.

**(g)  Appropriate Reward Systems**

By rewarding effective performance in a monetary or some other way, employees reap direct rewards from their endeavours.  Rewards need not just be bonuses – they can be:

- Simple recognition – the pat on the back

- Competitions – sales team of the year, etc.

- Advancement, personal development and growth, etc.

We shall consider reward systems later.

## *The Work of Martin and Nicholls*

**Martin and Nicholls** built their theory of gaining employee commitment on the work of empirical management writers such as **Peters and Waterman**, whose "*In Search of Excellence*" highlights successful practices of US companies and equivalent work in the UK and Japan.  The theory is set out in detail, with illustrative case studies, in "*Creating a Committed Workforce*" (1987).

The model proposed by Martin and Nicholls has three components, or "pillars":

A sense of belonging to the organisation

A sense of excitement in the job

Confidence in management leadership

**(a)  Sense of Belonging to the Organisation**

Here the organisation has to build personal relationships across the whole organisation by ensuring that the workforce is:

- Informed,

- Involved, and

- Sharing in success.

Each of these can be promoted by specific actions of management.  For example, keeping people informed requires good communications in all directions.  Techniques such as team briefing and team building can enhance this process.  Much pioneering work has been done here by the Industrial Society consultancy and training organisation, which specialises, *inter alia*, in leadership and team briefing programmes.

Getting workers involved implies that management takes a consultative approach (see the work of **Tannenbaum and Schmidt**, and also the **Blake and Mouton** managerial grid) to leadership and seeks the views of workers to gain consensus on work issues and problems.  Another management writer, **John Garnett**, stresses the need to differentiate between mere

"participation", or getting people's views on work issues, and genuine "involvement", whereby workers see very vividly their vital role in the entire work process.

Sharing in success can involve a wide range of practices, both financial and non-financial, e.g. workers can share in success through share ownership schemes or through the recognition gained from belonging to a winning team.

**(b)    Sense of Excitement in the Job**

This leads to motivation of the individual, a long-established factor confirmed by the work of **Frederick Herzberg** and others in the 1960s and 1970s. Martin and Nicholls argue that this sense of excitement can be gained from establishing:

- Pride,
- Trust, and
- Accountability for results.

A person who has pride in his work and operates in an environment of mutual trust should readily be prepared to accept accountability. Pride in one's work is a major driving force of outstanding performance. An extreme example of this is Aston Martin Lagonda, the luxury sports car manufacturer, where every activity involved in car assembly has incredibly high performance standards laid down. So obsessed is the company with quality that for many years it was prepared to sacrifice any profit at all in favour of producing only the best. Bankrolled by various different industrialists through the 20th century, Aston Martin Lagonda had the luxury of knowing that it could survive even without making money – something which few, if any, private sector enterprises can do today.

Trust can only arise from breaking down traditional barriers between white collar (office) workers and blue collar (manual) workers, unions and management and so on. The UK's disastrous track record here contrasts vividly with that of other Western European countries such as Germany and Sweden. Nevertheless Martin and Nicholls report significant progress in organisations such as Pilkington, glass manufacturers, and Jaguar Cars.

Accountability for results can be put in place through actions and techniques such as decentralisation and empowerment, Management by Objectives and quality circles. All of these have an implicit danger of having a "fad" image in the UK, introduced as a "quick fix". Martin and Nicholls report impressive results in companies such as Toyota in Japan and the Royal Bank of Scotland in the UK.

**(c)    Confidence in Management Leadership**

Martin and Nicholls contend that confidence in management will be built by attention to:

- Authority,
- Dedication, and
- Competence.

Managers have to assert their authority as decision-takers in the organisation. In the UK, this was seriously eroded during the 1960s and 1970s, as the manager/worker relationship deteriorated and the trades unions became more powerful. Changes in legislation as well as fundamental movements in attitudes by workers in a harsher and more unstable employment environment have contributed to improving the ability of managers to reassert themselves. Authority can be used positively or negatively – Martin and Nicholls state that this should not

be an exercise in managerial "machismo" but rather *"part of a joint campaign to maintain standards and achieve competitive results"*.

The model also requires managers to be dedicated in their role as leaders, taking account of not only work demands but also responsibilities to teams and individual workers. Sometimes structural change in the organisation can accelerate this process, such as making tall organisations flatter, or "delayering". Generally, a more open and trusting style can only come from managers themselves.

Competence is concerned with doing the job better and maintaining high standards. Thus if the quality of output is out of line, or even totally uncompetitive, either the product or service should be dropped or drastic steps be taken to remedy the situation. In Central and Eastern Europe, many of the outside firms which have taken over former state-owned enterprises have had serious decisions to take in this respect. Examples include Daewoo's acquisition of FSO Polonez in Poland and Volkswagen's purchase of the Skoda car producer in the Czech Republic.

## Targets

It is accepted by most modern managers that targets of achievement are essential so that success or otherwise can be measured. Yet targets are often seen as intimidating and in extreme circumstances can cause anxiety about job security. There is good reason for this in those high pressure environments which demand constantly exceptional performance, though some would argue that employees are made perfectly aware of this when they join the organisation concerned.

Many organisations use the acronym SMART in relation to targets. In order to be an effective spur to better performance, targets should be:

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|---|---|---|
| **S** | = | specific |
| **M** | = | measurable |
| **A** | = | achievable |
| **R** | = | relevant |
| **T** | = | trackable |

There are many schools of thought on how best to apply targets. It is generally accepted that the most effective use of targets is when they are mutually agreed and reviewed on an on-going basis rather than imposed from above and used as a threat.

Targets can be used as a barometer of progress. If an individual is doing exceptionally well, his success might have valuable lessons for others. Conversely, if a person is failing to meet targets, it may be that successful practices of others can be adopted by him to improve the situation.