

Too big to manage? Not so

The comment was made recently by an elected official that perhaps "too big to fail" isn't the point, but "too big to manage" is.

It's neither. For a poor manager, a three-person department is too big to manage. Haven't we all seen that? The size of an organization isn't the determining factor, the capability of its management is.

(Actually, the thought that first came to mind when we read the above comment was: Congress is telling us that a business is too big to manage?)

All of us know people—personally or by reputation—who are born managers. These folks can bring order to everything from an overflowing attic to a bloated government bureaucracy. An office manager is by definition such a person. Managers often set and oversee the rules and controls that the rest of us think are ridiculous or petty, but deep down know are needed.

All organizations need people like this. In the "C suite" this person often is the COO or the president, less often the CEO. Managing and leading are not entirely distinct, but a good leader doesn't need to be a good manager. He or she just needs to have one close by, and back them up when they're challenged.

At the very top, Presidents have a chief of staff, as do most generals. Think of the incredible scope and complexity involved in being Supreme Allied Commander of European forces in WW II, and how well Gen. Dwight Eisenhower managed that job. Or what his boss, Gen. George C. Marshall, accomplished as Chief of Staff during the war.

Clearly there have also been many very large, well-managed business organizations. General Motors is fighting for its life right now, but for decades—a very long time in the business world—it was well led and well managed—an icon of American business prowess. IBM was in the same category for almost as long, then nearly succumbed to the rapidly changing technology environment and its own hubris and mismanagement, but recovered strongly under new leadership. General Electric has lost some luster, but for a large, diverse, far-flung operation, it did quite well for many years.

In recent history, some large banks have fit into this elite category, as well: John Medlin's Wachovia and John McGillicuddy's Manufacturers Hanover are two that certainly would qualify.

A large complex organization in most cases is more challenging to manage than a small unit, but the success of any enterprise rests on certain fundamental qualities of its managers, which govern their ability to get people working together. As observers (not necessarily practitioners), it seems to us that these qualities would include the following:

- Discipline of action, and especially of the mind (organized; focused);

- Discernment—knowing which principles must be inflexible and which can be bent [credit here to A. Lincoln];

- Calmness at all times, leading to steadiness under pressure;

- Patience—not given to rash decisions;

- Early—no good manager is routinely late;

- Fortitude—a manager is always a target; managing takes mental toughness;

- Responsibility—never ducking;

- Humility—success, modest or great, is never one person’s doing.

With such qualities, one would be able to manage oneself (step one), a department of three, or the world’s largest financial institution.

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