

TRAINING & LEARNING

Mushroom Management

Recent history has shown us that today's businesses must be flexible and ready to course quickly. Information is essential to innovation, good customer service, staff development, high retention, and change. We must shift our attitude from "Need to Know" to "Need to Flow".

In a recent survey, respondents were asked this question. "To improve your workplace environment what would you like to see your managers and supervisors do?"

69% of the respondents said be "**Better at communicating.**"

You'd think that with so many ways to communicate — mobile phones, blogs, Internet, E-mail, social media etc. — our ability to communicate would improve. But the opposite seems to be true: as technology advances, and the quantity of communication tools increase, the quality of communication decreases.

Several years ago the Boeing Company in America suffered its second-longest walkout ever when the Machinists Union led a 69-day strike against the company. Boeing lost hundreds of millions of dollars and experienced big customer service headaches when the company missed the delivery dates on 36 airliners.

Part of the problem was that while Boeing "preached" teamwork and productivity, it sent jobs out to lower-cost subcontractors. This disconnect between what management was saying and doing escalated tensions between the union and management.

Boeing's Chairman and President blamed the strike on its "own lack of understanding of worker sentiment and on a failure to communicate corporate concerns to the work force." He noted that part of the problem lay with Boeing's "inability to communicate effectively on what we were about and why we were about it."

The logistics company UPS suffered a similar fate when its employees went on strike. UPS lost over \$700 million in revenues and a blow to its credibility and trust among its loyal employees. In retrospect, the Human Resources Director, said, "No one won." He noted that the walkout could have been prevented if UPS had done a better job of communication prior to and during the negotiations.

UPS learned two important lessons from the strike. First, the employees did not fully understand their benefit packages

prior to the strike. If they had understood them, much of the confusion could have been eliminated. The final settlement between the union and management did not significantly increase benefits over the previous contract.

Second, UPS underestimated the need to communicate during the actual negotiation process. To avoid confusing people during the rapidly shifting negotiations, it kept a tight rein on information, this was a major mistake, as it turned out. Employees wanted to know what was going on, and because they couldn't, many loyal employees felt betrayed by management and walked off the job. The lack of information created a backlash of anger, resentment, legal actions, and lost revenues.

The **BIG** lesson is this:

**Never assume that your staff know what you think they know.
When in doubt, over communicate!**

Low-Access and High-Access Organizations

There are two basic types of organizations: low-access and high-access. Good communication is a hallmark of the high-retention work environment. At its heart, communication is all about access.

In a low-access organization, the flow of communication is guarded and restricted — constipated, in fact. People find themselves kept in the dark, like mushrooms, stuffed in narrow confines based on job descriptions, ranking, and where they sit on the organizational chart. It's no surprise that low-access organizations have greater difficulty responding to change, fluctuating customer needs, and the fluidity of the modern workplace.

In contrast, a high-access organization thrives on information and shares it to the maximum extent possible. The more information people have, the more quickly they can respond to the changing needs of customers and the environment. High-access companies are committed to open communication.

Signs of the Low-Access Organization

- It's a regulatory-based culture, not a people-based culture. A low-access organization is structured around rules, regulations and policies. Management places more emphasis on enforcing rules than eliminating unnecessary rules and regulations.
- Decision making is centralised. The low-access organization has a top-down decision-making process.
- Mistakes are hard to fix. The low-access organization has a reward system that minimizes change and initiative. Because only the people on top of the organization are responsible for interpreting and approving any changes to regulations, decision-making slows down because the

responsibility and power to make decisions is taken away from those who need it the most.

- Change is resisted. A low access organisation protects itself from change. Only a disaster, a threat or a public relations crisis is enough to initiate change.

Finally, In the compartmentalised, functionally aligned, department-by-department organization, there is an expert for everything. The pecking order is defined. In its worst form, a low-access organization becomes a caste system. Top-down layering dictates what roles to take, whom to talk to, and who to associate with. Rank, position and educational degrees become more important than results.