PEOPLE-CENTRED MANAGEMENT POLICIES: A NEW APPROACH FOR THE 21ST CENTURY

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Introduction

The primacy of managing personnel, over other resources (such as information technology), is emphasised in this paper. Arguments are constructed from recent management literature and are used to suggest a more entrepreneurial style of management in the Irish public service, and more specifically in Irish public libraries, reflecting recent people-focused management theories. Considering that the on-going investment in staff salaries is the most expensive aspect of running a library service, the arguments in this paper highlight the case for the primacy of staff, at all levels, over other resources. This paper argues for replacing 'yesterday's' negative practices – of a culture described by Rucci et al. (1998) as the old command-and-control culture which was too parental and did not value people enough – with new people-centred management practices.

This paper is critical of the old corporate forms of hierarchy-based processes and of what Kanter terms the 'risk-averse systems that crush new ideas' (1996: 43). Instead, practices which help to deal with and respond to new uncertainties are promoted, such as improved intra-organisational communication and support, and the inverting of organisational hierarchies whereby senior staff actively support front-end personnel, rather than the traditional one-way onus on junior staff to support senior staff.

This paper argues for a post-bureaucratic entrepreneurial environment in the public service, focusing more on supporting the individual within organisations and allowing for diversity (Goleman, 1996: 155-9) rather than expecting conformity of behaviour and deference

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to hierarchy. Arguments are also presented in support of a manage-
ment style which is customer focused and results oriented, unlike tra-
ditional bureaucratic styles which often measure people's worth ac-
cording to their hierarchical rank and their adherence to rules. The
paper references primarily US-based corporations, which are taken
as exemplars of highly successful organisations in which outstanding
success is attributed to people-centred management practices –
which have proved successful in the more competitive private sector.

People-Oriented Management Values for Organisational Success

Pfeffer proposes that probably the most important point in a 'staff first'
philosophy is that those in leadership positions should have people-
oriented values and should manage in ways consistent with building
high-performance work environments. This involves the development
of management talent and investing in training for staff skills, e.g. de-
veloping the communication skills and self-confidence of individuals
at all levels in an organisation (Pfeffer, 1998: 297). The very successful
ServiceMaster corporation[i] is an example of a company that is willing
to invest in leadership training and in courses to help personnel de-
velop their communication skills and self-confidence, at all levels of
the organisation. Respect for personal dignity is also seen as a requi-
site for developing individuals, as in the case of ServiceMaster, whose
chief executive, William Pollard, champions the principle that all staff
and customers should be treated with dignity and respect (in Pfeffer,
1998: 298).

In the context of 'people first' arguments, all public library service
staff might ask themselves if they really do treat *every* customer with
impartial dignity and respect, especially customers who are less ar-
ticulate, such as children, those who are socially or economically dis-
advantaged, or those who have poor or even negative interpersonal
skills. All staff, especially in contexts where they are in a relatively
senior capacity to another staff member, might also continually ask if
they actively treat all their colleagues (as well as all customers) with
dignity and respect. This should contribute to a more positive internal
work environment which, in turn, should increase the quality of serv-

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[i] Over 25 years, from 1970 to 1995, this company achieved a return to share-
holders of 25 per cent compounded annually, more than double the return
achieved by the stock market as a whole over the same period (Service-
Master, *Annual Report: 1995*).

ice to customers. Pfeffer states that such a perspective on people and organisations is rare, as it is counter to the all too widespread practices of hierarchy, surveillance, and control. Service-Master's blend of personal and business values is one that might usefully be practised in many other organisations:

> Business is not just a game of manipulation that accomplished a series of tasks for a profit with the gain going to a few and with the atrophy of the soul of the person producing the results. People are not just economic animals or non-personal production units. . . When you view the person only as a production unit, something that can be defined solely in economic terms, motivational, or even incentive schemes have a tendency to be mechanical and manipulative. . . The soulless, adversarial, or work rights environment should not be the model of the future (ServiceMaster, *Annual Report, 1995*: 18, quoted in Pfeffer, 1998: 299).

Linehan (2000), drawing from empirical research findings on senior women managers in western Europe, reports that organisations now need to develop policies to provide more flexibility to relieve the additional strains of balancing the conflicting demands of home and work (2000: 193). She contends that inflexible organisational policies force many people to leave the workforce for family reasons, where work environments are not sufficiently flexible in allowing people to balance work and family demands (2000: 120). These managers believed that inflexible organisational policies affect females more than males, and the managers argued that career success is still based on a male linear career model which ignores the influence of marriage, pregnancy, children, and household duties – suggesting that if they included time out for domestic reasons in a career plan it would not be looked upon favourably by senior management (Linehan, 2000: 68, 101, 184).

The traditionally prevailing but inflexible management model also forces females to base their lifestyle decisions, regarding career and children, on factors that male managers usually do not have to consider, and consequently their career achievements have been limited by factors that generally have not impaired men's achievements (Linehan, 2000: 184). From her research findings, Linehan argues that benefits should accrue to organisations that develop flexible working policies, and that organisational support policies for spouses or children of employees, such as training programmes, are advantageous for employee retention (2000: 133, 193).

Pfeffer emphasises the importance of people to organisational success, arguing, as part of people-centred strategies, that it is important for managers to realise that *all* work is *knowledge* work, even if it appears to be routine. Part of taking all staff seriously is to recognise the opportunities to leverage knowledge and build capability and skill in all jobs, in all organisations. Pfeffer reports that people-centred strategies, as well as enhancing the internal work environment, provide output and competitive advantages (1998: 299–300).

In the public library context, output improvements should be reflected in increased retention of customers. Pfeffer adds that an open sharing of information conveys an important message to an organisation: that information is more important than the chain of command, and that everyone is important to an organisation's success (1998: 295). It takes insight and courage to implement people-centred management philosophies, since they go against convention by demanding things to be done differently, yet by implementing these practices organisational returns can be enormously positive (Pfeffer, 1998: 302–5).

Rewarding People-Centred Results

In 1996, Sears became the first company on record to adopt the revolutionary step of basing all senior management's long-term financial rewards on people-centred results, as well as on financial results. One third of rewards are based on staff support measures, another third on customer-focus measures, and the final third on the traditional financial outcomes (Rucci et al., 1998: 96). In the public library context, for 'financial' outcomes, library statistical outcomes based on completed customer transactions could be applied to one third of the measuring scale, e.g. for enquiries, consultations, reader registrations, and issue totals. Another third could be allocated for measurements of improvements to customer services, e.g. the addition of new facilities, or the restoration of former facilities, such as customer input to bookstock suggestions, or the addition of new IT-based facilities, such as more public workstations and improved software facilities. The remaining third could reflect the newer people-centred approaches – as advocated by Ghoshal and Bartlett (1998), Rucci et al., (1998), and Senge (1996). Ideally, public libraries could focus most attention on people-centred criteria, by moving from any vestiges of a culture described by Rucci et al., as 'the old command-and-control culture [which] was too parental and didn't value people enough' (1998: 87). Public libraries could adopt the Sears 'three Ps': 'passion for the customer', 'our people add value', and 'performance leadership'. The success of rewarding

managers, based on rigorous indicators that measure personal attitudes and impressions, resulted in a transformation of business at Sears, thus illustrating how 'soft' person-focused strategies can transform the traditional 'hard' turnover production statistics of an organisation.

Creating a Sense of Ownership

Ghoshal and Bartlett claim that, coinciding with the growth in formal delegation of responsibilities, the strong feelings of employee identity (including belongingness and ownership) that formerly existed in companies were gradually eroded, since this practice of delegation was a controlled delegation. It was this need for top management to maintain a tight check on the delegated responsibilities that led to the creation of new layers of hierarchy and more sophisticated systems that eventually choked entrepreneurship (Ghoshal and Bartlett, 1998: 44).

The new structure and systems-driven management model, though a powerful innovation, gave rise to feelings of isolation from real discussions, which led to disengagement and then to cynicism in the part of front-line managers (Ghoshal and Bartlett, 1998: 45). Front-line managers recognised that those at the top were making decisions in isolation, on the basis of abstract data that bore little relation to the ideas, dreams, and passions of those actually running the operations. This caused some to retreat into a mode of obedient conformity — giving up the dream and passively filling in the formal requirements of a system. In such cases, the relationship between the individual and the corporation became increasingly pathological and mutually destructive. To counteract employee disenfranchisement, ABB (Asea Brown Boveri) group and many other companies are trying to re-energise individuals who have become isolated, disengaged, and alienated within impersonal corporations. These companies are again focusing on people and, rather than placing them as part of large divisions, are placing them in smaller units to which they can feel a greater sense of belonging, and on which they can make a visible impact (Ghoshal and Bartlett, 1998: 45–6). In public libraries as in other public organisations, senior staff might examine if they ever contribute to the imposition of environments of 'obedient conformity', by abusing top-down control and thus stifling individual initiative (cf. Ghoshal and Bartlett, 1998: 45).

Inverting Organisations

In the transformation to the individualised corporation, an entirely different organisational logic is at work. It reverses the traditional perspective of allowing top-level executives to exercise their authority and maintain their control, and instead engages the energies of those on the front lines, and supports their initiatives (Ghoshal and Bartlett, 1998: 47). In a sample public library, during the introduction of public-access internet facilities in 1998, front-line representatives of each branch/department held a meeting to discuss the establishment of a policy to govern this new service and drew up guidelines. These guidelines were based on a consensus of front-line staff, including contributions by junior staff. As a result, the new policies were not something imposed from above, but something that those responsible for the day-to-day administration of the new facilities drew up. While the initial introduction of such IT services met with resistance in other public library services, the democratic nature of its establishment helped to transfer 'ownership' to front-line staff, and to make this a truly collective initiative from its phased implementation during 1998. This newer approach to staff empowerment is recommended by the government's Strategic Management Initiative. The policy of nurturing the front line has been termed the 'magic formula' by Paul Andreassen, CEO of the Copenhagen-based corporation ISS (International Service Systems group). While companies such as ISS, ABB, or 3M have large organisational units, they are primarily organisations which are born out of front-line initiative (Ghoshal and Bartlett, 1998: 48).

Many successful enterprises studied by Quinn et al., (1996) have abandoned hierarchical structures, organising themselves in patterns specifically tailored to the particular way their 'professional intellect' or organisational learning creates value. Such reorganisation often involves breaking away from traditional thinking about the role of the organisational centre as a directing force (Quinn, Anderson, & Finkelstein, 1996: 76).

FIGURE 1: INVERTED ORGANISATIONS: WHERE FRONT-LINE EXPERTS
ARE BOSSES
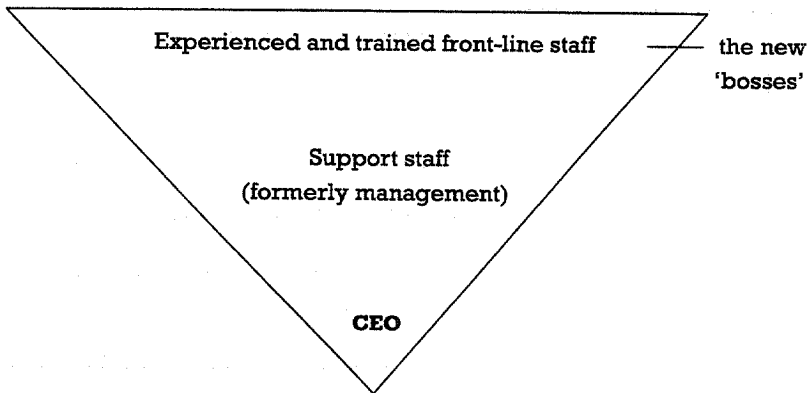
Based on Quinn et al., 1996, p. 76

Quinn et al., cite a sample organisation, NovaCare, one of America's fastest growing health-care companies and an organisation which achieved much greater leverage by allowing personnel dealing directly with customers to concentrate on customer needs, by freeing them from administrative and business responsibilities (1996: 77). The reorganisation allows them to give orders to intermediate staff, with the result that the company's accounting, marketing, purchasing and logistics staff now exist primarily to support these front-end staff. Even the CEO refers to those dealing with customers as his 'bosses'. Figure 1 represents a model inverting the usual pyramid shape of organisational hierarchies.

NovaCare has inverted its traditional organisation. The former line hierarchy is now a support structure, intervening only in emergencies. With this system, the functions of former line managers have changed. Instead of giving orders, they are now removing barriers, expediting resources, conducting studies, and acting as consultants. They support and help articulate the new culture. In effect, line managers evolve into support staff.

Inverted organisations pose some unique managerial challenges. These radical transformations are not without dangers. The apparent loss of formal authority can be traumatic for former line managers, and field people who are granted formal power may also tend to act

more and more like specialists with strictly 'professional' outlooks, and to resist any set of organisational rules or business norms. Quinn et al., also caution against their empowerment without adequate information and controls from corporate embedded technology systems (1996: 77).

Evidence of People-Centred Management in a Public Library Service

This paper reports on a case of a very deliberate people-centred management style practised by an information technology librarian in an Irish public library, during the mid-1990s. He was responsible for training and supervising a data-inputting contract team of four clerk-typists, whose primary purpose was to create computerised catalogue records of that library's complete bookstock of one million books, in advance of the phased introduction of automated circulation systems throughout the library's headquarters and branch network. This meant that the members of the team, while receiving ongoing intensive training in complex cataloguing procedures, had to accept responsibility for their output during much unsupervised time during the life of their contract – since much of the IT librarian's time went on establishing and managing the introduction and expansion of IT systems in a library which previously had no computerised systems.

Ghoshal and Bartlett state that people-centred policies, to be effective, must have a credible performance standard, and that benchmarking between peers must be readily identifiable to all concerned (1998: 57). In the case of the public library's retrospective cataloguing team, performance standards were continually measured, and benchmarked with output statistics from similar work in other libraries. The policy practised by the retrospective cataloguing supervisor reflected the policy of the international group, ABB, where its senior managers handed most of the everyday organisational monitoring and control back to its front-line divisional units. Selecting the handful of key measures they believed to be relevant to their business development, these ABB division-level executives created "performance league tables" that compared the performance of their front-line companies and distributed the results to them for review, comment, and action. Simply compiling and publishing the comparative performance data was enough to trigger a flurry of corrective activity that proved far more effective than any staff-driven analysis or top management intervention. A similar self-evaluating and self-correcting process was at work at ISS, where a peer-driven comparison system and cross-unit learning proc-

ess minimised senior management intervention at every level of the organisation (Ghoshal & Bartlett, 1998: 58).

For the above library cataloguing contract team, similar peer-driven comparisons were encouraged by the supervisor, when he was frequently absent from them on IT-development duties. He believed this to be fair to the individuals involved, as it reduced the element of undue intervention, relying, instead, on his genuine trust in the abilities of his team to motivate themselves from within, rather than just while in his presence. Regarding the monitoring of team benchmarking and productivity, as recommended by Ghoshal & Bartlett (1998: 58), a simple method was devised to produce individual weekly tallies of items added to the library database. The recording of these output statistics was entrusted to the team members, who also cross-checked their figures against electronic counts. Every week's output by each team member was recorded and shown to the supervisor. Katzenbach and Smith (1993), on the topic of team work, state that mutual accountability is a tough master (1993: 116). While the team aspect of the output created its own sense of pressure, members knew that their contributions were acknowledged in an ongoing way.

The IT librarian deliberately left the monitoring of the day-to-day counts to the team, in trust. He also encouraged openness of communication, including the frank expression of opinions about work processes or about himself as leader, as he saw his role more than just the giving of direction to the project, since he also believed in the supervisory obligation of actively supporting the team in a more holistic manner. Mintzberg (1999) suggests that, as real empowerment is something that should happen naturally, organisations with real empowerment do not talk about it, whereas organisations that talk the most about it generally lack true empowerment (1999: 25). Mintzberg also argues the case for the quiet, unheroic leader who does not subsume the identity of an organisation as if it were an extension of his/her own personality:

> Quiet managers don't empower their people – 'empowerment' is taken
> for granted. They inspire them. They create the conditions that foster
> openness and release energy. . . When people are trusted they do not
> have to be empowered (Mintzberg, 1999: 28).

The above library's contract-team members were continually informed of the overall development of the library service whenever they were asked to partake in any new task. They were also entrusted

with many functions traditionally delegated to more experienced staff, and were continually reminded of the importance of their role in creating a database that would outlive changes in system software, hardware, and even outlast the lifespan of themselves and their library colleagues. This supervisory style coincided with many aspects of people-centred policies in recent management literature, e.g. with arguments by Rucci et al. (1998), that it requires trust, and for all staff to be fully informed of where exactly they fit into an organisation's overall model. They point out that new strategies, e.g. on empowerment and customer focus, are very often only superficial despite the efforts of management, when rank and file staff fail to understand the purpose of the exercise or to grasp their own role in it, and because no plan imposed from above is likely to succeed (Rucci et al. 1998: 86).

Conclusion

This paper highlights the centrality of people-focused management styles in recent knowledge-based organisations, such as public libraries. With the advent of the information society, organisations, to remain competitive and to deliver quality service to customers, must react to rapid environmental changes, such as an increasing variety and sophistication in customer requirements, as well as developments and change resulting from information technology. The old industrial-age 'organisation-man' bureaucracies, with their excessive control over individuals, cannot cope with these unpredictable demands, without allowing for and cultivating more fluid and proactive responses from staff. The new management styles endeavour to treat staff with dignity, to accept individuals with varying talents, personalities, and other characteristics, and to actively support employees. Managers must 'walk the talk' (Ghoshal and Bartlett, 1998: 29), i.e. they must be easily accessible and be seen to live what they preach. Ghoshal and Bartlett argue that information must be accessible to all, and that performance measurement must be extended to executives. Fuller commitment of staff also requires trust and psychological compacts as part of intra-organisational relationships, and successful organisations must cultivate environments where all staff focus primarily on improving customer service, rather than on serving arbitrary demands and policies of seniors (Ghoshal and Bartlett, 1998: 30).

Deming (1990) (in Senge, 1996: 288) proclaims that "Our prevailing system of management has destroyed our people", adding that "People are born with intrinsic motivation, self-esteem, dignity, curi-

osity to learn, joy in learning" but that this is continually undermined inside and outside the workplace, by rewarding top achievers and by punishing lesser achievements and failures. This cultivates managers who use expressions of disapproval as a weapon of negative control. Management must also discourage a culture which focuses staff efforts on performing for the approval of seniors, which leads to mediocre and conservative performance (Senge, 1996: 288). Hunt (1999) believes that many people are frustrated by an inability to grow, to develop, and to contribute their gifts, and she adds that personal disappointment is at its worst when organisations do not help individuals to find meaning and purpose in their work by properly engaging them (1999: 11).

At the beginning of the twenty-first century – as knowledge begins to replace capital as the critical scarce resource, and management is challenged to create an organisational environment which can develop and exploit human expertise to deal with fundamental requirements for coping with new and rapidly changing organisational contexts – developing effective management processes will require less of a focus on controlling the collective behaviour of employees and, instead, will require management to develop and broaden the capabilities of individuals. To quote Ghoshal and Bartlett, the new philosophy must supplement rather than reject many of the older practices and – rather than moving away from the established 'strategy, structure, systems' approach – that approach must be seen as only part of a broader and more dynamic model, which they call the 'purpose, process, people' philosophy (1998: 302).

While the above suggested changes in the philosophy of management are meant to have organisation-wide focus, the crucial focus is on top management. To implement cross-organisational realignment of the beliefs and behaviour of its people, Ghoshal & Bartlett believe that the top hierarchy must first change its own priorities and beliefs, in order to mould new organisational processes, beyond the former traditional structures and systems, by developing the people of an organisation (1996: 302). These organisations of *individuals* provide forums for human interaction and personal fulfilment, and should contribute to the development (not the psychological destruction) of people. Managers, therefore, can have huge moral responsibilities over a generation of individuals, and can make a major positive or negative difference to a society – a society of staff, customers and related stakeholders. Management is fundamentally about achieving results through people. People-centred managers should develop a capacity to attract, motivate, develop, and retain individuals with

scarce and valuable knowledge and skills. According to Ghoshal and Bartlett, it is this role that is central to the creation and management of the individualised corporation, the organisation that is defining the next generation of management challenges (1996: 318).

Boisse and Bentley (1996) believe that the typical *status quo* throughout library management, represented by organisational structures that have been in place for decades, has been powerless to deal with rapidly changing organisational environments, such as technology-driven ambiguity and uncertainty, staffing-level reductions, demands for more service from smaller budgets, escalating expenditure, and the accelerating pace of change. They also believe that the *status quo* is largely organised around processes rather than around people, arguing that it is predicated on the assumption that only top hierarchies know what is best for the organisation, and that employees should do what they are instructed to do without raising any questions or offering any suggestions. They add that the traditional structure of library management does not foster an ongoing, continuous review of activities and processes for continuous improvement (1996: 31).

Boisse and Bentley insist that it is impossible to move large organisations forward without taking into account the widespread changes in cultural attitudes throughout society since the early 1980s (1996: 31). Coinciding with many of the arguments emphasising a focus on the individual, referred to above, Boisse and Bentley believe that the major characteristic of recent management change is a commitment to valuing the individual within the organisation rather than the organisation *per se*. This requires radical revision of traditional management approaches, so that all employees are given a more meaningful role in decision making within organisations (Boisse and Bentley, 1996: 32).

Libraries, to become more customer-focused than process-focused, will require more flexible organisational structures to allow library sectors to be more self-directed and more adaptable in responding to internal and external pressures. This will require more effective communication mechanisms, new collaborations among staff at all levels to stimulate creativity and risk taking, which, Boisse and Bentley argue, will result in an increase in innovation and initiative. The new style should focus library management to address strategic work rather than business as usual. Boisse and Bentley also argue that such effort will empower employees throughout libraries to create a more collegial and collaborative working environment, resulting in improved organisational morale (1996: 32–3).

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