

REFLECTIONS ON MANAGEMENT

WITH TOM GALVIN

AUDIO TRANSCRIPT



On Stilting the Competition (Social Contract, Part 4)

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Please note: This transcript has been edited for clarity.

In Part 3 of the series on the social contract, I addressed matters of power and information and how our desires for clarity in the murky and dynamic competitive environment lead people to look to their leaders for the presence of deliberate strategies that will confront problems directly while requiring limited intervention because the people have their own problems to contend with. But now I turn to the more local and individual problems of interacting within one's organizational and social context. There are many, many ways that the rules of competition appear opaque. Could this be because of the way we structure organizations?

My name is Tom Galvin and these are my Reflections on Management.

So now let's return to the vignettes I used at the beginning of Part 2, the Charlie Chaplin vignette from Modern Times where the Tramp character danced his way through a crowd to secure one of the factory's meager opening positions, one of three among the hundreds and hundreds who are effectively standing in line that Chaplin cut in front of. What I want to open with here is a question--why three, why are there only three positions now? In the case of a factory, the number of positions open depends on where you can physically place a worker on the assembly line or, you know, within the organization.

But more generally, I think that there's an interesting question as to why--for organizations that aren't constrained by a fixed structure like an assembly line--why the number of positions is fixed?

In most cases, each single position is being competed separately. That slot has a set of defined requirements and there is only the possibility of one getting it, in the modern context of fair and open competition for [the slot]. There are processes in order to make that position as widely advertised as possible. And then, of course, there's also with it a equitable and fair process of assessing the applicants and ultimately coming to a decision which comes down to or as can be best described in the line that I quoted from Lightning McQueen, from Cars: "One winner, so many losers." There's no prize ultimately for being a finalist. Maybe out of the so many hundreds of applicants for any particular position, you might have a set of finalists that are about five or 10 or 15, 20. But ultimately, there is only one chosen. There's no benefit to finishing second except for a moral victory.

So in this regard, I mean, the membership or selection for membership is strictly binary and the quantity of the members is fixed. Maybe it changes, but it's only changed as the result of a specific process by which slots are created or an existing slot must be changed from one position to another.

In either case, funding is required. But in a hiring action, there is the question that is worth asking. And let's say that for a given position, let's say for a given hiring action, you have hundreds of applicants, but you ultimately come down to three absolute finalists. You would like to be able to hire all three because all three are exceptional, but you can only pick one for the slot. Why not pick all three and allow the organization an opportunity to figure out how to incorporate the talents of this boon that you just realized?

I think what may be contributing to some of the problems of unfairness could be this. You can see that there's an opportunity cost of not choosing the other two candidates, which if there were structural ways in order to just sort of accommodate the additional candidates, the organization could make best use of the talent, perhaps for innovation purposes, rather than see them go to another company. However, we're prevented from doing so because of the way that we pre-structure the competition in such a way that there is only one slot. Only one slot will be filled and apologies to everybody else. It's not an easy thing to change simply because, again, it's tied to resources.

There's another aspect of it that I want to raise is something that troubled me in this, how gaining the position is described as winning. It's though we celebrate the ascent to the position much more than celebrating performance during one's tenure in the position.

Now, let me offer some examples of what I'm talking about. The election of someone to political office of which winning is associated with garnering more votes than the opponent. Then there's the example of marriage and specifically the wedding ceremony. You have reality show competitions where the aim is for someone to find a perfect mate. You have other reality shows that are oriented on ensuring that the wedding ceremony itself is as fantastic as possible. Brides looking for the absolute perfect wedding dress, that sort of thing. Winning a beauty pageant competition is similar. We tend to focus all of our attention on the selection process of the competitions winner. However, we sort of overlook the fact that with it comes typically some sort of period of duty, like probably a year in which the pageant winner has to serve some sort of a public service role.

Now I understand why this is the case, it's a very, very discrete and identifiable event that indicates with clarity that something has been achieved. As in we got the job, we won the pageant, or we found the perfect spouse.

Now, I want to contrast this with a military change of command. Change of command ceremonies is when the flag or the guidance of the organization is literally passed from the outgoing commander to the incoming commander. The command sergeant major or first sergeant is the keeper of the guidon, takes the guidon from the Guidon Bearer, passes it to the old commander symbolizing the completion of the command tour. The old commander passes it then to their boss, the higher order commander, and then the flag is passed to the new commander as a symbol of the transfer of authority. The new commander returns it to the first sergeant or sergeant major, and the flag is restored to the Guidon Bearer.

The whole idea of this, of bringing this up is that in a change of command ceremony, it's not the incoming commander who's being celebrated. It's the outgoing commander. In this case, we're not celebrating the wedding. We're not celebrating the election. We're not celebrating the ascent to a status. We're celebrating the completion of a tour and a job well done. The outgoing is the one who gets the majority of the attention, usually the the longest and most emotional speech. The troops [and] the organization generally provide some sort of mementos or other things that give thanks to the commander and the commander's spouse for their time and in personal investment into the command and the welfare of the soldiers.

The equivalent for some of these other examples that I gave, as if we were to do something similar to a married couple, is their golden wedding anniversary. As we know, very sadly, a very large percentage of marriages fail. They end in divorce or they end in unhappy couples or unhappy spouses who stay together because of the children or something of that nature. We've put so much of the stock, so much of the interest in the ascent to married life that we forget sometimes that the real value of married life is the outcome of what comes afterwards. But unfortunately, the emphasis so much from a social and organizational standpoint is on the ascension or the acquisition of status that we lose sight on what really is important. And I think this translates into the way in which the social contract becomes stilted.

What I mean is to what extent do the structural factors inhibit the ability of individuals and organizations to support each other or organizations to be able to function within the environment in ways that would seem to be just and fair and equitable. The idea of the cut line between those who are welcomed in or excluded from an organization would seem to be a good example, because the cutline is not established on the basis of the merit of all of the individuals who would be eligible to join. It is based on a fixed structural factor, and the structural factors provide the ready explanation for the organization to shape the rules of competition in ways that might ordinarily not be necessary or would be accepted.

Even in the most transparent of selection processes, you're left with a certain amount of opacity where the organization cannot possibly explain everything that went into the decision calculus to say this particular individual was chosen and that individual was not. The rational justification can be articulated as much as possible. But what really no-kidding happened at the point of decision? It's very, very hard to actually articulate what really transpired in the minds of decision makers. Instead were left to sensemaking after-the-fact, trying to find the explanation that appears sound and reasonable to others.

Now we're getting back into what we've talked about in Part 3 about the uncertainty of the rules. When the stakes are high, the competition is tight, the communication is confrontational at best, past injustices are fresh in many people's minds, and palpable fears exist about the second and third order effects of change. It is little wonder that even when a perfectly rational explanation is made for a decision, that it can easily be rejected. And therefore, all of this amplifies the sense of somehow, somewhere the system is rigged, regardless of which perspective you take.

But let's put that aside and take a harder look at the decision calculus. We know from a legal perspective that there are certain factors that are not permitted to be considered when it comes to establishing the cut line between those who are in and those who are out. Those are legal protections established for protected classes, which are categories of individuals who have been historically discriminated against, one of the concerns that we should take a hard look at is that because the structural factors are still present, then are there other ways in which redrawing the cut-line, which gets us around the legal provisions, but in some way potentially amplifies the problem? How can this exacerbate or make worse the sense of the system being rigged? Looking at this from a competitive lens, we reduce the problem of competition by wrongly or arbitrarily disqualifying whole classes of individuals, which then reduces the scope of the problem to a much narrower set.

Now, in a healthy, competitive environment, which you would hope is that you have sufficient opportunities so that all possible candidates with the right qualifications or experience, etc. would be able to compete for all available positions. And that if one is not successful in one opportunity, there are others that they can go to. Now, that is the ideal situation. But if the competitive environment becomes unhealthy, and that is to say that the opportunities become that much more restricted across organizations, then this is where there's the potential for old ideas, old myths, old stories to resurface. And this is what we saw in this past year.

You know, we have seen through the pandemic that this is something that we still have to work on. Even if we were to exercise full and total accommodation for those in which we are currently legally required to accommodate, there are other factors that can potentially be used or misused to unfairly or improperly narrow the competition. And unfortunately, a lot of these other ones that I'm going to list and I'm going to go through them very quickly are, quite frankly, very arbitrary. But they're also the sources of low level discrimination that that doesn't necessarily get afforded legal protection, although some of them do.

So here we go. *Political affiliation or viewpoints.* Obviously, there's some industries or some organizations have strong political leanings as a collective, and they prefer like-minded individuals in the organization.

Marital and family status. In the case of Gideon Kunda's tech culture, a study of tech culture, which is one we covered in the Talking About Organizations podcast (see Episode 49), he showed how the organization viewed married personnel as having their loyalties divided and therefore creating conditions that made it really hard for members to sustain a family life which led to divorces, burnout, turnover. It was a very ugly situation.

Physical appearance. It's not just attractiveness--although the conceptions of physical attractiveness can in fact be a discriminator for some people, in that they would favor attractive personnel over others. But, it's not limited to that. It can be choices of fashion, changes in one's appearance through tattoos or plastic surgery, hair color, what have you.

English language skills. This is particularly important when considering duties and responsibilities of a communication variety. However, this can definitely be a disadvantage for immigrant populations or those where English is not their primary language.

Presence of criminal records. Certainly nowadays, you know, having a criminal record, much less even being arrested without having been convicted, is something that can raise a flag and become a discriminator even when it's not warranted.

The presence of psychological problems, the stigmas that associated with those are seeking help, who have who had past episodes of substance abuse, post-traumatic stress disorder, depression, etc. This is very thorny. The stigmas have been difficult to overcome. I mean, to seek help should be considered a strength. However, psychological problems do make some people very uncomfortable and they're not sure how to respond around such people. And that's unfortunate.

There's also some discriminators in terms of current conceptions of *rank, title or position or former ranks titles or positions.* This is interesting because in there there are instances where somebody can price themselves out of the job market because they're considered overqualified or have a higher educational level. We find it weird that somebody might take a position that is of lower responsibility or lower in the hierarchy from a previous position, even when this is the choice of the prospective holder on the basis of a personal issue or other circumstance.

But then also there is [current or past] *military service [and] veterans preferences.* If you have somebody who has served honorably in the military, maybe they get bumped up in some instances. However, in the past, the opposite has happened.

Then the whole issue of family background, which can lead to *nepotism* because the family brand name may overshadow any other considerations, or *cronyism* in which being a friend of the boss can result in the granting of favors that are not aligned with one's own individual merits.

When I went through that list, how many of those did you hear that actually are in some way correlated with the protected classes? Several, whether actual or perceived, they are differentiators that can persist in terms of one's standing within the organization like, say, change in marital status, which then leads to a desire to start a family, which then leads to a need for the organization to accommodate more and more than they may have initially thought. Changes in physical appearance, like as people age, if their physical appearance was in some way important for their social capital and that changes, does that mean that the member, even if what they contribute to the organization, is still valid? Does that put them at risk of being removed? These are all dynamic.

And if you find yourself in a position of disadvantage through no fault of your own and without adequate or satisfactory explanation, then naturally, one's trust, faith and confidence in the system goes down. And of course, the further away you feel from the decision being made or the less control over you have over things kind of adds to the emotional appeal of the counter narratives. Because one of the things that certainly happens, you know, a counternarrative just by its very, very nature,

counter narratives against individuals really take some of the humanity out and went and they make it very easy to look at this nebulous other as the adversary. Rational discourse is pointless and a waste of time.

So now I'm about midway through the series and I've kind of laid out the problems in several several different facets of it, which include understandings of competition, power, information, misinformation, discriminators, ways in which we differentiate individuals beyond just those of the protected classes. And the sheer complexity of that all, you know, it's obviously leads to a question as to, well, what can we really do about it? Well, I believe there is a lot that we can do about it. And that's where Part 5 will come in. I start turning our attention to the solutions. I hope you'll join me.

... And that's all for now. The views expressed are my own and do not necessary reflect the United States Army War College, the United States Army or the Department of Defense. Thank you for listening and have a great day.

ALL THE BEST!
TOM GALVIN