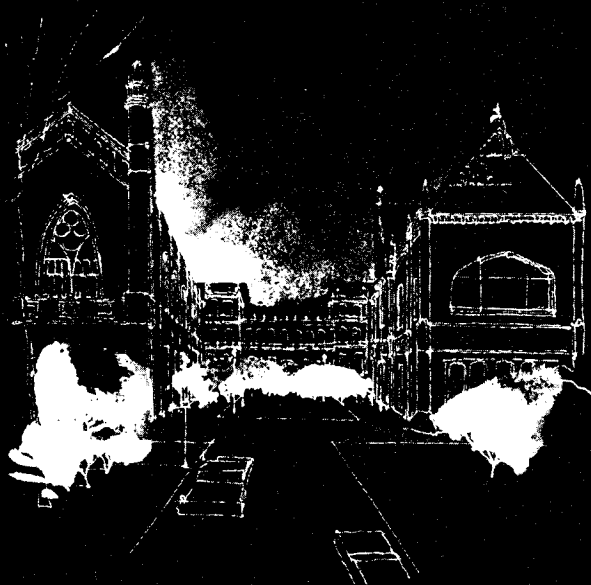


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Executive Behavior

Introduction by JOHN E. JEUCK

Speech by DR. C. KNIGHT ALDRICH



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Introduction

Management development assumed something of the character of an industrial crusade following World War II. The evidence is clear in the number of professional management development personnel now occupying carpeted corner offices in the steel and concrete towers of industry throughout the land, in the number and prosperity of consulting firms engaged in the professional practice of executive selection and development, and, not least, in the rapid growth of formal university programs for executives.

Many managements are now having second thoughts about management development programs; currently one finds a good deal of searching for evidence of results of various programs. The prevailing mood appears to be one of uncertainty and reassessment.

It is not surprising. Too many programs promised too much. We all know now what we should have known before-it is unlikely that any program can synthesize a manager.

Professor Douglas McGregor of MIT has done us all a service in his development of the contrast between the "manufacturing" concept and the "agricultural" concept of management development. He has pointed out clearly and persuasively that industrial leadership is less

to be sought in inherited traits than in a complex relationship between the manager and the situation.

Effective leadership is now quite generally recognized to be a complex function of several variables. First, there are the characteristics of the leader-his intelligence, his technical knowledge and skills, his understanding of the relevant facts and methods of his particular industrial market and technology, and the motivation and values he brings to the task. A second determinant of leadership is the attitudes, expectations, aspirations, and needs not of the leaders but of the followers. A third significant variable is the organization itself-its purpose, structure and role-and the extent to which the senior executives do in fact evaluate their line managers on the basis of their effectiveness in developing subordinates. Finally, the kind of executive behavior that makes for effective leadership is conditioned by the larger social, economic, and political environment within which the organization, the leaders, and the led must function.

If we accept McGregor's analysis, which makes a lot of sense to me, we conclude that *management* development is ultimately *self*-development-and it follows that aids to management development both inside and outside the company are simply means to a manager's cultivation of his own necessary knowledge and skills rather than machines which produce finished managerial products.

This implies that the role of formal university management development programs may be important and contributory, but can never be controlling. The measurement of a program's impact is almost certain to be confounded with the number and weight of the other critical variables in the situation.

These pronouncements may sound strange coming from one who identifies proudly with what he, and, more importantly, others recognize as one of the best university management

development programs currently being offered." It is not because we feel the hot breath of the Federal Trade Commission bent on redressing misleading advertising that I am led to question exaggerated claims, but simply to try to establish a better and more realistic perspective of what can reasonably be expected of university programs. To say that they cannot accomplish everything is not to say that they accomplish nothing.

Indeed, we insist both in our regular graduate programs and in our Executive Program that the range of executive behavior that can be improved through intellectual and rational processes, though not total, is important and substantial. It appears to us that better decisions result from a rational apprehension of certain more or less technical subject matter and widely applicable methods of problem solving. Illustrative of these topics are the fundamental and operational concepts of costs and revenues, and the means of generating and interpreting operating data without which rational managerial decisions cannot effectively be made. Similarly, the knowledge of pervasive institutional factors and their impact on the firm are of continuing importance for managers charged with the acquisition and allocation of enterprise resources.

It is our conviction, however, that while the university can make some contributions to many aspects of management development, it is likely to be at its weakest and least productive when it orients its resources to attempting to educate managers in the particular industry knowledge, folklore, and practice that are better and more efficiently learned on the job. Surely the special knowledge of particular situations is of critical importance, but it is not a concern consistent with the greatest comparative advantage which the university faculty enjoys—namely, the cultivation of the methods

• **The Executive Program of the Graduate School of Business.**

of rational analysis and decision-making, and the knowledge of controlling environmental variables relevant to business decisions. It is on this premise of where our comparative advantage lies that we acknowledge the limited-if vital-role which formal education and educators may effectively assume in the total complex management development process.

As many will recognize, this message is hardly original, It strikes me as worth repeating, however, because I continue to encounter the still widely-held misapprehension that formal university programs can produce managers-and I am sensitive to the growing criticism that they fail to do so.

They fail because the objective is impossible to achieve.

Management, which is to say leadership, is only partly a function of intellectual apprehension. And it is the nature of the institutionalized educational process to be concerned with knowledge and method. However important this teachable subject matter may be, it is not and cannot be the function of university programs to make managers, if only because crucial elements of executive behavior are beyond the control of the technologies and the competence of university faculties.

Clearly the organized university program can have no discernible impact on the organization in which the executive works, the nature of his subordinates, or the great envelope of the social and political environment in which the organization exists. Indeed, even with respect to the characteristics of the manager himself, many relevant determinants of effective executive behavior are likely to yield little to formal educational processes, particularly those introduced when the candidate is thirty to fifty years of age, a proud and harassed father, the "owner" of a mortgage, and the superintendent of unnumbered and unfinished household construction projects.

So I conclude these observations where I

began, with a recognition of the importance of the raw material-the man that is forever becoming a manager. Too frequently this critical variable is neglected in the preoccupation with the processing of the synthesized manager.

A basic determinant of functional executive behavior lies in the pattern of attitudes, motivations, and values of the executive-the personality structure which may be substantially determined long before the candidate enters the formal management development process. It is to questions of this sort-to some of the crucial and fascinating aspects of executive behavior growing out of personality structure-that Knight Aldrich turns.

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of Psychiatry, the University of Chicago. Prior to coming to the University in 1955, Dr. Aldrich served on the faculties of the University of Wisconsin and the University of Minnesota Medical School. His particular interests at Minnesota were the establishment of a liaison service between the Departments of Psychiatry and Internal Medicine and interpreting of psychiatric principles to family physicians and specialists in other areas. Out of this interest came his book, Psychiatry for the Family Physician, published in 1955. Dr. Aldrich is a former candidate at the Chicago Institute for Psychoanalysis and a Scientific Associate of the Academy of Psychoanalysis. He was for several years chairman of the Committee on Medical Education of the American Psychiatric Association.

The Neurotic Competitor in the World of Business

THE NATURE OF NEUROSIS

Before hazarding a few generalizations about the psychology of a specific type of successful businessman, I want to clarify what I mean by the adjective "neurotic."

I define as "neurotic" evidence that emotional conflicts that belong to the past and that have never been solved are substantially affecting a person's current functioning. Actually our lives and the civilization in which we live are so complex that none of us grows up without some residual unsolved conflicts and all of us have some areas of our lives in which we demonstrate neurotic behavior.

There is a wide range of the amount of neurotic behavior that is consistent with "normal," and an even wider range of types of neurotic symptoms. Most of the types of neurotic symptoms are uncomfortable or handicapping to some degree and hence hardly can be considered assets in business or home life.

On the other hand, some symptoms do pay off, in one way or another, and the payoff re-

inforces the symptoms. The most obvious example of symptom reinforcement is the neurotic patient who receives a disability pension for his neurosis. He is particularly difficult to treat as long as his pension continues, and he is in effect being rewarded for his illness. (Let me make it clear that there is no evidence at all that reinforcement of this type is consciously carried out—the patient is not aware that his compensation is prolonging his illness, and he is properly insulted if anyone accuses him of purposely using it for financial gain.)

All rewards for neurosis are not in the form of pensions, or even in the form of less tangible evidences of sympathy. Perfectionism, for example, within reasonable limits pays off in several kinds of work. You want your accountant to be more a perfectionist than average and the same applies to your secretary. In medicine, the operating room nurse, the laboratory technician, the research scientist all need to be perfectionistic to a degree that might handicap the administrator or the salesman.

But why call perfectionism a neurotic trait? After all, accuracy and conscientiousness are standard virtues, part of any child's training. The perfectionist is classified as neurotic, however, to the extent that he becomes uncomfortable when things aren't perfect, so uncomfortable that his attention is distracted from anything else. So the perfectionistic accountant cannot think of anything else until the book-keeping error is found, and the surgical nurse cannot rest until every instrument is accounted for. A research scientist carried out 605 unsuccessful experiments before he found what he was after. For all three, neurotic perfectionism is an asset, at least as far as their work is concerned. On the other hand, there are varieties of perfectionism that can interfere with efficiency: if you are so concerned about the dust on the desk that you cannot concentrate on the papers on it, your neurotic perfectionism, which means in this example your concern

about past conflicts that are actually or symbolically connected with dirt, is interfering with your attention to present and more realistic problems.

To summarize what I have said so far: (1) everyone is preoccupied to some degree with past conflicts; (2) the manifestations of past conflicts vary from person to person; and (3) in some circumstances and within certain limits the preoccupation can be put to constructive uses. The next question is: Is there any type of neurotic behavior, behavior determined by earlier unresolved conflicts, that is particularly useful to the businessman, always provided that it is kept within reasonable limits?

NEUROTIC COMPETITION

The essence of business, at least as it appears to this outsider, is competition. A business progresses to the extent that it makes a better product, does a better selling job, or hires better people than its competitors. An employee gets ahead within a business to the extent that he works harder, produces more, sells more, or makes better decisions than his associates.

If all other things are equal, the man with the greatest competitive drive, again within certain limits, becomes the greatest success. And so the man whose past unsolved conflicts add a "neurotic" component to his basic "normal" competitive drive has an advantage over his associate. If, like the perfectionist who is nervous when things aren't perfect, he is nervous when he hasn't won the competition, he will work at it night and day and over weekends while his better adjusted competitor relaxes with his family. Provided that he can restrain himself when to be openly competitive would be impolitic, and provided that all other considerations of integrity, tact, intelligence, influence, and so on balance out, the man with single-minded devotion to competition wins.

His neurotic traits, therefore, pay off in the currency of the American ideal. And, just as the neurotic with a pension hangs on to his neurosis more grimly than the neurotic who doesn't get a pension, the neurotic competitor resists any change in his way of life. If you tell him to take it easy or to rest, he says, "Nonsense; not resting has gotten me where I am; if I rest, my competition will catch up-and besides, rest makes me nervous."

PROBLEMS OF THE NEUROTIC COMPETITOR

Our hypothetical successful neurotic competitor, however, may have trouble using authority, once he has arrived at a position of responsibility. Since he sees everyone including his subordinates as competitors, to delegate authority or to support wholeheartedly the progress of a gifted subordinate may represent a dangerous weakening of his defenses against the competition. He also may balance his success in business to some extent by difficulties in his personal life, particularly with his body, his family and his old age.

First, a word about his body. Constant competition requires constant tension, and constant tension increases the wear and tear on certain parts of the body, notably the stomach lining. Although the association between competitiveness and ulcers is not as clear-cut as it once appeared to be-relaxed, dependent types have ulcers too-the competitors have more than their share, and when they have ulcers, they don't take very good care of themselves. The neurotic competitor is too busy looking back over his shoulder to see where the opposition is to baby himself. He's also ashamed of anything that resembles weakness and so can't let himself give in to being a patient. The competitive pressure may show in other areas of his body as well; sometimes the two packs a day, the two Martinis before lunch, and the other methods he uses to counteract the con-

stant inner pressure to compete also take their toll.

The second area of possible trouble is in his family. Home, for the neurotic competitor, represents either no competition, which bores him; a handicap to his competitive efforts, which makes him nervous; or an alternative competitive field. To some extent he avoids the boredom by long hours of work and evening meetings, and he may express his tension by irritability. His domestic competitiveness, however, is more complicated. His wife often seems to represent a beautiful and talented prize he has won in competition with other men; once he's won her, he's not so sure he knows what to do with her. He is uncomfortable about competing with women, but he has been too busy competing with men to have time to learn any other type of relationship. When children come, he competes with them for attention and care from his wife; in this area of competition, however, there is too much of the dependency he is ashamed of for him to be able to acknowledge it to himself, and so the competition is carried out in such subtle ways that often no one in the family recognizes it as competition.

The third area is retirement. During his active working years our subject never takes a vacation from competition; either he brings his work along, or he spends his vacations in strenuously competitive golf, fishing, bridge and poker, buoyed up by the thought that he is recharging his batteries for the more important struggle back home. So long as he has the real world to compete in, he is all right, but when he closes up his desk for good and retires to checkers or to bowling on the green, he has nothing to substitute for real competition, and he becomes bored and depressed. He is not interested in the solutions that people recommend for his boredom; they tell him to find a hobby, but hobbies are for kids—they don't provide the kind of challenge to which he has geared his life.

We hear so many stories of the rapid deterioration of successful men on retirement that we begin to think that deterioration is an inevitable sequel of retirement. The results of a recent national study, however, show that the average man does not deteriorate but adjusts surprisingly well to retirement. He is a little short of money, and he has a few aches and pains, but he does not envy those who still have to get up and go to work every morning, and he finds enough to do to keep him as busy as he wants to be. Apparently we have formed our stereotype of retirement from the experiences of a relative minority of successful men and have applied it indiscriminately to all.

There are exceptions even to the limited stereotype, since a fair number of successful competitors are able to retire gracefully. Usually they are fortunate enough to have had the flexibility and foresight to prepare an alternate field of competitive activity for themselves to which they can switch without breaking their stride. One industrialist became an author, for example; another devoted himself to fund-raising. Other successful men have special assets that have brought them success in spite of the absence of neurotic competitiveness, and they can retire as gracefully as the average man.

CAUSES OF NEUROTIC COMPETITIVENESS

Commonly it is assumed that an intense competitive drive stems from a feeling of inferiority, perhaps a result of an impoverished background, membership in a minority group, or some similar circumstance. Although these circumstances may make their contribution, I think that a more important contributor is a fairly typical series of events in the early years of life.

This series of events starts with the battle practically all children put up to maintain the prior claim on their mothers' interest and affection that their helplessness as infants has ap-

peared to give them. As the child develops and becomes less helpless, he begins to perceive that his mother has other interests, many of which revolve around his father. If he has any spunk, he puts up a fight for what he considers are his rights. Ordinarily as he continues to develop, he finally begins to see things in a more realistic perspective; he realizes that he can't be top dog in every arena, and he more or less gracefully retreats.

At the beginning of this struggle, the prospective neurotic competitor is no different from any other little boy, except that possibly he is an unusually vigorous fighter. The difference arises when something in the situation, usually an attitude or a combination of attitudes on the part of the family, encourages the boy's competition but discourages his goal—the goal of being mother's number one boy in all things. The result is that instead of looking at the situation realistically, and philosophically accepting his place in the scheme of things, he keeps on competing furiously, but conceals the real goal from himself so he never can be satisfied.

THE USES OF INSIGHT

It might seem easy to solve the problem simply by explaining its source, but insight into the causes of an emotional problem does not automatically solve it. Instead relief, at least on a permanent basis, usually requires a long, tedious and customarily painful procedure, psychotherapy, and as I have already pointed out, the fact that society rewards the neurotic competitor so lavishly certainly does not encourage him to undertake a long, tedious and painful procedure which, if successful, will reduce his rewards.

Insight into the nature of the problem, however, can be used to modify life patterns. If somewhere along the line the neurotic competitor stops, takes stock, and looks at his goals to see whether he is competing for an attain-

able goal that he really wants or is competing just for competition's sake, it is usually possible for him to modify his goals, recognize and accept his need to be competitive, and harness the need to the modified goals. He then must constantly reinforce his new patterns, assuming that any move he starts to make back towards the old patterns is a rationalization unless proved otherwise.

So far, the prescription sounds a little like a sermon. Perhaps I can bring it down to earth if I describe its application in three specific instances of neurotic competitors, all of whom worked out solutions to their problems without psychiatric assistance.

The thing that brought Mr. X up short was an ulcer. He knew that his tensions had something to do with his ulcer and that his competitive drive had a lot to do with his tensions. In the hospital he started out by competing with the doctor for control and by refusing to accept any treatment recommendation that resembled "babying" (this category includes, unfortunately, most aspects of ulcer management - "drink your milk, eat your mush, don't smoke, don't drink, take your nap," and so on). This kind of competition, an extension of patterns that had been successful in business into his relationship with his physician, was not likely to encourage healing of his ulcer. But instead of doggedly pursuing the familiar course, Mr. X realized that he wasn't getting anywhere and decided to modify not his competitiveness, which he knew he couldn't eliminate, but his field of competition. Instead of competing with the doctor for control, he decided to compete with him for knowledge, and at the same time he competed with the doctor's other patients. He set about to learn as much-or more-about ulcer management as his doctor knew, and to follow the best possible routine so closely that he would get well faster and stay well longer than other patients. In this way he

turned a struggle for control and against dependency into a race for clinical cure.

I am not suggesting that his approach is fool-proof, and certainly I am not suggesting that it makes doctors happy; given the limits of the situation, however, it is better than the available alternative. And so far Mr. X has evidence of success; at least he has had no recurrence of his ulcer.

Mr. Y began to wonder what was really going on when his son passed up his advice in an important matter in favor of the advice given by a much less well-qualified and somewhat depreciated Assistant Scoutmaster. When Mr. Y finished blowing his top about the incident, he discovered that there was more to it than the usual case of a prophet being without honor in his own bailiwick. He found that his son thought his father resented and disliked him, and on that basis he distrusted his father's advice.

At this point, instead of brushing aside the boy's complaints as ridiculous nonsense, Mr. Y took stock. He realized that he resented his son, as an irritating incompetent who took valuable time away from more important business concerns. He may not have identified as evidence of competition his view that his wife "spoiled" the boy, but he was able to recognize that the alliance he saw between them was at least in part the result of his lack of interest in them. He faced the fact that business success did not automatically insure success at home, decided that he wanted the rewards of being a good father and husband as well as the rewards of business competition, and set about competing with fathers and husbands as well as with executives and managers.

His road was not as easy as Mr. X's. First, he had to find out how to be a good father and husband, and this educational enterprise required him to listen to criticism of his past performances which aroused his anger and almost upset the apple cart. Second, he found that his

sudden change of attitude did not immediately win over his son, who met his initial overly hearty efforts with suspicion and reserve. Mr. Y did not let his discouragement get him down, however, and resumed his campaign on a more modulated note.

Although for a while he suspected that being a good husband somehow meant relinquishing control of the whole family, he persisted and eventually he began cashing in. He still cannot avoid the competitive element; he continues to see as his goal to become a *better* father and husband *than other* fathers and husbands. The Assistant Scoutmaster, however, has lost out.

Mr. Z's day of insight came when his illusion of indispensability was punctured. He had assumed on no more evidence than his own illusion that his company would naturally waive the mandatory retirement age in his case. Fortunately for him this illusion, which is by no means uncommon among people in the "normal" range, did not persist until the day of retirement but was sufficiently jolted two years in advance so that he no longer could support it.

When he first recognized that he was actually expected to retire at the usual age, he was angry and depressed, and even considered resigning and taking a job with a less unappreciative firm. He soon realized, however, that other firms were equally unappreciative, and finally facing the full measure of reality, he began to reappraise his potentialities in retirement. He knew he could not enjoy life without some kind of significant competition, and he recognized that his chances of continuing his successful competition in business after retirement were limited. Once he could abandon the conviction that the only "real" field of competition was for personal financial reward, a whole new set of competitive opportunities opened up in political, charitable and artistic arenas. He could run for local office, or work for his party; he could compete for the community's contribu-

tions on behalf of the agency or fund in which he was most interested, or he could develop their public relations program for them; he could compete for support of a musical organization against the rest of the artistic community.

As he became convinced that these areas of competition were significant and productive, his interest in all of them rapidly developed, he began to be impatient with his lame-duck status in his company, and by the time his retirement date rolled around, he was eager to make the transition.

MODIFYING PATTERNS

The happy endings of the problems of Messrs. X, Y and Z required a good deal of flexibility on their parts, flexibility that is by no means always to be counted on. Any kind of reorientation that requires the abandonment of well-established emotional patterns is difficult, and the fact that the old patterns are not consistent with the best interests of self or others does not seem to make it easier to abandon them, as witness the problems of the alcoholic. On the other hand, as Messrs. X, Y and Z demonstrate, at least in some individuals old patterns can be modified to a degree sufficient to make the difference between comfortable and uncomfortable existence, and this modification can be accomplished without psychiatric treatment.

I am not suggesting that psychiatric treatment is not useful as an antidote for neurotic competitiveness. The men I have discussed might well have adapted more rapidly with a gentle psychiatric nudge. I am suggesting, however, that people are not necessarily helpless in the grip of neurotic manifestations. Some people can do a lot on their own about some types of neurotic symptoms, once they stop rationalizing that this is the way they are and no one should expect them to be different. On

the other hand, if they have recognized the problem for what it is, have made a serious effort to make a different adaptation, and have failed to bring about the desired modification, it is time to seek some professional help.

SUMMARY

In summary, then, a business career may be materially promoted by a degree of competitiveness that can be classified as neurotic. Neurotic competitiveness carries with it, however, the risk of some disadvantages in other areas of the competitor's life situation. With some flexibility, as well as with some persistence, the disadvantages can be contained to a degree, and the businessman can, so to speak, have his competitive cake and eat it too.

It is not impossible for the highly competitive, successful businessman, once he recognizes the nature of the competitive drive that is in large part responsible for his success, to make adaptations and compromises that will not endanger his goals in business but at the same time will permit him to live comfortably with his body, his family, and his future.

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