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Army. Comptroller of the Army. Jun 51.

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OFFICE, CHIEF OF ARMY FIELD FORCES  
Fort Monroe, Virginia

19 Jul

ATTNG-31 461/332(6 Jul 51)

6 July 1951

SUBJECT: Business Management Instruction Package

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1. Reference is made to paragraph 5w, letter, OCAFF, ATTNG-31 352/233(8 June 51), 8 June 1951, subject: "Common Subjects, Branch Advanced Courses During School Year 1951-52."

2. Inclosed are three (3) copies of instructional package on Business Management prepared by the Office of the Comptroller of the Army to assist in presentation of Business Management in branch advanced courses during school year 1951-52.

3. It is desired that each addressee furnish this Office a copy of the lesson plan used in presenting the unit of instruction on Business Management as soon as practicable.

FOR THE CHIEF OF ARMY FIELD FORCES:

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NEIL M. MATZGER  
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13 JUL 1951

## "SOUND BUSINESS MANAGEMENT PRACTICES FOR THE ARMY" \*

### I. INTRODUCTION

A. The Eddy Report (i.e. report made by the Department of the Army Board on the Educational System for Officers, 15 June 1949) recommended that the subject of business management be incorporated into the curricula of all schools of the Army Educational system.

B. Why Business Management for the Army? You might ask why? Why should an organization whose over-all function is the organizing, training and equipping of landforces for operations, be concerned with business management?

C. The Army is Big Business. The answer is relatively simple: Because the Army is big business. The Army is big business because it:

1. Utilizes the services of more personnel
2. Operates on a larger budget
3. Has a more varied and complex mission
4. And, is more world-wide in the scope of its activities than any of the industrial giants, such as General Motors, or, any of the other governmental agencies, such as the Post Office.

D. Kremlin's Aims. Too, it is the opinion of some strategists that the Kremlin's aim is victory, not through an all-out "firing" war, but through an economic war which would bankrupt the United States. This economic collapse, the Kremlin reasons, would cause the United States not only to abandon its fight to preserve the democratic way of life among freedom loving peoples of the world, but also, would prevent the USA from providing nations with sagging financial structures, the necessary economic material aid that is essential for their survival.

E. Need for Utilization of Resources. Therefore, the effective and efficient utilization of manpower, money, material and other resources by the Army is an absolute necessity. This is so, in order to protect the economic structure of the nation and, at the same time, return a full dollar's worth of national security for every dollar spent. To accomplish these aims, then, it is necessary that sound principles of management be applied at all echelons of the Army Establishment.

\* A "two-hour" instructional package prepared for the Army Field Forces by the Management Division, Office of the Comptroller of the Army, June 1951, for minimum coverage in all branch advanced schools for officers. This package, in order to have common application to the various arms and service schools, of necessity, is not as replete or specific in illustrations of the practices discussed, as it should be. It is incumbent, therefore, upon the instructors of each school to supplement the text with examples which are related to the experience of the students in attendance.

INCLOSURE

Over

## F. What is Management?

1. A generally accepted definition describes management as the scientific utilization of men, money, materials, methods and machines in the attainment of a desired objective, or mission.

2. The basic elements of any activity are the so-called "five M's": Men, Materials, Machines, Methods, and Money. These are the things which all management utilizes in order to get work performed.

3. To manage effectively requires a knowledge of the objective (i.e. knowing what is to be accomplished). With this information as a background, a manager utilizes the five M's in achieving the goal. In order to do this in an orderly and efficient way, he will plan, execute and evaluate a program of action. We will examine each of these three activities of a manager later on in our discussion.

## G. Who are the Managers?

1. The modern viewpoint is that management is composed of that body of people who supervise the work of others.

2. Management's policies can be adequately carried out only by the loyal and enthusiastic action of supervisors who understand management objectives and want to work toward them. Realizing this, the modern viewpoint recognizes all supervisors as a part of management.

3. Opposition to the unionization of foremen has been based by industry on the contention that, these supervisors were and are a part of management.

4. Thus, all supervisors from the lowest level of supervisory responsibility to the highest level are considered members of the management team.

5. In the Army Establishment, "management" would include all Commanders and supervisors, military and civilian, from the "first-line" supervisor and the squad leader to the Secretary of the Army.

6. Each of you listening to me today has been and will continue during your Army career to be managers. For, from the time you command a platoon as a 2d Lieutenant until you retire with thirty years or more service, you will continually engage in the practices of management.

7. Of what value are business management principles to you? As managers you direct and supervise the utilization of the resources at your command, with particular reference to personnel. Helping you make better utilization of these resources is one important way in which business management principles can be of value. Accept the fact that the Army is "big business," accept also the fact that the officer has an obligation to run his share of the business in an efficient manner, and the conclusion becomes self-evident that the adoption and application of the tested principles which guide managerial action is the determinant of an officer's effectiveness.



#### H. What are These Business Management Practices?

1. There is no single universally accepted list of business management practices nor will we attempt to develop one here. Rather let us determine the basic functions of good management and let us then discuss each of them in turn.

2. By the way of an example let's determine what these basic functions are:

a. Suppose I want to build a house (and let's assume I know how to build one). I look for a location, sketch a floor plan, write specifications, and arrive at the cost. I decide to boss the job myself and consider who I will need: carpenters, plumbers, electricians, laborers and so forth. I determine who I will hire and who bosses whom. I decide what each one does. I schedule the sequence of work. I make arrangement for the financing of the project. This is "planning." It is the first function.

b. I have a plan for building the house. I have thought of whom I will hire and what I will pay. The next function is to get hold of the people and say to them, "you are hired to do ....." I give them the assignments. I literally say, "Go to work." I may even have written instructions or contracts with some of them. I am giving orders; I buy the materials and pay the bills. I make numerous day-to-day decisions. I am "executing" or commanding. It is the second function.

c. Do I select to do anything else? Yes. I have to watch to see that quality sawed oak is on the floor, that the joints in the plumbing are tight, that the men do a full day's work, and that the efforts of the various tradesmen are coordinated. If I don't perform this function, my house will cost more than I planned, and it won't meet the specifications. This is the third function and in the building trade is called inspecting. In the language of the manager it is called "reviewing and analyzing."

d. You all should be familiar with the steps by which a field commander conducts successful operations. He is assigned a mission and either is given or selects a specific objective. He works out a plan of action, including the required support, and determines the time schedule and phase lines or intermediate objectives to reach the main objective. He then carries out the scheduled operations. Further, he requires his staff to maintain complete, up-to-date situation maps and reports to show at a glance the progress made and trouble spots. When the objective has been gained, the operation is appraised from many aspects. The activities also can be divided into three aspects of the job to be done--the planning of the operation, its execution, and finally a review and analysis of it. These three aspects are essential elements of every job which must be done. It is true that because of time limitations one or more of these aspects may receive less attention than the other, but none can be safely overlooked or omitted.

e. It should be noted that these three aspects are not only related operationally but also overlap and are intermingled in terms of time sequence. They can not be cleanly and separately compartmentalized.

3. These, then, are the three basic functions of management. They are:

Planning

Execution

Review and Analysis

4. One qualifying statement, in regards to the application of business management practices, at the outset. Although these practices have application generally to all types of operation in the Army Establishment, they have somewhat limited degree of application in tactical operations. This is because of the very nature of the tactical operation. For example:

a. A commander, at the front, can't stop to get the consultative advice of his men as to what to do in a given situation. He must make decisions fast.

b. Too, in combat, speed and lives of personnel are much more important than economy of supplies, equipment and costs.

c. Orders are often issued verbally, because of the necessity for rapid decision and action.

## II THE PLANNING FUNCTION OF MANAGEMENT

A. What is Planning? The function of "planning" answers the age-old questions of the military field order: "what," "when," "where," "how." It involves the exercise of creative and reflective thinking and determines basically:

What is to be done?  
How will the work be done?  
Who is to do what?

### B. What is to be Done? (objective determination phase)

1. No successful commander attempts to plan for a task or a military operation until he has first determined his mission. This action is particularly important in the field of management. Managers must first make an "estimate of the situation" and carefully determine the objective - what the organization is to accomplish.

2. This objective needs to be definite, and stated in a simple, accurate and understandable manner. It is almost mandatory that objectives be reduced to writing so that there can be no uncertainty about the meaning. In the Army, objectives are usually set forth in orders, regulations and memoranda.

3. There are advantages in getting each member of an organization to know and understand the over-all objectives as well as those of the unit in which he serves. It is not a comfortable feeling to work in the dark not knowing why certain things are done. This rule does not apply, of course, when for security reasons, over-all objectives are not to be imparted to one and all.

4. An interesting example of military objectives and their working is contained in the directive which General Eisenhower received for the invasion of the European continent.

"You are hereby designated Supreme Allied Commander of the forces placed under your orders for operations for liberation of Europe from the Germans .....

"You will enter the continent of Europe and, in conjunction with the other United Nations, undertake operations aimed at the heart of Germany and the destruction of her armed forces."

### C. How Will the Work be Done? (Planning Phase)

1. Before General Eisenhower could begin the planning phase of his assignment he had to know the objectives toward which he was to direct the plans. The fact that he knew he was charged with the responsibility of destroying the German Armed Forces enabled him to plan the size of the force required, to plan where the initial landing should take place, to plan the phasing of training with that of operation, to



plan the type of tactical operation to be utilized, and finally to plan the approximate date for launching the invasion. An essential part of the plan is the sequence in which different actions take place so that all move toward the objective in harmony and order.

2. In a like manner, managers after determining the job to be done will plan the things that need to be done and the methods for doing them in order to accomplish the objective which has been set. This includes the development of procedures, and methods, and the selection of equipment and other necessary facilities.

3. A good plan must be capable of accomplishing the objective. In order to do this it must be based on complete and accurate facts. It must utilize fully existing resources and facilities before providing for the creation of new. It must establish clearly, organizational relationships and fix responsibility and authority. It must insure that the various resources needed are available for the period of action for which formed and that the best methods are used. It must also include the machinery necessary for continuous coordination.

D. Who is to do What? (organization phase) In regards to organizational planning, here are a few basic principles:

1. Unity of Command.

a. It must be known by each individual to whom he reports and whom he directs. One of the most common organizational faults, especially in lower levels, is the confusion that exists when individuals do not know to whom they report and whom they direct.

b. Authority to direct an individual must be limited to one person. This is complementary to the point just made. When men report to more than one chief, confusion and lack of effectiveness results. Conflict often arises as to precedence of work performed, disciplinary action and assignment of duties. This principle is illustrated by the fact that orders issued by company commanders are transmitted through the chain of command.

2. Span of Control. The number of individuals assigned to the direction of one person must be limited to the number he can effectively supervise. It is not possible to lay down any hard and fast rule as to the number of people that can work effectively under the supervision of a single operating chief. This depends on many factors, such as the nature of the work, the capacity of the supervisor, the organizational level at which it is performed, the degree of technical knowledge involved, the proximity of those supervised to the supervisor, etc.

3. Homogeneous Assignment.

a. Functions assigned a unit should be related or similar. Most people have limited ranges of interests and capacities. Every effort



should be made, therefore, to group together those activities which would most likely gain the enthusiastic attention of the type of person found in a particular unit.

b. Also the operations of subordinates must be specific and clear cut, and must not overlap.

4. Delegation of Authority and Responsibility. Any person charged with responsibility for a particular function, must receive with it the necessary authority. Many times individuals are given the responsibility for a given function but they are not given the authority to perform it adequately. This situation usually arouses resentment in those held responsible, who feel that this lack of authority indicates a lack of confidence in their ability. This is why in the Army, the jobs, responsibilities, and relationships, of all responsible persons are outlined in tables of organization, and in Army and Special Regulations.

### III. THE EXECUTION FUNCTION OF MANAGEMENT

#### A. What is Meant by Execution?

1. The execution function, the second basic function of management, is the activation of the plan developed by the function of planning. It is concerned with making decisions and embodying them in specific and general orders and instructions, and providing the type of leadership to insure effective utilization of personnel.

2. An interesting parallel exists between the execution function and a well-coordinated football team. A group of employees or soldiers without a leader is like a football team without a quarterback. Each is in readiness for action, but the force which will initiate that action is lacking. The manager is the directive force behind a plan and the quarterback the directive force behind team strategy.

B. Orders and the Execution Function. The issuance of orders and instructions in consonance with planning decisions is part of the function of execution. In this connection a few principles will be discussed.

1. Technique of Giving Orders. A good order must cover the desired action in a comprehensive manner. It is essential that the one who receives the order have clear understanding of what is required. Therefore, to secure the desired response on the part of the recipient an order should:

a. Be intelligible, that is, simple, complete, concise and clear.

b. Initiate action that contributes to the accomplishment of the predetermined plan. As a corollary, recipients of orders should be made to understand fully the part his action plays in the attainment of the over-all objective. By so doing, their enthusiastic cooperation is possible. Knowing the purpose of orders is in itself a motivating factor.

#### 2. Oral and Written Orders.

a. Oral orders (whenever possible) should be held to a minimum. Circumstances, however, frequently require the issuance of oral orders, particularly in rapidly changing situations. Oral orders can easily be misunderstood and usually are not as well thought out as written orders. Where major actions take place as a result of oral orders, they should be confirmed in writing at the first opportunity.

b. Written orders. Avoid the deficiencies of oral instructions in telling what is to be done and who is to do it. Execution requires written orders because it is largely concerned with coordination.



and continuity of action that requires uniform results. Written orders can be consulted readily to maintain accuracy; excuses of misunderstanding and forgetting are avoided; and written orders are of particular value when exact and complicated details are involved. Furthermore, because every member of an organization is certain of his performance responsibilities it is easier to maintain proper and accurate accountability. Too, orders issued at headquarters units insure uniformity and cohesiveness of execution throughout all elements of the organization.

### C. Procedures and the Execution Function

1. a. Usually a commander will issue an oral or written order when he wants a nonroutine aspect of his plan of action carried out. On the other hand, he may establish a policy or a procedure (SOP'S, etc.) on repetitive and routine matters connected with his plan.

b. Standard operating procedures are familiar to all of you. In the Army, as you well know, nearly everything is done by standardized procedures. Everything, that is, from washing dishes and the cleaning of mess halls to writing morning reports and reports on training. And you know, too, that any deviation from standard operating procedures would require either prior approval or subsequent explanation.

2. Procedures can be used for either regular or special work, but they are most effective for regular work of a repetitive nature. By means of procedures the handling of a series of operations is reduced to a formalized plan of execution. The need for individual planning and decision making, by the commander, at every step as the work progresses is eliminated. In short, procedures simplify the accomplishment of the execution function by minimizing the delay which would have been involved in deciding what to do next and by obtaining uniformity of action each time the operation is performed.

3. To be effective, sound procedures must conform to the following principles:

a. Current. If a tactical unit were to train and function under procedures which were based on principles and know-how of a decade ago, its chances for survival in any real emergency would be slim. Just as a tactical unit must keep abreast of the latest developments in weapons and mechanized warfare to assure its effectiveness, so must any organization operate under procedures which represent the best and most economical way of doing the job, incorporating whatever techniques have been developed both in its particular specialty and in management improvement.

b. Known and followed. The latent and most highly developed weapons (or techniques) are valueless and wasted if no efforts are made to explain to those responsible for their application not only that they are in existence but how and why and when they should be used. Procedures serve primarily as a guide. One way in which to establish

firmly in the minds of the personnel the purposes served by well organized procedures, is to outline for them, in graphic form, if possible, step-by-step, the actions to be taken in proper sequence. Various types of charts can be used to give them a picture--well balanced, integrated, whole. When the procedure is thus presented, the personnel can discuss it in as much detail as necessary and any misunderstandings can be clarified. It is then likely to remain firmly imprinted in their minds and, because it is understood, they will experience a minimum of difficulty in learning and following it.

c. Complete - both in detail and in coverage of all levels. In the process of painting the picture no detail in the procedure should be overlooked. The explanation should be as thorough and as complete as possible. Not only should the explanation cover the application of the procedure in one unit but should include all levels through which the procedure must pass before the final product is accomplished.

d. Presented in simple and clear manner. No matter what techniques are used--chart, pamphlet, regulation, etc -- the explanation given should present the procedure in as clear and simple a manner as possible.

a. Recognize the human element in doing a job.

(1) In every operation, the combined efforts of a number of people are necessary to get the job done. The procedure, however perfect its mechanism, is only a means for the accomplishment of the job. Cooperation and coordination of all the employees involved are required to tie together the entire operation. Good working relations, both within and without, must necessarily be maintained to facilitate the gearing together of the multiple actions which result in the finished product.

(2) Helping the personnel understand the procedures, is a major factor in obtaining good relations. Another is recognizing that not all people conform to or fall into one pattern. Each person has his own interpretation of the method of operation and these interpretations often form the basis for finding improved methods. Within the framework set up by the procedure, the individual employee should be free to develop changes which will enable him to obtain the desired result better, faster, or less expensively.

#### D. Coordination and the Execution Function.

1. Coordination is the process of promoting and securing a unity of effort in the accomplishment of the objectives from persons not under command, as well as those under command. The size, specialization, and complexity of the elements of the Army Establishment and the introduction of new weapons and techniques has increased the problems of coordination. It is only through coordination that unity of action throughout the organization can be obtained.



2. Coordination, like leadership, is not restricted to the execution function and will be discussed later as another of those elements of management which are inherent parts of each phase of the management process.

#### E. Resources and the Execution Function

1. No matter how well a job is planned little can be accomplished without sufficient resources of funds, personnel, equipment and facilities. Resources are rarely as adequate as the manager using them believes they should be. Important to managers, then, is the utilization of the resources available to them so to assure the highest degree of adequacy possible throughout the execution phase.

2. The budget is the first of these resources, since none of the others can be obtained without funds. It is a means of obtaining income and of dividing it to see that the money is applied to effect the major purposes for which it is intended.

3. Personnel Utilization. The proper handling and utilization of personnel is one of the key factors in the execution function. It entails application of well-used slogan of having "the right man in the right place at the right time" is commonly interpreted to have two aspects--finding the spot in which each man can make the best use of his abilities, and creating conditions which will enable and inspire him to do so. Obviously, that is an ideal situation which can be used only as a target--but the closer to the target a commander can get, the better the results to be obtained.

4. Personnel management, to be effective must operate not only at the top level but at all echelons, including a squad under a non-commissioned officer. Effective commanders establish and use personnel procedures that will:

a. Place the right man on the right job through careful appraisal and assignment.

b. Stimulate the individual's desire to produce through adequate incentives.

c. Capitalize on the individual's intelligence, interests, and aptitudes through suitable training.

d. Utilize the individual fully on essential tasks.

e. Insure the individual opportunities for professional development through intelligently planned and progressive rotation of assignments.

5. In the final analysis it is man himself who must be intelligently managed and ~~for~~ if victory on the battlefield is to be achieved or if adequate services are to be performed. The exercise of command and staff responsibilities as they pertain to the objectives of personnel management will be successful then to the extent to which commanders and their staff, understand and apply a knowledge of the psychology of human behavior.

6. The important aspects of providing equipment and material are that they be the best that can be devised, be obtained in ample, but not excessive quantities and be so distributed that they are available where and when needed. From your viewpoint, these are primarily logistical problems. How good is the stuff G4 gives my outfit to fight with, how well does the S4 get us what we need and how can we make the best use of it?

7. Another important resource is space: barracks, mess halls, PX's, warehouses, training areas, schools, offices. As with equipment and materiel, your question about space should be, how can I get what I need at the lowest feasible cost.



#### IV. THE REVIEW AND ANALYSIS FUNCTION OF MANAGEMENT.

A. What is Meant by Review and Analysis? Up to this point planning and execution have been discussed. The function of planning provides a plan of action for the accomplishment of the objective of an organization with efficiency. The function of execution initiates action and guides the organization toward the achievement of the objectives. It remains for a review and analysis to insure that the action is performed as planned. This whole process is comparable to a soldier on the pistol range. He first sights the target (planning); then squeezes the trigger (execution); and finally finds out how close his shot came to being a bull's eye (evaluating).

B. Review and Analysis is the function of management which determines the relationship between planned and actual results and of taking such action as is necessary to rectify any disparities. The first and second basic functions of management (planning and execution), as well as the third (evaluating), exercise a great deal of control over group performance. The review and analysis function is made easier when the planning and execution functions are properly administered.

C. Evaluation Methods. The principal methods of evaluating performance are by means of: inspection, comparison, and progress reporting. Implied in each of these, when needed, is corrective action. When any of the methods mentioned disclose deficiencies, corrective action must be taken by the manager to eliminate or mitigate this deficiency.

D. Inspection. One aspect of supervision is the activity of inspection. A commander to assure himself that the actual operation is proceeding according to the plan checks performance. Guides for examining the proficiency of performance are the plan, written instructions, standard operating procedures and performance standards. Quality of the work is another thing he will want to check.

1. Inspection should have a salutary influence on the maintenance of good discipline. The fact that inspection is conducted, demonstrates to employees that they will be required to render proper performance. Because of this review, employees will soon develop the habit of rendering only good performance and, ultimately, such performance will be almost automatic.

2. Inspection will also identify outstanding performance and good managers will be quick to reward it. When the members of the organization realize that inspection can further the personal interests of good employees, an incentive for increased productivity is generated.

3. If, however, performance is not up to the standard expected and, if, after analysis, it has been determined that poor procedures are the cause of the problem, the manager is challenged to search out and rectify these procedural problems. In this connection principles of work simplification will be discussed later.

E. Comparison. Comparison is the method by which actual results of an operation are appraised in light of the planned performance. The use of the comparison method presupposes that performance standards of production in operations have been developed and established.

1. The degree to which operating goals are being met can be measured in terms such as people trained, number of box cars loaded, forms processed, degree of proficiency, etc. These are readily identifiable and measurable. The degree to which administrative goals are being met, however, is not as easily determined.

2. Performance standards in the form of time limitations, are used in the basic training of soldiers. It is expected that at the end of a given period of time, those trained will qualify in the techniques taught (rifle proficiency, etc).

a. Work measurement provides a tool for managers.

(1) It establishes output per man-hour, which can be converted into the number of persons required to perform a particular amount of work. Or, it can be converted into the amount of work a particular number of persons can accomplish. For example, if work measurement data show that it takes four hours to maintain a vehicle each month, 320 vehicles will require eight individuals working 160 hours per month each. Or it can be stated that eight individuals can maintain 320 vehicles.

(2) It provides a "red flag" for management when something is wrong and requires attention. If the work measurement report, for instance, showed that vehicle maintenance time had jumped to eight hours per vehicle per month, a check would be in order. This check might show that only 10-ton trucks are being maintained and that the time is justified. Or, it may show that the condition is resulting from one of a number of things such as low morale, improper supervision, inadequate tools, poor methods or layout, etc.

(3) It provides managers with information so that meritorious service can be rewarded and below standard performance can be identified and corrected.

b. Work measurement provides incentives for employees.

(1) It creates a competitive spirit among employees. Merely recording of work output in and of itself creates the competitive spirit. Information showing how individual employees stand with relation to work units accomplished frequently causes greater output per employee.

(2) It increases output by having an established goal to meet. It makes each employee stand on his own feet and get



out production in accordance with recognized standards. Each mechanic in our illustration knows, for instance, that he must maintain forty vehicles per month.

F. Progress Reporting. The purpose of progress reports is to keep managers ultimately informed of the existing situation in their units. That is, how well the responsibilities of the unit are carried out and how close to the schedule the work is from time to time. Field commanders accomplish this by means of situation maps and periodic reports. Progress reports must have certain characteristics in order to be of maximum usefulness.

1. First of all, they must be news and not history. Management's attempts to control the progress of its programs are severely handicapped if the information it used is not current. Action which appears necessary based on obsolete data may prove to be the exact opposite from that required by today's results.

2. Secondly, a good progress report portrays not only what has happened, but what should have happened. Actual results are, in each instance, compared with the plan or program in a manner indicating whether or not the pace of progress is being maintained. It is more important to know where we are going than where we have been.

3. The most important characteristic of a good progress report is its ability to point out clearly those factors which are unsatisfactory and which require attention and action by management. To achieve this, a report must be more than factual--it must be analytical. Each instance of failure to maintain the programmed pace must be thoroughly explored, the reasons for the failure must be determined and the possibilities for correcting the failure analyzed. A report of this kind minimizes management's task of interpretation and allows it to concentrate on direction of corrective action and follow-up.

## V. INTERRELATIONSHIPS OF THE MANAGEMENT FUNCTIONS

A. Plans are Continually Subject to Modification. From the foregoing, you as a manager, may conclude that the three functions, planning, execution and evaluating, can be carried out at different times and can be nicely scheduled so that each will be done at appropriate times. The fact of the matter is that all three are likely to be going on simultaneously. Plans will be continually changing to meet changes in the primary programs of the Department. Other changes will be needed as the Army's budget is modified. Different methods and techniques and modernized equipment will frequently call for changes in plans. There is nothing static about the Army and the way it carries on its work which means that plans will be continually modified to meet changing conditions.

B. Execution is Also Subject to Modification. Similarly, the function of carrying out the plans will be going on constantly and will be changed from time to time as the plans are changed. Instead of waiting until the execution phase has been completed (if it is ever completed) you as a manager will need to evaluate, both the plans and the methods of carrying them out. This, too, will be going on all the time. If a new program should be planned and carried out the evaluating phase will probably start very early in the history of the program.

C. The Functions of Management are not Compartmentalized. The principal point is that the manager should not anticipate that these three functions, planning, execution and evaluating can be compartmentalized and broken off into three isolated segments nicely scheduled in a scientific manner. Experience shows that this is not the case and that the manager will be concerned with all three at all times. He should, however, recognize the differences between the three functions so that when he deals with one he will be aware of its relationships to the other two.



## VI. ELEMENTS INHERENT IN MANAGEMENT

### A. The Elements of Management Permeate the Whole Management Process.

If we call planning, execution and evaluating the three major functions of management, we have in addition, a number of elements of management. These elements are continually performed by the manager as he carries out the three functions. These elements are supervising, leading, coordinating, training, improving, and other similar activities that will be normally done by anyone in a managerial position.

B. The Supervisory Element of Management. Supervision prevails throughout the entire management activity and work of the manager. In supervising, the manager sees that work is properly planned, carried out and reviewed. In so doing, his job covers a wide range; he will deal with people, with the work and with the material resources. Some of the components of the supervising element of management in which the manager wants to develop competence are:

1. Know His Job. To know his job thoroughly, the manager must possess a wide field of knowledge. He must understand the technical aspects of the operation of his command and the methods and procedures of organization, administration, instruction, and personnel management. The manager also should possess a sound understanding of human relations. Further, he should have a working knowledge of the duties, responsibilities, and problems of his subordinates. If he commands a service unit, he should have a knowledge of combat operations.

2. Know His Men and Look Out for Their Welfare. The proper handling and utilization of personnel is a key factor in the management process. A proper performance of this task, therefore, requires a knowledge, and deep appreciation of human relationships. Some of the basic principles affecting the relationships of a manager and his people are:

a. Individuality. The manager must engender an enthusiastic desire on the part of the members of the organization to give the highest cooperation in order to accomplish the objectives effectively. He accomplishes this by taking an active interest in his people and their problems. He must make them understand he regards them as friends and individual personalities not as "payroll or serial numbers." He must extend his aid in both their personal and professional problems. He must not shut himself up in his office. He must get out and meet his subordinates personally.

b. Recognition. When subordinates have carried out assignments in an effective manner, the manager should tell them so and let them know how appreciative he is of their work. Everyone likes praise and are motivated by it. Other subordinates are motivated also and apply themselves more industriously in the hope of winning similar recognition.

c. Discipline. It is also the responsibility of managers to deliver reprimands and admonitions when warranted. Before administering a reprimand, however, the manager must be certain of his facts and that the culprit is deserving of it. It is also important that the manager deliver the reprimand in private and in an objective manner.

d. Keep His Men Informed. The soldier who is well informed about the mission and situation and about the purpose of his particular task is considerably more effective than the one who is not so informed. The better the soldier is informed, the better he can perform his tasks with maximum initiative. The commander who fails to make essential information available to his men will soon find that they are performing blindly without purpose. At the same time, commanders at all levels must realize that security requirements impose limitations on information which may be imparted to the men.

3. Insure That the Task is Understood, Supervised and Accomplished. The manager needs to give clear, concise orders that cannot be misunderstood; then, by close supervision, he will insure that those orders are properly executed. The issuance of an order is the initial and relatively small part of the commander's responsibility. His principal responsibility lies in supervision to make sure that the order is properly executed. It is this responsibility that is most difficult to carry out. The able manager will make wise use of his subordinates to carry out his supervision effectively. Any commander of a large unit who fails to make proper and adequate use of his staff and subordinates demonstrates a fundamental weakness in managerial ability.

4. Make Sound and Timely Decisions. The ability to make a rapid estimate of the situation and arrive at a sound decision is essential to a manager. He must be able to reason logically under the most trying conditions. He must decide quickly what action is necessary in order to take advantage of opportunities as they occur. The vacillating commander not only will be unable to employ his command effectively but will create vacillation, lack of confidence, hesitancy, and indecision, within the command itself. The ability to make sound and timely decisions can be acquired by constant study and by training in making estimates. On the other hand, when circumstances dictate a change in plans, the able manager will act promptly without fear that the command may consider such action as a vacillation.

5. Seek Responsibility and Develop a Sense of Responsibility Among Subordinates. By seeking responsibility, the manager develops himself professionally and increases his potential ability. Proper delegation of authority is a sound attribute of leadership. The commander then holds his subordinate strictly responsible for results, and rarely for methods of procedure. Such action by the commander engenders trust, faith, and confidence. It develops initiative and wholehearted cooperation. Reluctance to delegate authority often is a mark of retarded growth in leadership.



6. Employ His Command in Accordance with its Capabilities. To employ his command properly, the manager needs to have a thorough knowledge of the tactical and administrative capabilities and limitations of his command. He must assign objectives that are possible of attainment, properly evaluate time and space factors, and employ his command with sound judgment. To do less than this may spell failure in accomplishing the mission. Recurrent failure brings about collapse of morale, esprit de corps, and efficiency. However, on occasion, when the situation demands, the commander may push his men without hesitation beyond their considered capabilities in order to achieve a quick and cheap victory or to avoid a costly defeat.

7. See That His People are Properly Trained. Training is a supervisory responsibility which if effectively done can pay off in increased availability of employee skills and consequent improved capacity of the work force. Training involves:

- a. Orientation of new employees.
- b. Instruction sufficient to do current work.
- c. Establishment of sound working habits and attitudes.
- d. Preparation for promotion.
- e. Reorientation of old employees when changes in policies, procedures, methods and instructions come about.

C. The Leadership Element of Management. Shakespeare said that "some are born great, some achieve greatness, and some have greatness thrust upon them." So it is with leadership. Some men are born with a capacity for leadership. Some acquire the art. Other persons find themselves thrown into unusual situations which require them to draw on leadership resources they never realized they had. Many of us, however, are not born leaders. If we want to be leaders it is essential that we either possess or acquire the art of leadership. Developing the art is a continuing process which involves the recognition and practice of the basic traits of leadership and the understanding and application of sound leadership principles and techniques. The following principles of leadership are equally applicable to all levels of command from the company to the Army group.

1. Know Yourself and Seek Self-improvement. It is the duty of every leader to evaluate himself and to recognize his strengths and weaknesses. An individual who does not know his own capabilities and limitations is not master of himself and can never hope to be a leader. Likewise, an individual who realizes his deficiencies but makes no effort to correct them will fail as a leader. Study of leadership principles and practice of sound leadership techniques will develop leadership ability.

2. Set the Example. Men instinctively look to their leaders for patterns of conduct which they may either emulate to their advantage or use as an excuse for their own shortcomings. The classic example of the military leader is that of an individual whose appearance and

conduct evoke from his subordinates, praise, pride, and the desire to emulate him. By his outstanding performance of duty, the leader must set the standard for the entire command. The commander who appears in an unfavorable light before his men destroys the respect that must exist mutually between him and his men before leadership can be exercised.

3. Train Your Men as a Team. The duty of every leader includes the development of teamwork through the thorough training of his command, whether it be a squad or an Army group. Modern Armies are complex organizations involving many different arms and services, all working together as a team toward a common end. Each part of the team must understand where it fits into the common effort. The commander who fails to foster teamwork while training his command will not obtain the desired degree of unit efficiency.

4. Take Responsibility for Your Actions. The commander of a unit is responsible for all his unit does, or fails to do. The leader recognizes and acknowledges this responsibility on all occasions. Any effort to evade this responsibility destroys the bond of loyalty and respect that must exist between the commander and his subordinates.

5. Leadership Traits. Leadership traits are human qualities that are of great value to the leader. Possession of these traits simplifies the task of applying leadership principles and assists greatly in winning confidence, respect, and cooperation. An individual can benefit by studying the traits considered important to the leader. By careful self-analysis and application, he can develop those traits in which he is strong. The following list of leadership traits is by no means all-inclusive but does contain those of paramount importance to the leader:

- a. Alertness
- b. Bearing
- c. Courage
- d. Decisiveness
- e. Dependability
- f. Endurance
- g. Enthusiasm
- h. Force
- i. Humility
- j. Humor
- k. Initiative
- l. Integrity
- m. Intelligence
- n. Judgment
- o. Justice
- p. Loyalty
- q. Sympathy
- r. Tact
- s. Unselfishness



D. The Coordination Element of Management. Effective coordination requires agreement on the part of the people subject to the coordination. Coordination is required during each phase of the management process. Methods of coordination are:

1. Personal Contact. This is the simplest and most commonly used means of coordination. It is subject, however, to limitations of time and distance. It permits open discussion of points requiring adjustment and facilitates the resolving of differences. Written summaries of agreements reached are customarily made for the record. The advantages of such direct, personal contact were recognized by military commanders in World War II. Prior to the final decision in every operational plan, it was usual for the senior commander to coordinate various phases of the proposed offensive with subordinate commanders at such an informal gathering.

2. The telephone is an instrument for conducting informal coordination. It may seem trite to mention this, but sometimes we overlook the value of the telephone particularly when considerable distance between the parties exists.

3. The conference, another method of coordination, consists of a group of representatives from interested organizations meeting for the purpose of reaching agreement on a common problem.

4. Written Correspondence. When informal meetings are not possible, coordination may be effected by written correspondence. Staff studies that require coordination are usually of this type. Staff papers should be as brief as possible otherwise they create an administrative workload within the coordinating organizations.

5. Finally, a liaison officer is sometimes utilized as an aid to coordination between two organizations.

E. The Improving Element of Management.

1. The Management Improvement Program of the Army has been developed to aid managers in finding better methods and ways of getting work done. Work simplification, work measurement, management audit, surveys, job analysis, and many other techniques are available to managers in systematically searching for ways to improve their operations. In regards to work simplification, the principles are relatively simple and are outlined in these steps:

- a. Select the job to be improved.
- b. Record the details of the job.
- c. Analyze each detail.
- d. Develop a better method, and
- e. Install the improved method.

2. Select the Job to be Improved.

a. The jobs which should be studied are those which most need improvement. By carefully selecting the jobs which cause the most trouble, improvements can be made first where returns will be the greatest. Performance data may indicate the need for specific improvements.

b. There are three parts to every job:

(1) Make ready - is the act of assembling materials, setting up the equipment, and arranging for personnel to do the job.

(2) Do - is the actual accomplishment of the work to be done.

(3) Put away - is the clean-up phase.

(4) The greatest amount of immediate improvement can be accomplished by reduction of make ready and put away time, since such efforts frequently do not contribute to the end result.

3. Record the Details of the Job. After selecting the job or process to be improved, the next step is to record each detail in the order which it occurs. This is done for one reason -- to permit analysis of each individual detail in proper sequence. The amount of detail recorded will depend upon the type of job under study. The principle to be followed is to record sufficient data to question any detail which may affect the total process. Unimportant appearing details should always be included, because it may be found later that collectively or individually they have a bearing upon the method being used.

4. Analyze Each Detail. The fact that work is being accomplished a certain way is no proof that the present method is the best. The process should be analyzed through the application of a series of questions. The over-all question of why is asked to make certain that each detail is absolutely essential. Very often the answer to this question may result in elimination of details or major parts of the job. Together with the question, why, these questions also are applied:

- a. What is the purpose of each detail?
- b. Where should each detail be performed?
- c. When should each detail be done?
- d. Who should do each detail?
- e. How should each detail be accomplished?

5. Develop a Better Method. Answers to the questions in the preceding step (i.e. why, what, where, when, who and how) furnish clues to improvements in the process. If it is found that a particular task

or a portion of the job is unnecessary it should be eliminated. When-  
ever possible, related details in a process should be combined to  
reduce unnecessary transportation of papers, materials, and personnel.  
Likewise, delays involved in a series of unproductive or repetitive  
operations can be cut to reduce the time and expense of a process.  
Changing the sequence of details in an operation is another possibility  
for developing a better method. Certain of the questions applied in  
step four may indicate that the order of operations should be changed,  
and these adjustments may, in turn, lead to further eliminations and  
combinations; or, may lead to the development of a simpler and better  
method.

6. Install the New Method. It is advisable to have a proposed  
method reviewed by other interested officials who may know of other  
problems which may have been overlooked. In addition, a test or trial  
of the proposal may aid in further refinements and prove whether or not  
it will work. After sufficient analysis and testing, the improvements  
developed in the preceding fourth step should be adopted.



## VII. SUMMARY AND CONCLUSIONS.

### A. Management Defined.

We defined management as the scientific utilization of the five "Ms" - men, money, materials, methods and machines - in the attainment of a desired objective, or mission.

### B. Who are the Managers?

We said that the modern viewpoint considers management to be composed of all those who supervise the work of others. And that all of you here today have been in the past and will be in the future, managers.

### C. The Management Process.

We agreed that the work of a manager can be broken down into the three basic functions of planning, execution, and review and analysis. These functions cover, in essence, all of the necessary management activities required for the completion of a project. It is not possible to omit one of them and reach a satisfactory completion. (Ref to Chart No 1)

### D. Relationship of Management Functions.

The functions of management, however, are closely interrelated and mutually supporting, and compartmentalization of any of the three functions is unrealistic. For instance, sound planning depends in a great measure upon data compiled during the execution of a previous program. Execution in turn is dependent upon continuous guidance from planning. Since review and analysis is the appraisal of the effectiveness of execution, it is of major concern to the planning and execution functions as well.

E. Planning is the process of working out in broad outline the things that need to be done and the methods for doing them in order to accomplish the predetermined objective. Planning also involves organizing i.e., the establishment of formal structure of authority through which work subdivisions are arranged, defined and coordinated. Planning determines:

1. What is to be done.
2. When it is to be done.
3. Where it is to be done.
4. How it is to be done.
5. Who is to do it.

F. Execution is the activation of the plan that was developed by the function of planning. It involves the continuous task of making decisions and embodying them in instructions and serving as

leader of the organization. Coordination is an integral part of the execution function.

G. Evaluating is the function of determining the relationship between planned and actual results and taking such corrective action as is indicated. The principal methods of evaluating are by means of: inspection, comparison, and progress reporting. Implied, of course, in all three of these methods is corrective action.

1. Inspection checks to see that actual operations are proceeding according to plan.

2. Comparison compares actual results of an operation with planned performance. This method of comparison requires as a prerequisite that performance standards have been developed.

3. Progress Reporting keeps managers informed of the existing situation in their units.

H. Elements of Management. Permeating throughout the whole management process are the elements inherent in good managing. Some of these elements are: supervising, leading, coordinating, controlling, training and improving. These elements are continually performed by the manager as he carries out the three functions. For Example:

1. In regards to supervision, the manager will certainly want to supervise the development of plans or the changes that may be made in them. Several offices may be concerned with modifying plans; they will need supervision. Likewise, in carrying out the plans, the manager will supervise and direct the individuals who have been given responsibility for their share of the execution function. Supervision prevails throughout the entire activity and work of the manager. This is one of his major activities.

2. He must also keep his organization under control. If he does not, chaos will prevail. The manager will therefore exercise control by different means over the planning, the execution and the evaluating functions. Controlling, like supervising is something that the manager will do continuously. It too, prevails throughout the entire organization.

3. As members of his staff change and take one another's place, as new employees come in, the manager is confronted with the job of orienting and training the new men in their work. This is even necessary when a person already on the staff is promoted. He will be continually explaining how things can be done better. After the introduction of new ideas he must train his staff in the new methods of getting the work done.

4. Another element of the manager is that of everlastingly searching for improvements. Every manager, if he is to fulfill his job

adequately will need to experiment, develop and devise better ways of getting the work of his organization accomplished. There is always a better way of doing a job. Concerning this, it is up to the manager to build a spirit within his organization and among his people that will get them to develop improvements. Also he must strive to promote a spirit of open-mindedness on the part of employees in accepting new ways of doing their work. In this respect, too, the manager must be cost conscious. He must recognize that manpower, equipment, supplies and funds are valuable resources which need to be used effectively as possible. He is constantly striving, therefore, for improvements, in order to conserve and to make the best use of his manpower, materiel and fiscal resources.

I. Need for More Study by Students. Our treatment of this very important and comprehensive field of management, has, of necessity, been very broad and brief. The principles discussed, however, offer a sound basis for thought and action. It is expected that each of you will want to, on your own, give this subject more study and attention, for it will have a decided influence on your effectiveness in future assignment. Too, the effective and efficient utilization of manpower, money and the other resources by the armed forces is no longer only desirable; it has become an absolute necessity. The attainment of these objectives can be materially assisted through the proper appreciation and application of sound principles of management.

J. Staff Management Offices.

1. Available at many camps, posts and stations are staff personnel trained and equipped in managerial skills. These functional specialists are there to assist commanders and supervisors in all aspects of the management job. It is to the advantage of each commander or supervisor that he utilize fully the services of these staff assistants on management.

2. Among the assignments carried on by such a staff group are the study and recommendation of objectives; drafting and appraisal of organization plans and existing organizations; coordination and preparation of operating programs; recommendation of improved methods and procedures; and the coordination and preparation of progress reports to indicate attainment of objectives. To these continuing duties may be added special management studies of almost any nature.

K. One Final Word. We hear frequently of the term "scientific management." Many of the elements of management mentioned above and the three functions of management may appear to us as managers as having some scientific derivation. This is partly true, but only partly true. No matter how much a manager may know of the niceties of the techniques of supervision and controlling and the other elements no matter how well schooled and trained he may be in these, still, he may not be a successful manager. In the last analysis, management is a "art" rather than a "science." The way a manager supervises and controls and directs and leads his organization is what counts and not how much he may know



bookwise about these subjects. The art of managing an organization sometimes comes naturally to people and sometimes it comes only with a tremendous amount of hard work, study and practice. Books have been written on the successful and unsuccessful ways of managing an organization. Only by case example, however, can one really appreciate the fine and unseen facts of management. We often hear: "It is not what you do but how you do it." The "how you do it" is the art of managing.

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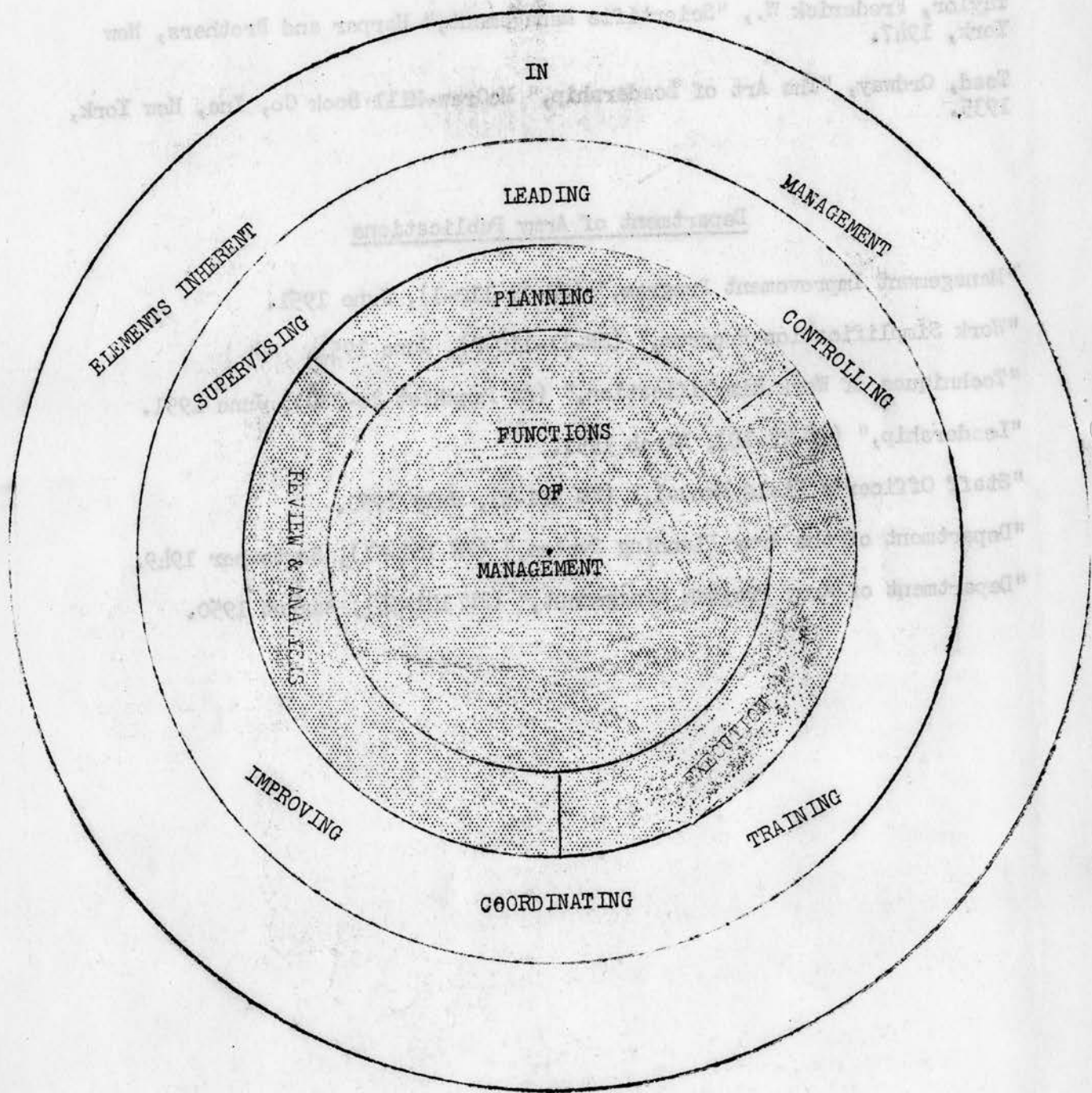
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THE MANAGEMENT PROCESS

— CHART NO 1 —



