

## The General Manager as Coach of the Team

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What will the future world of- business and industry look like? Who can know? The great changes taking place in the world make all forecasts ridiculous and confuse most of the forecasters. There is only one item on which there is nearly total agreement That the future has more surprises in store for us. Therefore, there are those who construct their theories on the basis of unexpected changes -- which must be expected. The management theory of Dr. Edward Gurowitz, for instance, is one of them.

The manager of the future will manage changes, not the content of the work or its processes. He who will succeed in the team of the future will invent a new generation of products and matching markets, before the present generation completes its run. In practice, at the moment that a product begins to succeed the manager will already turn to Its successor, which will not be an improvement of the existing product but something new from another sphere.

To succeed in something so undefined and lacking in certainty as change, the character of the manager must also change. No longer an inflated manager who knows all the answers, asserts Gurowitz, but a new one who does not hesitate to ask questions. No longer the manager who relies on his wealth of past experience, but a colleague who works with an orientation toward the future. The business organization of the future will be run by a manager who is capable of discerning opportunities for the organization that are not yet apparent to the eye. In other words: the manager of the future will be an artist and an inventor. Being outstanding himself, however, will not be enough. He will also have to imbue his associates with the spirit of excellence

Dr. Gurowitz defines the sphere of his expertise as "consulting to management performing pioneering work," or if you prefer: "working with companies that want to obtain results which go well beyond what might be expected from past experience."

The secret is buried in "paradigm," a word more characteristic of cogitative expressions. A paradigm is that totality of assumptions, beliefs, customs and habits, that influence us automatically and determine acceptance of the reality in which we live. Since it is automatic, it leads us into thought without self-examination. In the realm of management this is characterized by sentences like: "that's how we do it" or "that's what I am used to." If we change the paradigm, explains Gurowitz, then our actions will also change. If we operate within the framework of a new paradigm then we have a reasonable chance to achieve far-reaching results, maybe even to do pioneering work.

### LIKE A JAPANESE WATCH

Here is an example for a paradigm that led to one of the most unfortunate management decisions in the history of industry:: During the 1950's a young researcher in the Swiss Institute for the Watch Industry suggested a novel watch, which would show time by simply showing numbers, without any moving mechanical parts, wheel or spring.

"The industry managers said that would not be a watch" relates Gurowitz with enjoyment. "That is not how one would make a watch. They didn't even take out a patent on the idea." At the Electronic I Industries Meeting, which took place that year, the Japanese company "Seiko" and American "Texas Instruments" both adopted the idea and started to produce quartz watches. The rest is well known: Switzerland, which controlled 96% of the world market in watches at one time, barely holds on to about 4% of it today. "The Swiss" says Gurowitz-, "couldn't see beyond their particular paradigm."

A paradigm, he explains, inhibits vision and does it systematically: "take a look at all the young people who have just finished their university studies and are going to conquer the world. What happens to them after a few years of working? Where has their great dream disappeared to? The paradigm destroyed their vision."

Perhaps reality proved to be stronger than the dream and they had to compromise with its requirements? Gurowitz: "No, that is normal for dreams. The whole State of Israel was founded on a dream." How to change a paradigm? First of all, people must be brought to understand and recognize its restrictive function, says Gurowitz. What we call "reality" is not a permanent thing. Reality draws its power from the fact that it is not examined or questioned. He has a true personal story relating to that: IBM and the personal computer market, to which he owes his bright career.

Ed Gurowitz, 49, is a Ph.D. in psychology, who did research of the mind and worked in clinical psychology when he was invited, in 1981, to consult to the brain trust at IBM. The company was then shaking | from the hit it had to absorb, because of one of the greatest errors in the history of the industry: the refusal to enter into the sphere of personal computers, out of a belief that the P.C. was an expensive toy that nobody would want to buy. The brain trust was charged with finding ways to return IBM to its proper place at the top of the pyramid. It was Dr. Gurowitz's first experience in working with large organizations, but he remained with them from then on. His clients include giants like American Express, A.T.&T., British Petroleum and other such names from the 'Fortune 500' list. It is no surprise then that Gurowitz believes the future belongs to the multi-national giants. "Already today" he says, "they, not the governments, rule the world."

This is Dr. Gurowitz's second visit in the country and this time he came to give a series of lectures before close to a thousand managers. "Israel is facing a window of exciting opportunities," he says. It can be the Japan of the 90's, because it is a small country with a heavy concentration of international industrial companies. With particular enthusiasm he mentions "Motorola Israel" which, in his definition, is the leading edge of a leading company. Doesn't their excellence stem from their TQM (Total Quality Management)? Gurowitz: "That is exactly what I am talking about. They don't use it,, they invent it. Other companies just use it. They generate it. TQM started in Japan, at the end of the 40's and the beginning of the 50's.

Only afterwards did the 13 famous principles take shape. The book "In Search of Excellence" became a hit but not one of those who built systems according to the book founded an excellent company. In the book 43 excellent companies are listed. Five years after publication the authors returned and inspected them. The results are astounding: there were still 13 excellent companies, but half of the other 30 were deep in problems or had ceased to exist. My explanation is: they read the book and started to do what it said instead of continuing to do what had brought them to excellence. Excellence doesn't come from principles but from generating excellence. "Motorola generates quality as daily obligation and company culture."

### ZERO FAULTS MANAGEMENT

Don't those who adopt TQM assume such an obligation anyway?" No. That is lip service. People wave the flag of excellence, hear the name and immediately salute, but in reality most of them don't actually do anything about the matter. This theory is highly popular today in Israel, but in the USA, where it is already in practice for some 10 years, people will tell you that it is disappointing. The Japanese dropped it more than 10 years ago and are laughing." They might laugh but they became an economic power because of it. "No. The Japanese used the theory of excellence to create new paradigms. At the moment that they had created the paradigm of\* quality they discarded TQM. Today they have a new paradigm "Zero Faults Management".

When I asked what that was, a Japanese industrialist answered me: "What you are going to do in about five years, when we are going to change to the next thing." The secret of the Japanese is that they think of the pioneering of new paradigms as a management function. "

Dr. Gurowitz, who has a sharp eye for details, was amazed to discover how great our interest in management theory is. In the USA, he says, there is almost no interest in periodicals on management, except among academics. But here, in this small country, there are three periodicals (*Status, Managers, and Human Resources*) devoted to it. "All the components are here, which would allow you to be a world leader in business and industry," says Dr. Gurowitz, "on condition that you accept my premise that leadership in the 90's will be a function of management and not of technical or production expertise. Management is going to decide matters. Even if you adopt total quality management, which holds tremendous possibilities, everything will still depend on management. What is so exciting in Israel, in my eyes, is this possibility of creating a culture of management."