Unpublished Response

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Introduction

Major Maria McMillan in her article "Corporate Lessons Learned" reviews experiences gained from a one year Fellowship at ExxonMobile headquarters. A critical question that I wanted to ask her was if ExxonMobil utilized her experience through the creation of a set of recommendations for organizational improvement? A second question I wanted to ask her is if any of her experiences will be integrated into leadership training at Exxon? My feeling is that an answer to both these questions would be no, they did not.

I am in the initial stages of research on a book that seeks to understand how the armed forces experience affects views of work and efficient business operations. The genesis for this book is my experience with students attending Cardinal Stritch University in the College of Business and Management where I have taught for the past 11 years. My background is that of a Marine Corps Vietnam Veteran. I participated in combat, like many of my students. I understand in a visceral sense the Iraq war experience. I have also been struck by the response many have voiced to me about the war, but more importantly about the ambivalent reaction many experience upon return to the "world" as they take up their civilian lives again. What I want to investigate is condensed into a set of questions that include:

- 1. In what ways have servicemen and women been changed in how they manage others or how they expect to be managed when returning to work after having served in the military?
- 2. How has their deployment in the Iraq War and service experience in general been accepted or rejected by organizations they work for?
- 3. To what extent has acceptance or rejection helped or hindered organizational effectiveness?

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Comments on Article

Although her experience with ExxonMobil is a single example I believe her observations are somewhat global in nature and indicative of my experience in the corporate world. *My responses are in italics*. She points out the following:

1. Leadership vs. Management

Major McMillen went into this program believing that leadership and management were synonymous (interchangeable) activities. Her view changed to reflect a new belief that "leaders know how to make people and tasks work effectively toward the same end, whereas managers focus on the task at hand" (p. 57).

Her Exxon managers were viewed as an unstable group of people without much interest in taking the time to "learn the capabilities and personalities of their best assets-the people under their charge" (p. 57). Constant transfers and instability created a lack of organizational "cohesion".

I want to point out that management and leadership are two interactive parts of a continuum. Managers can be leaders; leaders have to be able to manage. The problem the Major fails to perceive is that in order to quickly advance one's career, corporate managers seek job change and new assignments. They are driven by "fast tracking" by organizational leadership in an attempt on their part to constantly find new effective managers amongst the dross of people they see who are categorized as marginal performers. Generally, managers are thrown into their positions and permitted to succeed or fail on their own. A philosophy of "survival of the fittest" dominates. Those that succeed (the top 10%) are sent to Executive MBA programs; those that fail (the bottom 10%) are weeded out (think General Electric and management philosophy of Jack Welch).

In the Marine Corps leaders are schooled for their positions of authority and thus are prepared to manage. This issue of perception over leading and managing is really a cultural phenomenon. Corporations seek leaders but the nature of many American business organizations is to reward individual accomplishment over team achievement. Bonuses and rewards are easier of administer when they are based on evaluating individual accomplishment. I wanted to tell the Major that her analysis should have gone deeper.

2. Delegate

Major McMillen observed that management behavior seemed self centered. She pointed out that given the unstable nature of management work positions were not being held for long periods of time. Thus delegation suffered. Managers did not know the capabilities of their subordinates well enough to know who to delegate to. She then pointed out the advantage the Marine Corps has in always working to communicate a clear mission, vision and intent; thus leading to the "empowerment" of individual Marines to act.

I would have advised the Major to focus on clarifying why management behavior seemed to be so self centered. Key questions could have been posed as to why should I delegate my work (and the criteria to evaluate my performance) when my "team" will never stay stable for a long enough period of time for me to get to

know them? In a reward system that bases promotion on individual effort delegation only dissipates an individual achievement.

In contrast, the culture of the Marine Corps is <u>team</u> focused. Everyone's life depends on everyone else. Business management rarely requires one to make life or death problem solving. Marines do this all the time. You must delegate if you wish to survive.

3. Do not let the Process hold you Hostage

Bureaucratic processes foster inaction. Project planning and implementation suffer due to inordinate time spent getting permission to act. "[I]f there is an easier way or a work around, a Marine will find it" (p. 57).

Here is where Major McMillen should have considered more fully the ramifications of making rapid decisions in a complex, multinational business environment. Modern corporate management discourages the ability of individuals to act independently of consensus formed decision making. Giving an individual freedom of choice without oversight is relatively rare. "Working around" for many corporate cultures, particularly fully formed historic cultures like Exxon is seen as antithetical to their perception of team harmony.

Marines, particularly Marines actively participating in a combat environment are lucky to exist in a culture that rewards rapid decision making and independent thought. Unfortunately, acting like a Marine in many corporate situations labels one an "unguided missile". Corporate leadership is loath to take chances in an unstable work environment where they can lose their job for acting to independent of the upper management leash.

4. Words Mean Things

ExxonMobile saw all management projects as "strategic" thus homogenized, no project was strategic. Marines know what is strategic and what is tactical.

In over ten years of teaching business, few students (primarily working adults who are actual managers) fully understand the difference between strategic and tactical thinking until they come into the classroom. They never had formal training telling them the difference. The veterans I get in my classes are fully aware of the difference. It's hard to fault individual managers for not knowing when their employers fail to inform them fully of the difference.

5. Give a Clear Vision

The division she worked in (Mobil Lubricants and Specialties Division) had a rarely used mission statement. Vision-from-on-high was not clearly articulated.

The prime reason businesses exist is to generate profit for shareholders. Mission statements are normally badly conceived and overly complex in composition because the nature of modern business is to create amalgams of sometimes conflicting entities through restructuring and associated reorganization. This leads to diminished clarity as to what the business is all about.

The Marine Corps has existed far longer then the average corporation and it has worked to refine its mission in an oft times hostile political environment. Finally, I wished that Major McMillen had spent some time investigating the length of time CEOs inhabit their office, where they came from, and the career preparation they had to lead. The average CEO, CFO, CIO etc. is in their position for three-five years. They are specialists who increasingly migrate from corporation to corporation working their wonders in their area of expertise. Their loyalty is to the Board and those that brought them into office.

In contrast, the Marine Corps would never hire a German General to lead the Corps. But consider that Mercedes promoted a German national (Dr. Dieter Zetsche) to run the newly merged firms.

The great advantage the Marine Corps has is that it internally develops its leadership over time. For the mission of the Marine Corps this fosters continuity. Corporations constantly seek "new blood" from outsiders. Corporate CEO's may not articulate an evolving and unstable mission well, but they are fully aware that their success is driven by the bottom line. Thus the core mission of all business is to "generate profit". This obviously Exxon did well.

6. Tell the Story

Leadership at Exxon tended to want to avoid dealing with controversy (hurricanes, gas prices) and thus public perception of corporate intent was left to drift. In contrast the Marine Corps tells its story well.

The survival of the Marine Corps has been directly connected to its ability to promote its worth both to a skeptical Congress and questioning public. Exxon, in contrast, directly sees it "worth" (think stock) related to news cycles and their impact on Wall Street. Bad news means decreased stock values and potential greatly diminished profitability. The behavior of many corporate leaders is to avoid creating a climate that affects profits.

Marines must confront "bad news" directly because it usually involves the loss of life. Marines must be transparent; the ethical consequences to the Corps ignoring abhorrent behavior could be catastrophic, both politically and strategically for the long term well being of the Corps.

7. Celebrate your Victories and Successes

Exxon quietly mentions \$40 Billions in profits. Marines would shout out the success from on high.

I wish the Major had thought this through better. Corporations would be ill advised to overly promote what could be seen as rapacious profits in an economy that seems to be going sour. Better for the corporate leaders to quietly note their economic success and offset the tendency of some stakeholder groups (think environmental advocates for one) to tax this ogre for the benefit of society-as-awhole. A good corporate PR person would temper public perceptions of profitability with stories of how these profits support exploration investment, helping indigenous communities affected by exploration etc.

Marines have a clear advantage in communicating their accomplishments. Achievement of mission in an uncertain world for the Corps usually is connected with saving lives or decreasing international threats. Capturing terrorists and helping local people sure sounds better then any monetary profit a corporation may tout to the public.

8. Benefits may keep People, but interesting work keeps People Productive

Retirement benefits hold people (golden handcuffs). People love challenges, not "grinding work".

Marines have retirement plans, health care, and a sense of "family" that is outstanding. The tacit contract companies had of life long employment has been dissipated, even invalidated by the restructuring of the last ten years. Many people join the Marine Corps for a sense of family they never had. Conversely many civilians seek work to support their family. One group seeks stability through the Corps family; another group seeks stability from employment with an organization. A significant number of my students see the company they work for as nothing more then a paycheck. Being always faithful to Marines means something. It is hard to be faithful to a company what might let you go next week.

9. Some of the best Ideas come from people who aren't being asked the Questions

Long term employees possessing a wealth of knowledge are undervalued because they chose to not take "a path that led to management". Marine Corps Officers are dependent on their senior NCOs who have performed the same tasks for 5-12 years.

Major McMillen alludes to concept of organizational learning. In an evolving work environment where employment is "at will" many people believe that giving up what they know to someone above them puts them at risk of losing their job. The Marine Corps builds its strengths on trust.

Many people in the corporate setting are afraid to become managers because it again puts their job in an uncertain world at risk. If corporations worked to build stability and trust at the same level the Marine Corps works then channels of communication would open up and how we value individual worth would change for the better.

10. The Top should be accessible to the Bottom

Most ExxonMobil employees never meet their top leadership. The author has met the Commandants of the Marines Corps in office during her career. This usually bonds leadership to the "people".

The path to success in modern corporate management is dependent on rapid success and the generation of high profitability. Employees may want "hands on leaders" who they meet face to face but that kind of relationship is becoming ever rarer in the complex world of global business. I make a joke to my students out of the fact that I have never met a President of the United States (or physically seen a sitting President). For all I know the President is a man (or woman) in a box called the TV set. In 1965, when I was a Marine in Vietnam at Chu Lai I met (and actually talked with) Lt. General Victor Krulak. He scared the heck of me but his presence as an effective leader was felt and appreciated by this lowly Marine.

In essence, the Major wrote a fine article representing her experience with one division of one major corporation. I wanted her to go deeper in her analysis and realize that the mission centered philosophy of the Marine Corps gives Marines a distinct advantage within the cultural context of the Corps. Outside the Corps acting like a Marine can sometimes get you into trouble.