

Harvard Business Review

May-June 1955

This discussion, designed to stimulate rather than to formulate, represents a line of thought each reader will want to carry through to his own conclusion.

"Skyhooks"

With Special Implications for Monday Through Friday

By O. A. Ohmann

During the last several years, while my principal job assignment has been management development, I have become increasingly impressed with the importance of intangibles in the art of administration. With the managerial revolution of the last generation and the transition from owner-manager to professional executive, there has appeared a growing literature on the science and art of administration. A shift in emphasis is noticeable in these writings over the past 30 years.

Following the early engineering approach typified by the work of Frederick Taylor and others, there next developed a search for the basic principles of organization, delegation, supervision, and control. More recently, as labor relations became more critical, the emphasis has shifted to ways of improving human relations. The approach to the problems of supervisory relationships was essentially a manipula-

tive one. Textbooks on the techniques of personnel management mushroomed. Still later it became more and more apparent that the crux of the problem was the supervisor himself, and this resulted in a flood of "how to improve yourself" books. Meanwhile the complexities of the industrial community increased, and the discontents and tensions mounted.

It seems increasingly clear, at least to me, that while some administrative practices and personnel techniques may be better than others, their futility arises from the philosophical assumptions or value judgments on which this superstructure of manipulative procedure rests. We observe again and again that a manager with sound values and a stewardship conception of his role as boss can be a pretty effective leader even though his techniques are quite unorthodox. I am convinced that workers have a fine sensitivity to spiritual qualities and want to work for a boss who believes in something and in whom they can believe.

EDITORS' NOTE: This article is based on a paper read to The Philosophical Club of Cleveland. The membership of this club — limited to 30 people from the learned

professions, fine arts, publishing, and business management — evinced so much interest that we felt Mr. Ohmann's thinking should be exposed to a wider audience.

This observation leads me to suspect that we may have defined the basic purposes and objectives of our industrial enterprise too narrowly, too selfishly, too materialistically. Bread alone will not satisfy workers. There are some indications that our people have lost faith in the basic values of our economic society, and that we need a spiritual rebirth in industrial leadership.

Certainly no people have ever had so much, and enjoyed so little real satisfaction. Our economy has been abundantly productive, our standard of living is at an all-time peak, and yet we are a tense, frustrated, and insecure people full of hostilities and anxieties. Can it be that our *god of production* has feet of clay? Does industry need a new religion — or at least a better one than it has had?

I am convinced that the central problem is not the division of the spoils as organized labor would have us believe. Raising the price of prostitution does not make it the equivalent of love. Is our industrial discontent not in fact the expression of a hunger for a work life that has meaning in terms of higher and more enduring spiritual values? How can we preserve the wholeness of the personality if we are expected to worship God on Sundays and holidays and mammon on Mondays through Fridays?

I do not imply that this search for real meaning in life is or should be limited to the hours on the job, but I do hold that the central values of our industrial society permeate our entire culture. I am sure we do not require a bill of particulars of the spiritual sickness of our time. The evidences of modern man's search for his soul are all about us. Save for the communist countries there has been a world-wide revival of interest in religion. The National Council of Churches reports that 59% of our total population (or 92 million) now claim church affiliation. The November 22, 1954, issue of *Barron's* devoted the entire front page to a review of a book by Barbara Ward, *Faith and Freedom*.¹

Perhaps even more significant is the renaissance in the quality of religious thought and experience. Quite evidently our religion of materialism, science, and humanism is not considered adequate. Man is searching for anchors outside himself. He runs wearily to the periphery of the spider web of his own reason and logic, and looks for new "skyhooks" — for an

abiding faith around which life's experiences can be integrated and given meaning.

Why "Skyhooks"?

Perhaps we should assume that this need for "skyhooks" is part of man's natural equipment — possibly a function of his intelligence — or if you prefer, God manifesting Himself in His creatures. It seems to me, however, that the recent intensification of this need (or perhaps the clearer recognition of it) stems in part from certain broad social, economic, political, and philosophical trends. I shall not attempt a comprehensive treatment of these, but shall allude to only a few.

Abundance Without Satisfaction

I have already indicated that on the economic front we have won the battle of production. We have moved from an economy of scarcity to one of abundance. We have become masters of the physical world and have learned how to convert its natural resources to the satisfaction of our material wants. We are no longer so dependent and so intimately bound to the world of nature. In a way we have lost our feeling of being part of nature and with it our humble reverence for God's creation.

While the industrialization of our economy resulted in ever-increasing production, it also made of individual man a production number — an impersonal, de-skilled, interchangeable production unit, measured in so many cents per hour. For most employees, work no longer promotes the growth of personal character by affording opportunities for personal decision, exercise of judgment, and individual responsibility. A recent issue of *Nation's Business* quotes the modern British philosopher, Alexander Lindsay, on this point as follows:

"Industrialism has introduced a new division into society. It is the division between those who manage and take responsibility and those who are managed and have responsibility taken from them. This is a division more important than the division between the rich and poor."²

Certainly the modern industrial worker has improved his material standard of living at the cost of becoming more and more dependent on larger and larger groups. Not only his dignity but also his security has suffered. And so he

¹ Barbara Ward, *Faith and Freedom* (New York, W. W. Norton & Company, Inc., 1954).

² John Kord Lagemann, "Job Enlargement Boosts Production," *Nation's Business*, December 1954, p. 36.

reaches out for new "skyhooks" — for something to believe in, for something that will give meaning to his job.

Disillusionment With Science

A second trend which seems to bear some relation to our urgent need for a faith grows out of our disillusionment with science. As a result of the rapid advance of science, the curtains of ignorance and superstition have been pulled wide on all fronts of human curiosity and knowledge. Many of the bonds of our intellectual enslavement have been broken. Reason and scientific method were called on to witness to the truth, the whole truth, and nothing but the truth. We were freed from the past — its traditions, beliefs, philosophies, its mores, morals, and religion. Science became our religion and reason replaced emotion.

However, even before the atom bomb there was a growing realization that science did not represent the whole truth, that with all its pretensions it could be dead wrong, and, finally and particularly, that without proper moral safeguards the truth did not necessarily make men free. Atomic fission intensified the fear and insecurity of every one of us who contemplated the possibility of the concentration of power in the hands of men without morals. We want science to be in the hands of men who not only recognize their responsibility to man-made ethical standards (which are easily perverted) but have dedicated themselves to the eternal and absolute standards of God. Thus, while the evidence of material science has been welcomed, our own personal experiences will not permit us to believe that life is merely a whirl of atoms without meaning, purpose, beauty, or destiny.

Trend Toward Bigness

A third factor contributing to our insecurity is the trend toward bigness and the resulting loss of individuality. This is the day of bigger and bigger business — in every aspect of life. The small is being swallowed by the big, and the big by the bigger. This applies to business, to unions, to churches, to education, to research and invention, to newspapers, to our practice of the professions, to government, and to nations. Everything is getting bigger except the individual, and he is getting smaller and more insignificant and more dependent on larger social units. Whether we like it or not this is becoming an administrative society, a planned and con-

trolled society, with ever-increasing concentration of power. This is the day of collectivism and public-opinion polls. It is the day when the individual must be *adjusted to the group* — when he must above all else be sensitive to the feelings and attitudes of others, must get an idea of how others expect him to act, and then react to this.

This is the insecure world which David Riesman has described so well in his book, *The Lonely Crowd*.³ He pictures man as being no longer "tradition directed" as was primitive man, nor as in Colonial days is he "inner directed" as if by the gyroscope of his own ideals, but today he is "outer directed" as if by radar. He must constantly keep his antenna tuned to the attitudes and reactions of others to him. The shift has been from morals to morale and from self-reliance to dependence on one's peer group. However, the members of one's peer group are each responding to each other. Obviously these shifting sands of public opinion offer no stable values around which life can be consistently integrated and made meaningful. The high-water mark of adjustment in such a society is that the individual be socially accepted and above all else that he appear to be *sincere*.

This is certainly not a favorable environment for the development of steadfast character. It is essentially a neurotic and schizophrenic environment which breeds insecurity.

This socially dependent society also offers an ideal market for the wares of the "huckster," the propagandist, and the demagogue. Lacking a religious interpretation of the divine nature of man, these merchants in mass reaction have sought the least common denominator in human nature and have beamed the movies and newspapers at the ten-year mental level. One wonders if this approach to people does not make them feel that they have been sold short and that they are capable of much better than is expected of them. Has this demoralizing exposure of the cheapness of our values not intensified our search for something better to believe in?

On top of all these disturbing socioeconomic trends came the war. This certainly was materialism, science, and humanism carried to the logical conclusion. The war made us question our values and our direction. It left us less cocksure that we were right, and more fearful of ourselves as well as of others. It made us

³ David Riesman, *The Lonely Crowd* (New Haven, Yale University Press, 1950).

fearful of the power which we had gained, and led us to search our soul to determine whether we had the moral strength to assume the leadership role that had been given to us. We have been humbled in our efforts to play god and are about ready to give the job back. Note, however, that this is not a characteristic reaction to war. Typically wars have been followed by a noticeable deterioration of moral standards, traditional values, and social institutions.

Perhaps none of these rationalizations for our return to religion is entirely valid. I suspect that the search for some kind of overarching integrative principle or idea is the expression of a normal human need. Certainly history would indicate that man's need for a god is eternal even though it may be more keenly sensed in times of adversity. A religion gives a point of philosophical orientation around which life's experiences can be organized and digested. Without the equivalent, a personality cannot be whole and healthy. Short-term goals which need to be shifted with the changing tide do not serve the same integrative function as do the "skyhooks" which are fastened to eternal values. I do not personally regard the current religious revival as a cultural hangover, nor as a regression. Being a mystic I prefer instead to view the need for such a faith as the spark of the Creator in us to drive us on to achieve His will and our own divine destiny.

Why Monday Through Friday?

If we may grant for the moment that modern man is searching for deeper meanings in life, we may then ask, what has this to do with industry. If he needs "skyhooks," let him get them in church, or work out his own salvation. The business leaders of the past insisted that "business is business" and that it had little bearing on the individual's private life and philosophy.

There are several reasons why "skyhooks" must be a primary concern of the business administrator:

(1) For the individual the job is the center of life, and its values must be in harmony with the rest of life if he is to be a whole and healthy personality.

(2) This is an industrial society, and its values tend to become those of the entire culture.

⁴ For a comprehensive treatment of the criticisms of business see J. D. Glover, *The Attack on Big Business*

(3) The public is insisting that business leaders are in fact responsible for the general social welfare — that the manager's responsibilities go far beyond those of running the business. They have delegated this responsibility to the business executive whether he wishes to play this role or not.

(4) Even if the administrator insists on a narrow definition of his function as merely the production of goods and services as efficiently as possible, it is nevertheless essential that he take these intangibles into account since they are the real secrets of motivating an organization.

(5) Besides all this the administrator needs a better set of "skyhooks" himself if he is to carry his ever-increasing load of responsibility without cracking up. The fact that so many administrators are taking time to rationalize, defend, and justify the private enterprise system is an outward indication of this need for more significant meanings.

Anything Wrong With Capitalism?

We may ask, then, what specifically is wrong with our capitalistic system of private enterprise. What is wrong with production or with trying to improve our standard of living? What is wrong with a profit, or with private ownership of capital, or with competition? Is this not the true American way of life? ⁴

Nothing is necessarily wrong with these values. There are certainly worse motives than the profit motive. A refugee from communism is reported to have observed: "What a delight to be in the United States where things are produced and sold with such a nice clean motive as making a profit."

I am not an economist, and it is beyond the scope of this article to attempt a revision of our economic theory. I am tempted, however, to make a couple of observations about these traditional economic concepts:

1. That while the values represented by them are not necessarily wrong, they are certainly pretty thin and do not challenge the best in people.

2. That many of the classical economic assumptions are outmoded and are no longer adequate descriptions of the actual operation of our present-day economy.

For example, the concept of economic man as being motivated by self-interest not only is outmoded by the best current facts of the social sciences, but also fails to appeal to the true nobility of spirit of which we are capable.

(Boston, Division of Research, Harvard Business School, 1954).

The concept of the free and competitive market is a far cry from the highly controlled and regulated economy in which business must operate today. General Motors does not appear to want to put Chrysler out of business, and apparently the union also decided to take the heat off Chrysler rather than to press its economic advantage to the logical conclusion. The assumption that everyone is out to destroy his competitors does not explain the sharing of technology through trade associations and journals. No, we also have tremendous capacity for cooperation when challenged by larger visions. We are daily denying the Darwinian notion of the "survival of the fittest" which, incidentally, William Graham Sumner, one of the nineteenth-century apologists for our economic system, used for justifying unbridled self-interest and competition.

Certainly the traditional concept of private ownership of capital does not quite correspond to the realities of today's control of large blocks of capital by insurance companies and trustee funds.

The notion of individual security through the accumulation of savings has largely given way to the collectivist means of group insurance, company annuities, and Social Security.

The concept that all profits belong to the stockholders is no longer enthusiastically supported by either the government or the unions since both are claiming an increasing cut.

And so, while we may argue that the system of private enterprise is self-regulatory and therefore offers maximum individual freedom, the simple, cold fact is that it is in ever-increasing degree a managed or controlled economy — partly at the insistence of the voters, but largely as the result of the inevitable economic pressures and the trend toward bigness.⁵

Regardless of the rightness or wrongness of these changes in our system of enterprise, the changes have been considerable, and I doubt that classical economic theory can be used as an adequate rationale of its virtues. I am therefore not particularly optimistic about the efficacy of the current campaign to have businessmen "save the private enterprise system and the American way of life" by engaging in wholesale economic education, much of which is based on outmoded concepts.

⁵ See John Kenneth Galbraith, *American Capitalism* (Boston, Houghton Mifflin Company, 1952).

Much as economic theory needs revision, I fear that this is not likely to cure our ills. Nor do I believe that profit-sharing or any other device for increasing the workers' cut (desirable as these efforts may be) will give us what we really want. It is rather another type of sharing that is needed, a sharing of more worthy objectives, a sharing of the management function, and a sharing of mutual respect and Christian working relationships.

Goals and Purposes

What is wrong is more a matter of goals and purposes — of our assumptions about what we are trying to do and how we can dignify and improve ourselves in the doing. There is nothing wrong with production, but we should ask ourselves: "*Production for what?*" Do we use people for production or production for people? How can production be justified if it destroys personality and human values both in the process of its manufacture and by its end use? Clarence B. Randall of Inland Steel in his book, *A Creed for Free Enterprise*, says:

"We have come to worship production as an end in itself, which of course it is not. It is precisely there that the honest critic of our way of life makes his attack and finds us vulnerable. Surely there must be for each person some ultimate value, some purpose, some mode of self-expression that makes the experience we call life richer and deeper."⁶

So far, so good, Mr. Randall. But now notice how he visualizes industry making its contribution to this worthy objective:

"To produce more and more with less and less effort is merely treading water unless we *thereby release time and energy for the cultivation of the mind and the spirit* and for the achievement of those ends for which Providence placed us on this earth."⁷

Here is the same old dichotomy — work faster and more efficiently so that you can finish your day of drudgery and cultivate your soul on your own time. In fact he says: "A horse with a very evil disposition can nevertheless pull the farmer's plow." No, I am afraid the job is the life. *This* is what must be made meaningful. We cannot assume that the end of production justifies the means. What happens to people in the course of producing may

⁶ Clarence B. Randall, *A Creed for Free Enterprise* (Boston, Little, Brown and Company, 1952), p. 16.

⁷ Ibid.

be far more important than the end product. Materialism is not a satisfactory "skyhook." People are capable of better and want to do better. (Incidentally I have the impression that Mr. Randall's practices line up very well with my own point of view even if his words do not.)

Perhaps we should ask what is the really important difference between Russian communism and our system. Both worship production and are determined to produce more efficiently, and do. Both worship science. Both have tremendously improved the standard of living of their people. Both share the wealth. Both develop considerable loyalties for their system. (In a mere 40 years since Lenin started the communist revolution a third of the world's people have come to accept its allegiance.) True, in Russia capital is controlled by the state while here it is theoretically controlled by individuals, although in actual practice, through absentee ownership, it is controlled to a considerable extent by central planning agencies and bureaus, both public and private.

No, the real difference is in the philosophy about people and how they may be used as means to ends. It is a difference in the assumptions made about the origin of rights — whether the individual is endowed with rights by his Creator and yields these only voluntarily to civil authority designated by him, or whether rights originate in force and in the will of the government. Is God a myth, or is He the final and absolute judge to whom we are ultimately responsible? Are all standards of conduct merely man-made and relative, or absolute and eternal? Is man a meaningless happenstance of protoplasm, or is he a divine creation with a purpose, with potential for improvement, and with a special destiny in the over-all scheme of things?

These are some of the differences — or at least I hope that they still are. And what a difference these intangible, perhaps mythical, "skyhooks" make. They are nevertheless the most real and worthwhile and enduring things in the world. The absence of these values permitted the Nazis to "process" people through the gas chambers in order to recover the gold in their teeth.

The Administrator Contributes

This, then, is part of our general cultural heritage and is passed on to us in many ways. How-

ever, it really comes to life in people — in their attitudes, aspirations, and behaviors. And in a managerial society this brings us back to the quality of the individual administrator. He interprets or crystallizes the values and objectives for his group. He sets the climate within which these values either *do* or *do not* become working realities. He must define the goals and purposes of his group in larger and more meaningful perspective. He integrates the smaller, selfish goals of individuals into larger, more social and spiritual objectives for the group. He provides the vision without which the people perish. Conflicts are resolved by relating the immediate to the long-range and more enduring values. In fact, we might say this *integrative function* is the core of the administrator's contribution.

The good ones have the mental equipment to understand the business and set sound long-term objectives, but the best ones have in addition the philosophical and character values which help them to relate the over-all goals of the enterprise to eternal values. This is precisely the point at which deep-seated religious convictions can serve an integrative function since they represent the most long-range of all possible goals.⁸ Most really great leaders in all fields of human endeavor have been peculiarly sensitive to their historic role in human destiny. Their responsibility and loyalty are to some distant vision which gives calm perspective to the hot issues of the day.

This function of the administrator goes far beyond being a likable personality, or applying correct principles of organization, or being skillful in the so-called techniques of human relations. I am convinced that the difficulties which so many executives have with supervisory relationships cannot be remedied by cultivation of the so-called human relations skills. These difficulties spring rather from one's conception of his function or role as a boss, his notion about the origin and nature of his authority over others, the assumptions he makes about people and their worth, and his view of what he and his people are trying to accomplish together. To illustrate:

If, for example, my personal goal is to get ahead in terms of money, position, and power; and if I assume that to achieve this I must best my competitors; that the way to do this is to establish a

⁸ For further elaboration see Gordon W. Allport, *The Individual and His Religion* (New York, The Macmillan Company, 1953).

good production record; that my employees are means to this end; that they are replaceable production units which must be skillfully manipulated; that this can be done by appealing to the lowest form of immediate selfish interest; that the greatest threat to me is that my employees may not fully recognize my authority nor accept my leadership — if these are my values, then I am headed for trouble — all supervisory techniques notwithstanding.

I wish I could be quite so positive in painting the picture of the right values and approaches to management. I suspect there are many, many different right answers. No doubt each company or enterprise will have to define its own long-term purposes and develop its own philosophy in terms of its history, traditions, and its real function in our economy. I am also certain that no one philosophy would be equally useful to all managers. The character of an organization is, to a large extent, set by the top man or the top group, and it is inevitable that this be the reflection of the philosophy of these individuals. No one of us can operate with another's philosophy. I have also observed that in most enterprises the basic faith or spirit of the organization is a rather nebulous or undefined something, which nevertheless has very profound meaning to the employees.

A Successful Executive

Recognizing then the futility of advocating any one pattern of values, it occurs to me that it might, however, be suggestive or helpful if I told you something of the philosophy of one extremely successful executive whom I have pumped a good deal on this subject (for he is more inclined to live his values than to talk about them):

As near as I can piece it together, he believes that this world was not an accident but was created by God and that His laws regulate and control the universe and that we are ultimately *responsible to Him*. Man, as God's supreme creation, is in turn endowed with creative ability. Each individual represents a unique combination of talents and potentials. In addition, man is the only animal endowed with freedom of choice and with a high capacity for making value judgments. With these gifts (of heredity and cultural environment) goes an obligation to give the best possible accounting of one's stewardship in terms of maximum self-development and useful service to one's fellows in the hope that one may live a rich life and be a credit to his Creator.

This executive also assumes that each individual possesses certain God-given rights of self-direction which only *the individual* can voluntarily delegate to others in authority over him, and that this is usually done in the interest of achieving some mutual cooperative good. The executive therefore assumes that his *own* authority as boss over others must be exercised with due regard for the attendant obligations to his employees and to the stockholders who have temporarily and voluntarily yielded their rights in the interest of this common undertaking. (Notice that he does not view his authority as originating with or derived from his immediate superior.) This delegated authority must, of course, be used to advance the common good rather than primarily to achieve the selfish ambitions of the leader at the expense of the led.

He further assumes that the voluntary association of employees in industry is for the purpose of increasing the creativity and productivity of all members of the group and thus of bringing about increased benefits to all who may share in the ultimate use of these goods and services. What is equally important, however, is that in the course of this industrial operation each individual should have an opportunity to develop the maximum potential of his skills and that the working relationships should not destroy the individual's ability to achieve his greatest maturity and richness of experience. As supervisor he must set the working conditions and atmosphere which will make it possible for his employees to achieve this dual objective of increasing productivity and maximizing self-development.

These goals can best be achieved by giving employees maximum opportunity to exercise their capacity for decision making and judgment within their assigned area of responsibility. The supervisor is then primarily a coach who must instruct, discipline, and motivate all the members of the group, making it possible for each to exercise his special talent in order to maximize the total team contribution. Profits are regarded as a measure of the group's progress toward these goals, and a loss represents not only an improper but even an immoral use of the talents of the group.

There is nothing "soft" about his operation. He sets high quality standards and welcomes stiff competition as an additional challenge to his group. He therefore expects and gets complete cooperation and dedication on the part of everyone. Incidentally, he views the activity of working together in this manner with others as being one of life's most rewarding experiences. He holds that this way of life is something which we have not yet fully learned, but that its achievement is part of our divine destiny. He is firmly convinced that such conscientious efforts *will* be rewarded with

success. He manages with a light touch that releases creativity, yet with complete confidence in the outcome.

This is probably a poor attempt at verbalizing the basic philosophy which this man lives so easily and naturally. I hope, however, that it has revealed something of his conception of his role or function as an executive, and his view of what he and his organization are trying to do together. With this account of his values I am sure that you would have no difficulty completing the description of his administrative practices and operating results. They flow naturally from his underlying faith, without benefit

I regard the ideas expressed here as unfinished business — as experimental thinking rather than final answers, as something that needs some good, hard-boiled criticism. Any reader who has an inclination to challenge my thinking or to suggest further refinement of it will do me a service, and his fellow readers too, by putting his ideas together for possible publication in the columns of "From the Thoughtful Businessman." The Editors tell me they will welcome such letters, and I shall get a look at all that come in.

of intensive training in the principles and art of administration.

As you would suspect, people like to work for him — or with him. He attracts good talent (which is one of the real secrets of success). Those with shoddy values, selfish ambitions, or character defects do not survive — the organization is self-pruning. Those who remain develop rapidly because they learn to accept responsibility. He not only advocates but practices decentralization and delegation. His employees will admit that they have made mistakes, but usually add with a grin that they try not to make the same one twice. People respond to his leadership because he has faith in them and expects the best in them rather than the worst. He speaks well of the members of his organization, and they appear to be proud of each other and of their record of performance. He takes a keen interest in developing measurements of performance and in bettering previous records or competitive standards. He feels that no one has a right to "louse up a job" — a point on which he feels the stockholders and the Lord are in complete agreement.

While he does not talk much about "employee

communications" nor stress formal programs of this type, his practice is to spend a large proportion of his time in the field with his operating people rather than in his office. He is "people oriented" and does a particularly good job of listening. The union committee members have confidence in his fairness, yet do a workmanlike job of bargaining. In administering salaries he seems to be concerned about helping the individual to improve his contribution so that a pay increase can be justified.

In his general behavior he moves without haste or hysteria. He is typically well organized, relaxed, and confident, even under trying circumstances. There is a high degree of consistency in his behavior and in the quality of his decisions because his basic values do not shift. Since he does not operate by expediency, others can depend on him; and this consistency makes for efficiency in the discharge of delegated responsibility. Those operating problems which do come to him for decision seem to move easily and quickly to a conclusion. His long-term values naturally ex-

press themselves in well-defined policies, and it is against this frame of reference that the decisions of the moment easily fall into proper perspective.

In policy-level discussions his contributions have a natural quality of objectivity because "self-concern" does not confuse. Others take him at face value because his motives are not suspect. When differences or conflicts do arise, his approach is not that of compromise; rather he attempts to integrate the partisan views around mutually acceptable longer-range goals. The issues of the moment then seem to dissolve in a discussion of the best means to the achievement of the objective. I have no doubt that he also has some serious problems, but I have tried to give a faithful account of the impression which he creates. There is a *sense of special significance* about his operation which is shared by his associates.

This Is the Key

It is precisely this "sense of special significance" which is the key to leadership. We all know that there are many different ways of

running a successful operation. I am certainly not recommending any particular set of administrative practices — although admittedly some are better than others. Nor am I suggesting that his set of values should be adopted by others, or for that matter could be. What I am saying is that a man's real values have a subtle but inevitable way of being communicated, and they affect the significance of everything he does.

These are the vague intangibles — the "skyhooks" — which are difficult to verbalize but easy to sense and tremendously potent in their influence. They provide a different, invisible, fundamental structure into which the experiences of every day are absorbed and given meaning. They are frequently un verbalized, and in many organizations they defy definition. Yet they are the most real things in the world.

The late Jacob D. Cox, Jr., formerly presi-

dent of Cleveland Twist Drill Company, told a story that illustrates my point:

Jimmy Green was a new union committee member who stopped in to see Mr. Cox after contract negotiations had been concluded. Jimmy said that every other place he had worked, he had always gone home grouchy; he never wanted to play with the children or take his wife to the movies. And then he said, "But since I have been working here, all that has changed. Now when I come home, the children run to meet me and we have a grand romp together. It is a wonderful difference and I don't know why, but I thought you would like to know." ⁹

As Mr. Cox observed, there must be a lot of Jimmy Greens in the world who want an opportunity to take part freely in a cooperative effort that has a moral purpose.

⁹ Jacob D. Cox, Jr., *Material Human Progress* (Cleveland, Cleveland Twist Drill Company, 1954), p. 104.

(¶ For readers who want more of the philosophical background of business,)
(Mr. Ohmann suggests the following publications in addition to those he has)
(referred to in the body of the article:)

(Paul Campbell and Peter Howard, *Remaking Men* (New York, Arrowhead Books, Inc.,)
(1954).)

(James W. Culliton, "Business and Religion," HBR May 1949, p. 265.)

(Peter F. Drucker, *The Future of Industrial Man* (New York, The John Day Company,)
(1942).)

(Alfred P. Haake, "Is Private Enterprise Compatible with Christianity?" *Vital Speeches*,)
(May 15, 1950, pp. 471-476.)

(Friedrich A. Hayek, Editor, *Capitalism and the Historians* (Chicago, The University)
(of Chicago Press, 1954).)

(Robert Heilbroner, *The Worldly Philosophers* (New York, Simon and Schuster, Inc.,)
(1953).)

(Dexter M. Keezer, *Making Capitalism Work* (New York, McGraw-Hill Book Company,)
(Inc., 1950).)

(Edward McSweeney, "The Managerial Evolution," *The Technology Review*, Decem-)
(ber 1952, pp. 2-4.)

(J. H. Oldham, *Work in Modern Society* (New York, Morehouse-Gorham Co., 1950).)

(Sumner H. Slichter, *The American Economy* (New York, Alfred A. Knopf, Inc., 1948).)

(Ferdinand Zweig, *Economic Ideas: A Study in Historical Perspective* (New York,)
(Prentice-Hall, Inc., 1950).)

Copyright © Harvard Business Publishing. All Rights Reserved. This content is intended for individual research use only, subject to the following:

Unless permission is expressly granted in a separate license, this content may NOT be used for classroom or teaching use, which includes teaching materials, electronic reserves, course packs or persistent linking from syllabi. Please consult your institution's librarian about the nature of relevant licenses held by your institution and the restrictions that may or may not apply.

Unless permission is expressly granted in a separate license, this content may NOT be used in corporate training and/or as corporate learning materials. For corporate users, please consult the specific terms of your company's license(s) for complete information and restrictions.

For more information and teaching resources from Harvard Business Publishing including Harvard Business School Cases, eLearning products, and business simulations please visit hbsp.harvard.edu.