

BEATING THE MANAGEMENT CRISIS

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Crime, AIDS, and racism make headlines as key challenges to South Africa. But by far the most critical challenge is the growing shortage of management skill. Nothing else will make as much difference to the future of this country. Yet nothing this obvious gets less attention.

Without a critical mass of people who know what to do and how to make it happen, there will be little or no progress against the scourges that plague this country. The “big” issues will just get bigger and the list of priorities will get longer. Talk about being “world class” will continue to be hot air.

Economic growth will never take off and new problems will join the list of old ones. Foreign investors will stay away and local ones will keep their hands in their pockets. Unemployment lines will lengthen. The poverty gap will widen. Disease will spread. And infrastructure will not get built, maintained or fixed.

For many years, red lights have been flashing alerts about the growing management deficit. But if previously they could be ignored, now they can't.

South Africa has reached a turning point. While much has been achieved since 1994, now there are new challenges.

Sustaining the gains of the past seven years will not be easy. Building on them – and making new progress on many fronts at once – will take competence this country just does not have. Doing so in the face of a global economic slowdown raises the odds.

There are many roadblocks in the way of progress. Without urgent action, both the private and public sectors will be worse off a year from now than they are today. Already, there are disasters on many fronts, and in three, five or ten years there will be more. Ground lost today will never be regained.

The good news is that this reality is now starting to dawn on some people. Recently, numerous articles have appeared warning of trouble ahead. The Skills Development Act is supposed to channel funds to training. Immigration laws are to be changed to encourage foreigners to come to SA with their knowledge and experience.

But given that there is a worldwide war for talent, this is not the best time to go recruiting. Local newspapers are filled with ads offering jobs in other countries, and international headhunters see this as an attractive hunting ground. Meanwhile, local organizations fret about their obsolete skills, replace old hands with new and inexperienced ones, and watch the best and the brightest take off for better things.

There are no easy answers to this problem. Many people – and not only racist whites – are worried about living here, so persuading them to live somewhere else is not hard. Besides, the development of competent managers is a complex matter.

South Africa has many business schools and lots of other institutions offering management education. It's hard to know how many executives attend programmes at overseas universities each year, but the number must be in the thousands. Sales of training videos and business books are soaring.

There is, in other words, no shortage of efforts to develop effective executives, or tools for them to use. The “inputs” are all there. So what’s missing?

What’s missing, quite clearly, is the ability to use the knowledge gained. Managers learn about the latest concepts and ideas, but then can’t apply them. They debate case studies in the classroom, but are stumped by real-world challenges.

This can’t be because they’re fools. It can only be that much of what they learn simply isn’t practical, and its uselessness is assured when they do not get the coaching they need to turn theory into practice.

The vendors of “solutions” won’t like to hear this, but what other reason could there be? Why else do so many “cutting edge” methods bite the dust so fast?

And if this is true, what is the outlook? Well, there’s one certainty: things will get a lot worse before they get better; and they may never get better.

The most valuable learning in any field takes place not in the classroom but in the workplace. But competent mentors are essential. Incompetent ones add no value. Unfortunately, their numbers are growing fast.

That said, all is not lost. If there’s one thing that could make a difference, it would be the application of clearer, simpler ideas to management, coupled to a more practical approach to managing.

Business is not rocket science. In every organization, a handful of basics matter and a few concepts must be applied. If executives focused on these, and if they committed themselves to doing a few critical things well and fast, they would be more effective.

This country’s management deficit is going to get much worse. But clear goals, a simple approach and an obsession with short-term results would go a long way to compensating for it.

More of the same will not do. It is time to do abandon our search for the perfect answer, and to do what actually works.

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