INTEROFFICE   MEMORANDUM

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Date: 19-Oct-1989 02:04pm EDT
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TO: See Below

Subject: GREAT MANAGERS DEVELOP POOR LEADERS

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It is my observation that when a company or a group has a
terrible manager in charge, good leaders come to the surface and
make an operation work and when that poor manager leaves,
suddenly it is discovered that there are very competent people to
take over, and they do a good job.

The corollary is also true. When a company or group has a truly
great manager or a group of managers, it is very hard to develop
and find good leaders underneath them. They take responsibility
for everything, they work eighteen hours a day, they are in
demand to visit every group in the Company to show leadership at
every building and every country, and they personally have to
make decisions because there is nobody underneath them who can
prepare decisions that only need to be rubber stamped. The
results are extremely serious when this person gets tired or has
to leave.

Digital is now getting to be quite well organized, and we have
great managers in charge of each piece, but we're setting about
to wear them out or kill them. We insist that they go
everywhere, do everything, help everybody, take part in all
sales, and make all decisions, and it is clear that there is no
one underneath them that we can trust.

It is clear that we have to immediately start dumping
responsibility to the next two layers below the managers. We
should hold them responsible for preparing proposals that just
need to be rubber stamped. It will also be clear they are taking
the responsibility and not the senior managers.

We should insist that the committee secretary makes sure the
proposals that come to the committee are complete and ready for a
yes or no answer. It should be the goal that proposals can be
read ahead of time and that the normal situation is to vote

acceptance even before people are called into the room.

We are now a big Company, and we should identify those areas in which we try to put more and more responsibility on an individual or a small number of people. For example, as we rebuild STF, let's not insist on one group who, at best, has a narrow view of the Corporation and that they don't take the responsibility for the whole Corporation. Let's instead break the Company into a number of pieces. For example:

1. Networks and Communications
2. Terminals
3. PCs
4. Workstations
5. Time-sharing
6. Mainframes
7. Supercomputers
8. UNIX
9. VMS
10. Systems Integration

Let's assume that the software to go with each piece of the Company is part of the responsibility of that group.

These groups should have the feeling of complete responsibility. They should prepare strategies and plans that are complete and can be approved with a simple yes or no, or, in some cases, there could be several choices, but they are complete enough so that one can be picked.

For our meetings, we should normally give people time in the morning so they can take care of a few telephone calls and talk to the secretary. Then we should probably schedule some time at noon so that they can take care of all those other outside calls that have accumulated.

Once in a while, we should get away from telephones and everything else and truly be meditative on the future of the Company, but almost all regular things should be assigned to someone else to develop complete plans and strategies.

If we had a person or persons who had the responsibility to make sure that all our building plans were wise, we probably would not have over built two years ago. When a lot of people without that responsibility feel the responsibility to make everybody happy, they approve everything that is requested by someone more senior than they are, but they have never asked to pass judgment on the wisdom of the whole plan.

Instantly, we should hold each region responsible for all the district manager's budgets and get them done in a week or so. Then we should immediately hold all district managers responsible to make sure that those accounts which are resident in their

district do their budgets with wisdom and skill. We should not
leave the implication that Ken Olsen, Dave Grainger, or anyone
else is going to run the budgets. We have the organization, we
should force those people to do their obvious task, and not give
them any time to complain and moan.

KHO:dao
KO:3462
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