Improving Productivity through Measuring Personal Preferences

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The meeting was a shambles. The chairman had lost control and everyone knew it. Most of the people around the table had either withdrawn altogether or were shouting at one another.
I was one of the withdrawees. I leaned back in my chair and thought about the events of the day.

It had started out innocently enough – a request by the boss to get all his senior managers together to discuss the latest downturn in the company's profits. We were looking at six months of uncertainty and disappointing results. Clearly something had to be done.

We had all assembled in the boardroom to plan our next move – James Bronson, Managing Director; Richard Cook, Sales Manager; Robert Brown, Production Manager; David Campbell, Chief Accountant; and myself, the company's Financial Controller. We were all edgy when the meeting began anyway. Meetings like this were always difficult because someone always lost, and everyone was quite determined that, this time, they were not going to lose – not as much as the others, anyway.

It was not that James Bronson was not a competent manager. He had inherited his father's position as managing director some 12 months before but, unlike his father, James had come up via marketing and not via production. His style was very different from his father's and some of the older managers resented the change. Because of this, there was always an element of conflict in his meetings.

Tough Decisions

This particular meeting, though, was doubly difficult. We knew that we had been brought together to make some difficult decisions. However, on top of this, James had lost control. The battle lines had been drawn for a long time – ever since James had taken over, in fact. At this meeting, I was as much to blame as anyone for the breakdown in communication, but the most bitter and vocal combatants were Richard Cook and Robert Brown – marketing against production.

It all started when Cook had suggested that the most effective way to reduce costs was to prune production labour. After all, demand for the company's products had dropped and this, he argued, had to be reflected in excess labour on the shopfloor.

Brown, however, was just as adamant. The most effective way to "stop the rot" was to increase sales, even if this meant pushing up the call rate for all sales staff – temporarily. Cook glared at the production manager.

"The trouble with you", he said, "is that you've never had to sell anything in your life. My staff are working to capacity. The whole industry is flat. It's your job to produce what we can sell – not the other way around."

"That's bullshit," Brown retorted. "I've never seen a salesman yet who didn't have a two-hour lunch every day. I'd like to see the call rate and the average sales for each salesman over the past couple of months. You're not game to table them, are you? I would bet London to a brick that both figures have dropped badly since we saw them last."

"You're a nit-picking sod, aren't you," Cook exclaimed. "That's a typical production comment. You could never understand anything that couldn't be graphed, could you? It's great if it can be graphed, isn't it?"

And so the meeting went on – charge against countercharge, until the rest of us were exhausted and we opted out. James tried to intervene from time to time but he did not make any real impression. The meeting broke up without any major decisions being made – we had failed.

As I reflected on the outcome, I tried to answer a number of nagging questions. Why was it that Richard Cook and Robert Brown opposed each other so vehemently on so many issues? Was it a personality problem or did this always happen when sales and production people got together? Furthermore, why had the boss not intervened earlier? After all, it was his meeting, he was the chairman. With strong leadership, he could have prevented the ensuing mess long before it had become critical.

I had to wait a number of years before the answers to these questions became clear. Surprisingly, they were initiated by my studies into the preferences of students choosing careers. I began these studies when I was head of the Management School at the Queensland Institute of Technology, now the Queensland University of Technology. Labelled Decision Preference Analysis (DPA), the research looked at preferences as the key element in decision making. As the title suggests, DPA analyses the preferences behind a person's decisions. This is done by using two dimensions – quantitative (QN) preferences and qualitative (QL) preferences. It was found that the combination of these two dimensions provided a unique frame of reference through which we all make up our minds about all manner of things – our careers, our jobs, our lifestyles, our partners, our social activities and many more.

Measuring Preferences

Note here that we are measuring preferences and not ability. There is a big difference between these two attitudes. A great deal of effort is put into the training of people to increase ability – and this is a praiseworthy objective indeed. Potential managers, for example, are sieved through numerous management training courses and eventually are promoted into management positions. Throughout this whole process however, no attempt is ever made to find out whether the potential manager would be happy working in management. This depends on the potential manager's preferences, which no one ever measures.

To measure the degree to which QN and QL preferences are present in an individual, a simple testing device is used. It takes only 20 minutes to complete and produce a profile. It was developed by Dr Richard Hicks, Senior Lecturer in Psychology at the Queensland University of Technology. It measures the proportion of QN:QL judgement preferred and used by any decision maker. It has been fully validated over many thousands of individual results.

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Through the use of the test, it was found that architects, for example, are highly qualitative in their decision-making preferences; typically 30 per cent QN and 70 per cent QL – a 30/70 decision maker. Engineers, on the other hand, are quantitative, typically 70/30. This difference in the decision-making frames of reference of these two professionals leads to a great deal of conflict. Try leading a team of engineers and architects sometime, as a friend of mine currently does, and the differences become very obvious.

Another problem, the matter of conflict in organizations, is also more easily understood through an appreciation of preferences. Organizational conflict is largely a product of differing decisions. You make a decision and your boss will not accept it. You give your subordinates a job to do and they do something completely different. The conflict between sales and production is notorious.

In most cases, the conflict is sorted out by the muscle of organizational authority. The boss does not like your decision and therefore insists that his/her decision be carried out. You do not like this but there is little you can do because he/she is the boss. What we are seeing here is a conflict between managers with different frames of reference – a 20/80 subordinate battling it out with an 80/20 boss. Unless the combatants are made aware of each other's frame of reference, they will continue with the uneven battle until, inevitably, the subordinate resigns.

Differences between preferences certainly explained James Bronson's problems. I now know that Richard Cook was very qualitative. All the

signals were there – he hated figure work, he enjoyed talking to people, he was always away from his office. In fact, he could be very annoying sometimes because he was so often in someone else's office talking about the latest sales campaign. Robert Brown, on the other hand, was highly quantitative. He enjoyed working with his machines on the shopfloor. To him, reducing costs of production was a challenge. He was also a closed-door manager. He hated face-to-face communication. Even his subordinates had to make an appointment to see him.

Accurate Measure

Over the years, the definition of "quantitative" and "qualitative" preferences has become more refined. Although the DPA test must be used to obtain an accurate measure, most people can define QN and QL preferences without a great deal of effort.

Try this: which of these two words is more quantitative – "people" or "mathematics". It's easy, isn't it? Mathematics is, of course, the more quantitative.

Now try these two words – "invoicing" and "counselling". Again the answer is reasonably straightforward. Invoicing is the quantitative word.

Look at the list of words in Table I. They were put together by my colleague Dick Hicks. Try to identify those words which are typical of quantitative and qualitative people. Follow these guidelines:

(1) Put a line through those words typical of the quantitative person.

(2) Put a circle around those words typical of the qualitative person.

(3) Use a line and a circle if you think it is typical of both preferences.

(4) Do not mark those words which do not fit either category.

We have run this short test on hundreds of people over the years. The following are the results:

● *List 1* is most descriptive of the quantitative person. At least four times as many respondents favoured the words as descriptive of the QN rather than the QL person.

● *List 2* is also descriptive of the quantitative person, but in this case only twice as many respondents placed the words in the QN category rather than the QL category.

ambivalent	authoritarian
attractive	submissive
apathetic	tight
arty	feminine
anxious	democratic
ordered	dominant
creative	loose
mature	machines
tolerant	animals
detailed	clothing
ponderous	food
warn	wine
independent	beer
immature	water
positive	juice
dogmatic	economics
kind	powerful
flexible	local
rigid	accurate
resilient	frustrated
smiling	isolated
practical	panic
serious	honest
moralistic	vague
religious	firm
scientific	accounting
agricultural	controlled
literary	international
musical	concrete
persuasive	challenge
people	contented
technical	embarrassment
prompt	appropriate
decisive	friendly
things	specific
informal	management
formal	motivating
analytical	Australia
considerate	attentive
clear	capable
neat	bored
definite	guilty
open	responsive
straight	sensitive
circle	confident
law	marketing
politics	communication
love	balanced
sex	supportive
opinion	courageous
adjusted	irritable
adequate	vulnerable
war	verifiable
sufficient	good
fulfilled	delighted
aware	
masculine	

Table I.

- *List 3* is descriptive of the person with an equal preference for QN and QL activities.
- *List 4* is most descriptive of the qualitative person. At least four times as many respondents favoured these words as descriptive of the QL rather than the QN person.
- *List 5* is also descriptive of the qualitative person, but in this case only twice as many respondents placed the words in the QL category rather than the QN category.

List 1 – Definitely QN Preferences
Detailed, accurate, concrete, scientific, technical, formal, specific, authoritarian, analytical, accounting, rigid, definite, controlled, machines, practical, law, dominant, serious, tight.

List 2 – Probably QN Preferences
Ordered, prompt, war, challenge, things, economics, warn, powerful, verifiable.

List 3 – Both QN and QL Preferences
Ambivalent, confident, fulfilled, capable, food, moralistic, neat, clothing, juice, local, masculine, management, dogmatic, balanced, isolated, motivating, resilient, courageous, honest, Australian, politics, irritable, firm, attentive, sex, good, mature, international.

List 4 – Definitely QL Preferences
Kind, flexible, responsive, communication, smiling, democratic, sensitive, supportive, immature, contented, people, delighted, informal, friendly, considerate, opinion, arty, open, panic, love, loose, creative.

List 5 – Probably QL Preferences
Literary, apathetic, tolerant, feminine, ponderous, persuasive, agricultural, wine, religious, adequate, aware, beer, musical, submissive, vulnerable, animals, vague, embarrassment, guilty, attractive, appropriate, anxious.

The words which do not appear in the above lists were regarded as neither QN nor QL. How did you do? You probably found that you were able to agree on many more words than you thought you would. The identification of preferences from experience is not so difficult, is it?

Now try putting some combination of the words together. Use them to describe:

- a typical QN person – someone who is 80 per cent QN and 20 per cent QL, an 80/20 person;

- a typical QL person – someone who is 20 per cent QN and 80 per cent QL, a 20/80 person;
- someone who is both quantitative and qualitative, a 50/50 person.

Here are some examples. You will recognize the words which have been taken from the above lists:

- An *authoritarian, decisive accountant, serious* and *formal* in relations with other people, *analytical* and *practical*, with a *dominant* personality, favouring the rule of *law* (rules and regulations), would be highly QN – a typical 80/20 technocrat.
- A *sensitive* and *friendly, flexible* personnel manager, *supportive* of people and *responsive* to people problems, with an *open* and *communicative* style, would be highly QL – a typical 20/80 sociologist.
- A well *balanced, honest* marketing manager, *attentive* and *confident* in the job, but with firm opinions and the *courage* to support independent conclusions, would be both QN and QL – a typical 50/50 person, part technocrat and part sociologist.

I am sure you can put together many, many more. When you have made up your own list, sit back and try to recall if you have ever known someone with those characteristics. I certainly have – such as the 20 qualitative people I met once on a management course. Out of the 21 participants, only one had any quantitative preferences at all. The course was a failure. After it was all over, one of the participants called it a "warm bath" course. "It was great," she said. "Just like being in a warm bath together." This was true. I remember very well the reports which were presented in response to a case study written specifically for the course. One of the key components of the case study was a profit and loss statement and balance-sheet which had to be analysed in some detail. Unless this was done, then the real solution to the problem could not emerge. This was recognized by the only QN course member. His name was Peter de Groot, a Dutchman, who became more and more frustrated as the time went by. He tried everything to convince his fellow students that the profit and loss statement was an important part of the solution. He tried persuasion, logic and, finally, rage – but all to no avail. "Let me tell you," he yelled. "I've analysed the figures and the company is going broke very fast. Unless the overheads are reduced, there will be no working capital left by the end of next quarter."

None of the other team members took any notice. They were all too busy working out how to prevent Barbara Feather from being fired.

Barbara was a minor character in the case study. Her presence or absence was irrelevant to the solution. Peter knew this. When his frustration became too heavy a load to carry, he used to walk out. He returned only when he felt obliged to make yet another attempt to convince his colleagues of their folly.

Eventually, I had to intervene. I am always loath to take this action when teams are working together on a course as I believe they deserve the right to make their own mistakes. But in this instance, the qualitative impetus had gone too far. Without some guidance, not one of the teams would be able to solve the case study. They had become so enmeshed in the personal foibles of the characters that the quantitative analysis had been either ignored or abandoned. And yet, as Peter de Groot had recognized, an assessment of the company's profitability was a vital ingredient in the solution.

The outcome of my intervention was a half-hearted attempt to analyse and interpret the figures. The only team which did this at all well was Peter's team. He did the work by himself, with only sporadic assistance from the other team members."Let Peter do it" was the cry. "He knows more about it than we do."

Eventually, the solutions were presented. They were elaborate affairs. One team had written a play where all the characters in the case study were enacted with a high degree of skill. Apart from Peter de Groot's team, all the solutions concentrated on the people problems. Innovative steps were suggested to solve them. In this arena, the qualitative teams were quite superb, but the company still went broke. In spite of my intervention, the analysis of the figures was cursory and the remedial measures ill-defined. It really was a "warm bath" course – but one which taught me a lot about the qualitative decision-making process.

If you have a high level of QN preference, you probably enjoy working with figures. You do not go out of your way to talk to people and you probably avoid meetings if you can. You do not mind writing reports; in fact, you probably expect your subordinates to write a crisp, detailed report rather than go through a long and (to you) tiresome oral explanation.

If you have a medium level of QN preference, you still reasonably enjoy the figure work and you would want to talk to your colleagues before implementing a decision. You could be a very practical person who sees each job through to its conclusion.

If you have a high level of QL preference, you probably hate figures. You would rather talk to someone than write a report for them. You would become bored if you were doing the same thing every day.

If you have a medium level of QL preference, although you would still prefer to talk to people about your decisions, you would also still like to check the figures. You would probably enjoy doing new and different things.

I am sure you have worked with people who fit these descriptions. The next time you are at a meeting, listen for the clues. Try to identify the "nit-pickers" and the "bull shitters". Some of the classic antagonists include sales and production, doctors and nurses, architects and engineers, and accountants. Whenever debilitating conflicts occur, they can often be traced back to conflicting QN and QL preferences. They are the scourge of improvements in productivity.

We should therefore all make an attempt to understand one another's preferences. We should be aware of our own as well as those of people with whom we have contact. Once this is done, you will be surprised how easy it is to anticipate people's reactions to events and how effectively this improves productivity. The effort is really worthwhile.

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