

The Environment and Corporate Culture

ARE YOU FIT FOR MANAGERIAL UNCERTAINTY?¹

Do you approach uncertainty with an open mind? Think back to how you thought or behaved during a time of uncertainty when you were in a formal or informal leadership position. Please answer whether each of the following items was Mostly True or Mostly False in that circumstance.

	Mostly True	Mostly False
1. Enjoyed hearing about new ideas even when working toward a deadline.	_____	_____
2. Welcomed unusual viewpoints of others even if we were working under pressure.	_____	_____
3. Made it a point to attend industry trade shows and company events.	_____	_____
4. Specifically encouraged others to express opposing ideas and arguments.	_____	_____
5. Asked "dumb" questions.	_____	_____
6. Always offered comments on the meaning of data or issues.	_____	_____
7. Expressed a controversial opinion to bosses and peers.	_____	_____
8. Suggested ways of improving my and others' ways of doing things.	_____	_____

SCORING AND INTERPRETATION: Give yourself one point for each item you marked as Mostly True. If you scored less than 5 you might want to start your career as a manager in a stable rather than unstable environment. A score of 5 or above suggests a higher level of mindfulness and a better fit for a new manager in an organization with an uncertain environment.

In an organization in a highly uncertain environment everything seems to be changing. In that case, an important quality for a new manager is "mindfulness," which includes the qualities of being open-minded and an independent thinker. In a stable environment, a manager with a closed mind may perform okay because much work can be done in the same old way. In an uncertain environment, even a new manager needs to facilitate new thinking, new ideas, and new ways of working. A high score on the preceding items suggests higher mindfulness and a better fit with an uncertain environment.

The environments in which businesses operate are increasingly dynamic, requiring managers to be ready to react and respond to even subtle environmental shifts. Mattel was shaken when it learned that a Chinese subcontractor used lead paint while manufacturing its toys. Because of the potential health hazard, Mattel recalled nearly 850,000 of its most popular toys—months before its holiday selling season. Not only did the recall frighten consumers, but it sparked a global debate about the safety of Chinese-made products. Mattel managers moved swiftly to reassure nervous parents of its high safety standards in its Chinese factories. In addition, CEO Robert Eckert explained the recall to consumers on the company's Web site and announced steps Mattel was taking to prevent further recalls.²

Mattel's prompt response, teamed with its long-standing history of successful manufacturing in China, led many independent analysts and watchdog groups to say that it may be the best role model for how to operate prudently in China. "Mattel realized very early that they were always going to be in the crosshairs of sensitivities about child labor and product safety, and they knew they had to play it straight. Mattel was in China before China was cool, and they learned to do business there in a good way," says M. Eric Johnson, a Dartmouth management professor.³

Environmental surprises, like the one Mattel faced in China, leave some managers unable to adapt their companies to new competition, shifting consumer interests, or new