

# Experiential Learning Enters the Eighties, Volume 7, 1980

## THE OBJECTIVE-SETTING INTERVIEW IN MBO: AN EXPERIENTIAL APPROACH

Lee A. Graf, Illinois State University  
Samuel C. Certo, Indiana State University

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### INTRODUCTION TO THE STUDENT

This exercise is designed to increase your understanding of an important aspect of management by objectives, the objective-setting interview. From reading about NBO you know that objectives are mutually set and agreed upon by the subordinate and his immediate superior. But you probably have not given much thought to what subordinates or superiors do before, during, or after the objective-setting interview. Since a manager can be both a subordinate in the MBO interview (e.g., a supervisor in an objective-setting interview with a middle-level manager) and a superior in the MBO interview (e.g., a supervisor in an objective-setting interview with a line employee), knowledge of both roles is very important. This exercise has two parts. Read the Carbox Company incident below and complete the exercise as directed.

### INCIDENT

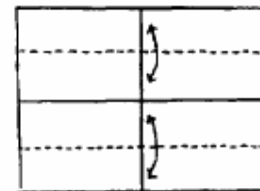
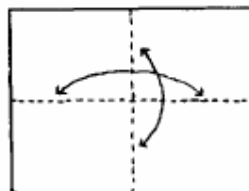
The Carbox Company makes pasteboard aftershave and cologne boxes for three of the major companies producing men's grooming aids. Most of the 200 employees of Carbox operate one of a variety of mechanized folding, cutting, or pasting machines. However, within the past week, Carbox has accepted a special contract from one of its customers. This new contract calls for the manual folding of 8 inch by 11 inch posters of celebrities (such as Farrah Waterfaucett) into 4 inch by 5½ inch lids for men's cologne boxes. This customer predicts that if the folding operation can be performed so posters can be unfolded by consumers without being damaged, the sale of their cologne will dramatically increase. The company has decided to make the lids using the "Origami" method outlined in Figure 1 because no cutting or pasting is required (Note to Instructor: two sheets of sample folding material should be provided) Six employees will be hired to perform the poster-folding operation. The management by objectives approach is used throughout the organization.

FIGURE 1

### ORIGAMI INSTRUCTION SHEET

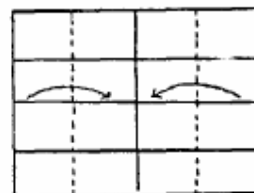
(Adapted from The Practical Encyclopedia of Crafts, Maria DiValentin and Louis DiValentin, Sterling Publishing Co., Inc., 1970, p. 300)

#### How To Fold A Box

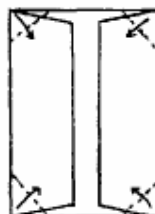


1. Begin with a sheet of paper 8½" x 11" and make creases for vertical and horizontal center lines.

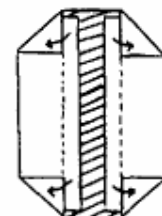
2. Fold the narrow sides up to the center line. Then unfold.



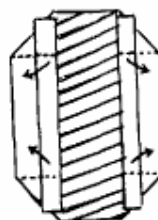
3. Now fold the wide sides to the vertical center line and unfold again. (Fold the first sides narrower than the second if you are using a square sheet).



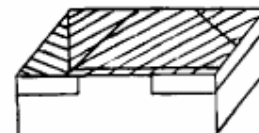
4. Using the valley fold, diagonal-fold corners from the folded edges to crease lines.



5. Now the raw edges may be folded over the folded corners.



6. Open up the sides and, as shown, reverse the folds.



7. The finished box.

<sup>1</sup> This article is based upon "The Objective-Setting Interview" in Certo, S. C. and L. A. Graf *Experiencing the Modern Management System* (Dubuque: William C. Brown Company Publishers) 1980. To be reproduced only by permission of the authors.

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## PART I

## TEACHING NOTES

**Directions:** Assume you are one of the six employees hired to perform the poster-folding operation. In the spaces provided, identify what you should do to prepare for the objective-setting interview with your superior, what you should do during the interview, and what you should do after the objective-setting interview has been completed.

a. Before the Interview with Supervisor

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b. During the Interview with Supervisor

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c. After the Interview with Supervisor

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## PART II

**Directions:** Assume you are the supervisor of the six employees hired to perform the poster-folding operation. In the spaces provided, identify what you should do to prepare for the objective-setting interview with each of your six immediate subordinates, what you should do during the interview, and what you should do after the objective-setting interview has been completed.

a. Before the Interview with Subordinate

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b. During the Interview with Subordinate

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c. After the Interview with Subordinates

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### Purpose of the Experience:

This experience was designed to provide the management student with insight into a very critical aspect of management by objectives, the objective-setting interview. One of the more significant aspects of this experience is that it points out to students that for MBO to work, much more involvement is needed than just to sit down for a few minutes with your superior or subordinate to jointly set goals. To be effective, MBO requires that both the superior and subordinate obtain a substantial background and understanding of the job to support the objectives being set; and after the objectives are established it is critical that they review the progress toward meeting them. MBO is not something that is performed today and will not need to be performed again for three or four months; it is a very active and involving management process.

### How This Experience Can Be Used:

While this activity can be assigned to students on an individual basis, it works extremely well when assigned to small groups. Groups can be assigned the role of either the superior or the subordinate; if this approach is used, the job of the group would be to complete the assignment for that role. If the activity is to be used as an in-class exercise where time is somewhat constrained, the instructor may want a separate group to deal with each aspect of the two roles. For example, one group could deal with what the subordinate should do to prepare for the objective-setting interview, another group deals with what the subordinate should do during the interview, while another group deals with what the subordinate should do after the interview. The superior's role could be similarly segmented. If this approach is used, care must be taken to allow enough class discussion time for the role to be integrated, and the superior and subordinate roles to be compared.

Finally, a somewhat unique twist to the assignment might be to ask a member of the group assigned to determine what the superior should do during the interview and a member of the group dealing with the subordinate's role during the interview to role play what the group has decided upon. Such an approach would tend to lend more realism to the exercise.

### Sample Results:

Slusher and Sims\* provide an excellent checklist for the three phases of the objective-setting interview for both the superior and subordinate. This checklist is reproduced below. The instructor might find it beneficial to jot down on the board the checklist items students omitted; or it may be more helpful to hand out reproduced copies of the entire checklist.

### *CHECKLIST FOR OBJECTIVE-SETTING INTERVIEW (Slusher and Sims)*

#### CHECKLIST I BEFORE THE INTERVIEW

##### What the Subordinate Should Do

- Develop preliminary objectives that have a clear performance and completion deadline.
- Provide the superior with a copy of the preliminary objectives prior to the interview.

\* Allen Slusher and Henry Sims, "Commitment Through MBO Interviews," *Business Horizons*, August 1975, pp. 5-12

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- Prepare supporting data for each objective.
- Decide what resources and coordination will be necessary.
- List questions and problems for discussion with the superior.

### What the Superior Should Do

- Decide whether each preliminary objective represents a priority need.
- Check for technical completeness of objectives. Is there a clear performance standard, completion deadline, and method of checking results?
- Judge whether performance standards are realistic (not too easy, not too difficult)
- Decide if the subordinate has sufficient authority in the objective area.
- Specify any required personnel coordination needed to achieve an objective.
- Determine if needed resources can be provided.
- Note whether foreseeable contingencies should be recognized.
- Consider the extent of personal support that the subordinate will require for improved performance.
- Examine the subordinate's other job responsibilities to see if any are being neglected.
- Determine whether additional objectives are appropriate.
- Insure that there are neither too few nor too many objectives in total.

### CHECKLIST 2 DURING THE INTERVIEW

#### What the Subordinate Should Do

- Set up a method for regularly reviewing progress toward objectives.
- Renegotiate objectives when major changes occur.
- Let the superior know when progress is lagging.
- Let the superior know when a lack of coordination or resources requires action.

#### What the Superior Should Do

- Maintain a historical and current file on each subordinate's objectives.
- Develop checks and reminders for using with each subordinate to insure continuous progress.
- In a timely and informal way, let subordinates know that he (or she) is interested in week-to-week progress (however, avoid nagging).