As Dr Robert Kovach explains, more and more organisations are drafting in management psychologists to help them get ahead of the competition.

Management psychology, far from being a woolly or ‘touchy-feely’ type of business intervention, is in fact one of the most straight-talking and down-to-earth resources available to people in business.

What does it aim to achieve? Nothing less than fairly and squarely providing executives, and especially business leaders, with guidance to deal with fundamental practical business issues.

There are two factors that are critical for success in any intervention involving management psychologists. First, the executives in question must want to improve their performance. Second, there needs to be a specific issue that can be successfully mastered and worked on through the intervention of an expert in management psychology.

As long as these factors are in place, the potential benefits that management psychology can bring to an organisation’s executives are huge. Above all, modern management psychology techniques identify particular areas of strength and weakness in executives and help to take them, and their organisations, to new heights of performance, personal development and profitability. Management psychology has for many years been regarded in the United States as an established and powerful method of improving performance; it is now being seen in the UK in the same light. Today, it is making an increasing impact within British industry and commerce.

The increasing tendency for organisations to operate across national borders and even to develop a global infrastructure is one reason why management psychologists are nowadays a familiar sight in the corridors of power of companies that are determined to outshine their competition.

All change
Another reason is more fundamental: industry and commerce are going through massive changes. Many organisations have found that management psychology helps them win the edge they are seeking over their rivals. Just like top sportsmen who need to generate an extra margin of improved performance if they are to become world-famous champions, moderately successful organisations have found that management psychologists can help turn that moderate success into world-beating performance.

Management psychology is an especially potent resource during times of organisational change. Change is always disconcerting, but when a business model that has stood its ground for many decades is swept away by waves of new ideas, new resources, new levels of competition, new types of competition (cross-border as well as domestic) and new expectations on the part of customers, change that was once disconcerting can easily become alarming. But being alarmed by the pace and nature of change is no way to run a major organisation. Instead executives need to navigate the changes while maintaining their balance and, ideally, remaining graceful and in control as they do so.
Generally speaking, management psychologists tend to focus their attention on four key areas of activity:

- Assisting organisations to draw up profiles of the ideal types of candidates for new appointments, especially senior appointments;
- Interviewing shortlisted candidates in detail and assessing them from a variety of critically important perspectives in order to make recommendations on their suitability for the role in question; working with individual executives to look at ways of improving the performance of the executive in every area of his or her activity;
- Working to integrate organisations after a merger or acquisition, to ensure that the newly created teams and departments prove to be lasting and profitable.

Management psychologists, like clinical psychologists, are technicians of the human personality. The difference between the two sides of the profession is that clinical psychologists help to treat people with psychological problems, while management psychologists work to help organisations to maximise the performance of the people they employ. After completing their academic studies, most management psychologists gain practical experience in managerial positions in industry and commerce before turning to management psychology as a specialised activity.

This practical experience is an important aspect of the training of management psychologists, because it enables them to bridge the gap between theory and practice. Their work will be no less detailed or exhaustive than the work carried out by a clinical psychologist; the difference is that the work of management psychologists has a commercial rather than clinical objective.

The changes that have come over industry and commerce in recent years have shone the brightest of spotlights on every aspect of how companies do business and ought to do business. Infrastructure, management hierarchy, policy on mergers and acquisitions, overall competitiveness, billing procedures, regulatory policies, purchasing of resources – these and many other key issues have become major topics for strategic and tactical discussion. Yet it is above all people who make organisations successful, and the people challenge is tougher today than it has ever been.

This increased toughness stems from the fact that a different kind of person is required to lead organisations today than was the case even only a few years ago.

Conclusion

Today, the pressing needs that face organisations, especially in the areas of overall competitiveness, customer service, purchasing and business streamlining have made many former business models redundant. Furthermore - and this is an especially important point - interpersonal and human skills tend to become increasingly important the higher up the corporate hierarchy the executive progresses. This is because the higher up the ladder the executive goes, the more important it is for the executive to be able to influence peers and subordinates in a positive and, ideally, inspirational way.

Management psychology is playing a key and radical role in helping executives develop their skills and capabilities. Executives who choose to benefit from management psychology are able to streamline themselves with particular efficiency and effectiveness for battle in today's highly demanding trading environments. Of all the resources available to executives today, management psychology is the one they frequently find they need most of all.