

**THE PINOY MANAGEMENT STYLE: HOW IT HAS SERVED
THE PAST AND HOW IT SHOULD EVOLVE TO SERVE THE
FUTURE**

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In their management style, Filipino, or to use a colloquial term, “Pinoy,” managers are like the proverbial bride on her wedding day – they use something old, something borrowed and something new.

As “Pinoy” is a term of fairly recent coinage – it must have begun to be popularized in the late 1960s ---- Pinoy management style is often used to refer to the management approaches and practices adopted by the contemporary Filipino manager.

While the discussion made in this paper covers Filipino managers in general, they are, in the perception of the authors, more easily observed among small and medium enterprises or SME’s.

SOMETHING OLD, SOMETHING BORROWED

Old and much-vaunted is the Filipino manager’s role as patriarch to his work force. To him, they are an extended family, whom he does not only pay just wages but also feeds, shelters, nurtures. Lesser known but also quite old is a preference for the subtle approach in controlling workers -- not so much by direct orders as by suggestions, not so much by discipline as by persuasion, not so much by formal rules and systems as by more personal, spontaneous ways.

Borrowed by today’s Pinoy manager, on the other hand, are lessons and insights from Anglo-American popular management theories and concept. These have taught them to become more objective, less personal and more organization-oriented.

THE AMALGAM

The combination of old and borrowed has evolved into something new and quite unique – a Pinoy managerial style that tempers the blunt, straightforward ways of Western managers with “good, old” Filipino values and traditions, including familism and personalism. It might also be described as a dualistic style that varies at different levels in the organizational hierarchy, more “borrowed” at the top rungs and traditional at the lower levels. It might also be regarded as achieving a tricky balance between being people- and work-oriented.

A study conducted in the 1980’s asked 200 managers in Metro Manila whether they thought Western theories and concepts worked. Their answers were intriguing: at the managerial level of interaction, yes; at the floorshop level, no.

To understand this contradiction, it is important to take a look at the cultural foundations of the Filipino, and then to trace the western influences that have helped shape the “hybrid” which is now known as the Pinoy management style.

ORIGINS OF PINOY MANAGEMENT STYLE

How did the Pinoy management style evolve?



A noted Filipino anthropologist and author, Dr. F. Landa Jocano, spent decades conducting studies on Filipino culture values and practices and how they impact on the various aspects of the national life, and his works will be prominently cited in this paper. According to him (Jocano: 1997), the Filipino management style derives from the dominant features of the Filipino culture. These include familism, personalism, and emotionalism.

Familism

Familism dominates Filipino behavior whether at home, in the community, or in the work place. The family is considered as the most important social unit in the community. In its expanded sense, the family includes kinsmen acquired through descent (consanguinity of blood) as in parents-children relations; marriage (affinity) as in husband-wife relations; and *compadrazgo* (ritual affiliations) as in godparents-godchildren relations. The latter, *compadre* relationship, is formed when one stands as sponsor for baptism, confirmation or marriage rites.

Informal kinships are also built through the “barkada” or peer group. It may be a street corner gang or sorority, fraternity, civic or professional group, and church or religious organization.

Terms to express kinships are liberally used. Older people are addressed *lola* or *lolo* (grandmother or grandfather); *tito* or *tita* (uncle or aunt); or *kuya* or *ate* (older brother or older sister) both by blood and non-blood kin. Professional, civic, and religious group members call each other “brods” and “sis”. The term *pare* (where President Joseph Estrada’s nickname “Erap” originated from in its inverted form) has become a byword among mensfolk as synonym for “pal” although it originally denoted *compadrazgo* relations.

In the corporate world, a close circle of family and friends of business owners usually occupies the sensitive positions in the company. Vacancies are also filled up with kinsmen or their recommendees. But this practice is not regarded as nepotism. Rather, this is believed helpful in producing a binding spirit, as that in the Filipino family, that will lead to internal cohesion in the organization.

In turn, the families are held responsible in looking after their proteges. It is believed that a wrongdoing on the part of the latter will discredit the whole family. Filipinos love to say that “Ang sakit ng kalingkingan ay dama ng buong katawan.” (A pain in the small finger is felt in the whole body.)

Conversely, a success achieved by a kin is feather on the cap of the entire family.

A study conducted in Philippine industrial setting patterned after Maslow’s Hierarchy of Needs shows Filipinos being family-centered. Psychologist Leonora de Jesus’ Ph.D. dissertation (1985) compared Maslow’s hierarchy of needs with that of Filipino workers in the industrial setting.

Maslow’s hierarchy of needs includes:

1. Basic psychological needs



2. Safety and security
3. Belonging and social needs
4. Esteem and status
5. Self-actualization

On the other hand, Filipino workers' hierarchy of needs includes:

1. Having a happy family
2. Having/owning a house and lot
3. Having educated and successful children
4. Having a good and fulfilling job
5. Being financially secure
6. Getting social recognition
7. Being liked by friends and neighbors

It can be gleaned from the above that in the Filipino workers' mind, the family comes foremost. Specifically, having a happy family is their paramount concern.

Jocano (1988) contends that being kin-oriented, Filipinos tend to integrate the "self" to the "other selves," as reflected in their use of plural pronouns *tayo*, *natin*, or *namin*, (we, us, ours) in formal conversations rather than *ako* or *akin* (I, me or mine).

Closely related to familism is the value of paternalism. In the ancient days when Filipinos used to reside in barangays (communities), they were governed by a datu (chief of the people), who wielded his power not like a ruler governing his subjects, but like a parent nourishing his children.

The datu was known to be morally upright, too, and ruled by example. And although not a tyrant, he imposed strict discipline on his people. Yet his style of governance applied consultation, persuasion and consensus – the same style after which Pinoy bosses would pattern their own centuries later.

Personalism

Personalism, according to Dr. Jocano, is a tendency of Filipinos to take things personally—or to be taken personally. It is rooted from their predilection towards being relationists, or to their strong desire to belong to the collectivity. Thus, this value runs counter to the Western concept of objectivity.

Personalism is also demonstrated by Filipinos preference for personalized service over self-service. Some self-service restaurants have been reported to have hired waiters to carry



trays or water for the customers. Between a self-service and a non-self-service gas station, Filipinos would troop to the latter.

One Filipino habit that foreigners find amusing, if not irritating, is their inclination to ask personal questions. “How old are you?” “Are you married?” “How many children do you have?” “What do you do for a living?”—these are some of their usual queries when they start an interaction. Some foreigners may feel that these personal questions encroach on their privacy. To Filipinos, to be personal is to be friendly, to want to connect, to want to establish a positive relationship.

In the workplace, bosses are expected to know by heart some significant details about the workers’ private lives. If they fail to show interest in such, the managers are seen as distant, aloof or lacking in concern.

Personalism is recognized in the workplace when a manager approaches a personnel privately to tactfully inform him to expect a management decision unfavorable to the said worker before a memorandum is sent to him. This usually softens the blow.

Emotionalism

Dr. Jocano considers Filipinos as extremely sensitive. According to him, this is often attributed to how they are raised. As adults, they are quick to be moved to tears as they are to anger. Hence the rule is, as much as possible, one must avoid hurting other people’s feelings.

It is this concern for other people’s feelings that make Filipinos dwell in ambiguities sometimes. For instance, if someone is invited to a party, she will not say outright that she does not intend to come, even if she is sure that she will not come. She is likely to say “I will try.” An outright “no” is considered rude.

It is well-known that the average Filipino will say “yes” to mean any of the following: 1) he does not know; 2) he wants to impress; 3) he is annoyed; 4) he wants to end the conversation; 5) he half-understood the instruction or what is being said; 6) he is not sure of himself; and 7) he thinks he knows better than the one speaking to him.

One saying in a Philippine dialect captures this spirit: *Tangu ng Basti, bang agad mikawani*. (Say yes fast, to part ways fast.)

What would move Filipinos to anger? When their personal honor and dignity is under attack or when they lose face. Thus, to avoid conflicts, one should then prevent others from being shamed. Being respectful helps.

Being blunt offends Filipinos. Hence, the traditional way through which they communicate follows three steps: to hint, to make conscious, and to open up.

In disciplining personnel, bosses resort to the circuitous manner of communicating sanctions. This approach follows the following steps: to call attention, to give advice, to censure in private, to threaten, and to impose sanctions.



But things should not reach the extent where bosses and employees take positions adversarial to each other. Managers can nip problems in the bud by talking things through. It is generally believed that everything can be settled by talking things through. In jest, men, often transform this saying into everything can be talked through with a bottle of drink (as in a bottle of beer). It is a common practice that a male boss joins the male employees in drinking sprees as this gesture does not only give them a feeling that he is one of them. It also provides a venue for them to ventilate to the boss some work concerns in a convivial atmosphere.

Being a lady, one business proprietress considers it a handicap that she cannot join her male workers in their drinking sessions. To make up, she supplies the “pulutan” (foodstuffs taken while drinking) to give them the sense that she is one of them!

NEW INFLUENCES

In the 1940s, just after World War II, the American influence on Filipino culture became more pronounced. It was to become a dominant contemporary influence on Philippine society, education, politics, arts and, yes, management style.

Filipino entrepreneurs come from various socio-economic origins. Many were raised by entrepreneurial parents. Some are self-made entrepreneurs, driven to business by necessity and dint of hard work. Some are professionals like doctor or lawyers. Some are retirees. Some are graduates of business and training schools with masteral or doctoral degrees. Lately an increasing number are foreign contract workers who have made small fortunes in overseas employment.

Whatever their origin, most Pinoy managers have adopted one or another of Western management theories and principles. Taylor’s Scientific Management theory convinced most Pinoy managers that financial incentives was the best way to motivate workers to perform well. Likewise, Maslow’s Hierarchy of Needs Theory, David McGregor’s Theory X and Y and Mouton’s managerial grid attracted huge followings among those who were more interested in the human side of the enterprise. Similarly, Reinforcement Theory, Expectation Theory, Behavior Modification Theory and Job Satisfaction Theory were pursued by Pinoy managers who were in quest for alternative techniques on how best to influence their workers. And there were other Western concepts that caught their interest.

The Western textbook orientation taught them to give high premium on:

- Being objective in handling problems, situations and people
- Being oriented to goals through building a team of people dedicated to the common goal.
- Being productivity-oriented by resorting to the most efficient ways to finish a job with the least input of time and energy
- Being impersonal or professional detached in hiring, promoting and firing employees



- Being organization-oriented, to the extent of putting company interests before other interests, including those of family. interests first before other interests, including those of the family.

These new management orientations brought in, too, formal management systems and tools, including organizational charts, job descriptions, wage and salary structures, training needs analysis, personal career paths, and performance evaluation systems, to name a few.

As soon as the Pinoy managers take all these principles to the shopfloor, however, their dilemma begins. They remember that workers' orientations are rooted on traditions and hence run counter to that of the managers. Usually being minimally educated and recent migrants from the provinces, workers carry with them traditional values that uphold subjectivism, personalism and familism. Some educated employees and even some managers may share the same outlook, but not to the same extent as the workers.

There lies the contrast in value orientation between the managers and the workers. Western-oriented Pinoy managers tend to be bureaucratic (formal and sticking to specific rules), legalistic, and confrontational. They have learned to decide and act according to procedures. On the other hand, workers expect their superiors to be non-formal and behave according to customs, use standards consistent with the workers' values, and favor non-adversarial relations.

RECONCILING OLD AND NEW

Noting the adverse effect of these contradictions on the workplace over time, Pinoy managers learned to be flexible in their approaches. Today, most have kept management structures patterned after Anglo-American models while they have slowly shifted to Pinoy-oriented human resource management practices.

Management expert Ernesto Franco (1986) identifies four general styles of Pinoy management.

- Management-by-*kayod* (working like a dog) or Realist Manager is wielded by an autocrat who wants quick action, has gut feeling, priority-oriented, strives for optimal performance, knows how to use people and resources, cuts problems down to manageable size, practical, fast decision-maker, impatient and shrewd.
- Management-by-*libro* (book) or Idealist Manager is a thinker and technocrat; is meticulous, cautious, stubborn, planning-oriented and systematic; strives for professional performance; thinks first before deciding; seeks quality results; and has high ideals.
- Management-by-*lusot* (shortcuts, bribery, rulebreaking) or Opportunist Manager is willy-nilly, has no conscience, loves to get by, likes to resort to shaky deals to achieve easy settlements, avoids headaches, and believes in non-money-no-work philosophy.



- *Ugnayan* (movement to interrelate)-management or Reconciler-Manager is a cross of idealist and realist manager, believes in contingency management, solid, shares his knowledge, and has excellent behavioral skills.

How do they take in people? The opportunist headhunts. The realist manager applies the jungle method, that is, he pits the candidates against each other and whoever survives is considered the fittest and therefore is the one hired. The idealist manager opts for high-quality candidates with suitable degrees and training. The reconciler-manager gets partly experienced applicants, tries them out and screens them meticulously.

How do they act during implementation?

The Realist Manager does-evaluates-plans a little-does. The Idealist Manager plans a lot-does-evaluates-replans a lot. The Opportunist Manager plans-does-does again and again. The Reconciler-Manager evaluates-plans-does and at the same time evaluates again.

Franco believes that Idealist-Managers eventually realize that they are ineffective in real life and become Realist Managers. The same goes for the Opportunity Managers. The best of the four are the Reconciler-Managers, claims Franco. It is noteworthy that this type is equipped with superior human relations skills.

SUGGESTIONS FOR THE FUTURE

Business enterprises that want to survive and grow must gear up to the challenges and opportunities of a “globalizing” future. Simply, this means, for the Pinoy managers, being able to bring out among their people the optimum in productivity and efficiency. This is then translated into products and services that are able to compete in the barrier-free marketplaces.

Thus the best parts of the effective Pinoy management style (Jocano: 1997) – consultative, persuasive and consensual – can serve the Pinoy manager well in drawing out the best performances from workers.

A consultative approach goes beyond consultation. It is allowing people to participate in planning and implementation activities and thereby making them share their perceptions and feelings on the possible ways of working things out. They share in decisions affecting their future, including their own personal development plans as an employee. When he goes to a technical training program for example, he is motivated to give his best because he “owns” the decision to be trained as well as how to be trained.

Using persuasion involves appealing to values, emotions, and conscience of others. It is the counterpart of the Western pathos. This is a crucial managerial skill in that if used proficiently it can lead to creating the desired feelings or response on the part of the worker. The worker must be made to feel, for example, that changes, including new technology and production control systems, would benefit the whole company of which he is the vital part. Thus, the paternal, one-family system is still at work here.

Persuasion is anchored on concern and respect. A supervisor who uses persuasion conveys concern over teamwork, respect for the rights of members to participate in group



activities, and trust for their ability to handle the task given them. In a sense, it is a gesture of delegation, which is an effective modern management technique.

A consensual style takes into account the collective position, which has been agreed on by the concerned parties. Using consensus in decision-making expands the superior's control over the group activities and increases his moral ascendancy. Thus he can tactfully remind dissenters that the matter at hand has been agreed on and weren't they in that job since the start?

All these values are consistent with Pinoy paternalism. The authoritarian patriarch is tempered by his personal concern for his workers, which manifests in consultation, persuasion and consensus-seeking. On the other hand, the patriarch with the soft touch must take care that his kindness is not abused. For example, one can only consult, persuade and seek consensus so much, with a recalcitrant worker, after which more formal and direct measures must be applied. Indeed, Pinoy managers have been known to "crack the whip" when necessary.

The Pinoy manager is in the right direction when she tries to marry the management principles that have worked in the western world with time-honored value systems in the native country. Practising objectivity, goal-orientation, professional detachment, productivity-orientation, etc. while taking time out to consult, persuade, seek consensus and, indeed consulting, persuading and consensus-taking have been known to work with the Filipino workers and must be reinforced and encouraged.

How does this admixture translate in the work-a-day world of the Pinoy manager as she deals with her people?

Some specifics include:

- Quality and problem-solving circles – These should not be just randomly organized but instituted, with regular meetings and program of activities. The circles should gather managers, supervisors and rank-and-file workers to brainstorm on creative solutions to problems of productivity and quality. They should also be made to participate on decisions affecting their future. In such circles, workers would be encouraged to speak openly and frankly if an informal, friendly and non-judgmental atmosphere is created.
- Customer-feedback system involving workers – Workers hearing feedback from customers – both positive and negative – would feel an increased sense of responsibility for the quality of and a sense of ownership of the product and services.
- Productivity awareness campaigns and workshops – Improved productivity, quality and efficiency should be seen to have direct benefits to workers. The Pinoy manager should see to this.
- Information and communication tools – It is often said that those working below an organizational hierarchy tend to be myopic and unable to see the "bigger picture." Workers should then be helped to broaden their perspective by a policy of



transparency and information-sharing. Communication and information is specially important in introducing changes – whether in production methods or in administrative policy

- Leadership by example – Managers should set the example. In the Philippine setting, actions speak louder than words. The best way to implement rules is to show that managers are following. The best way to suggest action is for managers to show the way.
- Values orientation – Seminars and workshops on values should be introduced and actively pursued.
- More systematic recruitment, selection and hiring practices – Recruitment efforts should be expanded to target more applicants, other than kins. Similarly, scientific selection methods like tests can improve the hiring process.

CONCLUDING REMARKS

The advent of globalization is on the doorstep of Filipino enterprises. It is both a threat and opportunity – it can't simply be ignored by the Pinoy manager. Hence, more than ever there is a need for him to steer his enterprise skillfully if he wants to cope with the demands of the times. And as it has been in the past and will be in the future, a Pinoy management style that adopts modern textbook approaches tempered with Filipino cultural psychology will better harness the workers' potentials for teamwork, efficiency and productivity.



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