Let me give you first a brief account of a study we did recently. This will do two things. It will raise the character of the issues we want to talk about, and secondly, it will illustrate some research methods and aims. This will be a thumbnail sketch of a study we completed recently in, of all things, an insurance company. The fact that they were selling insurance is quite irrelevant to my point. It could have been any of several other kinds of organizations.

This was a typical business firm, with a large headquarters organization, a full roster of staff activities, and field sales offices, a large number of them, each operated by a manager with a good deal of autonomy. In most cases the agency manager was also the owner of the agency. Each regional manager had a small service staff of his own and a complement of 10 to 60 salesmen.

The firm was interested, as I was, in the curious fact that year after year some of these agencies sold a lot of insurance and others did not sell much. After all the analyses that could be made about market potential, adequacy of training programs and the financial resources for building staff and so on, and accounting for these, there still remained a big difference in sales volume and profitability for these agencies. As you can imagine, the brass worries about such conditions. Particularly they worry about the agencies that are not doing so well.

Our aim was to locate the best agencies and the poorest ones, to get a lot of information about the organization structure, the interpersonal relations, and the managerial strategies, and to see if there was anything in these areas that might help us to understand the dramatic differences in success among these little organizations. We got our data. It took 2 years' time to do this study. It involved the very active collaboration of some 3,000 people who were interviewed and filled out questionnaires or provided data from company records. There are three results I want to mention to you.

There were very marked differences between the highly successful and the unsuccessful agencies with respect to a number of measures having to do with group-oriented work. The successful agencies had more meetings, better meetings, more different kinds of meetings. Quite apart from meetings, more of the day-today work was done, not singly by individuals but by persons in pairs, triads, and fours--a lot of spontaneous group activity. Some of the managerial functions in these outstanding agencies had been set up to be planned and conducted by groups, rather than being kept in the manager's own hands