Understanding Organisations: Part I

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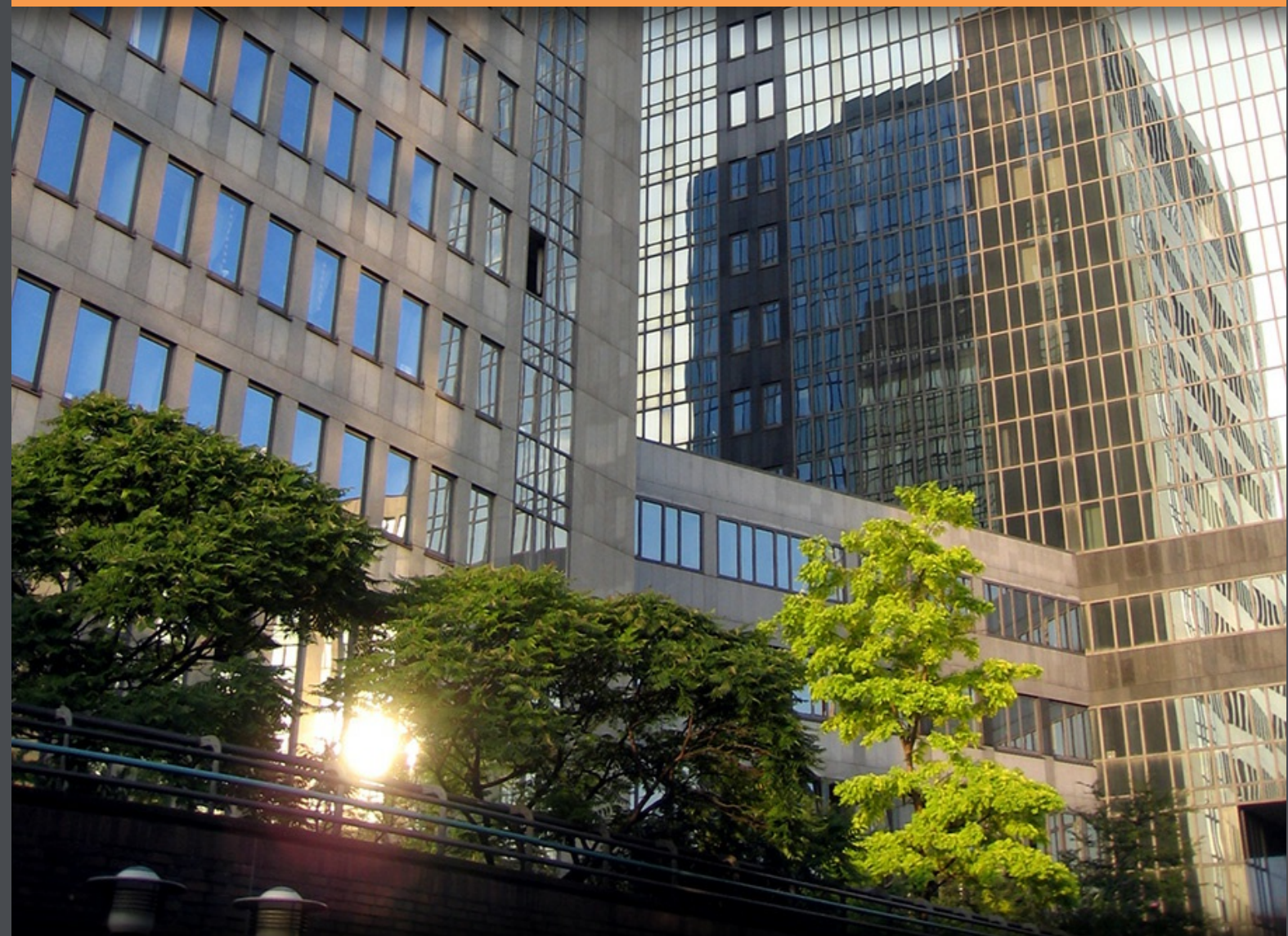
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Part I

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1.1   Introduction

There are many different types of organisation, none of them necessarily the best or the worst but all geared towards enabling an organisation to achieve its objectives as quickly, easily and inexpensively as possible. Most management writers have offered differing views on which types of organisation can work best in which contexts. All these views are valid but some may not be as appropriate to certain kinds of organisation as others. Issues of power and formality, debates about the best type of organisation for public or private sector and whether the organisation has a centralised or decentralised structure and, therefore power base, are all key to deciding what kind of organisation we work for or are acquainted with.

These are the areas we shall explore in this first chapter by the conclusion of which the reader should be able to determine differing types of organisation, determine key aspects of those organisations and decide which variant is best suited to which specific purpose

1. Why have an organisation?

Because nobody can do everything themselves. Imagine if Richard Branson had never delegated anything to anyone else, where would Virgin be now? This chapter introduces some of the main reasons why organisations have evolved and how they have developed for specific purposes.

2. What sort of organisations are there?

Many different types. There is no right and no wrong structure for an organisation. The main thing is that it does its job effectively, and reasonably economically. Lots of management writers have had strong views about organisations over the years. Here are a few of the best known for you to consider.

Henry Mintzberg, a notable management writer for the past 30 years or so is a good place to start.

Mintzberg said that most organisations have five main parts.

1. The Operating Core – which is, in other words, the bit that does the work. People who make the product or who provide the service. Some organisations have almost nothing else except an operating core; they are usually smaller organisations in the private sector who need to keep costs and overheads down to a minimum.

2. The Middle Line – which is the section in the middle of an organisation where the middle managers lurk. As an organisation grows, it is often difficult for one person to effectively oversee everything that is going on. Hence middle managers have been created to manage the junior managers and take directives from the more senior managers

3. Technostructure – this is not a term with which everyone agrees but Mintzberg used it to refer to the people who decide how best to do the jobs. Sometimes this involves technology – selecting a certain type of computer system for example – and sometime it involves deciding how work processes are defined, standardized (so that everyone works in a best way) and refined for further improvements. Often the work is intangible if, for instance, a Human Resources (HR) manager wants to standardize skills in a workplace.

4. Support Staff – those who help the Operating Core do its job, or do it better. This might include all sorts of areas for instance, cafeteria, security, HR, legal advisers and so on. Most private sector organisations try to keep these staff to a minimum because they may not directly produce or sell anything and can be seen as a major cost.

5. The Apex – which describes the top of the organisation which decides what it is going to do, how and when. This can be a single manager – who might be an owner – or it can be a series of boards of directors and committees of heads of departments in more complex organisations. However it is structured it provides the strategic direction for an organisation – in other words where it wants to go and how it is going to get there. Sometimes known as the Dominant Coalition – the few people who really drive the organisation forward.

As a general rule, the apex, middle line and operating core are known as line positions while the technostructure and support staff are known as staff positions. Line people work directly on the organisation's business, staff people advise the line people about how to best go about the job.

1.1.1   Stop and Think

What kind of organisation do you work for described in terms of Mintzberg's typologies? What leads you to this conclusion? How well do you think it operates? Why?

Mintzberg also goes on to show how different types of problem facing an organisation can result in different ways for solving the problems through organisational means. He called this coordinating mechanisms and they are:-

1. Mutual adjustment – when employees in the operational core cooperate fruitfully with each other.
2. Direct supervisions – self explanatory but costly in terms of managerial time
3. Standardisation of work – through systems and procedures etc.
4. Standardisation of outputs – through targets and specifications etc.
5. Standardisation of skills – through employees' abilities to achieve a task. May involve further training and managerial input
6. Standardisation of norms – through establishing a common set of beliefs in how tasks are best achieved or approached.

Clearly there are many variations on all these models but they are important because they lay the foundation for Mintzberg's ideas about organisational structural design – or, how parts of the organisation fit in with each other. These, in turn, have lead to many of the theories that we can recognise in organisations all around us today. Broadly, Mintzberg was saying that we can use a number of tools to decide on how to structure our organisation. These include:-

a) job specialistion
b) behaviour specialization – that is , who people behave in certain ways to live up a job they have been given
c) training
d) indoctrination – that is how people are inducted into an organisation in the first place, their first impressions and subsequent evolving views
e) unit grouping
f) unit size
g) planning and control systems and
h) liaison devices – such as positions, task forces, cross department committees, integration managers and so on.

Although Mintzberg was writing about these issues in the 1980s, many organisations now use all or part of these theories to decide how to structure themselves for the best results. You may well have encountered them in one form or another in an organisation that you know well.

How does this work in practice?

An example might help to clarify this. Many professional firms – that is, firms employing predominantly professionals such as lawyers, architects, accountants or marketing people – have, intentionally or otherwise, found that they have a very strong base of the operating core. In this case, the firms' best assets are the people within that core who have a sound knowledge of their client base and loyalty levels and couple this with a firm grasp of their own professional expertise, whether it be in law, accountancy or other sphere of activity. Strategic direction is usually provided by the senior members of this group – often known as senior partners. Support services are usually provided by a "back-room" team of support staff in areas such as computer systems, financial control, security, catering and so on.

So, in many ways, all Mintzberg is suggesting is that we use common sense to structure and run an organisation. That does not mean that all organisations even recognise, let alone harness, common sense however.

1.1.2   Test yourself

How do you view the ways in which Mintzberg's issues described above, apply to your own organisation?
Can you suggest valid ways in which it could be improved?
What is the virtue of having a strong strategic direction?
What is the best coordinating mechanism in your view and why?

Power – centralized or decentralised?

There is no easy answer to this dilemma. In some organisations, power is concentrated in one person or one board or committee – and is, therefore centralised In others, such as accountancy practices, it is spread around a number of senior partners who all have to agree a policy before it is adopted – therefore decentralised. Neither is necessarily better than the other; it all depends on what the organisation is and how it proposes to achieve its objectives.

There are some rather less complicated writers on organisations than Mintzberg – although most of them take Mintzberg as a starting point – and one of these well worth reading is Laurie Mullins. In his book "Management and Organisational Behaviour" originally published in 1985 and since re-issued almost annually, he discusses different types of organisation and suggests that, no matter what they are set up to do, they all have one thing in common.

That "thing" is best expressed in his own words; "Interactions and efforts of PEOPLE to achieve OBJECTIVES channelled and coordinated through STRUCTURE directed and controlled via MANAGEMENT" (Mullins 1996).

Here, in a nutshell, is the use of organisations. Re-expressed, this effectively means structures which can achieve what the key stakeholders want them to achieve.

1.2   Formal and informal organisations

A lot has been written about the differences between formal and informal organisations over the past 20 years. While much of it is worthy, some of it can be ignored as too esoteric or complex for the purposes of this book.

Fundamentally, the difference comes down to planning for the future. The FORMAL organisation plans changes (sometimes relentlessly) if necessary, coordinates its activities well and is usually structured in a hierarchy.

The INFORMAL organisation is looser, more flexibly structured, has less well defined relationships and can be more spontaneous.

There are many examples of these differing types of organisation but two will help to explain how they work in practice.

1.2.1   Making it work

ICI, well-established and respected for decades of success, is a good example of a formal organisation, unafraid of changing most aspects of its business if the need arises. Recently, for instance, it announced half year profits in excess of £700 and promptly announced that it was then going to reduce the headcount in one central department in London by 50% to save costs. The strength of its structure and its reputation as a firm which knew its way around management allowed this to happen without a murmur of criticism, even from those losing their jobs.

Saatchi & Saatchi on the other hand, although highly regarded in the marketing field, has a shorter heritage than ICI and, when embarking upon a minor change programme late in the 1980s, discovered that, once one aspect of the business was changed, there were inevitable consequences for much of the rest of the business – which then also had to be addressed. So, what began as a minor adjustment, led rapidly to a continuous carousel of change involving mergers and acquisitions (during which different sections of the agency sometimes found themselves competing for new business with other sections of the agency) as well as re-structuring in an attempt to preserve and heighten the flexibility of the business.

Both organisations are well regarded in their own right and both are undeniably successful but the situation in which Saatchis found itself would never have happened at ICI who would have anticipated the issue and taken action to pre-empt any problem.

1.2.2   Stop and Think

Why do you think ICI and Saatchis behaved so differently? Which one would you have preferred to work for at the time and for what reasons?

1.3   Private and public sectors

So, do organisations exist in both these sectors? Yes, they do.

What are the differences?

Mainly, differences are centred around profit. Private sector organisations – firms, companies, businesses etc. – exist to make a profit, to enable their employees and shareholders to live. Public sector organisations – local authority councils, health trusts, police forces, schools and colleges – exist to provide a service for the citizens of a country (in theory at least) either free of charge or at a modest fee.

The barriers between the two have been blurred over the past 20 years by increasing cooperation between the two sectors. The wave of privatisation in the 1980s in the UK saw a number of hitherto public enterprises and utilities – such as gas, water, telephones and electricity – being privatised. Usually, the reason was to increase efficiency and allow access to these huge areas for private investors in an attempt to increase the shareholding population.

The results have been mixed with some organisations benefiting greatly and others struggling with their new-found freedom. Moreover, these essentially political actions tend to go in cycles. The 1980s privatization wave followed its opposite almost exactly 40 years earlier when the post-War Labour government embarked upon a series of nationalisation projects – also involving areas such as railways, gas, electricity, coal and water. Maybe in another 40 years' time it will all change again.

1.4   Primary activities

These can be classified – and have been by Katz and Kahn (Mullins P. 79) – into four main types.

1. Productive – concerned with creating wealth by either manufacturing goods or selling services to the public
2. Maintenance – concerned with keeping things going such as schools or churches
3. Adaptive – exploring new areas such as in research establishments, some universities and government departments
4. Managerial (also sometimes known as Political) concerned with governance, political pressure groups – often voluntary such as the Countryside Alliance or the RSPCA – and concerned with adjudication and influencing human behaviour on a relatively large scale.

1.5   Task organisations

There is another way of describing organisations which helps us to understand them and that is by describing their task, which is often goals-led.

- Task – the goals of the organisation – what it is expected to do or to achieve
- Technology – the manner in which it carries out this task; not necessarily all the computerised systems, although these can come into that definition
- Structure – how the organisation is set up and how the lines of communication work between differing sections
- People – what kind of attitudes, skills, needs and expectations the employees might have
- Management – how tasks are decided, organised and achieved, and how the strategy of the organisation – the overall direction in which it is going – is determined and driven.

There is a famous overall view of organisations – first put forward by the management writer Peter Drucker. In it he compares organisations in the later twentieth century with surgeons in the eighteenth century:-

"Until well into the seventeenth century, surgery was performed not by doctors but by barbers who, untaught, applied whatever tortures they had picked up during their apprenticeship. Doctors were too "ethical" to cut into their patients and were not even supposed to watch. But the operation, if performed to the rules, was presided over by a learned doctor who sat on a dais and read out loud what the barber was supposed to be doing from a Latin classic – a language the barber could not understand. It was, however, always the barber's fault if the patient died but the doctor's achievement if the patient lived. And, whether the patient lived or died, the doctor took the larger fee anyway.

There is a resemblance between surgery 400 years ago and the state of organisations until recently. There is no shortage of books in the field – quite the opposite – and organisation theory is the main subject taught in many management schools. There is much value in these books and courses, just as there was in the Latin texts on surgery. But the practising manager too often feels like the barber must have felt. It is not that he resists theory; most managers have learned the hard way that performance depends on proper organisation. But the practicing manager does not often understand the organisational theorists and vice versa." (Handy P. 12)

Some modern managers may well sympathise with this view.

Charles Handy was also one of the first thinkers and writers to see that both internal and external factors can heavily influence the performance of an organisation, in any sector. He listed over 60 internal factors alone (Handy P. 13) ranging from history to the types of technology used. The number of external factors is, of course, almost infinite and is demonstrated by the ever increasing use of a widening selection of business environment analysis tools.

Indeed, Handy also devised a method of using organisational theory for the benefit of the organisation and its stakeholders based on a series of assumptions. These assumptions, he argued, ought to be able to help an organisation explain its past, understand its present and predict its future. This in turn he stated would help it to gain more influence over future events and thus reduce the disturbance to itself from the unexpected. It is, in essence, a parallel theory of why history is useful when taught in schools – because, by learning from the past we can begin to identify trends and even predict the future.

There is also a good deal of book space devoted to what are commonly called "Organisational Problem Solving Models". Some are very good, and some are very complex; all should work in certain circumstances. Perhaps one of the best known and most serviceable is the one simplified by Silberger (P. 104–7) which translates into:-

- problem definition
- analysis
- action planning

which sounds perfectly logical. It is even more logical when the detail is examined further. For instance, it starts with something called a "Want-Got Gap" which you might struggle to find in many management text books. Put simply, this is:-

I Want – (gap) – I Got.

Not rocket science as anyone who has ever found a shortage of pocket money will recognise. It then goes on to drown in an almost impenetrable morass of management speak before crystalising into the action plan which, while by no means unique, is at least consistent with most other action plans that are currently floating around the world:-

- set specific goals
- define activities, resources and responsibilities
- set a timetable for action
- forecast outcomes and develop contingencies
- formulate a detailed plan of action
- implement, supervise execution and evaluate.

In a nutshell, this is similar to what most strategic writers would suggest for an approach to strategic planning. The names of the sections vary a little but the sentiment remains largely the same.

There is also a great deal of coverage given to why people behave in the way that they do – thus "organisational behaviour" – but most of the parts which are relevant are addressed in other chapters.

There are many other aspects of organisations – such as structure – which we will examine in later chapters. But, clearly, some kind of management is required to ensure that the organisation does, in fact, do what it is supposed to do. It is this management, in its various forms, which we shall explore throughout the rest of this book.

1.5.1   Making it work

KPMG.

By 1997, KPMG had become the largest professional services firm in the world with over 78,000 staff in 153 countries. Yet it was also facing an increasingly competitive situation globally and needed to develop strategies to cope with changing conditions.

In March 1997 Colin Sharman took over as international chairman. He inherited a powerful workforce, especially at senior level. In the UK alone, for example there were over 600 senior partners who felt they were, in some senses the owners of the business – and to some extent they were. They were skilled, independent, powerful and influential and maintained good relations with their own clients. They were responsible for building their own teams and in many cases they virtually ran their own businesses.

Sharman believed that there were problems in that the clients did not always need the skills that their traditional partner held and that some partners were reluctant to introduce new partners to what had traditionally been his or her client because he or she would lose not just the ownership of the client relationship but also, possibly income.

Another aspect was that KPMG had a matrix structure (see Chapter 3) in which a multitude of different skills was almost hidden from sight. Often, if a problem was encountered, a committee was set up to investigate it – a practice that was time-consuming, unpopular, inefficient and often allowed competitors to move into a traditional KPMG client. There was also a belief that there was too little management control from a centre in KPMG and poor management information systems – a belief which Sharman shared. He also belied that he could often hear people "bragging about the extremely long hours they worked…to reinforce the air of crises that they are managing (but never creating)" Clearly, there had to be a better way of managing the business than this.

Gradually, Sharman was able to change the culture to one of greater cooperation and less confrontation with other partners. The old style of "up or out" management – there were no second prizes if a member of staff was unable to make the senior partner grade, they were simply discarded – was replaced with one which rewarded genuine effort and achievement. And partners were shown how they could retain earning power even when referring clients to other specialist partners. In the process, the structure became more flexible and even more informal, especially in strategic planning terms, although this was probably a side effect rather than a conscious policy shift.

The consequence has been highly successful. Shaman now presides over a giant multi-national professional service provider which nevertheless retains more flexibility than it used to have in the 1990s. Income and profits have grown and the staff retention rate has also been increased – despite the fact that about 70% of the staff are graduates, always notoriously difficult to retain for long.

In essence Sharman maintains, he changed the structure to a more accountable model with himself as a managing director type of figure chairing a management team which makes most of the decisions in a genuinely corporate manner. The partners are still consulted and have to agree – or not to disagree – but they have less immediate power over their individual fiefdoms. But, Sharman also warned it was not just about managing better. It was also about communicating better and capturing and retaining the loyalty of the highly intelligent staff – the hearts and minds as he put it . This is an issue we shall return to again in the course of this book.

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2   The Nature of Managerial Work

2.1   Introduction

Many people call themselves managers. It looks good on a business card and it can impress the neighbours. But what is a manager? What does he or she actually do? Why are they usually paid more than lesser mortals and what challenges and opportunities do they face as part of the management structure. Sometimes, managers have developed over the years with the organisation, sometimes they are brought in especially because they have specific knowledge of a certain skill which the organisation is lacking.

In this chapter we will examine the role of the manager, briefly explore the development of the role and the skills and see how far these traditional views colour today's managers. Since the practice has taken several centuries to develop, it stands to reason that only some of the development process may be relevant to today's world. Which parts might be most relevant and how can we project into the future which parts could be even more relevant for the organisation of tomorrow? Management will continue to evolve, based on the lesson of the past; which of those lessons will be most useful in years to come?

2.2   What managers do

So, what do managers actually do? And how has this role – or roles – evolved over the years? Has it always been as it is now or were there other phases of managerial activity which are now less popular than they used to be?

Management has, apparently, changed a lot over the years. In practice however, on closer examination, most of the activities have always been broadly similar with trends in management-speak giving them differing names as management has developed as an art.

But this does not mean that it is useless to retrace the steps of former practitioners and thinkers about management.

To start at the very beginning would be a fairly ruthless history lesson. There is evidence for example that the Roman Republic had a fairly well-developed crisis management strategy in place around 240BC – and the Ancient Greeks could probably teach us a thing or two about both management and its philosophies even today.

However, there is a point beyond which tracing the development of management is not sensible – and the ancient world seems to be rather too long ago to include here in any detail. Any good history book will tell us as much as we really need to know about this early form of management – JP Bury's History of the Roman Empire is probably as good a place to start as any other. So we will come up to date rather more, although we will still start in the Fifteenth century.

2.3   Machiavelli

More modern management trends have their origins about 500 years ago in Renaissance Italy. The best place to start is with a man to whom history has been particularly cruel – Machiavelli. He flourished around the end of the fifteenth century, being Secretary to the Florentine Republic from 1496–1512; as such, he was one of the first career civil servants and, although his life is not as well documented as we would like, he has left behind one of the great political/ managerial works of all time entitled "The Prince".

The Prince of the title was one Cesare Borgia – a man it did not pay to take lightly in late fifteenth century Italy. He was the quintessence of Renaissance princes – hugely powerful, wealthy, artistic and utterly ruthless. He built a formidable principality in central Italy in just a few years, forming a counterbalance to the powerful Florentine Republic.

While building this principality it was certainly no handicap that Borgia's father happened to be the Pope, Alexander VI. To Cesare's undoubted military brilliance was added the very real threat of excommunication by his father to any who withstood him. Machiavelli, undaunted, refused to see this as some kind of divine treaty and accorded his hero with very earthy if unusual talent.

In "The Prince" Machiavelli outlined the kind of qualities a great leader needed to succeed in those opportunistic days. And they are nearly all qualities which a strong manager needs to master in the early days of the 21st century just as much as in the first days of the sixteenth century. Foremost was a management principle that many modern managers must wish they had – cohesive organisation.

In any organisation, cohesion can be something of a mirage. What Borgia tried to achieve was a structure which suited the times, the turbulent circumstances and the objectives of his duchy. Although an autocrat, he appointed advisers for distinct areas – such as law – in much the same way as a large corporate organisation would do today.

He bound to himself men of talent whose futures were inextricably intertwined with his own. Some were condottieri – military leaders in charge of companies or regiments of soldiers, usually mercenaries. Others were experts on aspects of life – such as law, the arts, banking and finance, mercantile trading and the rapidly developing sciences – which enhanced his possessions and made him not only wealthy but also the natural leader of central Italy.

What Machiavelli perceived as one of Borgia's great strengths was his ability to bind people to him and his cause. It is one thing to capture a country by force of arms but quite another to rule it as a settled state – just look at Iraq today. Borgia accepted that force alone was not enough and perfected the ability of binding to him statesmen, leaders and diplomats who realised where their own self-interest lay and served him accordingly.

There is an apt analogy with India at the height of the Raj. For most of the Nineteenth century, around 80 million Indians were ruled by about 3,500 British civil and military officials. Clearly, the British did not carry out this government by force of arms; the odds were simply too great, but they did engage with the population, listen to any grievances and attempt to redress any obvious social, economic or political disadvantage. They were echoing Borgia's policies of 400 years earlier – and he, in turn was echoing the great secrets of success of the Roman Empire 1,000 years before him. So, management really does go back that far.

Nor was this all that Machiavelli attributed to Borgia. A prince, according to Machiavelli, needed to show strength when necessary because people appreciate and usually follow a firm lead. Moreover, in the tumultuous world of Renaissance Italy, there were many intrigues attempting to unseat unwary rulers. Some of the methods employed were devious and subtle. So Borgia developed a sophisticated system of intelligence, gained through paid informers, and had the knack of knowing when to be firm and when to be sympathetic.

Many modern day leaders – in business as well as in politics – either have, or would benefit from, such a knack. For example, although many people disliked Margaret Thatcher as Prime Minister on the 1980s, equally many admired her strength of purpose; if she said that something would happen, it did. Compare that to the bewildering number of costly and indecisive U-turns performed by the Blair and Brown administrations.

Above all, Borgia was, according to Machiavelli, a true leader and history bears him out on this point. To rise above the general level of other petty dukes and princelings would not have been easy in his time, even with the support of the Pope. We can take some of Machiavelli's tributes to Borgia with a pinch of salt – he had much to lose by alienating the most powerful man in Italy and had already been imprisoned and tortured once in his life so was probably not keen to repeat the experience – but, even allowing for this and using other historical sources, Borgia seems to have been a genuinely charismatic man.

So, Machiavelli gave us leadership, strength and the ability to create power axes, or groups of self-interested supporters. There are many parallels in the modern world for this approach, not only in the public sector but in private business management as well.

2.3.1   Stop and Think

Look at the organisation for which you work – public, private or voluntary sector – and you will probably see evidence of this without having to look too hard. What kind of evidence do you see? How does it manifest itself in day to day activities? How does the head of your organisation seem to build on a power base? Does he or she surround himself/herself with a small group of powerful senior managers? If so do they show respect for their leader?

But Machiavelli lived about 500 years ago. Human nature might not have changed very much but managerial circumstances certainly have. And our next innovators bring us nearer to our own time. Bolton and Watt are central names in the Industrial Revolution of the late Eighteenth century.

Boulton and Watt

In 1800 Boulton and Watt constructed a factory to build the great new invention – the steam engine. By the standards of the day – and even now – steam engines are complicated things with a large number of components having to be added at each stage of the manufacturing process. In 1800 this was a totally new concept in industrial engineering and there were no factories capable of handling such a complex idea. Consequently, Boulton and Watt (he who had earlier invented the steam kettle) had to design their new factory from scratch.

They broke all the rules of the day by laying out the factory floor in a large oval shape and designing an assembly track to work all the way round in concentric loops so that the engine could process along the oval track, gaining parts and functions as it went. Thus was born the first evidence of the industrial volume manufacturing principle in which finished engineering products assumed a shape and form as they processed along an assembly track. Products such as cars are still largely made in that way today. This flow of work was to be of inestimable value to virtually all the industrialists who followed Boulton and Watt.

But they achieved more than this. By 1800, the concept of wages in return for work was not well developed. Britain had been a predominantly agrarian society for at least 2,000 years and this was reflected in the way that people were rewarded for work. Much of the reward was barter based – so that people received goods in exchange for labour. Farm workers (and by far the majority of the population worked on farms or in related agricultural industries) had traditionally received a small piece of land on which they could grow their own crops or feed their own livestock. Agricultural produce – meat, eggs, fish, vegetables, fruit and so on – were often given in part exchange to ensure that those who were lacking in these commodities had the chance to redress the balance of their diets. Some of the dues owing to labourers in those still-feudal days was in the form of tallow and candles, to enable people to light their homes, especially during the winter. Fear of the night and darkness was that strong!

Boulton and Watt were aware that they could not compete with this type of agricultural bartering; they were engineers, not farmers. So they introduced the concept of wages -each worker was given a fixed sum of money in exchange for his work so that he could buy whatever he felt he and his family needed, rather than accept produce which might not have been necessary. Jobs were graded – fairly roughly compared to now – so that different grades earned different wages accordingly. And the wage system was born.

A few further refinements followed. Clearly, some workers were worth more than others depending on what kind of job they did and how quickly and efficiently they worked. So, the idea of piece work was introduced – that is every worker was paid for how much he had done that day or that week. Piece work became the foundation of manufacturing wages throughout the world and was only phased out of practice during the 1980s in the UK. In many other parts of the world, especially in Asia, it is still the predominant method of paying a workforce.

Finally, Boulton and Watt also started to keep proper written records of what the factory had done, what worked best and how they could repeat the process successfully. Strange as it may seem, this was the first time that an industrial organisation had been properly recorded and, as we would say now, audited. Without this tracking of successes and failures, the future of manufacturing and industry in general would have been much slower and less productive.

Test yourself

Which key inventions and developments of both Machiavelli and Boulton ad Watt are still in practice today somewhere in the world? Why do you think nobody has seen fit to change this way of working?

2.4   Taylor

To come up to more recent times, the next thinker to consider is FW Taylor. He was an American, working around the turn of the Twentieth Century and notable for helping Henry Ford. He was the first to consciously try to make management a scientific art form and he did it with remarkable success mainly through three major innovations. These were:-

*An emphasis on productivity. He observed what the best workers did and how they did it and then tried to roll this process out to all other workers in the factory.

- Selection and training; it followed from productivity that some people could work faster and better than others, so Taylor was the first to try to ensure that only the best workers were recruited in the first place. Partly this was about skills but mainly about attitude. He maintained that skills could be learned but that attitude was instinctive and inherent in individuals. However, training was also high on his agenda so that he could extract the best efforts from workers.

- Job analysis. Although we take this for granted now, Taylor was the inventor of the job analysis process. He monitored each worker – rather like a time and motion study – noting the difficulties faced and also the method used to overcome them. In this way he built up a picture of how most people could be trained to become proficient and productive workers.

The nett result of all Taylor's work was impressive. At the time, (about 1906) Ford was making the Model T motor car – the first mass produced car in the world. Taylor looked initially at the time it took to machine a chassis for this car and managed to reduce the time needed from 13 man hours to just four man hours.

The consequences of this were enormous. For the first time, a car could be built at such a relatively low cost that many more people could afford to buy it. His work democratised the car industry. Shortly afterwards, Ford introduced a car selling at just £100 to the UK. Vehicles which had previously been purely the preserve of the rich were now affordable by almost anyone because they could be manufactured so cheaply.

Taylor further developed his thinking into what he called the Traditional Framework. In 1911, he wrote that there were four key stages to success in manufacturing:-

1. Develop a science for each element of a man's work which replaces the old rule of thumbs method. In other words, apply similar standards to all work and ensure that they are adhered to.
2. Scientifically select, then train and develop the workman. In the past he had chosen his own work and trained himself as best he could. Here, then is the beginning of the current Learning and Development movement.
3. "Heartily (– his words) cooperate" with the men so as to ensure that all work is done in accordance with the principles which have been developed. Quite how managers "heartily cooperate" these days is a matter of intriguing speculation
4. There is an almost equal division of work and responsibility between the management and the workmen. The management must take over all work for which they are better fitted than the workmen who in the past have been given most of that work and take fuller responsibility for it.

So here, rather quaintly put, is the birth of managerial responsibility. Strange though it might seem this was the first time –100 years ago – that managers had been responsible for the work that went on in their factories. The trend has continued to this day.

2.4.1   Stop and Think

What does your manager do that is reminiscent of Taylor? Does he/she portion out the work fairly so that everyone has a share? Does he/she take responsibility for the successful completion of the work even though other people are doing the majority of it?

2.5   Fayol

Henri Fayol was a Frenchman who wrote a book entitled "General and Industrial Administration" which was published in 1916. The immediate contradiction in this is that, in 1916, the invading German army was only about 40 miles away from Paris – surely Fayol had something better to do?

However, he apparently did not and his book has become a model for most of the managerial administration that followed in the 20th century. In it he outlined what became known as the Traditional Framework of management which consisted mainly of five key points:-

1. Planning – predicting what will happen in the future and devising courses of action to meet that situation
2. Organising – mobilizing materials and resources by allocating separate tasks to departments units and individuals
3. Coordinating – ensuring that activities and resources are working effectively towards the overall goals
4. Commanding – what we would now call directing, providing direction to employees
5. Controlling – monitoring progress to ensure that plans are being carried out properly.

It seems fairly obvious that all these activities interconnect and that achieving one while ignoring the others is likely to be counterproductive. Nevertheless, Fayol's work has lasted for over a century and has laid the foundation of much of the routine managerial process that is now seen in many organisations.

2.6   Luther Gullick

Gullick took Fayol as his basis 20 years later and, in 1937, redeveloped Fayol's thoughts into a newer form which he called POSDCORB. While not exactly tripping off the tongue, this acronym did, at least, gain some lasting weight with management thinkers and has been relentlessly regurgitated by many of them ever since. In essence he amended Fayol to read:-

Planning

Organising

Staffing – a newer view of the human resource needed to carry out the job and one on which HR managers frequently fasten as giving legitimacy to their demands to be strategically involved with the organisation's policy making

Directing

Coordinating

Reporting – on progress achieved an warning of problems encountered

Budgeting – so that jobs are achieved within a specified financial limit

While the last two are also new, they do not require much explanation to anyone who has ever worked in a managerial or administrative role.

2.6.1   Test yourself

How are the innovations of Fayol and Gullick applied today? If they were reincarnated now would they still recognise the developments they pioneered?

2.7   Peters and Waterman

To come up to date – nearly – we need to review the work of two of the world's more prominent managerial analysts – Peters and Waterman. In 1982, they created a list of the top 43 companies in the world – generally accepted as the most successful 43 companies at that time – and analysed what, if anything they had in common. It was at once a hugely successful and yet very simple idea.

Unsurprisingly, they concluded that there was no magic potion or spell to create success where none had existed before. Instead, they advocated two fairly basic maxims that companies could observe:-

First, be brilliant at the basics of what you do – because, probably competitors are not going to be quite as brilliant and

Second, work hard at the fundamentals of management, however it is organised in your organisation. By doing so continuously you almost can't help but improve.

Two very simple ideas – deceptively so. But two ideas that more organisations could do well to embrace if they want to maximise their success.

2.8   Pedler, Burgoyne and Boydell

Shortly after Peters and Waterman completed their survey, a further development on the role of the manager was suggested by Pedler, Burgoyne and Boydell, which acts as a summary of most of the key roles managers have to play. They called this simply "Eleven Qualities of a Successful Manager" and it is a fair guide to the basics. These are:-

1. Command of basic facts (usually of management and the sector in which the organisation operates) – without this, one cannot be a manager
2. Relevant professional knowledge – ditto
3. Continuing sensitivity to events – and the ability to know when to act and when to ignore an event.
4. Analytical problem solving, decision/judgement making skills – which is what most employees believe a manager should have anyway
5. Social skills and abilities – in virtually any circumstances
6. Emotional resilience – probably the hardest aspect to master is being able to bounce back after a setback. All careers have setbacks and the measure of how good a manager is can often be quickly and successfully he/she re-emerges as a key player
7. Proactivity – responding purposefully to events, or, better still anticipating them and taking action before they even happen
8. Creativity – can be taught but probably only with a creative spark already present
9. Mental agility – is very similar to creativity; most experts agree that some kind of talent is needed before it can be developed. Very rarely, if ever, can it be instilled from scratch.
10. Balanced learning habits and skills – can be acquired
11. Self-knowledge – can also be acquired, often as circumstances provoke it.

This is as near to a definitive managerial job description as we are likely to get for some time. The full version and a number of interesting exercises in aspects such as self awareness can be found in their seminal book "A Manager's Guide to Self Development" which is well worth a read.

A final summary of the planning area – one of the most important in any manager's working life – can be quoted as a conclusion to this brief survey. It sets out the key stages in any planning process.:-

- SMART (Specific, Measurable, Attainable/Agreed, Realistic/Reaching, Timed) Objectives in a practical timescale
- Activity analysis – what to do to achieve the objectives
- Forecasts of workload
- Scheduling tasks
- Resourcing – people, money equipment, materials
- Procedure (or Strategic) planning – how to do it
- Targets and standards of performance
- Monitoring and evaluation procedures – what could we improve for next time?

3   Organisational Structure

3.1   Introduction

The structure of an organisation is very similar to that of a house or any other building. Before the building will stand up, it has to be based on solid foundations; so with an organisation. But views on exactly how these foundations and structures should be constructed tend to change over the years.

For instance, my house was originally built in about 1720. When, a few years ago, we wanted to add an extension, the local council insisted that we built it on foundations three metres deep, we were quite surprised. The original part of the house is just laid on the ground, with no discernible foundation at all. Yet it has remained standing, presumably much as it was, for nearly 300 years. So, modern thinking isn't necessarily always the best thinking – although that is the perception in management.

So, what kind of structures are there and how are they changing? How do they relate to the business of management and to what employees actually do in a work place?

3.1.1   Functions

To start at the beginning, always a good place, structures arise out of **functions.** Functions, in this case, is a word with a specific managerial meaning; the label for a distinct group of activities carried out by an organisation. Usually, they have some kind of "technical" expertise, such as Research and Development, which is likely to be rather more technical – or scientific – than the rest of the organisation. In their own ways, other functions, too, can be relatively technical, Marketing and Sales for instance. Operations or Production, Purchasing, Finance, IT, Personnel and Development can all involve specialised knowledge, skills and experience.

What is not present in this list is anything called "management". That is because management is given its own, again relatively technical, function, called "general management". It is seen as being separate from the other major functions (rightly or wrongly) and it incorporates much activity that has to be carried out somewhere in the organisation.

These include:-

- setting strategic direction – were the organisation is going and how it is going to get there
- identifying core values – what the organisation stands for and, equally, what it does not stand for
- leading with vision – to encourage the employees, the customers and the other stakeholders
- setting objectives – the goals of the organisation, or what it is going to try to achieve next
- talking decisions and action to move towards the objectives
- directing, controlling and co-ordinating – moving the organisation towards its goals
- evaluating performance
- reviewing strategic direction

There is quite a lot of work in this. Work which can only be done by people who know what they're doing and how they're going about the task. And, life is easier if this can all be done in a structure of some sort.

3.2   Structures

So, what types of structure are there and how do they fit in to the needs of differing types of organisations?

Fundamentally, there are six major types of organisation structure, although there are also many variations on these six main themes.

1. Unitary. Much as its name implies, everything starts from the centre. All function heads report to the top at the centre. So there is a clear and relatively simple line of communication which should encourage easy access to information and quick decision making. There may be a tendency for head of department to consider themselves as departmental chimneys. In other words, if the boss is kept happy, a head of department (HOD) may well be tempted to become something approaching a mediaeval Japanese warlord with little or on consideration for other aspects of the organisation. In that case, fragmentation can and sometimes does occur.

2. Centralised. Here, central policy makers, sometimes sitting on a main board, determine what the organisation is going to do and how and when it is going to do it. The scope for HOD independence is more limited than in the Unitary structure and more control is exercised from the centre. In favour of a Centralised system are strong control, standardisation of processes and norms, a vigorous brand image and the profitable sue of expertise at the centre of the organisation. Against it, there is sometimes a concern that it might constrain local management and restricts management creativity, can imply that there is only way to do things and to further imply that that is the only right way, which is hardly ever true and that there can be an overstaffed and expensive central office which swallows a good deal of overhead but may contribute less than its fair share of work.

3. Decentralised. As the name again implies, this is an organisational structure in which a good deal of responsibility is devolved from the centre to the regions, or the divisions. In this type of structure, the separate strategic business units control their own plans but have aspects such as financial controls and, perhaps, strategic direction imposed on them from the centre. Advantages include the delegated authority, which makes many managers of decentralised units feel as though they are running their own business, a closeness to the customers which can be very helpful, higher levels of creativity in solving problems, a lower central head count and consequently, lower overheads. Disadvantages might include little support from the centre, some units may not be able or willing to work together and can compete for the same contract, while financial and human resources may not be used most cost effectively, throughout an organisation.

4. Divisionalised. This is similar to the decentralised structure but has the added feature of ensuring that all divisions have adequate resources which, in a Decentralised structure, might have to be shared. Thus, all will have their own finance, planning and HR support and may also enjoy their own dedicated Sales and marketing functions as well. Thus, the organisation becomes a network of self standing business units which can operate almost independently of one another, with little or no commonality needed or encountered. Disadvantages include the frailty of a number of smaller units with little or no cooperation while centralised policy can still overrule it and render its progress null and void.

5. Matrix. An overused word, the Matrix has a particular meaning in structural terms. In organisational structure terms, Matrix is the version in which staff from different function work together on projects in a matrix pattern. So, a finance manager can cooperate with a sales person to secure a new contract or to rescue the costs of serving a client. The benefit is that the organisation can respond quickly and effectively to changing demands from either a client or the business environment. In the process, the skills and experience of the team can be developed and honed quickly and successfully. Against this, there can be confusion on reporting conflicts and the organisation can appear to be fragmented and constantly in a state of flux – but, then many organisations are constantly changing anyway.

6. Finally, the Process structure. As the name suggests, the focus here is on the process of how to go about the work, usually in a smooth, almost horizontal way. There is often virtually no vertical function in that, provided a team keeps its clients and other stakeholders happy, it is left alone to get on with its job. This type of structure can enhance cross functional working and general cooperation. On the downside, it can also result in the work flow being regarded as more important than the end product, so quality can suffer. Responsibility can also be diffuse, which can be disadvantageous to some – employees and customers alike. Perhaps the major issue is that the vertical chimney effect can blind managers to the possibilities of stronger cooperation, tighter cohesive strategic thinking and the benefits of centralized, corporate planning.

Putting it into practice

Think of an organisational structure. How do you recognise it? Take a university. It has buildings, people, roads, playing fields and other facilities. Does that make it a structure? Or, does its structure emanate from the intellectual capacity with which its inhabitants are blessed? The Open University, for instance has very few buildings or other physical manifestations, yet it has survived for years as a university. What does that tell us about structure?

Jackson and Carter (2000, pages 34–52) go on to even more challenging questions. For example they pose the question, once all the people have gone home at the end of the day does that mean the university only exists during the day and ceases to exist at night? Of course, it does not. But it doesn't operate as a structure at night. So, a structure must have some kind of existence that is not bounded by time or space.

All these types of structures beg the question which we ought to address; what is structure for? Wouldn't life be simpler and easier without it? Isn't it just another way by which bosses control us?

Well, No and No. Life would actually be far more complicated without a structure. Where would we turn for help or direction? How would we know what to do or whether what we have already done is right?

This was put into verse rather successfully by Bertie Ramsbottom and Ralph Windle a few years ago in a poem entitled "The Job Description":-

> I trod, where fools alone may tread
> To speak what's better left unsaid,
> The day I asked my boss his view
> On what I was supposed to do;
> For, after two years in the task,
> I thought it only right to ask
> In case I'd got it badly wrong
> Ad-hoc'ing as I went along;
> He raised his desultory eyes
> And made no effort to disguise
> That, what had caused my sudden whim
> Had equally occurred to him;
> And thus did we embark upon
> Our classic corporate contretemps
> To separate the fact from fiction
> Bedevilling my job description.
> For first he asked me to construe

A list of things I really do;
While he – he promised – would prepare
A note of what he thought they were;
And, with the two, we'd take as well
The expert view from Personnel,
And thus eliminate the doubt
Of what my job was all about;
But when the boss and I conflated
The tasks we'd separately stated
The evidence became abundant,
That one of us must be redundant.
For what I stated I was doing
He claimed himself to be pursuing;
While my role, on his definition,
Was way outside my recognition.
He called in Personnel to give
A somewhat more definitive
Reply, but they, by way of answer,
Produced some vague extravaganza
Depicting in a web of charts
Of tasks, the boss and I agree
Can't possibly refer to me;
So, hanging limply as I am
In limbo on the diagram,
Suspended by a dotted line
From functions that I thought were mine
I feel it's maybe for the best
I made my innocent request;
I hopefully await their view
On which job of the three I do.

So, most managerial support depends on structure; most employees depend on structure because we all want to know where we stand in work as in life. And managers – or others – would find ways of exploiting employees if structure did not protect employees to a certain extent. So, structure is useful. Just think of some of the main things it can do:-

- achieve efficient use of resources – without structure we could use up all our resources very quickly; just look at climate change
- ensure accountability and monitoring – to prevent excesses and to ensure that we are all transparently responsible for something, or someone
- allow coordination between different parts of the organisation – so that we can all help each other
- provide for communication – so that we all know broadly what we are all doing, to prevent duplication for example
- adapt to changes – both from within and outside the organisation

    So structure provides a purpose in working life and is something that managers rely on to manage.

    This model was taken from Xenophon writing about the Persian army of Cyrus about 200BC so it has changed a little for a modern day equivalent – but surprisingly little.

But there have been other changes in recent years. Pascale has put forward the (hardly revolutionary) theory that structure has to change to move with the times and has suggested a number of evolving trends. Chief among these are:-

- a move from what he calls "bureaucratic hierarchy" towards a softer, more flexible structure, although this might, in itself involve considerable bureaucracy
- a more general move from hierarchy to network
- a switch from directive managers to more facilitative coaching managers
- a move from vertical tasks in functional units to more horizontal tasks in a more cross-functional structure; in other words, we need to be able to cross-refer with other functions more successfully than has always been the case in the past.
- focusing on how we do things rather than purely what we do
- moving from a military model to a commitment model, or, one which is less hierarchic to one which is more open in attempting to commit employees, suppliers, customers and other key stakeholders to an organisation.

A military model is shown in Fig.3.7:-

	Form	Under	
5 men	1 squad	corporal	5
2 squads	1 sergeant's squad	sergeant	10
5 sergeants' squads	1 platoon	lieutenant	50
2 platoons	1 company	captain	100
10 companies	1 regiment	colonel	1,000
10 regiments	1 brigade	general	10,000

There may be some truth in this, although it has not yet become the norm and, as inefficiencies grow in many of the new look structures – in the public sector for example, where more people appear to be achieving less than in the past – there may be a backlash that demands a return to ways which were proven, if imperfect. Moreover, Pascale set out these views in 1990 since when there have been many upheavals in many organisations, most of which remain in a state of flux, so there is time for these ideas to become outmoded in their turn.

Stop and think – how do you think you would perform in a military model? Could you take the discipline and the rigid hierarchy which it implies?

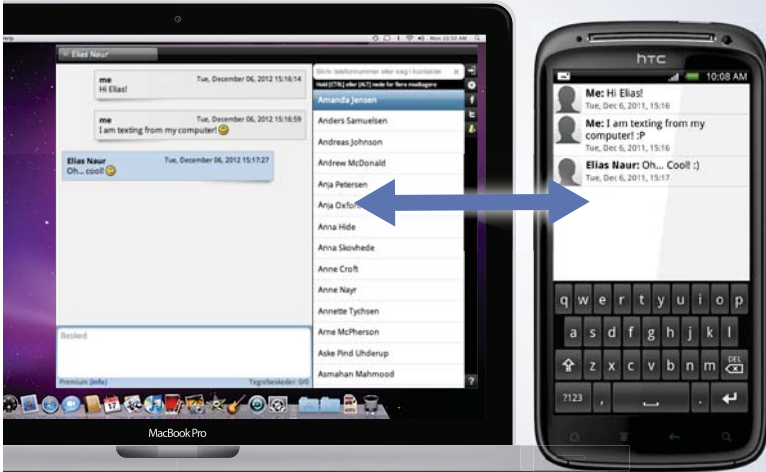There are distinct limits to autonomy, just as there are distinct limits to allowing employees to decide what to do and how to do it – especially if they are not in full possession of all the relevant facts – so a reaction to these ideas is becoming discernible at the time of going to print.

Perhaps the most convincing argument put forward to support changing structures, is that by Ghoshal and Bartlett who, writing in 1995, suggested that organisations are beginning to be seen as "a portfolio of dynamic processes" rather than as a "hierarchy of static roles". This is all very well, and, no doubt, highly progressive, but it does require a far greater level of information being made available to employees than has so far been the case if they are to carry out their roles successfully.

Many organisations show their structure in an organisation diagram – a term often shortened to an "organogram." The first organisation chart was, apparently, drawn up by Daniel McCullum, the general foreman of the New York and Erie Railway Company in 1854.

A typical organogram is shown in Huczynski & Buchanan P. 459, fig.14.6) Although it only shows the main functions in a generalised way, it does give a clear indication of how the various sections interlock. Drawing up an organogram is an art in itself. There is a four-stage process in doing so:-

1. define who is responsible for groups of activities; place these posts in boxes on the grid
2. establish reporting relationships and connect the boxes with solid lines to show who reports to whom
3. define functional relationships – that is, those that are not set in a recognised hierarchy but who may still work with one another. Theses relationships are usually shown with a dotted line
4. finally cross reference any positions to outline job descriptions (JDs) which set out in more detail what job holders do.

3.2.1   Stop and Think

Can you draw up an organogram for your organisation?
Are there any areas in which you are uncertain of who reports to whom?
Are there also areas where you do not think that the structure is effective enough?
What would you do to change it?
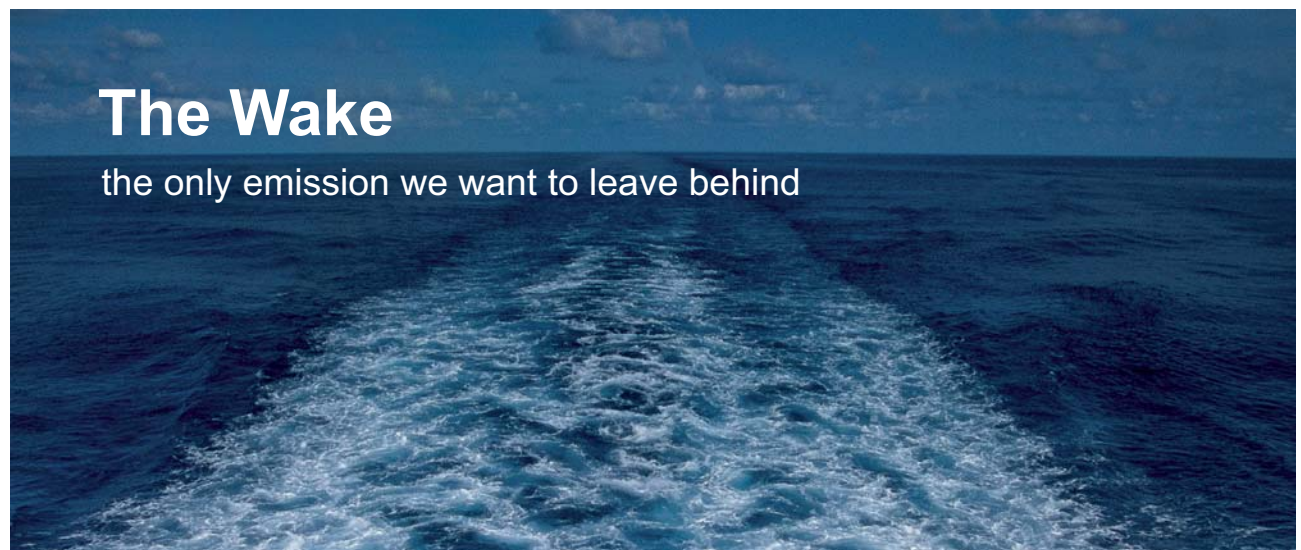
Often, when organograms have been created, managers can see that some relationships are not particularly well defined and then use this as a starting point from which to change part of the structure.

This process can lead to what it usually known as "Organisational Development". Rather than meaning how the organisation can progress in terms of turnover, profit or effectiveness, this really means how it is evolving as an organisation. In extreme cases, such as the former Rover Group, the organisation can be honed to a high degree of development, but the organisation can fall into financial difficulty and fail to survive a particular event or a series of downturns in the economy.

Typical organisational development activities can include:-

- introducing new structures or processes
- working with teams to accelerate their development
- improving cross-department relationships
- embarking upon change management programmes
- improving learning opportunities for individuals and teams.

Some or all of these may well make the organisation more effective; equally, there is no guarantee that any of them will ensure its survival.

4   Organisational culture

Chapter overview

> What is corporate culture
> Some of the main schools of thought – Deal & Kennedy, Charles Handy
> How to apply it.

4.1   Introduction

This chapter will look at one of the less tangible aspects of the organisation, the culture. We have already looked at the other main characteristics of the organisation – its purpose and structure and at what managers really do. Over the past two decades, several management writers have concluded that the culture of an organisation is just as important as the structure and has to be logically assessed and analysed if a number of activities are to be undertaken successfully – for example change management.

The concept of corporate culture has matured considerably since the mid 1980s. It continues to develop and may well take further turns in its complexion over the next two decades. So, we need to determine exactly what corporate culture is before going any further.

4.2   What is corporate culture?

Corporate culture is defined by many writers as being "the way we do things round here". It is manifested in the rituals of an organisation, in its people, dress, habits, working times and styles, attitudes, office layout, almost every intangible aspect of its being. It is also perpetuated by stories, office gossip, heroes and heroines, décor, social life and the language that various parts of the organisation regularly use at work.

Example

It is summed up by Sainsburys, the supermarket who have a saying that "so and so is (or isn't) a JS sort of person. In other words, he/she either fits in or does not. Either they understand the way Sainsburys works or they do not; if they don't, their future ambition is unlikely to be satisfied internally and they may have to move employer to attain significant promotion.

4.2.1   Stop and Think

What kind of organisation do you, work in or do you know about? How does its character – or culture – manifest itself? What ate the telltale signs of an organisation that is, for instance either very successful or very unsuccessful? How does your organisation talk both externally and internally? How does it conduct itself?

So, culture includes physical, technological, management and interpersonal issues which affect many aspects of the organisation's life, especially internal communications. We now need to look at some of the key interpretations of corporate culture to try to assess its importance in the organisations' future.

4.3   Determinants of corporate culture

To take this further, there are things which are called determinants of culture, (Capon, P. 59–62) In other words, these are whatever the culture is determined by, the various entities taken for granted by the people who work in and with the organisation. These can include some of the elements already listed as well as

*routines and rituals, (at 3.00 every Friday afternoon Saatchis used to have two crates of pink champagne delivered to the office as a way of saying thank you to the staff who had (usually) worked so hard throughout the week)

*stories – usually about someone prominent in the organisation who has done something noteworthy; alternatively it can be an extended form of office gossip

- symbols – often of success, such as the CEO's Ferrari or the sales team's new BMWs. Symbols are usually, in the West anyway, related to power and success. In less competitive environments, such as the Civil Service, they are more likely to be based around rigid structures and reporting links, office accommodation which is directly linked to status, (an old joke refers to the acquisition of a hat stand in the office as being a distinct status symbol, regardless of whether it is needed for hats)
- Organisational structure – such as to whom someone reports and, thus, how well regarded he/she may be by management. Often this is described as being a power structure rather than an organisational structure. The linkage between a person's role and the overall power which he/she represents in this role is also seen as being relevant here.
- Control systems – a blanket term to include the idea of control measurement and reward in the organisation. Control systems also include financial aspects such as budgeting and cashflow measurement can include output and production, together with productivity and efficiency. Reward systems are concerned with the relationships between employees, targets and reward packages with the quality of the work a common differentiator between an employee who achieves high volume output of a relatively simple product usually being rewarded less favourably than one who achieves a lower volume output but of an intrinsically higher quality product.

4.4   Schools of Thought

There are two major schools of thought about corporate culture, both universally acknowledged and both very similar to one another. One was developed by Deal & Kennedy, the other is Handy's version.

4.5   Deal and Kennedy

Deal and Kennedy identified four main strands of corporate culture – macho, work hard/ play hard, bettering and process. To take them in order of appearance:-

Macho

Sometimes known as the tough guy culture, the name says it all. In organisations where this culture is predominant, staff routinely take high risks and obtain very quick feedback on the success of their gamble. They usually – but not always – occupy a high risk market sector such as the trading floor of a stock exchange, an advertising agency or a crisis management consultancy. Deal and Kennedy also identified this culture with areas such as police forces, surgeons, management consultants and the entertainment industry.

The key characteristics are rapid speed of decision making and relatively short term action. Great pressure is based on achieving results in the short-term – often profits – and rewards are usually high in comparison to other sectors. Macho culture often attracts young managers with high ambition levels and a desire to achieve great things quickly.

There are, perhaps inevitably, some less desirable side effect of macho culture. Burnout is more common than in other sectors with young managers often sacrificing personal happiness and health to achieve a high corporate status. Those who survive often do so at the expense of colleagues, marriages and, even, health. Because most staff are highly ambitious, rivalry surfaces early and frequently in the work place and macho organisations are often not comfortable places in which to work.

Partly because of this, staff turnover is often high (at Saatchis London offices in the 1980s, it stood at around 45%/annum). This, in turn can lead to longer term structural and even survival issues. To continue the same example Saatchis went through several restructuring processes in the late 19980s and eventually the agency split into two, which was not received well by many of its stakeholders.

4.6   Work hard/play hard

This is a rather more palatable version of macho culture and one which is likely to stand the test of time rather better. It is usually found in organisations where the risks are smaller than in macho areas and the rewards are similarly less stratospheric. Typical examples would be fast food and computer companies where one sale, more or less, is not going to make much difference to the annual profit but where a bull or growing market is likely to mop up as much production capacity as can be foreseen.

Again, quick feedback is central to this culture, with measures such as sales figures usually fairly fast and easy to extrapolate. Many organisations with this culture are fiercely customer oriented and often develop a good staff atmosphere, combining, for example, work based training with away days and social gatherings. Again, short-term interests – such as weekly or monthly sales – tend to be predominant and longer term issues such as consistent quality might not always be to the fore.

4.7 Bettering

A rather strange word in managerial speak, this is sometimes also called "Bet your company" culture. It is mainly concerned with organisations which are predominantly focused on long term results – such as the development of airliners or drilling for oil. Decision taking is, therefore, painstakingly detailed and usually very hierarchical so that policies evolve though a top-down process.

Employees typically tend to be older than in some other sectors, used to working with technology and also working well in teams – often long established teams. Rates of innovation – especially in designing and producing new, complex product – are high and, while the stock market might appreciate shorter term returns, it usually also appreciates longer term stability and strength, which is usually what occurs in Bettering cultures.

Job tenure is often long term as well with employees typically spending most, if not all, their working lives with the same employer. Consequently these are mature cultures with all the attributes of stability and proven processes. To an outsider however, they can appear to be slow, ponderous and rather unimaginative.

4.8   Process

Process culture, as its name implies, is all about how a job is done rather than why it is done or even whether it should be done in the first place. It is often found in bureaucratic organisations, frequently in the public sector and has a fixation with aspects of life such as job descriptions and procedures. There is a very lengthy feedback time – for, instance, a planning application to a local government authority will take on average at least four months to process, even though there may be no objections or difficulties with the principle of the proposed development. Most private sector bodies, faced with the same task, would probably need nearer to four days but public sector is extremely ponderous and decisions – even a decision to consider taking a decision – seem to take for ever.

Jobs are very, very safe. It is extremely difficult to be made redundant in the public sector, despite all the political rhetoric about downsizing. In practice, very few of the job cuts announced by politicians ever take place because the system – or the process – and the unions between them delay decisions for so long that everyone eventually forgets all about them and continues with life as it was before the announcement. This tends to breed a culture in which aversion to change is paramount and devising ways of avoiding change become a frequent management ritual.

Reward may not be particularly, generous but it is very regular. Moreover, organisations like this seldom go broke or encounter any really serious financial difficulties. Many faces familiar from the TV screen, such as BBC correspondents, are often able to retire at the age of 55 with 50% of their salary entitlement, including perks such as company cars transferred to their ownership at a nominal price. So, reward is steady and almost guaranteed – something beloved of building society lenders and bank managers.

In a process culture, power is based on job title – which might explain why it sometimes takes so long to reach a decision. Methodical employees who are painstaking in their approach are more likely to reach the top echelons than those who rely on talent and dash. Consequently Process becomes a sort of waiting culture – waiting for others to make a decision or, ultimately to leave, retire or move on so that other younger employees can take their places.

Symbols about job titles and roles are easily evident. The size and position of an office, the furnishings of an office and the deference with which an employee is regarded by his or her peers are all testament to this. The structure is rigid and hierarchical, the policies often inflexible and even incomprehensible to the outside world. Great play is made of health and safety aspects, with caution being the watchword in all that happens. Planning officers in East Sussex, for example when out on a site visit to a house or other building development are not allowed to accept even a cup of tea or coffee from the householder in case it is construed as hospitality which could bring an improper influence to bear on the planning officer's recommendations. To the outsider, this appears petty and unnecessary; to the authority, it appears to be prudent precaution.

So, in a process culture, remaining loyal and simply enduring will often be rewarded with long service medals and index-linked pensions. Everything in between, however, could be viewed as less than exciting.

4.8.1   Stop and Think

Are you sure you are aware of the key differences between corporate cultures? Why not jot down up to four characteristics of each one as viewed by Deal and Kennedy.

There are other interpreters of cultures. Perhaps the most famous and one which follows the Deal and Kennedy model quite closely is that known as Charles Handy's cultures.

4.9   Handy

The main difficulty with Handy's cultures is that they are probably not Handy's at all. Many behavourial scientists believe that they were originally devised by Harrison and appropriated or modified by Handy at a later date. Whatever their provenance, however, they are firmly established as being of the Handy school of thought and are well worth considering here. Some of them also bear a strong resemblance to those devised by Deal and Kennedy.

Power

Handy's version of a power culture sees authority firmly vested in the ruling oligarchy of an organisation – either a board of directors or a governing council of trustees. Consequently, most of the decisions are taken at high level with minimal involvement by middle or junior managers.

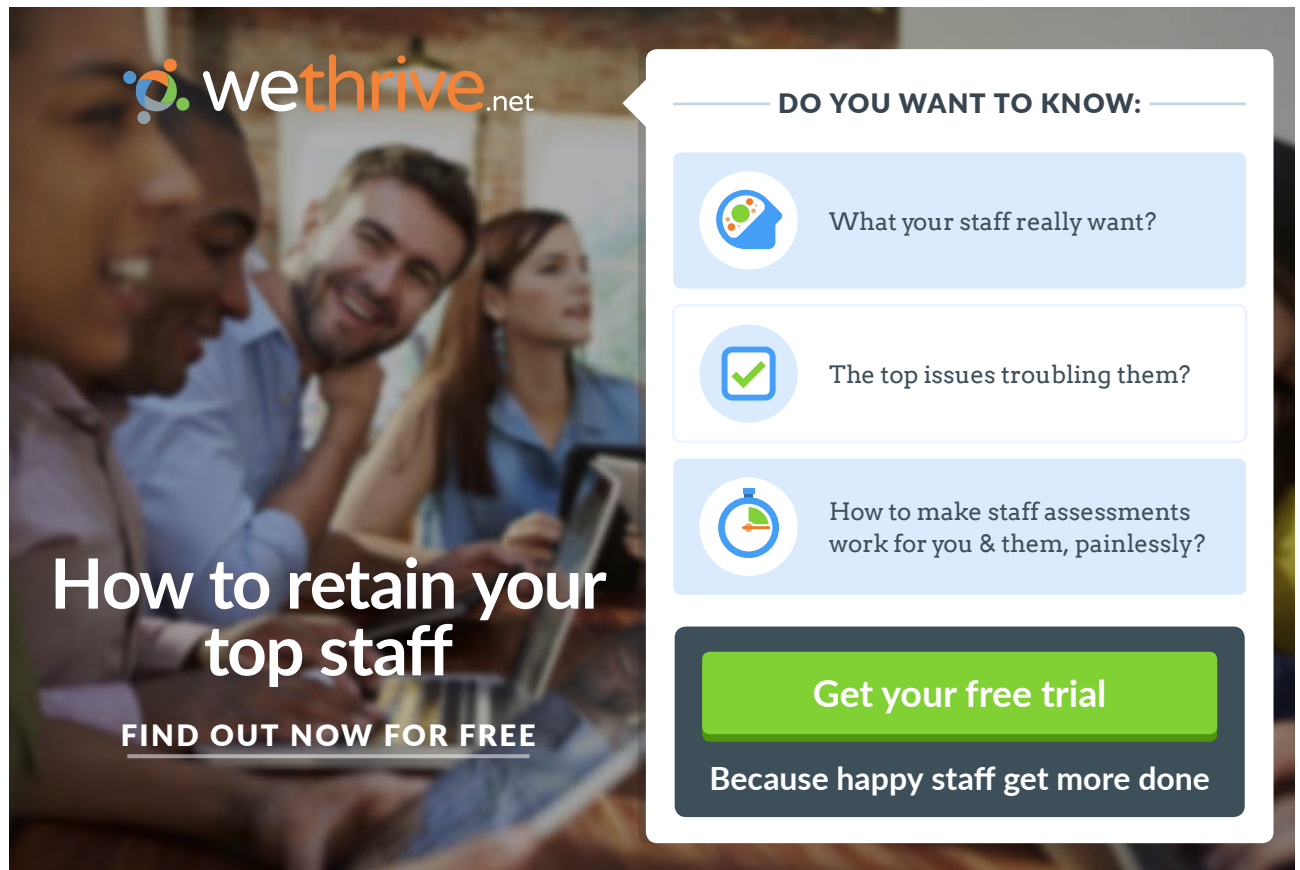The effect is a fast-response, quick feedback type of organisation which can change and move quickly when the need arises but which also may be prone to crises because issues have not always been properly thought through before action is taken. Often, the senior managers work very hard and very long hours and view more junior managers as pairs of hands to get jobs done rather than thinking self performers in their own right.

Another consequence of this type of culture is the prevalence of a sort of Italian Renaissance atmosphere jostling for political position with managers very keen to prove their worth to the senior oligarchy. This might mean that they attempt to emulate senior management behaviour, language, habits, attitudes and affectations, possibly combined with a stifling of their own distinct talents and ways of operating. As with all other types of culture this is not wrong or right, simply a way of working.

Role

Role culture in Handy's view is the equivalent to the Process culture of Deal and Kennedy. Fixations with job titles, descriptions and remits are combined with meticulous attention to detail which can become obsessive, fussy and trivial but which is usually painstaking in its execution.

Handy stresses the role of the individual as being one subsumed to a large extent to that of the organisation. Long service and a reluctance to self start or think too far for oneself are also common characteristics as they were with Deal and Kennedy. Here, again, the process and role of the job are all that matter and the organisation has never faced a situation which strict adherence to these principles cannot solve. Dickens satirises this type of culture cleverly and rather damningly in his portrait of the civil service in Dombey and Son so it is clearly not a modern invention but one which probably arose out of the Victorian pre-occupation with order and process.

Task

Task culture, according to Handy, shows the prevalence of getting the job – or the task – done. Provided this happens on time and to budget, many departures from formality or process are either allowed or tacitly accepted. Examples would be advertising agencies, architects, accountants and solicitors practices and most management consultancies. Here, if the client is happy, procedures can – and often do – go by the board while discipline can be comparatively lax.

One result is that there is often very little cross fertilisation of good or bad practice. A senior partner may achieve his or her goals in whatever way seems to be the most pragmatic at the time. Other partners may or may not follow this example in achieving their targets. Consequently, it is sometimes regarded as a silo structure, in which vertical reporting groups stop at their own clients. Very little, if any, centralisation of thought or approach is attempted because everything runs fairly well without this.

One good example is the Corporation of London, ironically, a public sector body.

Here, some nine or so main departments report to the committee which has been appointed to oversee the work in a certain area – for example planning, highways, environmental health or bridges. Provided that department, under its senior officer, achieves what the committee has decided, it is left alone by the central, corporate management, which is nominally represented by the Chief Executive. The potential in this type of situation – not necessarily in the Corporation of London – is for a decentralised structure which affords considerable scope for semi-autonomous or individual war lords rather than a strict adherence to a corporate system.

Person

Person culture is the final form of Handy's cultural differentiations. In practice, however, we can safely ignore it. It describes the situation during the building up of an organisation, usually in the private sector, in the image of the founder, so that the resulting company takes on the attributes, likes and dislikes of the founder. Examples often cited in the UK are The Body Shop and Virgin as embodying the principles of Anita Roddick and Sir Richard Branson respectively.

While this may well be the case, neither organisation would have got very far if the founders had not delegated key aspects of growth to other managers. Inevitably, this dilutes the impact of the individual founder to some extent. In practice, therefore, Person culture usually only lasts for a few months, until such time as other influences come to bear on the organisation. Usually, such cultures transform into either power or task cultures; very rarely, do they become role cultures. So, for practical purposes, Person culture can be discounted.

It should be remembered also that different parts of an organisation can often have different types of culture. No matter how dynamic an private sector organisation might be, the accounts and HR functions are often very Role or Process types of culture, for instance. Equally Sales will often be either power or task.

Application of Culture

So, what can we do with an analysis of the differing types and layers of corporate culture? One of the more obvious uses is to apply the various types of culture heavily when practicing sound internal communications. If the wrong type of message is given to employees in the wrong form, it may well do more harm than good and many organisations are now beginning to use rather more sophisticated analysis of their differing cultures to determine what kind of communication vehicle to employ in what circumstances. An example of the form is given below.

The Internal Communications situation facing you:				
ISSUE:				
CULTURE:				
	Passive – Interactive	**Push – Pull**	**Recorded – Live**	**Remote – Local**
Identify the scale point for your recommended strategy:	1 – 2 – 3 – 4 – 5	1 – 2 – 3 – 4 – 5	1 – 2 – 3 – 4 – 5	1 – 2 – 3 – 4 – 5
METHODS PROPOSED:				

There are other aspects of communication which corporate culture also helps to determine. Leadership, for example is usually better employed if the exact quality of the culture is know and allowed for. When allocating tasks, activities, deadlines and resources, top management are better equipped to carry the employees with them if they appeal to the right aspect of culture in their policies. This clearly extends well beyond the remit of an HR function to a situation in which not only senior but line managers are empowered to deliver powerful and persuasive messages, even when these may not be welcomed by many staff.

Personal enactment is also a useful offshoot of corporate culture. Activities such as how top executive spend their time, their use of meetings, technology and other communication aids can often be refined by measuring them against the expectations and tolerances of a sector of corporate culture. Most managers need to take into account the cultures with which they are dealing if they are to maximise their impact on their teams and extract the best efforts from their employees. This, too has clear ramifications for the leadership style which managers may choose to adopt to extract maximum benefit from a communications medium.

Leading by example is also something which can be more successfully developed with a prior knowledge of the prevailing cultures. A workforce which is already used to working long hours – as in a task culture for instance – may well not respond favourably to a senior manager who leaves the office promptly at 5.30, or whatever time it nominally closes. Equally, a manager with insufficient appreciation of the formality of an event or ritual may well risk antagonising the goodwill of an otherwise responsive workforce. For example, the misplaced determination of the then Chancellor Gordon Brown not to wear dinner jacket when making his first Guildhall speech, is an example of how once offended in a disrespectful way, a body of opinion that is extremely hard to convert.

Johnson & Scholes (p. 73) insist that the cultural web – a representation of taken-for-granted assumptions (known as a paradigm) can show the underlying expectations of an organisation both from within and without. They further go on (p. 231) to allocate the importance of this web in determining issues such as the commitment of an organisation to CSR. An example would be the determination of Anita Roddick to adhere to strict moral values in developing cosmetics so that no animals were harmed in the research process. This was something which, she knew, would be no more popular with her workforce than it was with she and her husband and, although she may well have felt very strongly about the issue personally, even if she had not, it would have been a foolish and ultimately futile move to attempt to secure recognition of its worth among her staff.

So, defining and using corporate culture, while predominantly an internal discipline designed to assist strong and relevant communication, can also be used externally to help to create and sustain a corporate image without which an organisation might have a negligible chance of success.

5   Managing Behaviour

Employee Motivation

Chapter outline

> Different ways of learning – Kolb, Honey & Mumford
> Different schools of thought in motivation techniques – McGregor, Maslow, Herzberg
> Putting it into practice.
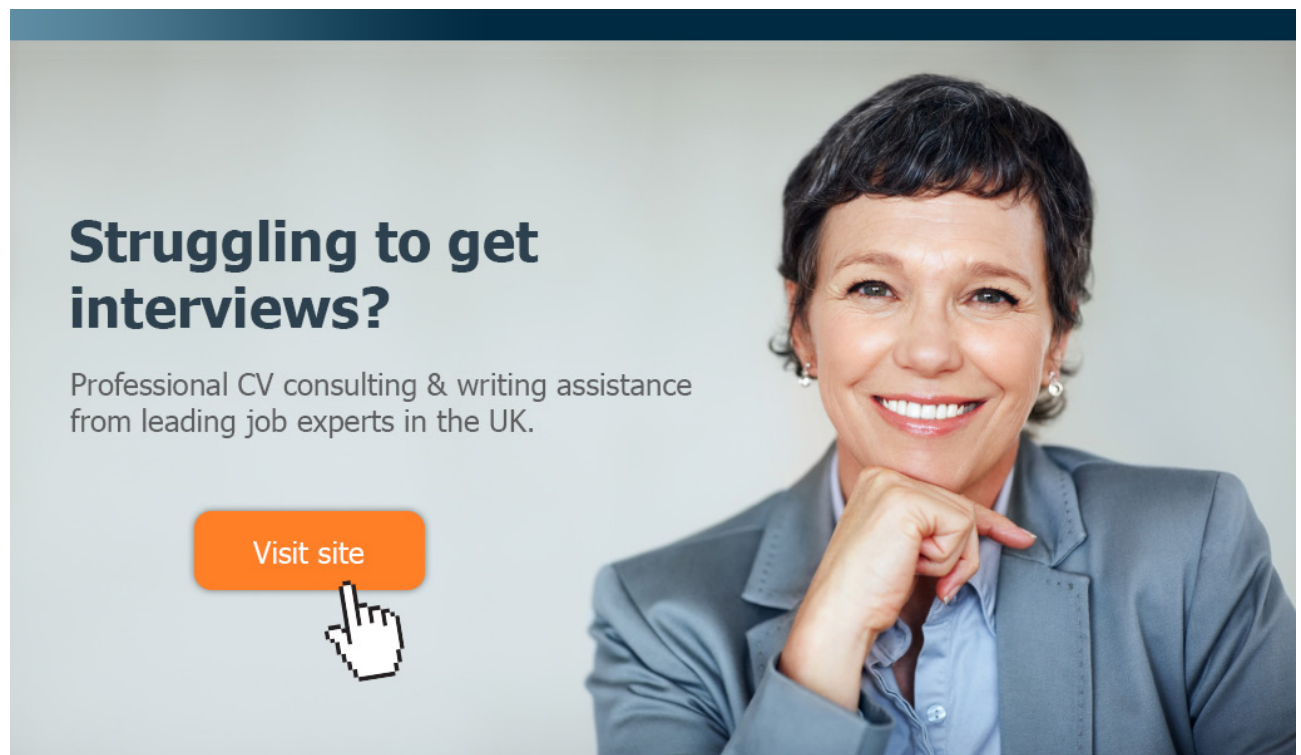
5.1   Introduction

Motivating individuals and teams is one of management's perennial challenges. There is probably not a workforce in the world that could not achieve more than it currently does if only it was motivated to do so.

Unfortunately, motivation is not always an obvious route for managers to take. Not everyone responds to the same motivators, for instance, as we shall see. Not even everyone responds to the same way of being communicated with or learning about new ways of doing tasks. So, motivation is a relatively complex challenge and one which many managers have faced with both frustration and determination.

The best that can be said is that progress is being made – but probably rather more slowly than many managers would like. There is no magic wand that can be waved to make people work harder or more intelligently. If there were, it would have been patented many years ago. What works for one person or one team of people will often not work for others. As we saw in the last chapter, the ability to read corporate culture is a good start; indeed, without this analysis it may be almost impossible to find any clear route to a good solution to motivational issues. But that may only be the starting point. While it is important to know what makes individuals tick, it is equally important to know how to be able to maximise this knowledge for the good of both the organisation and the individuals themselves.

It is this perspective of mutual beneficial motivation – organisational and individual – that we shall explore further in this chapter. While some of it may seem to be largely common sense, other aspects may be rather more thoughtful and repay more detailed study and analysis. Above all, motivation must be appropriate to the key players in this consideration – the employees themselves. As George Washington famously said "without public opinion we can do nothing; with it we can achieve almost anything". He was referring more to external opinion than to internal considerations but the principle remains the same.

5.2   How do we receive information and learn?

Many books have been written, and many more assuredly will be, about the ways in which different people learn in different ways. Despite this, or because of it, there is no one best way to try to communicate with, engage with or otherwise motivate people en masse. We are all just far too different in terms of personalities to be able to do that.

Some of the more widely recognised and used approaches, at those devised by Honey & Mumford. Their first steps to this model were taken in the 1990s when the question of how to devise the best learning styles was less well aired than it has been since. Irrespective of later work, the Honey & Mumford approach remains one of the most popular, easy to apply and ubiquitous in the world.

Essentially it is based on a self-assessment questionnaire which assesses individuals' learning styles. Essentially all people are predominantly one of the following types:-

- Activist
- Reflector
- Theorist
- Pragmatist

5.3   Learning styles – General descriptions

Activists

Activists involve themselves fully without bias in new experiences. They enjoy the here and now and are happy to be dominated by immediate experiences. They are open-minded, not sceptical, and this tends to make them enthusiastic about anything new. Their philosophy is "I'll try anything once". They tend to act first and consider the consequences afterwards. Their days are filled with activity. They tackle problems by brainstorming. As soon as the excitement from one activity has died down, they are busy looking for the next. They tend to thrive on the challenge of new experiences but are bored with implementation and longer-term consolidation. They are gregarious people constantly involving themselves with others but in doing so, they seek to centre all activities around themselves.

Reflectors

Reflectors like to stand back to ponder experiences and observe them from many different perspectives. They collect data, both first hand and from others, and prefer to think about it thoroughly before coming to any conclusion. The thorough collection and analysis of data about experiences and events is what counts so they tend to postpone reaching definitive conclusions for as long as possible. Their philosophy is to be cautious. They are thoughtful people who like to consider all possible angles and implications before making a move. They prefer to take a back seat in meetings and discussions They enjoy observing other people in action they listen to others and get the drift of the discussion before making their own points. They tend to adopt a low profile and slightly distant, tolerant unruffled air about them. When they act it is part of a wide picture which includes the past as well as the present and others' observations as well as their own.

Theorists

Theorists adapt and integrate observations into complex but logical sound theories. They think problems through in a vertical, step by step logical way. They assimilate disparate facts into coherent theories. They tend to be perfectionists who will not rest easy until things are tidy and fit into a rational scheme. They like to analyse and synthesise. They are keen on basic assumptions, principles, theories, models and systems thinking. Their philosophy praises rationality and logic: "if it's logical it's good". Questions they frequently ask are, "Does it make sense? "How does this fit with that? "What are the basic assumptions?"- They tend to be detached, analytical and dedicated to rational objectivity rather than anything subjective or ambiguous. Their approach to problems is consistently logical. This is their "mental set" and they rigidly reject anything that does not fit with it. They prefer to maximise certainty and feel uncomfortable with subjective judgements, lateral thinking and anything flippant.

Pragmatists

Pragmatists are keen on trying out ideas, theories and techniques to see if they work in practice. They positively search out new ideas and take the first opportunity to experiment with applications. They are the sort of people who return from management courses brimming with new ideas that they want to try out in practice They like to get on and are impatient with ruminating and open-ended discussions. They are essentially practical, down to earth people who like making practical decisions and solving problems There is always a better way and "if it works it's good".

This is a system which analyses how the manager thinks and reacts to new information. It is a well-worn psychological approach – none the less valuable for that – which establishes the predominant approach the completer has to learning.

Fundamentally the four possible outcomes can lead to four distinct but linked profiles with which mangers can work to help to devise successful and appropriate programmes for communication, intelligence sharing and, ultimately, motivation. It is important to remember that there is no judgmental right or wrong about these answers or the consequent profiles. Here are a few of the less academic interpretations that might be useful shorthand for easy reference. They reveal characteristics, rather than strengths or weaknesses. So, in laymens' terms, the four profiles are:-

Activist

As the label implies someone who is happier doing things than thinking about them – and there are plenty of these in all organisations. Expressed simply, activists:-

- enjoy the here and now and don't worry too much about what tomorrow might or might not bring
- act first and consider the possible consequences later
- throw themselves enthusiastically into new experiences
- are usually fairly open minded, flexible and often enthusiastic
- try to centre activity around themselves.

So, there are many captains of industry out there who are probably predominantly activists. If they were not, they might not have achieved what they done.

Reflectors

Reflectors essentially review situations. They:-

- stand back and observe
- collect, analyse and compare data before coming to a conclusion
- use data from past and present situations to compile a big picture approach to problem solving
- exercise caution and take a back seat before committing themselves (if they ever do) to a certain course of action.
- Use genuine reflection to help themselves to learn from past experiences, whether good or bad.

Reflectors are a useful foil to too many activists, often counseling caution before rushing in to a decision or a course of action. Perhaps fewer of them become chief executives but there are usually a few around at board level to act as restrainers to more hotheaded activists.

Theorists

Theorists are logical people on the whole, they:-

- think through problems logically
- collate disparate data into rational theories
- look at issues in a disciplined, rational way
- are keen on models, precedents, principles and other empirical evidence
- value rational and objective points of view

So, they are the cool, calculating people who tell you that you don't have enough budget to do something. Or they can bring an impartial, reasoned approach to an issues which has been baffling the rest of the organisation for weeks, hitherto defying solution. There are not too many Theorists in captivity and those that are will be valued by their organisations provided they are used sparingly. However, too much theorising can be mind-numbingly frustrating for the rest of the organisation.

Finally there are

Pragmatists

These are people who plan things, usually thoroughly. They are:-

- always searching for new ideas
- keen to put new theories into practice
- get straight to the point
- dismiss futile contributions with alacrity – and little tact
- grow impatient with too much debate

Pragmatists plan to achieve objectives – and often do so in reality. They are valuable for their pioneering drive and determination – many historical great engineers and scientists must have been Pragmatists, such as Barnes Wallis or RJ Mitchell. Above all, they solve knotty problems but are not exactly plentiful in the normal organisation.

So, before we can realistically embark upon a campaign to motivate – or re-motivate – staff, we need to know something of their characteristics. Most people are a combination of two or even more of these types; hardly anybody is ever purely one single type but, in most people a single type is often predominant.

By using these profiles in our motivational communication, it is easier to appeal to people and to ensure that the messages are reaching them in the most appropriate from for them to understand. Theorists and reflectors, for example will often want to see the underpinning theories behind a statement or policy; activists and pragmatists will often want to be able to do something about the new data as soon as they receive it. With a little foresight, most employees types can thus be engaged with on a more meaningful basis than would otherwise be the case.

5.4   Motivational Theorists

We need to be able to refer to at least three well-respected schools of thought in motivational behaviour. There are many more than three, but these three still form the basis of most motivational theory and practice. The first involves further analysis of ourselves as managers and needs to be considered in tandem with Honey & Mumford.

McGregor

McGregor is well known for his X-Y Type theory**.** Deceptively simple, this questionnaire (below) attempts to show that the type of manager that we think we are is not necessarily the best option. Try this out for yourself.

Questionnaire

People dislike work and will avoid it if they can	1-2-3-4-5	People enjoy work and achievement
People have to be controlled and directed	1-2-3-4-5	People work best when given freedom to act
People dislike responsibility	1-2-3-4-5	People like responsibility
People only work for money	1-2-3-4-5	People work to get job satisfaction
Other people do not have good ideas	1-2-3-4-5	People are basically honest
People should be told what their goals and objectives are	1-2-3-4-5	People have ideas worth listening to
People respond to punishment	1-2-3-4-5	People should be encouraged to set their own goals and objectives
People are basically dishonest		People respond to encouragement and support

Now total your score and log it on this scale:-

(Theory X)……….8……………16…………..24…………….32…………40 (Theory Y)

Most readers will, at a guess, probably end up with a score somewhere between 24 and 40. This is partly because we all like to think that we are modern, liberated, reasonable and humanistic people – and we probably are. But that does not necessarily make us better managers.

McGregor's rationale for this is worth examining. Theory X managers, he says, are of the belief that most people are fundamentally lazy, dislike work and will avoid it if they can. They have no great motivation, are self-centred and don't care much for the needs of the organisation. Sound familiar?

Theory Y managers on the other hand, believe that people are well motivated, value honest praise and resent punishment, work best when given self-standing responsibility and care about the organisation and others who work in it. No contest, really.

However, it would be easy to assume that a Theory Y manager is the better operator – easy and not necessarily right. Perhaps a better characteristic would be a blend of both qualities, qualities which we have already seen earlier about what managers really do. Here, managers with a strong power base – such as Machiavelli's Prince – had to preserve a relatively strong standpoint and would not (and could not) have been very sympathetic to a Theory Y manager.

McGregor also points out some interesting aspects of this entire approach. Nor only are people X or Y in character but so are their workplaces. So a theory Y manager would last about five minutes in a theory X organisation – and should not, for example, try to take a job on the trading floor of the Stock Exchange. Equally a theory X manager who is aggressive and go-getting should probably not take a job in the social services department of a local government authority. However, people do make exactly these mistakes – although probably not twice – and then have to suffer a very miserable time in exactly the wrong type of environment and culture. A little research and observation should usually prevent such a key error occurring.

There are a couple of other considerations that have been promoted by McGregor. One is that most people are not by nature passive or resistant to the needs of the organisation for which they are working. They become resistant and difficult when faced with a series of threats to their position, self regard and security; this might take the form of an unexpected and unwelcome change of circumstance – a new boss or a different reporting structure. It might be a direct threat to a job or to future security. Or it might be an aversion to whatever the employing organisation does – in which case, it is usually time to find another job. Sometimes, this process – of developing resistance and becoming "awkward" – occurs as early as childhood, so that, by the time they are employed by an organisation, the die is well cast.

The other is that most people have the ability to do the job above the one they are currently occupying, in theory at least. This makes it hard for an organisation to motivate employees who perceive themselves as being better than the job they are currently doing, especially if there are no clear signs of advancement. Consequently, no organisation can motivate employees unless it makes it possible for the employees to achieve what they themselves want to achieve. So, allowing employees to study for qualifications, or to better themselves in other ways is likely to be a more profitable approach by the employer than many other devices. This may partly explain why there has been such an explosion of on-job training and encouragement for employees to pursue college, university and vocational qualifications in the past ten years.

5.5   Motivational theories

There are two key theories that we need to investigate here – and many more which have stemmed from these two over the years. The first is the work done by Maslow, the second, the theories of Herzberg.

Maslow

Maslow is still regarded as the father of modern motivational thinking. Although he was writing about 50 years ago, his theories are still quoted as being the foundation of much of the motivational thinking that has since been developed.

Essentially his theory consists of the defining of a pyramid of needs in terms of human requirements in life and in work. The pyramid of needs is:-

Biological – the basic of life, food, shelter, sex, sleep etc.

Safety (or Security) – in a work context, the secure tenure that means the job is safe provided the incumbent doesn't do anything really stupid. Stability, Protection, security.

Affiliation – the sense of belonging to a team or a group, the feeling that an employee is wanted because he/she does a reasonably good job. Might even include affection and respect

Esteem – the belief that an employee is valued and the recognition by which this is manifested. Status, self respect, prestige.

Knowledge and understanding – developing both self and professional knowledge, perhaps through a degree course or similar

Aesthetics – how pleasant the work environment and overall experience might be such as air-conditioning, restful décor and good rest facilities

Self actualization – realising one's own potential, growth, advancement, creativity

Transcendence – not an easy one to translate into concrete benefits, but perhaps best summed up by a feeling of contributing to something bigger than an organisation, improving the lives and conditions of people, perhaps caring for those less well off than ourselves, in the current parlance "making a difference"

So, a fairly logical and orderly pyramid of needs, which will not be a surprise to many.

There are, naturally, a few rules about how this pyramid can be applied.

For one thing, it isn't possible to satisfy needs higher up the pyramid unless those nearer the bottom have already been satisfied. So if, for example, an organisation has not adopted a reasonable salary scale, sending everyone off on training courses might just cerate more problems than it solves.

Another aspect is that needs change with time and age. As people grow older and see families grow up and depart from home, the need for money alone is often less urgent than it was when there was a family to support. Status or power might be a more valid motivator later in life. So might the opportunity to put back into society something of what a person has taken out – so the opportunity to become involved in community work on behalf of the organisation might be very welcome.

5.1.1   Making it work

A good example is The Body Shop. Based in West Sussex, England, there is a policy by which every employee takes off every other Friday afternoon at The Body Shop's expense. Employees go and work with a voluntary organisation in the community making their expertise and skills available and helping to achieve the organisation's goals. This is seen as a highly successful motivation practice as well as materially assisting many good and well meaning organisations, providing services ranging from rape victim support to the preservation of ancient buildings.

As a side benefit, most staff at the Body Shop believe it to be one of the most responsible employers they could possibly have, thus leading to higher levels of loyalty, retention and commitment that could be found.

5.6   Problems

Inevitably, there are a few problems with Maslow. He was writing in the mid 1950s at a time when there was much more certainty about the economic and political stability of the western world than there is now. He is often attacked as being Mid-West, middle class, middle aged and middle management; while none of those accusations is necessarily a crime in itself, he has come to mean rather less to younger managers than, perhaps, he used to.

In addition, he is not seen as travelling easily outside the US or, at least, the world of Western values. Many Asian commentators, for instance, do not believe that he has much to offer a predominantly Asian culture, even in Western facing societies such as Singapore. In truth he may not have travelled as well in either time or space as he would have liked, but it is still a fact that most modern schools of motivational thought are based solidly on the work that he has done as well as on the work of our next author, Friedrich Herzberg.

Herzberg

Herzberg is the other great 1950s writers on motivation. He was broadly contemporary with Maslow and there are notable similarities between their work. His first major contribution on the topic, "Motivation to work" was published in 1959 and he followed it up with further research findings and theories over the next 20 years.

Herzberg took up almost where Maslow had left off. He defined a number of considerations in a working environment – often linked into various cultures – which he divided into "hygiene" factors and "motivators". Hygiene factors are not, according to Herzberg, motivators. They include aspects of life guaranteed to niggle even the most-even-tempered employees – car parking (or the lack of it), coffee and tea making facilities, secretarial and clerical support, computer help lines and services, the lack of natural light and other aspects of life that most employees could do without.

Herzbergs's approach to this is to advise managers not even to start to try to put right any of these irritants. All that will happen, he wrote, once one problem is solved is that everyone will start to complain about another problem on the list. That will be put right and so it will go on – a never ending circuit of complaints, the satisfaction of which will never bring about any discernible additional motivation. Typically, Herzberg asserted, hygiene factors will revolve around area such as working conditions, administration and supervision, interpersonal relationships and organisational policies. Once solved, employees will simply move on to the next complaint on the never-ending list.

Motivators, on the other hand, while less tangible, are aspects of working life that, according to Herzberg will materially improve the chances of deriving genuine motivation from employees. They are:-

> Recognition – for a job well done
> Reward – usually in tangible terms
> Achievement – which goes hand in hand with the recognition
> Challenge – even for someone who appears to have an already full workload
> Responsibility – seen often in parallel with change and recognition.
> The job itself – especially the interest factors inherent in it.

Stop and think. What overt motivators are used in your organisation? Can you identify any linkage with either Maslow or Herzberg?

These factors of Herzbergs's seem to be the big six as far as motivation is concerned. Certainly they will usually sort out most of the problems associated with an employee who doesn't feel any need to exert himself or herself any further than absolutely necessary. One or two of them may be worth examining further, especially challenge.

Challenge, especially could be seen as a major gamble. If someone is not performing, why would manager trust him or her with even more responsibility? A case study example might well illuminate this principle.

5.6.1 Making it work

A few years ago, two large UK firms merged. It was not a wholly amicable process, and there were severe differences in style, culture, expectations and many other areas. One of the isolated problems very symptomatic of the larger issue, centred around a man whom we will call Bill.

Bill was a senior middle manager who had a lot of responsibility and a generous salary package. He had charge of a sizeable department and was well thought of – as a manager, but less well thought of as a human being. He had a disconcerting habit of setting up two members of a team – his or another – in advance of a meeting to brief them to take diametrically opposed stances on any particular issue, promising both of them his support. He would then introduce the item, sit back and watch the fireworks as both employees laboured in vain to achieve his brief. He did not support them but seemed to take an almost sadistic pleasure in watching them struggle to achieve some solution. It was particularly unpleasant to watch, destructive, cruel and absolutely pointless.

There were also not a few instances of what are politely if euphemistically called "inappropriate inter-office relationships" involving Bill, all of them disastrous for the woman involved. In almost every case, the woman disappeared from the firm, usually not at her own will, and Bill emerged apparently unscathed. There were, however, feelings of disquiet about his behaviour among more senior managers as well as elsewhere in the firm and Bill had already received several verbal and at least one written formal warning, placed on his personnel file, as to his conduct.

The solution, which amazed everyone involved and worried not a few at first, was to promote him. Although he had been busy before with a full workload, it was not challenging work but fairly mundane and had clearly not inspired him for some time. He was an intelligent man, despite the behaviour problems and had realised some time ago that, although he was acting foolishly, he was probably doing so out of both frustration with a tedious job and anxiety about what the merger of the two firms would bring for his career.

The promotion worked like a charm. He responded extremely positively, all the nonsensical behaviour stopped almost overnight and he really got his teeth into the new role with its enhanced and quite challenging responsibilities. He went on record later as stating that he now felt useful, valued and an integral part of the new firm. Since that time – five years ago – there have been no problems and not even any more inappropriate relationships. He appears to be almost a new man.

What would you have done had you been Bill's manager? Is there another way of securing his motivation? How would it have worked?

Bill cannot be unique in the world of work. There must be many others who also feel unfulfilled, powerless to prove their lot and resentful of the way in which they and their careers have been managed. Yet challenge can really bring out the best in many people who feel like this., The main problem for their own managers is to have the courage to promote someone in whom they have not traditionally had too much confidence – but that is another issue altogether.

5.7   Summary

So, all people are different and learn in different ways, typically being Reflectors Activists Theorists or Pragmatists. Unsurprisingly, what motivates one may not work for another, so a genuinely pragmatic approach to motivation is necessary. Maslow and Herzberg are good places at which to start but individual plans may need to be developed as well as relying on these frameworks.

6　Effective Leadership

Chapter content

> What is leadership?
> What kinds of leaders are there?
> Shackleton
> Edwardes
> Case study.

6.1　Introduction

Much time has been spent and several rain forests have been felled in the quest for that Holy Grail of business management, the perfect leader. It is quite likely that such a person does not exist. All that most managers can really do is to attempt to emulate the best characteristics of managers to whom they, in turn, look up with admiration.

Of necessity this brings a character to an organisation based on the individual leader's own characteristics. We shall explore some the more commonly found aspects of this incidence in this chapter. We shall also look at some of the accepted norms of leadership behaviour and endeavour to identify those which are most relevant and most easily reproduced in other organisations – a sort of leadership transfer process. This will be illustrated with case studies of how good – and not so good – leaders behave.

We will also look at the art of delegation, which is an essential skill for most leaders. Without it, they would hardly be leaders.

6.2　What is leadership?

There are lots of different answers to this question, depending on the context in which it is asked.

In a nutshell, the text book answer is "the ability to influence a group towards the achievement of goals" (Capon, 2004, P. 95). Notice "influence" not "direct", "manage" or even "dictate". Leadership therefore is a more subtle art than simply telling someone to do something.

Influencing in its turn requires some key skills. Pedler, Burgoyne and Boydell (1998) believe that these include eleven distinct qualities:-

1. Command of basic facts – not only about the job but also about the environment and sector within which the organisation operates

2. Relevant professional knowledge – something with which nobody can be expected to be equipped without some kind of study towards this goal. This kind of knowledge is simply not taught in schools and probably never could be. Hence, professional, vocational and/or university courses are rapidly filling the void

3. Continuing sensitivity to events – the key word being "continuing"; anyone (or most people at least) can understand a set of principles and key issues once, but a really good leadership figure must continue to expand his/her skills in this respect as the career develops. Consequently the manager's skill develops in direct proportion to the additional responsibility which he/she acquires.

4. Analytical problem solving, decision/judgement making skills; to ensure that the leader can really grasp the nettle when it is offered, act decisively and give a good lead.

5. Social skills and abilities; perhaps the key to really good leaders is that they never seem to be overtly engaged in the process of leading. People simply and naturally do as the leaders wish them to do. The recent England cricket captain, Michael Vaughan, is a good example of this, seemingly effortless, style of leadership. This is a very highly developed art in itself, based on the leader's ability to carry a gathering of strong minded people down a particular route. Opinions vary about whether this skills can be taught or whether it is inherent in natural leaders, such as Churchill

6. Emotional resilience; not everything will always go the way a leader wishes it to go. There will be setbacks and reverses, sometimes, major ones. However, true leaders will finds ways of overcoming these setbacks and emerging as strong as – or even stronger then – ever.

7. Pro-activity by responding purposefully to events. Job adverts often carry phrases such as "must be a self-starter" which is a way of saying much the same thing. True leaders will make things happen and respond to pressures of all sorts firmly, rapidly and decisively. As the old proverb has it, "more businesses have gone bankrupt by sitting at home waiting for the phone to ring than by any other means"

8. Creativity. There are all sorts of schools of thought on creativity, many of them becoming globally famous – such as Edward de Bono's Thinking Hats model. All presume that the leader must adopt a certain and decisive approach to issues like problem solving. There are echoes here of Machiavelli's Prince again

9. Mental agility. The ability to think on ones' feet, to outwit the opposition, to be able to reconcile differences in partners and to achieve a lasting and recognised solution at very short notice are critical to a genuine leader. Often there is very little time in which to prepare for a particularly difficult decision or situation. Leaders cannot complain about not being ready. The world will not wait for them.

10. Balanced learning habits and skills – rather like the Honey and Mumford approach set out in the last chapter it is useful if a leader knows his or her best type of learning behaviour so that he/she can minimise the learning period and smooth out the process.

11. Self-knowledge. Perhaps the hardest of all skills to master, this is also the subject of many studies and theories. One good starting point is "A Manager's Guide to Self-Development" also by Pedler, Burgoyne and Boydell. Try some of the self analytical exercises to see where your own strengths and weaknesses lie.

6.2.1   Stop and Think

Do you – or do your managers – regularly display any of these traits in leadership?
What do you think you could do to develop your won leadership style?

From this it seems fairly evident that charismatic leadership can clarify tasks and roles while motivating employees to a high level of effort and commitment. Being positive and self-confident will clearly help the leader in this respect; not many people are likely to follow a leader with evident self-doubts and a lack of self-confidence. That was one of the many theories put forward concerning England's famous victory in the Ashes series over Australia in 2005; Michael Vaughan, the then-England captain, exuded belief and confidence even though his personal batting form was some way below his best – although he did record the series' highest score of 166 at Old Trafford.

Charismatic leaders also need to be committed to their vision – especially if they expect anyone else to be so committed. Sometimes this might involve bearing personal risk, perhaps financially, for instance, which is also part of the role. Above all, a charismatic leader will often be seen as a change champion – that is, someone who is the architect of serious change in an organisation – rather than a custodian of the status quo. Consequently, many charismatic managers are happiest in a Power culture or, possibly a Task culture but are unlikely to flourish in a Role culture.

But, any leader, no matter how strong and visionary, requires a strategic approach to succeed.

6.3 Shackleton

An oft-quoted leader who has recently captured the imagination of many management thinkers and trainers is an Edwardian naval officer who might be more obviously associated with the sunset of empire rather than the 21st century.

Sir Ernest Shackleton is often linked with Scott as a courageous but ultimately unsuccessful leader of polar expeditions to the South Pole just before the First World War. However, while both men failed in their avowed goal – of being the first man to set foot on the South Pole – both acquired an immortality by the very nature for their supposed failures.

Shackleton never reached the Pole and, given that this expedition was mounted during the first two years of the Great War (1914–16) was regarded with suspicion on some fronts concerning his ill-advised timing. The Royal Navy, then the strongest navy on earth, presumably felt that it could do without him for a while.

Superficially, the facts of Shackleton's voyage do not make successful reading. The aim of his 1914–16 expedition (he had already led two earlier ventures) was to cross the Antarctic from one side to the other, passing directly through the South Pole on the way. He lost his ship (the Endurance) before ever reaching Antarctica – a mishap that even Scott had avoided. From then on however, his fortunes improved.

First, he led all his crew away from the ship trapped in the pack-ice to the edge of the Weddell Sea ice shelf using dog sledges. Then he commanded both the ships' boats (open rowing boats) and all the crew on an 800 mile voyage through some of the stormiest and coldest seas in the world (average temperatures were -17 to -45 degrees C) until they reached Elephant Island, near South Georgia. The total journey took 639 days, of almost unceasing cold, short rations and extremely hard physical work.

On arrival at Elephant Island, they refurbished one of the boats and Shackleton took a volunteer crew on a further two month voyage in a six metre open boat all the way to South Georgia. They landed on the Southern coast which was then – and largely still is – uninhabited and made their way right across the mountainous spine of the island on foot, a journey which took a further 36 hours of non-stop climbing, no easy feat for men who were already exhausted.

Shackleton then persuaded a Chilean naval vessel to sail for Elephant Island – with him on board – to rescue the remaining 22 members of his crew who had spent the intervening time sheltering underneath the remaining boat, upturned on the foreshore. This rescue attempt alone took a further 22 months because of bad weather and heavy seas. Finally, Shackleton led his crew back to England having been away for over two years. He had not lost a single man from his crew, despite the atrocious weather and terrain with which he had had to contend.

Shackleton died of a heart attack on his fifth Antarctic expedition in 1922. He was just 48 years old. His expedition of 1914–6 has recently been made into a feature film directed by and starring, Kenneth Branagh.

6.4   The Leadership

Why is Shackleton now regarded as a supreme leader of men? There are a number of reasons, First he did not lose a single member of his crew on his most famous third expedition – and that was an unheard of record in the early years of Antarctic exploration. Second, he did not over-promise his public and his sponsors to achieve feats of which he was not confident of success. These days we would call it under-promising and over achieving, which is much better than attempting matters the other way round.

His leadership style is widely regarded as being one of the most influential in recent history and there are some aspects of it which can be analysed and used as exempla for future leaders. Notably these include:-

- Thoughtful leadership. Shackleton knew better than most the dangers faced in Antarctica and planned accordingly
- Leading by example. He gave himself no favours in matters such as food – eating only the same meagre rations as his men and sleeping in the same cold and damp conditions. He also shared the same heavy workload, giving himself heavier tasks, very often than he gave to his crew
- Turned bad experiences into valuable work lessons; he learned by his and others' mistakes and ensured that the same mistakes were not made twice
- He insisted on respectful competition – to maintain morale and keep his crews fit and interested in achieving goals
- He hired outstanding people and surrounded himself with a hard core of experienced Antarctic hands, all of whom showed strong character
- He looked for optimism and cheerfulness in his men, so that spirits could be kept up even when the future appeared to be hopeless
- He equipped his crew with the best equipment that he could prise out of the Admiralty such as using dogs and sledges instead of ponies or manpower. Also, his ship "Endurance" was Norwegian-built only two years before the expedition set sail and believed to be the strongest ever completed for naval expeditions

- He also worked hard to create a spirit of cameraderie – partly by selecting the right sort of crew member in the first place but also by his own actions during the expedition
- He established order and routine so that nobody had too much time to brood over their perilous position
- He was not only fair but seen to be fair in dealings with all his crew
- He used informal gatherings to reinforce esprit de corps
- He understood and accepted his crews' personal quirks and preferences – so that he treated them as individuals
- He made wide use of informal one-to-one talks to build a bond with his crew members
- He was always willing to help others to get their work done and helped each and to achieve his potential.

6.5   Leadership in times of Crises

His behaviour in a crisis, too, was exemplary (most of the expedition was one long crisis). He let everyone know, for example that he was not only in charge but confident of success at every opportunity – which must have taken a considerable effort of will power at times. He inspired confidence and minimised any dissent by keeping any malcontents close to him and involving them in planning for survival. Importantly, he managed to persuade everyone to let go of the past and focus on the present and the future – a powerful if fundamental approach. Often, he would find work for those who would otherwise mope and despair of ever seeing home and family again.

For further first hand information on Shackleton see his own book "The Heart of the Antarctic", first published in 1909 or any of the more modern biographies, especially Leading at the Edge: Leadership Lessons from the Extraordinary Saga of Shackleton's Antarctic Voyages by Perkins, Holtman, Kessler & MacCarthy. (American Management Association, 2000, ISBN 0-8144-0543-6) from which some of this material is taken.

Other leaders

So, Shackleton has given us a legacy of how to behave in a crisis and of how to lead people who have almost given up hope of any successful outcome. But the example is not one from everyday life. Most organisations do not venture anywhere near the Antarctic and the problems they face are of a more humdrum nature. Leadership must be able to take advantage of normal conditions as well as extreme crises. In this respect there is a more modern counterpart for Shackleton in Sir Michael Edwardes.

6.6   Edwardes

Edwards was Chairman of BL Cars from 1978–1982. This was a time of major upheaval in the UK automotive industry. Imports had soared by 535% during the previous seven years, there were, on average, 1.6 strikes every working day somewhere in the unwieldy group, of about 212,000 employees and some of the key models, such as the Mini and the MGB, had been so badly costed financially, that they were losing money on every unit sold. On top of that the, then, new Conservative government under Margaret Thatcher was sorely tempted to allow the whole industry to go bankrupt partly as a lesson to others and partly to aid the war on militancy in UK manufacturing industry. It would take a whole book to catalogue the struggles which Edwardes fought to simply keep the group in existence. One such book already exists (Back from the Brink. Edwardes, 1983, Collins) although it does not tell the whole story.

Put simply Edwardes saved the organisation from itself and from the financial and political vultures which were waiting to feed off the scraps. In his own account of this commercial crusade, he wrote: "I believe that BL does have a future. It is a company which has talent at all levels. Talent that can and must be fully utilised. It is an enormous task, some would say impossible. Given the right support from the company and the government, which could mean facing up to some tough decisions, it is still possible to restore its growth and realise its full potential."

That potential was eventually realised by a long process of restoring management to its proper role, gaining approval from investor and customers alike and, crucially, securing the support of the workforce who voted in a secret ballot by 87% to accept the Edwardes' recovery plan which, effectively meant that at least 20% of the employees would face redundancy. That was a hard vote to secure. But Edwardes succeeded and is, arguably one of the most successful leaders in British industry of recent years. He led from the front, usually working long hours and stinting neither himself nor his management team. Above all, he had genuine charisma, a quality that cannot be learned or acquired but which is, probably inbred.

What Edwardes did

Edwardes re-defined management and leadership within the confines of the 1970s and 1980s. He:-

- asserted the rights of management to manage
- kept all his promises on actions designed for the good of the business
- identified strong young managers and promoted them, giving them a remit to succeed
- invested heavily in areas for future success such as computerised systems, industrial relations and flexible management structures
- did not attempt, to drive from the back seat but, cone he had delegated a task, allowed the managers concerned to get on with it without interference.
- Under-promised and over-delivered
- Kept his word. Once he had committed to a course of action, he ensured that it was carried out. Employees might not have liked all that he did; but they did understand that, if he said he would do something, he did it.

Special qualities

Edwardes was the embodiment of dynamism and drive. He worked very long hours himself and expected all his staff to do likewise. Past failures counted for nothing He would nearly always start with a clean sheet and allow everyone a voice in debating the desired route to be followed – what we would now call a pathway or strategic direction.

6.7   Contemporary Practice

There are, of course, a large number of recent and current management views on leadership which bear further investigation. We do not have to go back 100 years with Shackleton or even, as with Edwardes, 25 years to learn how to lead workforces. A recent exercise at Porsche Cars GB conducted with a broad range of senior middle management identified a number of truths about leadership which are probably representative of most managers in a similar position.

The survey took in a cross section of middle managers, selected for their balance of age, gender, discipline, specialisation and education levels. It asked what qualities they most valued in leaders. Unsurprisingly, many of the answers could have been written before the exercise. The participants divided the answer into two distinct sections, leadership roles for tasks and leadership roles for relationships. The contributions were:-

Tasks

Organising the team

Setting goals

Giving or seeking opinions

Giving and seeking information

Summarising and clarifying

Co-ordinating

Controlling timescales

Outlining rules and procedures

Relationships

Seeking consensus

Resolving conflicts

Seeking compromise or other mutual solutions

Seeking opinion and information

Encouraging other team members

Processing the group's work

Enabling the team to perform to the best of its ability

There is nothing terribly surprising here, perhaps. It represents a snapshot in time of a busy management team in a highly competitive industry. These findings have never before been published but they accord, almost spookily, with the very summary of leadership qualities identified by Shackleton, either directly or indirectly. His list included:-

- Team building
- Inspiring others
- Taking responsibility
- Doing the right thing
- Allowing the team to make mistakes (but not many or serious or fatal ones)
- Assessing performance
- Taking painful decisions (and thus saving others from having to do so)
- Having courage
- Selling and persuading
- Being determined
- Giving praise where it is due (an obvious area but one ignored by too many modern managers)
- Working alongside the team
- Giving constructive feedback
- Explaining decisions
- Taking responsibility for others (and for one's own decisions)
- Being honest
- Taking responsibility for the mistakes of other people in one's team (but not praise for their successes)
- Motivating others
- Sharing a vision with team members
- Acting with integrity
- Determining direction
- Nurturing and growing people (to the extent of even developing successors)

Clearly there is a strong incidence of similarity between these two lists which is not coincidental. In Hamlet's words, "there is nothing new in heaven or hell Horatio…." and, certainly not on earth or in business management.

6.5.1   Stop and Think

Which of these qualities do you believe to be the most important? Howe many of your own organisation's leaders do you think show some or all of these qualities from time to time? Could you add this list. If so what would your additions be?

Finally, to continue the theme of great leaders from the past, here is a quote from Napoleon. "A leader is a dealer in hope". Some of Napoleon's own campaigns could be said to bear this out and, when it all went wrong – as in the ill-fated Russian expedition of 1812 – it went very badly wrong. But there might be some truth in his words. Perhaps all leaders rely to a certain extent on hope – and, by definition an element of luck as well. Napoleon also said that the greatest quality a general could have was to be lucky – and many leaders will have some empathy with that.

To take it to a final step, there is a good statement from Kouzes and Posner in a book called "The Leadership Challenge"; it reads: "Leadership is the art of mobilising others to want to struggle for shared aspirations", the key word here being "want". Unless employees want to achieve something, they are unlikely to do so as we saw in Chapter 5 on motivation. Certainly Sir Michael Edwardes would probably be the first to agree with that; his distinctive brand of leadership relied heavily on gaining the hearts and minds of the workforce.

As a summary, it is a good quote.

7   Managing Groups and teams

Chapter content

> Definitions of teams.
> Formal and informal groups
> Theories of team working Belbin, Price, Janis, Tuckman

7.1   Introduction

Working alone is increasingly uncommon in today's commercial environment. Consequently, many tasks that people feel confident about if they were to tackle them single handed become more complex when handled by a team of people.

Managing groups and teams has been a vexed question for some time in management thinking. There are a number of accepted theories – and we will examine some of the more common ones shortly – but there is still no single accepted route by which to maximise team contribution to assist the corporate effort. Tasks which appear simple to one person will often seem considerably more complicated to others; hence the need to ensure that teams work together as effectively as possible.

7.2   Formal and informal groups

In recent years there has been a higher level of concentration on groups and how to ensure that they add value to both the organisation and its employees. Some writers have backed a theory of formal and informal groupings, possibly rather too much emphasis has been placed on this idea (which is hardly revolutionary) but, for the sake of completeness, the essential difference is that formal groups are created to achieve specific objectives and are usually, therefore, concerned with the organisation of task activities. A project team would be a good example of this formal grouping where a specific target – such as a new product launch – is the avowed aim of the team.

Informal groups, tend to be based more on personal relationships – people with whom other employees "get on well" and are happy to work with. Inevitably there is less control over an informal group from a managerial point of view and there can be circumstances in which such a group can act against the overall good of the organisation, if it becomes too influential for instance. Informal groups satisfy social and psychological needs and can be huge motivators but are not necessarily related to the overall task of the organisation. Many find fulfillment in social outings and gatherings – which is fine but has nothing to do with the organisation's management.

Another factor of informal groups is that they can cut across the organisation's formal structure, often without intending to. Employees from different departments may simply enjoy each others' company – or have few other social outlets – and want to socialise together. On occasion this can lead to higher levels of gossip and uncertainty among employees, unsettled by what they believe to be the truth. This may or may not be advantageous to the overall running of the organisation (clearly, usually it is not) but, in practice, there is little or nothing that management can do about it.

So, groups can have several different definitions. Perhaps the most popular is "a number of people who:-

- interact with one another
- are psychologically and professionally aware of one another and
- perceive themselves to be a group. (Mullins. p. 180)

A slightly different way of defining a group is to set out the commonly-found characteristics:-

- a definable membership
- group consciousness
- a sense of shared purpose
- interdependence (on each other, especially in a work role)
- interaction (again in a working role)
- the ability to act in a unitary manner (as though all the members were thinking as one) (Adair, cited in Mullins p. 180)

7.3   Practicality

From practical considerations, too, many tasks are just too formidable to be tackled by only one person. A number of different skills might be required, for example, and, consequently, several people, each with some of those skills, might be required to form a suitable task force – or team.

Team management is one of the more challenging aspects of managerial life. Too often, managers duck the issue by trying to do everything themselves. This leads to inefficiency, overwork on the part of the manager with consequences for health and home life and a vulnerability for the organisation. If that manager falls under a bus tomorrow, who can take over the essential work that he/she has been doing?

In this chapter we will look at some of the more usual models of team management and identify some limited self analysis tools to try to determine the type of team worker that we are. By doing this it is easier to determine what kind of teams we will function in to the best of our ability – and this can lead to benefits not just for us but also for the organisation for which we are working.

Consider a team – or a group of people – with whom you are or have been associated. What worked well and what did not work so well? Why do you think this was?

7.4   Tuckman

Of all the group theorists, Tuckman is perhaps the most widely used and applied. This may be partly because he strikes resounding chords with many managers and team workers alike. Most teams conform to Tuckman's theory at some time or other. Bruce Tuckman is an educational psychologist who first formulated and published his now famous model of group development as long ago as 1965. He revised it 12 years later and it still forms the basis of much group analysis work even 30 years later. In essence Tuckman suggested that there are four main phases of a group which form its lifecycle. These are:-

Forming

The early stages of a team when people are unsure of one another, and of their own roles in the team. Ground rules have to be agreed, as have methods of working and, perhaps sub-consciously sometimes, personal alliances are set up. Often, people are understandably eager to avoid conflict at this stage; this can lead to some serious issues or problems being ignored, covered over or pushed under the carpet. Team members gather information and impressions of each other, and about the team's key tasks, but often more time is taken up with preliminary skirmishing than in actually getting on with the job of doing the work.

Storming

This phase marks the end of the honeymoon period. Team members become more frustrated with one another – or with the team's task – and start to spar and argue. Minor confrontations will arise; some are solved, others are avoided and may well recur later. Structural clarity is sometimes introduced at this stage, as are rules to prevent conflict either within the team or with the task. Niggling discontent may appear and could break out into public arguments or could be suppressed. While suppression may be more comfortable at the time, these niggles seldom go away and may arise again at critical moments later in the life of the task; so they are better addressed head on at the time at which they occur, if possible.

Norming

At this phase, rules of engagement become established and the team begins to perform as a unit rather than as a series of individuals. Now that the heated debates are over, the team individuals understand one another better and can work together at a higher plane than before. Mutual support become more common, pre-conceived views are less intrusive and the team begins to mold into an efficient unit. Problems are less personalised and collective responsibility takes over. Nothing is now "your fault" or "his fault" but a situation which all parties are prepared to work together to resolve.

Performing

This is the ultimate stage of team development. It is characterised by interdependence and flexibility. Everyone knows one another well enough to be able to trust and rely on other team members. Tasks are achieved with a minimum of fuss and deceptively easy cooperation. Roles and responsibilities may change as necessary in a way which appears seamless to observers. The team's energy is directed solely at the task in hand not eroded by in-fighting or by playing politics. Mutual trust and cooperation are the natural way of working and team efficiency has reached its pinnacle.

It is worth noting that some teams never reach this latter stage. Some simply remain in one of the earlier stages without ever managing to achieve the Performing target. Often, this can be due to an imbalance of characteristics among the team members, an issue which was first identified by Belbin and which we shall examine later in this chapter.

Some 12 years after having published his work on team stages, Tuckman came out with a fifth stage which is variously called, Mourning or Adjourning. It describes the sense of loss once a close team has been dissolved, perhaps after the completion of a project. Members have grown so used to working with one another, on one project and perhaps at one venue that they feel a great sense of deprivation once the team has fulfilled its task. The success or otherwise of the project is almost irrelevant; it is the removal of the team and its ethic from their lives that saddens the former team members.

Have you ever worked in a team or group that was broken up and felt the sense of loss that this led to? Perhaps a close group of school or college friends? Or a sports team? What was your feeling when it was disbanded? How did it conform to Tuckman's stages of development?

Tuckman is not, of course, the only academic to have devoted much time to analysing how groups and teams work best. There are others, such as Rice who, having studied military ways of working, recommended that teams should be no more than six people strong and should have easily identifiable lines of communication. This precludes linear reporting strategies which, he argues are too rigid and prevent free communication from one end of the line to the other, whether the lines are horizontal or, more usually, vertical.

X-------X-------X--------X

Here, the four people in a small team are disadvantaged by not being able to communicate with one another on a horizontal axis. Yet there are only four of them and they should be able to share concerns and ideas as easily as possible. Even worse is the following model:-

X
1
1
X
1
1
X
1
1
X

Here there are still four people but the vertical structure of the reporting relationship is even more forbidding than that of a horizontal structure. Hierarchical models such as this used to be more common than they are now. But they still discourage easy, open communication, without which, arguably, most teams will not work well.

7.5   Janis

Janis was also concerned with what he called "Groupthink"; that is the process of a group of people to sublimate their own opinions to that of the group around them. The most common example of this is perhaps a sporting crowd, especially a fervent one in, say, a football match. The ultimate is the frenzy of a mob – both the French and Russian Revolutions are good examples of this – where the rational mind of the individual is overtaken, often fatally, by the frenzied blood lust of the uncontrolled mob. Once allowed to take over, a groupthink-style atmosphere is very difficult to manage, if it can be managed at all. And it really does overtake some perfectly intelligent and rational people, often without their realising it.

7.5.1   Making it work

An agricultural show committee in the UK met shortly after the show had taken place to assess how well various aspects had gone on the day. It had been a relatively well-organised and well-attended event with no great problems arising that would not be taken care of in the normal manner of progress. This being the case, the committee's thoughts turned to charity. It was traditional to donate a proportion of the profits to a number of local charities; the exact amounts and the final selection of charitable causes was always debated and decided at this particular committee meeting.

On this occasion, a committee member set the ball rolling by pointing out that this had been a particularly successful year financially and suggested that, as a result, the amount donated to charity should be increased by 25%. Another member, catching the mood of the committee, suggested that 25% was rather a low increase and proposed a rise in the monies donated by 50%. A third member, becoming carried away with altruistic zeal, then suggested that these were both insignificant amounts and that the money should be raised by 100%.

In one short debate, therefore the amount of money to be donated to charity had, in fact, doubled. In practice, however, several more hard-headed members perceived what was happening, waited for the meeting to become calmer and then suggested that a figure of 50% was most appropriate. This was the figure finally settled on.

7.6   Belbin

But one of the most famous writers on teams is Belbin, an Oxford academic who has spent several decades researching teams and their behaviours. Belbin's main contention is that what a team needs is not necessarily well balanced individuals (although that would, presumably, be an advantage) but a well balanced team. His theory is that there are eight categories of team members and that, preferably, all eight types should be present if the team is to function well. This does not necessarily mean that the team must have at least eight people because one person can personify more than one of the characteristics.

It is interesting to see what kind of person you are in a team situation and Belbin's questionnaire has acquired a highly popular status as the most usual way of discovering this. See what your score suggests:-

BELBIN TEAM ROLES

This questionnaire measures the intensity with which you play a range of roles within a team. Please complete it , then score the answers.

Directions

For each section distribute a total of ten points among the sentences, **which you think best describe your behaviour**. These points may be distributed among several sentences. In extreme cases, they might be spread among all the sentences or ten points may be given to a single sentence, but this is not recommended.

Then enter the points in the Scoring table against the appropriate lower case letter. When you have entered all the points, please add the column totals vertically.

To determine your team role preferences, circle the range of scores within which your score for each role falls. The two highest scoring roles are usually those which describe your team role preferences. See the final section for an explanation of these roles.

1. **WHAT I BELIEVE I CAN CONTRIBUTE TO A TEAM**
   a) I think I can quickly see and take advantage of new opportunities.
   b) I can work well with a very wide range or people.
   c) Producing ideas is one of my natural assets.
   d) My ability rests in being able to draw people out whenever I detect they have something of value to contribute to group objectives.
   e) My capacity to follow through has much to do with my personal effectiveness.
   f) I am ready to face temporary unpopularity if it leads to worthwhile results in the end.
   g) I am quick to sense what is likely to work in a situation with which I am familiar.
   h) I can offer a reasoned case for alternative courses of action without introducing bias or prejudice.

2. **IF I HAVE A POSSIBLE SHORTCOMING IN TEAMWORK, IT COULD BE THAT:**
   a) I am not at ease unless meetings are well structured, controlled and generally well conducted.
   b) I am inclined to be too generous towards others who have a valid viewpoint that has not been given a proper airing.
   c) I have a tendency to talk a lot once the group gets on to new ideas.
   d) My objective outlook makes it difficult for me to join in readily and enthusiastically with colleagues.
   e) I am sometimes seen as forceful and authoritarian if there is a need to get something done.
   f) I find it difficult to lead from the front, perhaps because I am over responsive to group atmosphere.
   g) I am apt to get too caught up in ideas that occur to me and so lose track of what is happening.
   h) My colleagues tend to see me as worrying unnecessarily over detail and the possibility that things may go wrong.

3. **WHEN INVOLVED IN A PROJECT WITH OTHER PEOPLE:**
   a) I have an aptitude for influencing people without pressurising them.
   b) My general vigilance prevents careless mistakes and omissions being made.
   c) I am ready to press for action to make sure that the meeting does not waste time or lose sight of the main objective.
   d) I can be counted on to contribute something original.
   e) I am always ready to back a good suggestion in the common interest.
   f) I am keen to look for the latest in new ideas and developments.
   g) I believe others appreciate my capacity for cool judgement.
   h) I can be relied upon to see that all essential work is organised.

4. **MY CHARACTERISTIC APPROACH TO GROUP WORK IS THAT:**

    a) I have a quiet interest in getting to know colleagues better.

    b) I am not reluctant to challenge the views of others or to hold a minority view myself.

    c) I can usually find a line or argument to refute unsound propositions.

    d) I think I have a talent for making things work once a plan has to be put into operation.

    e) I have a tendency to avoid the obvious and to come out with the unexpected.

    f) I bring a touch of perfectionism to any team job I undertake.

    g) I am ready to make use of contacts outside the group itself.

    h) While I am interested in all views I have no hesitation in making up my mind once a decision has to be made.

5. **I GAIN SATISFACTION IN A JOB BECAUSE:**

    a) I enjoy analysing situations and weighing up all the possible choices.

    b) I am interested in finding practical solutions to problems.

    c) I like to feel I am fostering good working relationships.

    d) I can have a strong influence on decisions.

    e) I can meet people who may have something new to offer.

    f) I can meet people to agree on a necessary course of action.

    g) I feel in my element where I can give a task my full attention.

    h) I like to find a field that stretches my imagination.

6. **IF I AM SUDDENLY GIVEN A DIFFICULT TASK WITH LIMITED TIME AND UNFAMILIAR PEOPLE:**

   a) I would feel like retiring to a corner to devise a way out of the impasse before developing a line.

   b) I would be ready to work with the person who showed the most positive approach, however difficult he might be.

   c) I would find some way of reducing the size of the task by establishing what different individuals might best contribute.

   d) My natural sense of urgency would help to ensure that we did not fall behind schedule.

   e) I believe I would keep cool and maintain my capacity to think straight.

   f) I would retain a steadiness of purpose in spite of the pressures.

   g) I would be prepared to take a positive lead if I felt the group was making no progress.

   h) I would open up discussions with a view to stimulating new thoughts and get something moving.

7. **WITH REFERENCE TO THE PROBLEMS TO WHICH I AM SUBJECT IN WORKING IN GROUPS**

   a) I am apt to show my impatience with those who are obstructing progress.

   b) Others may criticise me for being too analytical and sufficiently intuitive.

   c) My desire to ensure that work is properly done can hold up proceedings.

   d) I tend to get bored rather easily and rely on one or two stimulating members to spark me off.

   e) I find it difficult to get started unless the goals are clear.

   f) I am sometimes poor at explaining and clarifying complex points that occur to me.

   g) I am conscious of demanding from others the things I cannot do myself.

   h) I hesitate to get my points across when I run up against real opposition.

SCORING TABLE: DO NOT COMPLETE THIS UNTIL YOU HAVE ALLOCATED 10 POINTS TO EACH OF THE EARLIER 7 SECTIONS.

SECTION	CH	SH	PL	ME	CW	TW	RI	CF
I	d	f	c	h	g	b	a	e
II	b	e	g	d	a	f	c	h
III	a	c	d	g	h	e	f	b
IV	h	b	e	c	d	a	g	f
V	f	d	h	a	b	c	e	g
VI	c	g	a	e	f	b	h	d
VII	g	a	f	b	e	h	d	c
TOTAL								

TABLE OF NORMS

Based on scores of a cross section of managers from various functions and industries

	Low 0–33%	Average 33–66%	High 66–85%	Very High 85–100%	Average Score
CH	0–6	7–10	11–13	14–18	8.8
SH	0–8	9–13	14–17	18–36	11.6
PL	0–4	5–8	9–12	13–29	7.3
ME	0–5	6–9	10–12	13–19	8.2
CW	0–6	7–11	12–16	17–23	10.0
TW	0–8	9–12	13–16	17–25	10.9
RI	0–6	7–9	10–11	12–21	7.8
CF	0–3	4–6	7–9	10–17	5.5

7.6.1   TEAM ROLE SPECIFICATIONS

Attached is a description of the eight main roles, which people play within a team. Each describes the type of role that is played and the attributes and potential weaknesses that someone performing that role may have. Individuals are capable of playing a number of roles within a team.

To identify your preferred role within a team relate your highest range score to the appropriate definition. Your second highest score determine your second strongest team preference. Other roles with which you are likely to feel confident and will play within a team may be those where your score appears at average or above.

7.6.2   TEAM ROLE SPECIFICATIONS

1. **CHAIRMAN/Coordinator**

ROLE: Controlling the way in which a team moves forward towards the group objectives by making the best of team resources;
Recognising where the team's strengths and weaknesses lie and ensuring that the best use is made of each team member's potential.

ATTRIBUTES: Strengths – an ability to command respect and to inspire enthusiasm, a sense of timing and balance and capacity for communicating easily with others.

Tolerable weaknesses – no marked creative or intellectual power.

2. **Shaper**

Role: Shaping the way in which team effort is applied, directing attention generally to the setting of objectives and priorities and seeking to impose some shape or pattern on group discussion and on the outcome of group activities.

Attributes: Strengths – drive and self – confidence.

Tolerable weaknesses – intolerance – towards vague ideas and people.

3. **Plant**

Role: Advancing new ideas and strengths with special attention to major issues and looking for possible breaks in approach to the problems with which the group is confronted.

Attributes: Strengths – independence of outlook, high intelligence imagination.

Tolerable weaknesses – a tendency to be impractical or to be "up in the clouds" at times and to be weak in communicating with others.

4. **Monitor-Evaluator**

Role: 1 Analysing problems;
                   2 Carrying out agreed plans systematically and efficiently.

Attributes: Strengths – critical thinking ability, including the ability to see the complications of proposals; an objective mind.

                   Tolerable weaknesses – hypercritical: unexciting; a little over – serious.

5. **Company Worker**

Role: 1 Turning concepts and plans into practical working procedures.

                   2 Carrying out agreed plans systematically and efficiently .

Attributes: Strengths – self-control and self discipline combined with realism and practical common sense.

                   Tolerable weaknesses – lack of flexibility and unresponsiveness to new ideas that remain unproven.

6. **Team Worker**

Role: Supporting members in their strengths (e.g. building on suggestions), underpinning members in their short – comings, improving communications between members and fostering team spirit generally.

Attributes: Strengths – humility, flexibility, popularity and good listening skills.

                   Tolerable weaknesses – lack of decisiveness and toughness; a distaste for friction and competition.

7. **Resource Investigator**

    Role: Exploring and reporting on ideas, developments and resources outside the group; creating external contacts that may be useful to the team and conducting any subsequent negotiations.

    Attributes: Strengths – an out going relaxed personality, with a strong inquisitive sense, and a readiness to seek the possibilities inherent in anything new.

                              Tolerable weaknesses – over-enthusiasm and a lack of follow-up.

8. **Completer / Finisher**

    Role: Ensuring that the team is protected as far as possible from mistakes of both commission and omission; actively searching for aspects of work which need a more than usual degree of attention; and maintaining a sense of urgency within the team.

    Attributes: Strengths – an ability to combine a sense of concern with a sense of order and purpose; self-control and strength of character.

                              Tolerable weaknesses – impatience and an intolerance towards those of casual disposition and habits.

Have you completed the Belbin questionnaire and have you identified your preferred team role? Does it accord with your own view of yourself as a team player? If not, what factors do you think could explain this?

7.6.3   Making it work

It is interesting to see how teams gel in the Belbin context – or even, whether they do gel. I was once a board director of a well-known advertising agency which sent all seven of us board directors on an away day to learn about team working. The board had not, in fact, been working well together as a team and there were a number of factions even within the board which we were unable to understand.

After completing the Belbin test, we began to realise that it was a badly constructed board in that, of the seven directors, no less than five of us were strongly Chair (or Coordinator) roles.

Consequently, we all spent most of our time telling other people what to do – but were, perhaps, not quick to take on the responsibility for finishing off jobs ourselves. There was a common feeling that other people carried out the detail while we "simply" agreed the strategy. Clearly, a team needs to have Indians as well as chiefs. Of the other two directors, the Finance Director was a Monitor Evaluator – which was logical but we never listened to anything he said anyway. The Chief Executive was a Completer Finisher, which was, to our way of thinking, symptomatic of his fixation with (often irritating) detail and ignorance of the bigger picture.

Many teams must also have an equally difficult imbalance, and it is this that Belbin can identify, thereby allowing for remedial action to be taken (we solved the agency's problem by being taken over).

An interesting point here is how many people a manager should have reporting to him/her.

Price doing work for a number of organisations a while ago, came up with the belief that six is enough. More than that and he believed that the ability to interact successfully is blunted. So, all those managers out there with scores of people reporting directly to them may not be in the best position to manage them.

7.6.4   Making it work

Finally, a test of team effectiveness. Try sorting people into two groups of around half a dozen each and ask them to create as many paper models as possible using an origami-type of instruction. They'll probably need about 20 minutes to practice and rehearse and then a production run of, say, five minutes, depending on the complexity of the paper model to be produced.

Afterwards, try asking questions like:-

- What went well?
- What held you back?
- Did leadership emerge in the team?
- Did disagreement emerge? If so, how did the team cope with it?
- Which created the greater pressure, the clock (assuming the test is run against the clock) or the other team (assuming there are two or more teams taking part)?

The results will be interesting and this is a fairly widespread management game to play, tried and tested the world over. You can do it twice, once before doing the Belbin questionnaire and once afterwards having re-structured the teams to include as many of his "team types" as possible. The results might surprise you.

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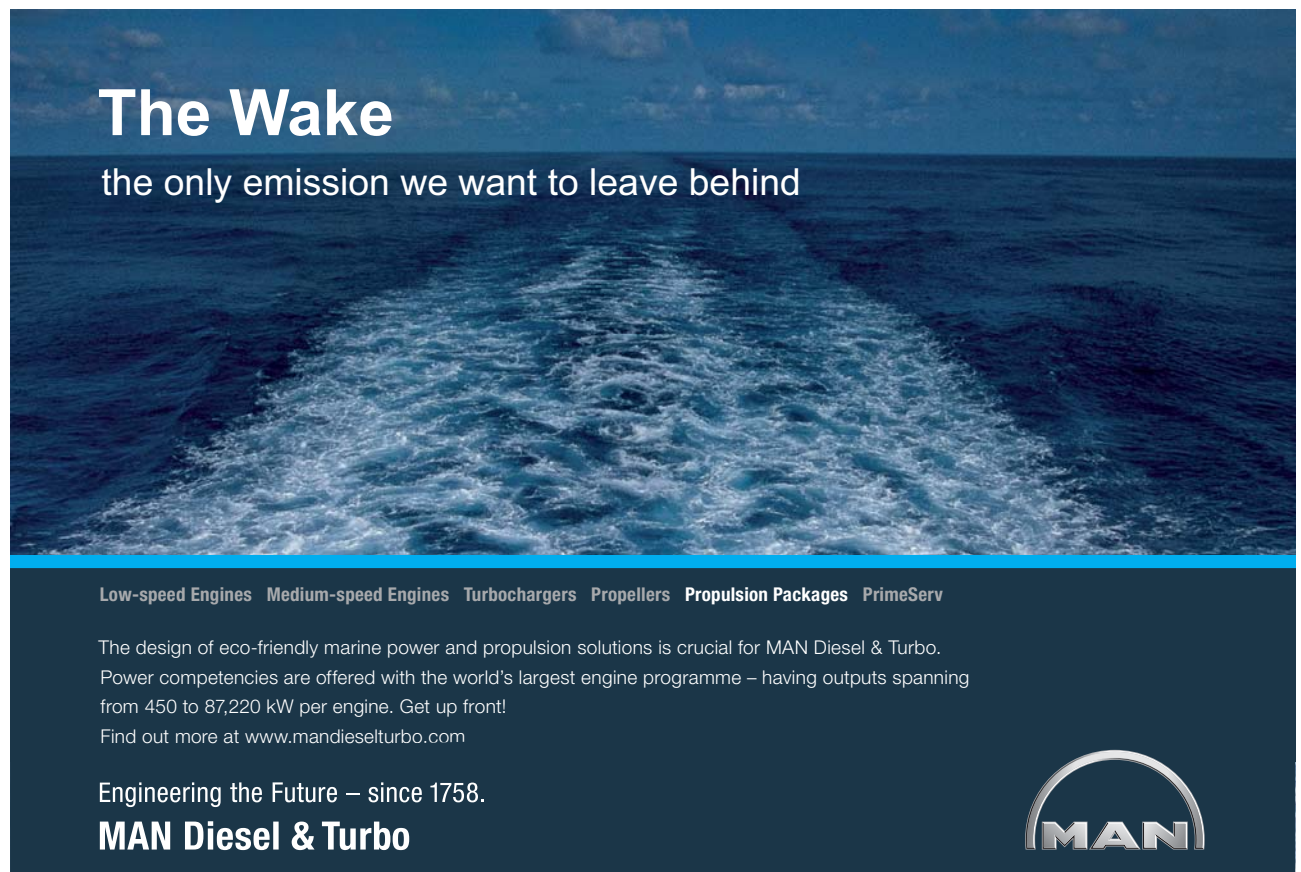
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