

CHAPTER SIX

Implementation Functions of Management

INTRODUCTION

What This Chapter Is About

Implementation functions are shown in the bottom half of Figure 2.1 on page 36. Remember, however, that much of the think-work involved in organizing, staffing, guiding, and controlling is performed during the analysis, planning, and decision-making phases—the think-work phases or functions—of a managerial or integrative process. Once decisions have been made, the *plans* for how to organize, staff, delegate, guide activities, and guide performance of control functions are actually carried out. Thus, since the think-work process itself has already been described in Chapters Two through Five, this chapter will discuss things to think about during the think-work phases and will also outline some of the most important steps involved. While this chapter cannot deal with all the considerations and steps covered in books and references devoted to specific implementation tasks, it will cover the “tops of the waves.”

The first part of this chapter deals with organizing, which includes delegating and formulating preliminary inputs to staffing. It describes think-work phases and steps, various considerations, and tools for analyzing jobs and organizational working relationships. Topics include, for example, assignment of responsibilities, reporting (vertical) relationships, delegation of authority, spans of control, horizontal relationships, various possible organizational structures, and tools for visualizing the complex relationships in organizations.

The second part deals with staffing. It discusses filling jobs, orienting people to their new jobs, and developing (educating and training) personnel.

The third part covers guiding activities in accordance with coordinated action plans.

The fourth part deals with the control function. It discusses the measurement and evaluation of unit results and the appraisal of individual performance.

What Consultants, Trainers, and Facilitators Can Get Out of This Chapter

Organizing, delegating, staffing, and guiding personnel are major issues for any manager or leader. After studying this chapter, consultants, trainers, and facilitators should be able to help participants

- Apply traditional management approaches in creative, innovative ways that are in keeping with the unique business issues and the unique corporate culture of their organization
- Analyze managers' existing approaches to organizing, delegating, staffing, and guiding workers and improve these as business conditions and organizational functions may warrant

What Practicing Managers, Participants, or Students Can Get Out of This Chapter

After studying and discussing this chapter, the student or seminar participant should be able to

- Better organize his or her own unit and subunits in terms of assignment of responsibilities, vertical and horizontal relationships, spans of control, which individuals or groups should make which decisions, and delegation of decision-making authority
- Interact more effectively with other units and individuals when planning, solving problems, and making decisions
- Write better job descriptions (including job objectives; technical responsibilities; managerial, supervisory, and leadership responsibilities; authority; and job qualifications)
- Staff (fill positions) with the most qualified or appropriate individuals
- Better orient new hires and more effectively develop all subordinates' knowledge, attitudes, and skills
- Know better how to guide rather than direct and control subordinates' activities
- Better evaluate unit results and more constructively and effectively appraise subordinates' individual performance
- Better identify what improvements can be made to organizational structure, staffing practices, practices involving assignment of responsibilities and delegation of authority, policies and practices involving guidance of activities, and policies and practices for evaluating unit and individual performance

How Instructors and Participants Can Use the CD-ROM's Supplementary Materials

The accompanying CD-ROM contains the following materials for Chapter Six:

- *Chapter Six Study Guide.* This class or seminar session preparation guide should be completed by students and seminar participants so that they will be better prepared to participate in training session discussions and the superior-subordinates discussion, OD application, and team-building sessions at the end of Module 1, following completion of Chapter Seven.
- *Delegation Worksheet.* This spreadsheet template can be filled in to analyze how responsibilities have been assigned and how authority has been delegated within a unit. It helps sort out who should be doing what and who has what authority. Thus, it helps determine what changes or improvements might be made and how working relationships within a unit (or organization) might be improved.

This tool, which is not in the book itself, is meant to be used during the superior-subordinates discussion, OD application, and team-building sessions that follow completion of the training portion of Module 1 (which corresponds to Part One of this book) by all program participants.

ORGANIZING

While it may be true that organization is not necessarily the only key to success, it certainly is a major one. *Organizing* can be defined as structuring the working relationships among jobs and the people performing them. Those structured relationships enable today's organizations to integrate tasks with tasks, people with people, people with their tasks, and people with their organization. Other integrative mechanisms include the systems, policies, procedures, and rules that "oil an organization's gears." Together, all these organizing mechanisms help facilitate horizontal and vertical flows of information, materials, and services within an organization. According to Alexander (1998), however, advancing technological capabilities have complicated the communication processes that enable those necessary flows to occur and have made organizations more complex. Thus, there is a growing need for better-designed, more effective, and more efficient integrative structures and systems.

Although most organizations have already evolved some sort of structure, they should occasionally review that structure and modify it as needed to meet changing circumstances. To do this well, they should analyze the situation—preferably within the context of a planning process—as though they were starting from scratch. The importance of doing this think-work within the context of a planning process was emphasized by Alfred D. Chandler (1962), who pointed out that structure should follow strategy. This means that an entity should organize itself in the manner most conducive to effectively and efficiently carrying out organizational strategies (plans) in order to successfully achieve organizational goals.

Two basic principles guide these efforts. The first is *unity of purpose*. Organizational structures, systems, and other mechanisms help people work effectively to achieve common purposes instead of working at cross-purposes. The second principle is *efficiency*. Organizational mechanisms are also aimed at getting personnel to work together efficiently.

The Organizing Think-Work Process and Considerations Involved

Planning how to organize can be quite complicated because it involves thinking about many concepts, principles, issues, elements, and specific factors. Many textbooks and courses on organizing cover concepts and principles without doing so in a manner that outlines *when* to think about *what* during a planning process. Performing the organizing process step by step makes it easier. Therefore, to help those who may participate in planning how to structure their organization and working relationships, this section and the next outline a building block approach and discuss issues to consider within a recommended sequence of phases and steps.

It should be noted that the following pages integrate delegation principles and steps into the process because they are integral aspects of it. However, it must be acknowledged that while job descriptions, which are aspects of organizing, outline assigned responsibilities and delegate authority to make certain decisions, both responsibilities and authority may also be conferred on an ad hoc basis during the implementation of an organization's other plans.

Because the organizing process is somewhat complicated, the basic phases and steps are listed here as an overview. They are followed by a detailed discussion of the process.

Phase I: Analyze the Situation and Formulate Operating Goals and Plans (Participatively)

1. Analyze operations (or review operational analyses).
2. Formulate (or review and revise) operating goals and plans and their priorities.

Phase II: Analyze Jobs and Units and Formulate Organizational Plans (How to Organize, What Tasks to Assign, and What Authority to Delegate)

3. Review (or formulate) tasks.
4. Combine tasks into logical, meaningful jobs.
5. Identify job interdependencies, work flow, and perhaps workloads.
6. Combine specialized jobs into appropriate work groups, units, or departments.
7. Identify unit interdependencies and work flow.
8. Consider possible structural (vertical and horizontal) relationships.

Phase III: Plan How to Implement Organizational Changes or Improvements

9. Formulate alternative organizing strategies and tactics.
10. Formulate alternative organizing programs, projects, and action plans.
11. Formulate alternative organizing program and project budgets.
12. Formulate alternative policies, procedures, and rules dealing with organizing.

Phase IV: Make Final Decisions (Choose Among Alternatives) and Contract with Subordinates About Plans for Organizing and Delegating

13. Structure the organization's or unit's vertical and horizontal working relationships.
14. Finalize (formulate or update) job descriptions.

Phase V: Implement Organizing and Delegating Plans

15. Implement organizing and delegating plans, monitoring progress and making changes as necessary.

Process Steps and Considerations in Detail

Each of the following phases and steps provides analytic inputs and insights for subsequent phases and steps.

Phase I: Analyze the Situation and Formulate Operating Goals and Plans (Participatively)

Step 1: Analyze Operations (or Review Operational Analysis)

- 1A. Identify key elements or aspects of operations
- 1B. Identify important, persisting problems (and their priorities)

Consider:

- A. Existing long-term organizational and unit objectives, goals, strategies, and plans (and their priorities)
- B. Unit problem areas (and their priorities)

Step 2: Formulate (or Review and Revise) Operating Goals and Plans and Their Priorities

Phase II: Analyze Jobs and Units and Formulate Organizational Plans (How to Organize, What Tasks to Assign, and What Authority to Delegate)

The first few steps of Phase II involve analyzing the organization, starting at the bottom, where the real work of most organizations is actually done, and then working upward. Why? Because most organizational pyramids usually evolve in order to integrate activities being performed at the lowest levels, then at successively higher levels.

Step 3: Review (or Formulate) Tasks

Organizations exist to structure and coordinate (integrate) specialized tasks and roles. Using existing job descriptions and time and motion studies as inputs, ask, “What work needs to be done?” Identify the lowest-level finite tasks that must be performed if the organization is to be successful. Finite, simple tasks include hammering a nail, picking up a part, connecting a part to another part, or adding a column of numbers.

Step 4: Combine Tasks into Logical, Meaningful Jobs

A job is simply a collection of tasks that are to be (and can be) performed by some individual. Until the Industrial Revolution, most jobs were craft jobs. Craftsmen performed entire series of tasks that enabled them to see the outcome and take pride in accomplishment, and they coordinated their own work activities to a great extent. Then the Industrial Revolution introduced greater division of labor. It broke jobs into more highly specialized or differentiated tasks that could be engineered into processes or assembly lines for the sake of coordination and greater efficiency. Specialization did have certain benefits: (a) less skilled and lower-paid employees, which reduced payroll costs; (b) reduced job training time and costs; (c) increased task repetition that raised productivity; (d) reduced time and costs associated with shifting between tasks; and (e) reduced dependence on highly skilled personnel. But there were also costs: (a) low employee motivation, which decreased performance and increased costs; (b) reduced ownership of outputs and quality of performance; and (c) high, cost-increasing job dissatisfaction, turnover, and absenteeism. In many ways, today’s job enrichment programs harken back to earlier days. They can involve the following: (a) combining prework and post-work tasks into a larger, more meaningful job requiring greater skill; (b) incorporating tasks that provide more opportunities for interaction with other people; and (c) encouraging and enabling personnel to manage themselves (set work goals, plan schedules, experiment with methods and procedures, and monitor and correct their own activities and results based on performance feedback provided to them).

Analyze jobs (and design or modify them) by thinking about the following: (a) tasks, duties, and responsibilities that can and should be combined into logical, sensible, and meaningful jobs; (b) the methods, procedures, and tools to be used; (c) the knowledge, basic mental and physical abilities, special skills, and experience required; (d) the availability of those personal inputs; and (e) the environmental conditions involved. Think about whether the combination (a) makes sense in design terms and (b) is inherently meaningful, motivating, and satisfying.

Step 5: Identify Job Interdependencies, Work Flow, and Perhaps Workloads

Interdependencies among jobs and work groups exist when a material output, service, or informational output of one is an input to and affects the performance of another. Analysis of input and output flows is required to determine the types and degrees of interdependence among jobs.

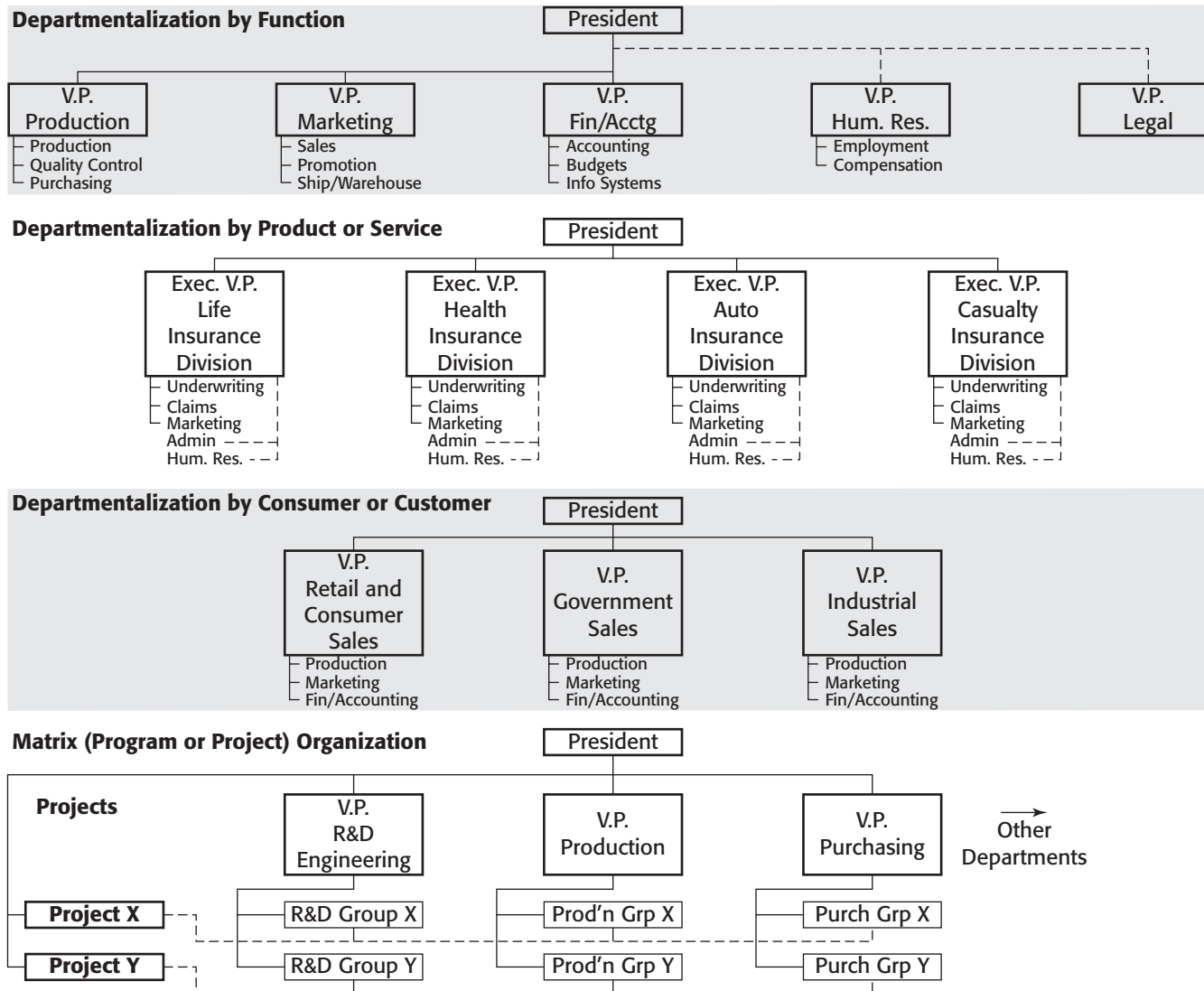


Figure 6.1. Alternative Organizational Structures

Note: V.P. = Vice President.

Analyze the flow of materials, services, and information between jobs to identify those that should logically be grouped together in a unit because of needs for close interaction and coordination. Also analyze personnel's workloads to, for example, reduce bottlenecks in sequences of tasks and ensure that personnel's workloads are fair and equitable.

Step 6: Combine Specialized Jobs into Work Groups, Units, or Departments

Although specialized jobs are more or less differentiated, most of them can be put into groups with which they share certain related missions, objectives, skill sets, or other significant characteristics. The grouping of related jobs is called *departmentalization*. It is a major step in designing a structure that coordinates (integrates) jobs and people. Several organizational structures are illustrated in Figure 6.1, and these and others are discussed here.

Organizing by function. All but the smallest organizations have one or more people working in the following specialized functions:

- A service group, to provide customer services, or a production group, to provide products in finished form or in various stages of manufacture or assembly
- A personnel group, to keep pay records, train employees, and provide manpower and information to other units
- A financial group, to budget capital resources, keep accounting records, receive and disburse funds, and provide financial or performance information to other units
- A procurement group, to order and provide equipment, supplies, and materials to units responsible for manufacturing a product or delivering a service

Commercial organizations add functions such as

- Marketing and sales, to promote and sell products or services

Industrial concerns add these additional functions:

- Engineering, to design products
- Shipping and receiving, to receive raw materials and transport finished goods

Complex organizations add

- Legal, planning, and research units, to provide specialized or technical support and information to other areas or units

Organizing by time. Especially in production areas, personnel may be grouped into shifts, each performing the same specialized activities in, say, one of three eight-hour segments.

Organizing by process or equipment. The units of chemical and pharmaceutical companies are generally organized around the chemical processes, mechanical processes, or types of equipment used. Sometimes an operations department is organized around processes and equipment, while the rest of a company is organized along functional lines.

Organizing by product. In consumer product manufacturing companies, all major functions (that is, marketing, R&D, and production) are generally organized into product groups. Today, in response to quickly changing markets and the need for quicker reaction to consumers' needs, wants, and attitudes, they are often organized around targeted consumer groups (or niche markets), especially when a company produces many products for many distinct groups.

Organizing by geographic location. The typical example is organization of sales functions into geographic sales territories.

Organizing by type of customer. Hospital personnel performing separate functions are often organized into groups caring for inpatients or outpatients. Colleges and universities group functional areas together to serve day students and night students.

Organizing by mixed departmentation. General Motors' main divisions are product- or brand-oriented: Buick, Chevrolet, Cadillac, Pontiac, and Saturn. Those divisions, in turn, each have their own production, distribution, and finance departments. Their distribution departments, however, are broken down into several major geographic regions. Alfred P. Sloan (1963), one-time head of General Motors, called for the decentralization of his own and other large organizations into smaller operating divisions, each having its own functional departments and checks and balances that gave functional units (engineering, production, finance, marketing) equal status. Thus were born the GM product divisions and their functional units.

The preceding types of rather traditional organizational structures are hierarchical and based on rank- or power-related control. The following types are less rigid, more responsive to change, and more dependent on trust, collaboration, and communication.

Organizing by programs or projects (matrix organization). The bottom example in Figure 6.1 shows how functional groups can be divided into project-oriented subgroups and then be assigned to work jointly on a particular project with subgroups from other functional areas. Such projects often involve innovating a new product and introducing it to the marketplace.

Organizing into self-managing work teams. With increasing emphasis on participative management and on personnel's greater self-direction and self-control, many organizations have established self-managing work teams. Such teams have advantages. However, according to Kulisch and Banner (1993), results can be mixed—especially in the short term—because of the steep learning curve involved in developing group skills and relationships.

Organizing by intraorganizational or interorganizational relationships. The following are three ways in which organizations can formally join together or at least work together for their mutual advantage.

- *Vertical integration.* Some companies acquire or merge with a supplier (backward integration) or a customer (forward integration toward the consumer) in order to more effectively and efficiently integrate several companies' functions.
- *Horizontal integration.* Some companies acquire competitors in order to acquire products, services, capabilities, resources, or customers that they did not have before.
- *Virtual organizations.* One example of a virtual organization would be a supplier, manufacturer, and distributor who remain separate entities but agree to very closely coordinate their planning and decision-making efforts in order to more effectively and efficiently meet a common objective. They may, for example, integrate their information systems or more closely coordinate their planning or decision-making processes. Individuals or groups performing different functions or services in different locations or in different companies (such as independent consultants) become a virtual organization by utilizing the latest telecommunication and data services to closely collaborate on pooling their resources and coordinating their specialized functions for some purpose or project.

In addition to showing how an organization structures its departments, an organization chart also shows which departments (or jobs) are line units and which are staff units.

Distinguishing between line units and staff units. Line units perform functions that directly contribute to meeting an organization's objectives. In manufacturing companies, these are units such as marketing and production. In the military, they are infantry, artillery, and armored units. Staff jobs and units generally have technical orientations and serve line units by providing advice, guidance, service, assistance, or support. Finance, human resource, and legal departments are normally considered staff units. They have no direct operating authority over line units and their personnel. However, within the staff units, there are line reporting relationships between superiors and subordinates. In addition, communications with higher and lower levels of the line organization are conducted through specified channels. Staff functions' working relationships with line units are ordinarily indicated on organization charts by dashed or dotted lines, as in Figure 6.1. (However, in the matrix organization shown in that figure, dashed lines are used only to distinguish lines indicating project relationships from lines indicating functional relationships.)

Functional relationships of staff jobs. Divisions or other operating units often have, for example, a staff controller who has a counterpart at the corporate or command level. The division controller, therefore, reports to two superiors: the division manager, who has line authority, and the corporate controller, who has staff authority. In such a case, the corporate controller normally has only restricted authority to take action in matters pertaining to functional aspects of the division controller's responsibilities. This relationship is also denoted by a dotted or dashed line.

Step 7: Identify Unit Interdependencies and Work Flow

Interdependencies also exist among units when a material output, service, or informational output of one is an input to and affects the performance of another. Analysis of input and output flows is required to determine the types and degrees of interdependencies between units.

Analyze the flow of materials, services, and information to and from units and subunits (both horizontally and vertically) and between unit and subunit managers (both horizontally and vertically). In general, key decisions involving goals, plans, procedures, structures, and solutions deal with activities affecting flows of materials, services, and information.

Step 8: Consider Possible Structural (Vertical and Horizontal) Relationships

Traditional organizations are like pyramids. The person (position) at the top has (a) broad, generalized responsibility (reflected in his or her functions and duties) for getting things done and meeting organizational objectives; (b) ultimate authority to make decisions, assign responsibilities, delegate authority, reverse or override lower-level decisions, and take or initiate action (within legal and moral bounds); and (c) ultimate accountability for what goes on in the organization and for overall organizational results. Each successively lower level of the hierarchy has (a) more specialized, narrower responsibilities (based on division of labor into specialized units and subunits); (b) less or more limited authority; and (c) less broad or generalized, more finite accountability.

There are probably as many organizational structures as there are organizations. Most organizations have a chart that illustrates vertical and horizontal working relationships among jobs and units. These relationships involve, for example, supervisory and reporting relationships, levels of authority, and channels of communication.

8A: Analyze Possible Vertical (Superior-Subordinate) Relationships

In traditional hierarchical organizations, managers placed supervisors over workers in order to direct, coordinate, and control their activities. As we will discuss in Chapter Eight when we cover managerial styles, supervisors were top management's agents for ensuring efficient operations. They directed, coordinated, and monitored activities, then evaluated performance and took corrective action on an as-needed or even a minute-to-minute basis. More modern organizations still use some hierarchy of managers and supervisors, but they encourage them to act as team leaders, advisers, communicators, supporters, and mentors.

When a structure is composed of jobs or roles that are related to each other in a *vertical* manner, *line* (superior-subordinate) relationships exist. The principle of *unity of command*, which is based on the belief that no one can serve two masters, calls for one superior for each subordinate. Downward relationships (denoted by vertical lines on an organization chart) indicate direct lines of authority and communication. The higher level has direct responsibility and authority for managing, supervising, overseeing, or guiding the level below. Especially in traditional, authoritarian organizations, downward communications tend to consist of instructions, decisions, and orders. A lower level's relationships to the level above, therefore, are action-taking and reporting relationships.

8B: Identify the Appropriate Span of Control

The number of immediate subordinates being guided, directed, coordinated, and evaluated constitutes a manager's or leader's *immediate span of control*. According to researchers, this number generally ranges from four to eight at upper levels and from eight to fifteen (but sometimes more) at lower levels. How many can (or should) be managed or supervised largely depends on (a) the complexity of the jobs involved; (b) the interdependencies among them; (c) the degree to which coordination of jobs can be engineered into an efficient process or assembly line; and (d) the skills of those being managed or supervised. Other factors may also be involved. As the number and complexity of relationships become larger, they may eventually surpass an individual's ability to cope effectively. For example, Graicunas (1933) identified three types of relationships among a superior and immediate subordinates: direct single relationships (superior to subordinate); direct group relationships (superior to combinations of subordinates); and cross relationships (subordinate to subordinate, in both directions). He pointed out that as the number of immediate subordinates increases, the total number of task-related and interpersonal relationships multiplies at an algebraic rate. Based on his formulas, Graicunas calculated that when a superior has three subordinates, there are 18 total task-related and interpersonal relationships. (As shown in Figure 6.2, however, it looks as though there are 22 possible relationships.) Given five subordinates, Graicunas calculated a total of 100 relationships. When there are twelve subordinates, he calculated that the superior must deal with an incredible 24,708 total relationships. With eighteen, he calculated 2,359,602! Even under the most conducive circumstances, that complexity is far too great for anyone to handle well.

Total span of control is the total number of subordinates at all levels below the manager, supervisor, or leader. It happens too often that when a manager or supervisor has too large an immediate or total span of control, he or she may be inclined to deal with task interrelationships at the expense of interpersonal relationships.

8C: Establish Horizontal Relationships (with Colleagues or Coworkers)

Jobs can be coordinated by departmentalization, but departments must also be coordinated across an entire organization, so that they are all working together efficiently and effectively.

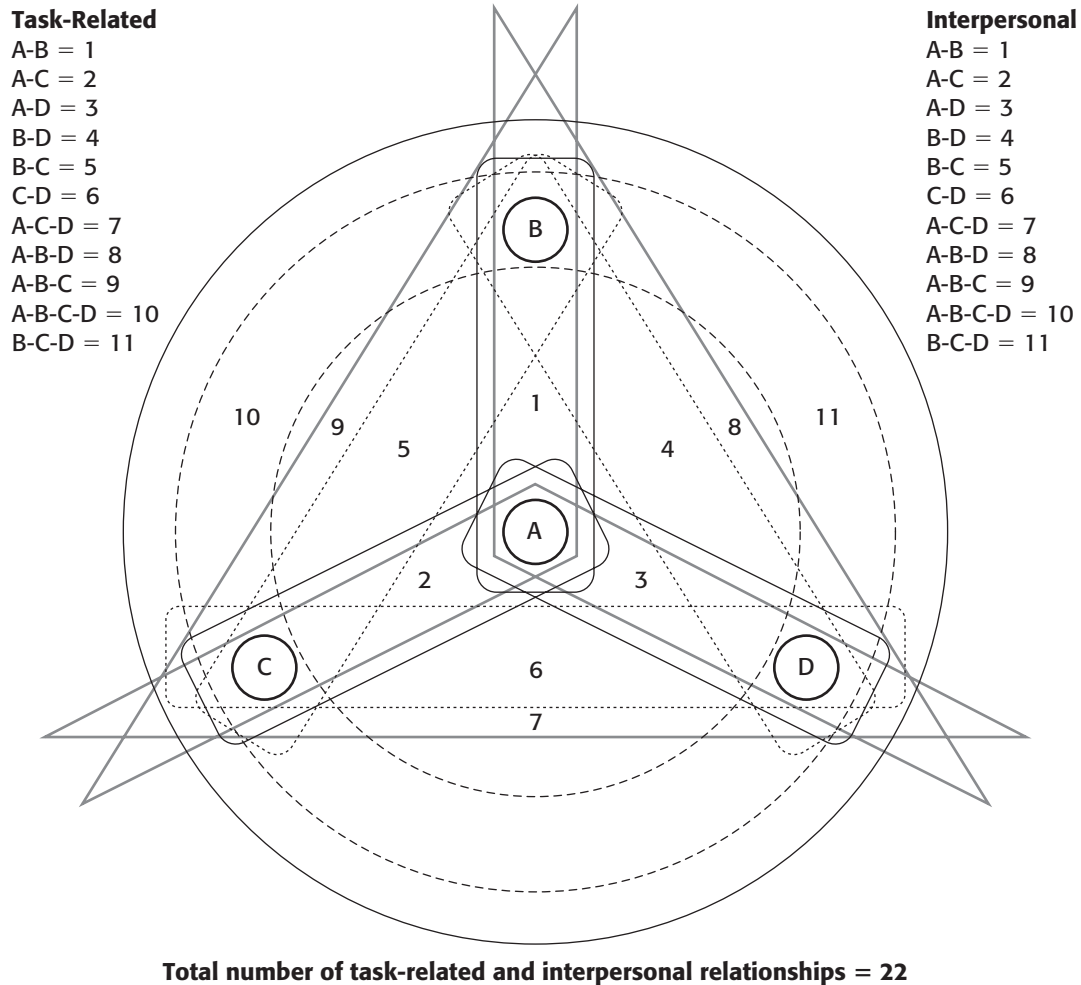


Figure 6.2. Number of Task-Related and Interpersonal Relationships, Given a Manager (A) and Three Subordinates (B, C, D)

If strict vertical lines of authority and communication are being imposed (by authoritarian bosses), there is little horizontal communication between the personnel in units—just questions or information going up to a boss, going across to another department head, going down into the other department, information going back up, a decision being made, the decision coming back across to the boss, and eventually a decision or instruction coming back down. Such a formal structure can be very inflexible, becoming cumbersome when the organization is dealing with frequent and often unpredictable change. Especially in marketing and research units, which tend to experience such change, a network of informal horizontal and vertical relationships can develop. An informal network facilitates information exchange and decision making among managers and personnel at various levels. It has become common practice to (a) analyze informal organizational working relationships, (b) determine why they are occurring and why they work, and then (c) use what has been learned to redesign working relationships and restructure the organization.

8D: Determine Which Positions at Which Levels Should Be Involved in Making Which Integrative Decisions

As discussed earlier in general terms, managers, supervisors, and workers are all given responsibilities for making decisions about certain technical, functional, or professional aspects of their jobs. However, the jobs (and job descriptions) of managers and supervisors include responsibilities for making integrative decisions concerning the interrelated activities of subordinates and their units. In general, these decision-making responsibilities should be assigned to those in the best position to make them. The best position is a function of these and other variables:

- Who is in the best position to have an overview of what is occurring both internally and externally (for example, a CEO often makes high-risk strategic decisions that involve the goals, plans, and budgets of the major line and staff units)
- Which technical, functional, or professional matters are involved (for example, a production scheduler makes scheduling decisions that coordinate the efforts of several interrelated production units)
- Who is in the best position to integrate the activities of individuals or groups (for example, a marketing department manager makes decisions that coordinate the activities and budgets of sales and advertising subunit managers)
- Who is in the best physical location to see what is going on (for example, a production supervisor, who can view an entire group's activities, makes decisions that coordinate that group's activities)
- Who has the appropriate knowledge and skills
- Who has (or can be given) the necessary information on which to base a decision

Too often, because of competitive pressures, corporate image considerations, financial risks, or other issues, decisions are made at high levels of an organization. Many times, however, decisions that significantly affect organizational performance can best be made at the worker level, where the people know what is actually going on, why, and what to do about it. In fact, the rule of thumb has become "Decisions should be made at the lowest level possible."

Regardless of their position in the organization, whenever someone is confronted by a decision, that person should anticipate how others could be affected and then ensure that the appropriate individuals or groups participate in making the decision. Unless all who are involved in a situation or who would be significantly affected by a decision actually take part in making it, more problems may be generated than solved. Adhering to this guideline can prevent many intra-unit and interunit conflicts and improve organizational efficiency and effectiveness.

After the position at which a particular integrative decision should be made has been determined, it is necessary to determine (a) what information is needed, (b) from whom or from where, (c) when or how often, and (d) in what format. This information is essential for designing effective and efficient information and planning systems.

8E: Review, Modify, or Establish Delegation of Authority

The following basic definitions have been synthesized from sources such as Merriam-Webster (2003) and Arthur G. Bedeian (1993). As mentioned earlier, each person's job is made up of responsibilities for performing specific technical, functional, or professional tasks and,

especially in participative organizations, certain integrative (decision-making) tasks. *Responsibilities* are obligations that involve organizational, legal, moral, or ethical accountability. In turn, *accountability* involves being answerable to someone for a specified outcome or result. *Authority* is the power to influence or command thought, opinion, or behavior. *Delegating* involves entrusting some of one's authority to another person. Some speak of "delegating responsibilities and authority." We prefer "assigning responsibilities" and "delegating authority."

These are several principles of delegation: First, authority is delegated when organizational power is vested in a subordinate by a superior. Second, no superior can delegate authority that he or she does not have. Third, a superior cannot delegate all of his or her authority without essentially abdicating his or her position to a subordinate. Fourth, when a responsibility is assigned, the commensurate authority to make decisions and get them carried out by personnel under one's control must be delegated in some written or verbal form.

When delegating, ask the big question: "Has the individual actually been delegated the authority to make the decisions (either alone or with the appropriate group) and take the actions necessary to (a) carry out assigned responsibilities efficiently and effectively and thereby (b) obtain the results for which he or she is being held accountable?" Ideally, one should only be held accountable for and evaluated on results when he or she can control or at least influence the activities and resources required to meet those responsibilities. The necessary control or influence can stem from the power or authority derived from one's job description and level in the organization. The authority residing in each position in the hierarchy should be determined during some analytic or planning process dealing with how best to organize and should then be spelled out clearly in job descriptions and other appropriate communications. Here's another question to consider: "Is the delegated authority to make decisions and act full or limited, and if limited, (a) which responsibilities or functions have been delegated and (b) in what ways or to what extent?"

When planning what and how to delegate, consider the following suggestions:

Determine what authority is necessary for each subordinate's job. For example, subordinates may need

- Authority to perform technical, functional, or professional responsibilities that involve making decisions and taking action on one's own
- Authority to make specified integrative decisions on one's own
- Authority to make specified decisions with others in participative processes

Analyze subordinates and their positions. Here are some points to include in this analysis:

- Consider subordinates' (a) capabilities, potentials, strengths, and weaknesses (both managerial/supervisory and technical/functional); (b) attitudes and motivation; and (c) past performance.
- Determine what they need in order to effectively carry out the responsibilities and exercise the authority of their position.
- Identify what inputs they might need that they are not now getting—for example, (a) information, (b) decision-making or policy guidelines, (c) training and development, (d) advice, or (e) support.

Identify and analyze your own attitudes toward delegation. Whether a manager delegates (shares) authority depends on important factors such as (a) his or her managerial style (and that of his or her superiors); (b) the nature and extent of the authority delegated to the manager (and to his or her superiors); (c) the actual versus perceived advisability of delegating decision-making authority to a particular person at a particular organizational level; and (d) conscious and unconscious fears that may accompany delegation of authority to subordinates.

With regard to possible fears, managers should consider their willingness to do the following: (a) take risks by giving subordinates' ideas a chance; (b) share power with them; (c) let subordinates make mistakes that could be personally embarrassing and for which they as managers would be held accountable; (d) trust them; (e) make choices involving people; and (f) keep lines of communication open. Managers should also reflect on their willingness to see a subordinate do something as well as or better than they can, perhaps to the point where they might feel that their job is threatened. In addition, managers should think about how willing they are to take the time and make the effort to (a) provide training, development, guidance, and support; (b) monitor and guide subordinates' efforts; and (c) increase subordinates' job satisfaction, possibly at some expense to their own.

Phase III: Plan How to Implement Organizational Changes or Improvements

Because definitions and methodological steps relating to planning functions are discussed in Chapter Four, we will not discuss them again here with regard to steps 9–12.

Step 9: Formulate Alternative Organizing Strategies and Tactics

Step 10: Formulate Alternative Organizing Programs, Projects, and Action Plans

Step 11: Formulate Alternative Organizing Program and Project Budgets

Step 12: Formulate Alternative Policies, Procedures, and Rules Dealing with Organizing

Phase IV: Make Final Decisions (Choose Among Alternatives) and Contract with Subordinates About Plans for Organizing and Delegating

Step 13: Structure the Organization's or Unit's Vertical and Horizontal Working Relationships

Step 14: Finalize (Formulated or Updated) Job Descriptions

- A. General description of job responsibilities:
 - Technical, functional, and professional responsibilities
 - Managerial, supervisory, integrative, and leadership responsibilities
 - Collateral assignments or duties
- B. Job objectives and goals
- C. Performance standards and expectations
- D. Reporting relationships
- E. Delegated decision-making authority (and applicable policy, procedural, or other guidelines or constraints):
 - Authority to make which technical, functional, or professional decisions personally
 - Authority to make which technical, functional, or professional decisions in participation with others

- Authority to make which integrative decisions personally
 - Authority to make which integrative decisions in participation with others
- F. Outline of specific tasks (in order to define item G)
- G. Job specifications and qualifications (which include knowledge, skills, and other requirements discussed in detail in the next section on staffing)

Phase V: Implement Organizing (and Delegating) Plans

Step 15: Implement Organizing and Delegating Plans.

Initially implement any plans that need to be put into place prior to the implementation of the operating plans that they were designed to support.

Other Organizational Tools

In addition to job descriptions, there are other major tools that help create order among jobs and people. *Organization charts*, such as those in Figure 6.1, illustrate the framework of vertical and horizontal relationships for integrating jobs and the people performing them. An *organization manual* lays out the organization's policies, procedures, and rules and other matters of interest to personnel.

STAFFING

As shown in the bottom half of Figure 2.1 on page 36, this major function can be broken down into two main areas: (a) filling positions and orienting personnel and (b) training and developing personnel. Each of those areas can be divided into more specific activities. As discussed in Chapters Two through Four, the most important goals and plans resulting from the analysis and planning phases of a planning process are the *operating goals and plans*. Once those have been formulated, attention can be focused on analyzing resource requirements and formulating supportive *resource and systems goals and plans*, which deal with human resources, facilities and equipment, information and control systems, and financial resources. Staffing involves analyzing human resource needs based on operating goals and plans and then developing staffing plans. It may be necessary to implement certain staffing plans in preparation for implementation of other organizational plans (in the bottom half of Figure 2.1).

For years, human resource professionals have used traditional industrial psychology principles and practices to staff their organizations. However, according to Stewart and Carlson (1997), traditional approaches are not as applicable in fulfilling technologically driven staffing requirements in the twenty-first century. Still, applying some of the most basic and enduring principles and practices can help all managers better perform their roles in staffing processes.

Filling Jobs: Steps and Considerations

Filling a job may entail recruiting external applicants, choosing among them, and hiring the most qualified, or it may entail selecting among internal applicants and either promoting the selectee or moving him or her laterally into the available position.

Choosing the most qualified applicant is a very important decision. Taking into account pay and benefits adding up to, say, a twenty-year average of \$50,000 a year, an employee could cost an organization \$1 million over twenty years. A decision that expensive is worth considerable thought.

Phase 1: Analyze Jobs and Identify the Qualifications and Inputs Required. This phase should already have been completed either during or in conjunction with an organizational analysis and planning process. As shown in Figure 2.1 on page 36, job descriptions were outputs of the part of that process that involves organizing.

Job descriptions should outline these job qualifications: (a) basic mental and physical abilities and levels required; (b) specialized mental and physical abilities and levels required; (c) general knowledge; (d) specialized technical, functional, or professional knowledge and experience required; (e) specialized technical, functional, or professional skills and levels required; (f) managerial knowledge, skills, and experience and the levels required; (g) appropriate values and attitudes; and (h) levels of personality traits that are functional for the job. Managers should prioritize the requirements and also identify possible trade-offs that might need to be made in order to select the person having the best overall qualifications (or potentials) from a field of candidates.

One of the most common staffing problems involves promoting workers into supervisory jobs. Several decades ago, organizations began to notice that technical or functional knowledge and skills are not enough and that supervisors also need supervisory and interpersonal skills. As a result, some organizations made the mistake of overreacting and emphasizing supervisory and interpersonal skills over technical or functional skills. There must be a balance. If supervisors are perceived by their subordinates as not being high enough in technical or functional skills, their technical or functional advice and decisions may not be respected and followed by subordinates. Effective supervisors need both expertise-based influence and personality-based influence in order to be followed and to minimize their need to exert position-based authority. The same applies to managers.

Phase 2: Recruit and Hire External Candidates or Select and Promote Internal Candidates. Here, the main rule of thumb is fit a person to the job, not the job to a person. It is the job (collection of tasks) that must be performed effectively and efficiently. Too often in the past, less than fully qualified and motivated personnel have adapted their jobs to themselves at the expense of job, unit, and organizational performance.

There are countless references on methods, procedures, and legalities involved in recruiting, interviewing, hiring and selecting employees, and this chapter cannot possibly cover these topics in depth. However, the following major points should be mentioned. First, before interviewing candidates, be familiar with the job description and the recommended qualifications. Then, knowing what to look for, ask questions that confirm whether or not a candidate possesses the requisite knowledge, skills, potentials, and experience. Ask questions that provide insight into the interviewee's motivation, enthusiasm for the job, work-related attitudes, and character. Do not ask discriminatory questions about age, sex, race, religion, sexual orientation, or other attributes. (Check with your human resource department for legal guidelines.)

Orienting New Hires and Selectees to Their Jobs

It is neither wise nor fair to place people into new jobs and simply let them sink or swim. Anyone new to a job should be familiarized with the following:

Job-Related Items

- Job description (performance objectives; technical, functional, or professional tasks, responsibilities, or duties; and managerial, supervisory, or leadership responsibilities)
- Job performance standards and expectations
- Methods, procedures, and tools customarily used on the job

- Reporting relationships
- Physical facilities and working environment
- Safety issues
- Legal issues
- Pay and benefits
- Interrelated jobs
- Personnel who hold the interrelated jobs
- Support personnel
- The immediate superior
- The superior's attitudes and performance expectations
- Colleagues and coworkers
- The unit's normative attitudes and behavior

Facts About the Organization

- Goods produced or services offered
- Mission and objectives
- Programs and projects being implemented
- Structures and systems
- Facilities and amenities
- Policies, rules, and procedures
- Locale and community relations

Developing (Educating and Training) Personnel

First, to identify developmental needs, managers should perform a qualifications gap analysis (a) soon after a person has been hired or promoted, (b) as far in advance of the next annual performance evaluation as possible, and (c) within the context of an organizational planning process. This analysis is performed by comparing qualifications outlined in the job description against an assessment of the individual's actual qualifications. Recognizing any gap or shortfall in each area helps identify the individual's short- and long-term developmental needs. Managers should do this with each immediate subordinate on a confidential, one-to-one basis. They should also do it participatively with the entire group of their immediate subordinates in order to identify the *unit's* general developmental needs.

Second, following the analysis phase, managers should formulate individualized development goals and plans with each immediate subordinate. Then, with the group of their immediate subordinates, managers should participatively formulate unit development goals and plans.

Third, managers need to provide formal and on-the-job training in technical, functional, or professional knowledge factors and skills. In addition, managers should provide managerial, supervisory, or leadership education and skills development. In both cases, training should use classroom education, seminars, multimedia presentations, e-learning, or other media as appropriate. (The organization's training and development specialists can be consulted for help with training issues.)

Fourth, managers need to provide subordinates with advice and support to help them develop functional motives, attitudes, mental habits, and skills.

Chapters Eight through Eighteen also discuss staffing issues within various contexts.

GUIDING PLANNED ACTIVITIES

Chapter Two mentions that performing functions such as directing, coordinating, and controlling are essentially authoritarian approaches to management, supervision, and leadership. Traditional organizations have used them for centuries. In order to direct and coordinate, managers and leaders make decisions based on evaluation of activities and results, then issue (communicate downward) decisions, orders, or instructions. Supervisors are the agents for on-the-spot direction, coordination, and control. In less authoritarian organizations, managers make decisions but then try to sell them to personnel instead of just ordering them to implement the decisions.

As this book mentions in many contexts, participative management involves subordinates in analyzing situations, formulating plans and solutions to problems, and making decisions that will affect them and their jobs. Because they participate in these management functions, they know the who, what, why, when, and how of what is to be done. They do not need to be told or even sold. And because they are being provided with performance feedback, they are able to coordinate their activities and monitor and adjust their performance on their own. In short, because of participative practices, they can be more self-directing, self-coordinating, and self-controlling. Managers and leaders play the roles of advisers, counselors, coaches, mentors, and supporters. They *guide and integrate* coordinated activities mostly by communicating advice and information.

However, complications do occur when there are interdependencies among different units. The key question is “Are direct communications between members of different units encouraged or discouraged?” As mentioned earlier, formal structures and authoritarian managerial approaches traditionally have prevented direct interactions between personnel in different units. On the other hand, participative, team-oriented organizations encourage more interactive or organic working relationships and more direct and informal communication among personnel. Participative organizations establish these team-oriented vertical and horizontal integrative relationships during the organizing aspects of their planning processes.

CONTROLLING

Management control systems involve these subfunctions: measuring outputs or results; reporting results; evaluating performance; identifying problems; and then initiating corrective action. The traditional approach to controlling operations—measure results and report them up the chain of command for evaluation and corrective action—is no longer the accepted model. Today, especially when the team or participative approach is being applied, individuals and work groups are provided with feedback on their performance, evaluate it themselves, and take their own corrective action (perhaps with a superior’s guidance).

Measuring and Evaluating Unit Results

Unit results or performance can be measured and evaluated daily, weekly, monthly, quarterly, semi-annually, or annually.

Step 1: Measure, Collect, and Format Performance-Related Information. As mentioned in Chapter Four with regard to goal setting, quantitative results (for example, data on sales, costs, profits, productivity, and so on) can be rather easily measured, collected, formatted, reported, and evaluated. On the other hand, more subjective or qualitative results are more difficult to measure and evaluate. Some qualitative results, however, can be expressed in more quantitative terms (for example, expressing the level of worker satisfaction in terms of absenteeism and turnover rates). A marketing department's annual results are shown in Table 6.1. The table indicates the budgeted (intended, planned, expected) results; the actual results; and the variances between them.

Step 2: Compare Actual Against Budgeted Results. Before a unit's or entire organization's results can be evaluated, it is common practice to compare budgeted results with actual results. Comparing the two identifies (a) whether there is a variance (difference) between them (that is, whether actual results met budgeted results and, if not, whether the unit is over budget or under budget); and (b) whether some problem might be indicated. Using variances to identify problems is the basis for management by exception—that is, an exception to what was planned or intended to occur. Comparing actual against budgeted results and identifying variances is very straightforward; interpreting variances in quantitative data is not. Neither is interpreting qualitative information on intangible or subjective results.

Step 3: Analyze and Interpret the Information to Identify Problem Areas and Their Causes. *Analyze both favorable and unfavorable results* in terms of many factors. For example, while being over budget in sales is generally considered good, it may not be. Perhaps the budgeted sales figure was based on a performance expectation that was too low and too easy to surpass. Being over budget, therefore, may indicate a need to reevaluate the performance standard. While being over budget in costs is generally considered bad, it may not indicate poor performance. Perhaps the budgeted cost figure was set unrealistically low and could be exceeded too easily, which is also a problem. While being under budget in costs is generally considered good, it, too, may not indicate good performance. Perhaps the budgeted cost figure was based on a performance standard that was too easy to beat, which is a problem.

Even meeting budgets squarely does not necessarily indicate an absence of problems. On the contrary, it may very well indicate that performance standards and budgets were not formulated well and should all be reviewed. For example, it could be that in order to hit a generous or unnecessarily high budget level, personnel spent unused or unrequired funds at the last minute. Or it could be that in order to hit a less generous or inadequate budget, certain necessary expenditures were not made. Squarely meeting budgets can also hide the fact that the performance parameters being used were not chosen well and do not reliably indicate the most desirable performance. In addition, measurement and evaluation systems and procedures may not have been designed to provide the clearest, most accurate, and most meaningful information. Furthermore, another unit's or individual's poor performance may have impeded unit performance. All these and other factors require thorough review—before formulating and implementing possible solutions.

Appraising Individual Performance

Managers appraise an individual subordinate's performance to accomplish a number of things:

- To determine how well that person is performing
- To identify the individual's strengths and weaknesses

Table 6.1. Sample Marketing Department Operating Budget

Row Number		Annual Total (Budgeted)	Annual Total (Actual)	Variance Over or Under Budget	
1	UNIT SALES	150	145	(5)	Under
2	GROSS SALES REVENUE	30,000	28,000	(2,000)	Under
3	Sales discounts	(600)	(550)	(50)	Under
4	Freight allowances	(300)	(325)	25	Over
5(-)	TOTAL DISCOUNTS AND ALLOWANCES	(900)	(875)	(25)	Under
6(=)	NET SALES REVENUE	29,100	27,125	(1,975)	Under
	EXPENSES				
	Advertising and Promotion Expenses				
7	Catalogues, brochures, postage	200	210	10	Over
8	Point-of-purchase displays	300	300	—	—
9	Broadcast media advertising (co-op)	100	105	5	Over
10	Print media advertising (co-op)	500	490	(10)	Under
11(+)	TOTAL ADVERTISING AND PROMOTION EXPENSE	1,100	1,105	5	Over
	Selling Expenses				
12	Regular managers' compensation	233	235	2	Over
13	Salespersons' compensation	1,332	1,332	—	—
14	Samples and other selling aids	100	110	10	Over
15	Telephone	70	85	15	Over
16	Travel and entertainment	800	760	(40)	Under
17	Shows and exhibitions	200	200	—	—
18	Sales force training and conferences	65	67	2	Over
19(+)	TOTAL SELLING EXPENSE	2,800	2,789	(11)	Under
	Other Marketing Department Expenses				
20	Mid-management and staff compensation	248	250	2	Over
21	Office personnel compensation	300	300	—	—
22	Employment taxes (all personnel)	233	234	1	Over
23	Employee benefits (all personnel)	124	125	1	Over
24	Office supplies and equipment	24	25	1	Over
25	Telephone and postage (headquarters)	38	40	2	Over
26	Warehousing contracts	320	310	(10)	Under
27	Miscellaneous	24	24	—	—
28(+)	TOTAL OTHER EXPENSES	1,311	1,308	(3)	Under
29(=)	TOTAL DIRECT EXPENSES	5,211	5,202	(9)	Under
	Charged (Corporate General and Administrative) Expenses				
30	Executive and administrative compensation	242	245	3	Over
31	Information system usage	36	35	(1)	Under
32	Rent, utilities, depreciation, and other	158	158	—	—
33(+)	TOTAL CHARGED EXPENSES	436	438	2	Over
34(=)	TOTAL EXPENSES	5,647	5,640	(7)	Under

Notes: All figures are in thousands of units or dollars.

- To provide feedback with which to adjust his or her own qualifications and behavior
- To develop valid information on which to base compensation decisions
- To make discharge decisions that can be substantiated
- To help further develop a positive superior-subordinate relationship
- To provide an opportunity to give the subordinate support and deserved recognition
- To identify a subordinate's performance problems
- To pinpoint significant causes that are beyond the subordinate's control
- To revise individual development goals and plans
- To formulate and subsequently implement solutions involving other people

In general, the same points and steps in the preceding section apply to appraising individual performance. Here are some additional suggestions for conducting performance appraisals:

- Meet privately with the subordinate in a comfortable, quiet, nonthreatening location.
- Behave in a congenial, concerned, sensitive, and trustworthy manner, acting as a coach or mentor.
- Be mindful of the halo effect. Avoid giving an individual high marks in all areas just because he or she is exceptional in just one or two areas. Likewise, avoid the "horns effect"—assigning low marks in all areas because of significant deficiencies in just one or two. Also avoid the "Santa Claus effect" by refraining from trying to be a pal or to win over the subordinate with undeserved praise and rewards.
- Focus on the person's strengths and potentials, but bring developmental needs to the person's attention—nicely and tactfully but also honestly. Explore what each of you can do to further the person's development.
- Be mature enough to consider how your own attitudes, behavior, or perhaps even failures could have negatively affected the individual's motivation, attitudes, knowledge and skill development, fulfillment of job-related information needs, interactions, behavior, or performance.

CONCLUDING REMARKS

While the implementation functions of management involve carrying out operational and resource management plans of an organization, the think-work that goes into them and their implementation enable the implementation of all other plans. After all, it takes an organizational structure staffed with capable personnel to implement anything.

Having discussed these implementation functions and the preceding think-work functions, and having related the problem-solving process to the managerial (integrative) process, we can now relate general management to time management in Chapter Seven. And we can show how not performing these functions properly can cause many problems, waste people's time, and create considerable stress in an organization.