

INDUSTRY

OFFICIAL MONTHLY MAGAZINE OF ASSOCIATED INDUSTRIES OF MASSACHUSETTS

It's time we made management a full-time job

By FRED ADAIR

Middle managers are increasingly feeling the pinch as their companies undergo "downsizing" or "restructuring," two lofty euphemisms for laying people off. Each week, the business press announces another round of staff reductions, as corporations abandon unwanted operations, cut budgets, and weed out the managers in their middle layers in great numbers.

This squeeze is being created by fundamental economic changes in many industries: Markets are becoming global, the pace of technological innovation is quickening, and the infrastructure for distributing and communicating about goods and services is becoming increasingly sophisticated.

These developments place complex pressures on middle management. On one hand, they must sponsor the sort of innovation and entrepreneurialism required in the new economic environment, while on the other they recognize that job security is waning. Responding to both sets of demands often appears to exceed the capabilities of individual managers. However, their inability to cope with heightened opportunity and complexity cannot be blamed entirely on them as individuals. The structure and definition of management must be examined as well.

□

One particular innovation that brings order to the confusion in middle management ranks is gaining currency in some organizations. Senior management and organization planners are increasingly recognizing the value of specialization in the role of manager and are looking for opportunities to make management a full-time job.

Most managers are responsible for both managing a work unit and

performing functional work. They were promoted into their first management jobs usually in recognition of their functional performance and skills. Everyone has known a person who was rewarded for being the best worker by getting to boss everyone else around. Even though companies now send first-time managers out for training or sponsor internal training programs, the selection of the managers is still done the old way — based on functional performance.

Furthermore, middle managers are often forced to wear both managerial and functional hats. In many organizations, senior managers hold their subordinate managers responsible for knowing the details of all the work being performed by their respective units. In these situations, responding "I don't know" to a query about work progress within the unit is often an implicit recognition of personal failure. Consequently, most middle managers stay intimately involved in the daily work activities of their units, often reserving the most critical evaluation or consolidation activities for themselves.

These signal aspects of the managerial environment conspire to create work units across the broad middle expanses of most organizations that become increasingly ineffective at achieving their missions. Managers work long hours but never fully delegate responsibility for making decisions. Workers and subordinate managers develop slothful thinking habits in unsatisfying jobs, and the organization's inertia is justly criticized by senior managers, who want it to respond faster to competitive threats and market opportunities.

□

What are we to do with the managers striving bravely in the middle of these overstaffed, underorganized

bureaucracies? They deserve compassion on two counts, for, in the midst of great organizational and economic upheaval, they are trying to do their best, and they are doing what we told them to do. We've got too many of them — that's easy to see — but is an across-the-board reduction in headcount really a useful strategic initiative, one that will guarantee the organization's future?

When management is made a full-time job, individual managers need not concern themselves with non-managerial responsibilities. The functional work required to produce the defined output of each managerial work unit is performed by the workers and technical specialists assigned to the manager. The job of the manager is, broadly speaking, to ensure that the work unit accomplishes its mission.

What activities comprise the role of full-time manager? Is there more to the job than the "controlling, guiding, directing" of the traditional definition of managing? Analysis of work activity data for more than 10,000 managers across a range of industries shows that there are five key dimensions to the management job:

- 1. Strategic direction** — Defining organizational mission, analyzing competitive environment, determining strategy.
- 2. Human resource development** — Career planning, personal counseling, training and development, and performance evaluation.
- 3. Administrative management** — Hiring and firing, salary administration, budgeting, and control.
- 4. Functional direction** — Planning, directing, and monitoring the work of subordinates.
- 5. Functional work** — Performing key work activities to produce the unit's defined output.

Inventory of Managerial Responsibilities											
Managers	Strategic Direction		Human Resource Development		Administrative Management		Functional Direction		Functional Work		
• Activities	<ul style="list-style-type: none"> • Mission/direction setting • Competitive analysis • Strategic planning • Organization planning 		<ul style="list-style-type: none"> • Career planning • Coaching • Personal counseling • Training and development • Performance evaluation 		<ul style="list-style-type: none"> • Hiring and firing • Salary administration • Work unit budgeting 		<ul style="list-style-type: none"> • Directing work of subordinates • Planning work of the unit • Monitoring work of subordinates 		<ul style="list-style-type: none"> • Performing key work activities to produce unit's defined output 		
Amount of effort required by level	Past	Future	Past	Future	Past	Future	Past	Future	Past	Future	
Fourth-level managers	4	5%	50%	5%	20%	10%	10%	35%	20%	45%	0%
Third-level managers	3	0	25	5	20	20	20	20	30	55	5
Second-level managers	2	0	10	10	20	10	20	30	40	50	10
First-line supervisors	1	0	0	20	30	25	10	40	40	15	20

A full-time manager should provide leadership along each of these dimensions. However, the individual manager's job will vary in the amount of effort expended in each category, depending on organizational level and function, managerial span of control, complexity of work, skills of workers, and size of the company. First-line supervisors in most companies provide little that can be called strategic direction; senior executives normally do little that can be called functional work.

One management group recently focused its organization development efforts by analyzing past management performance and simultaneously planning future direction along these key dimensions. Their analysis is charted above.

Senior management and organization planners should think carefully about the appropriate mix of activities at each managerial level and position. Functional direction and functional work tend to capture more managerial attention because these activities are more immediately measurable and controllable.

Managers under even normal organizational stress (and poorly structured organizations have more than their share) will tend, necessarily, to focus on the work at hand. However, the first three dimensions — strategic direction, human resource development, and administrative management — are the *sustaining elements of organization*. They call for daily performance of the activities that will shape the organization's future. When managers in poorly structured companies are under pressure, preparing for the future is continually

deferred.

Senior management and organization planners need to approach the middle management dilemma in three important ways to decrease organizational stress and improve organizational effectiveness.

• **Establish full-time manager jobs wherever possible.** Any area of the organization where managers need not be continuously involved in performing key steps in the workflow to maintain their competence to manage are candidates for full-time management. Areas such as manufacturing and customer service are the obvious examples, but the concept has been applied to marketing, sales, finance, and engineering organizations with equivalent success.

On the other hand, areas where technology or techniques change rapidly require that managers maintain a useable technical competency. In such areas as computer systems, basic research, and creative arts, project managers with the required technical competencies may be employed to accomplish most of the functional direction. These units may be structured with fewer full-time managers, each with larger spans of control, to accomplish the five sustaining elements, overlaying the project management structure that directs the functional work. With the managerial work delineated in this way, the control and allegiance conflicts inherent in matrix organizations are essentially eliminated.

• **Choose an appropriate span of control.** Full-time managers generally can manage more people since

the manager is not directly in the line of workflow. The appropriate managerial span of control will vary accordingly to the unit's mix of work activities, level in the organization, and such interrelated factors as task complexity, task variability, and workflow coordination requirements. Wider spans tend to keep the full-time manager so busy managing that he must delegate his functional roles.

• **Provide performance goals and educational assistance in the sustaining elements of organizations — strategy, human resources, administration — to new full-time managers.** Most of today's managers were trained by personal experience to make decisions too quickly, to thrive on the accomplishments that come to the quick and the bold. Full-time managers must learn to place greater stock in planning well if they are to be effective in today's changing economic arena. This will require them to be less tactical and action-oriented than standard reward systems tend to promote. They will need help, therefore, on both personal and procedural levels, in learning to use resources effectively to accomplish their goals.

□

Using the foregoing principles to create full-time middle managers will not eliminate the need for downsizing and restructuring in response to day's rapidly evolving economic environment. Following these guidelines, however, will provide the structural underpinnings necessary to build stronger and more efficient organizations that can adapt to changing external circumstances more effectively.