

What Is MANAGERIAL EFFECTIVENESS

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There is only one realistic and unambiguous definition of managerial effectiveness. It is the extent to which a manager achieves the output requirements of his position. Effectiveness must be defined in this way in terms of output rather than input-by what a manager achieves rather than by what he does. Once this is recognised by a manager his route to effectiveness is clear. He must

Make Decisions

Do Important Things Only
Look Outward From Job

Do Productive Things First

Exploit Opportunity

Focus on Results

Utilize All Resources

through the use of a particular management style. To see it this way is nothing more or less than a return to the now discarded trait theory of leadership.

Results not personality

This approach suggested that more-effective leaders had special personal qualities not possessed by less-effective leaders. Effectiveness is best seen as some thing a manager produces from a situation by managing it appropriately. It represents output not input. Is it not so much what a manager does but what he achieves. As an extreme example:

A manger's true worth to his company might be measured by the amount of time he could remain dead in his office without anyone noticing it. The longer the time, the more likely it is that he makes long-run policy decisions rather than short-run administrative decisions. The key decisions in a company are long-run and may refer to market entry, new-product introduction, new-plant location. A good man making these decisions will not get involved, as can happen, with such problems as employee parking-space practices. If he does he has not decided on the true effective output measures of his job or has not the skill or opportunity to create conditions where only policy issues reach him.

Effectiveness standards

Every managerial job has effectiveness standards associated with it. These are the standards by which the performance of the manager in the job may be judged. Preparing and using such written standards has cured numerous management ills simply because the true reason for each manager's existence is investigated, discussed and ultimately agreed on by the manager himself and by his superior.

Effectiveness standards carried to their logical conclusion lead to management by objectives. This is nothing more than designing an organisation around the outputs of managerial jobs rather than the inputs or around nothing at all. Effectiveness standards are easily prepared. A typical key opening heading is: 'This manager is performing effectively when this happens.......' What follows will usually be a pairing of some of the following terms on the left with those on the right:

Improving Profit

Quality Product

Quantity Turnover

Accuracy Reports

Avoidance Inventory

Timing Labour

Reducing Scrap

There is usually some form of quantification in terms of percentages, £ s and employees.

When managers write their own effectiveness standards a great many things can happen.

A division managers and seven branch managers in an electrical utility in Canada decided to prepare their own effectiveness standards. It was not difficult to convince these engineers that such standards and their measurement were important. They saw quickly that their performance was measurable but that no data were available to do it. This led to a redesign of many accounting and recording procedures so that ultimately all of them had a set of clearly quantified output objectives, with measures on a weekly, monthly, quarterly, or annual basis.

Their interest in the measurement of effectiveness description led to a fundamental redesign of part of the total accounting system of the utility,

centred around output measurement rather than input control. The measurement system pursued aggressively by these managers led directly to greatly decreased direct labour costs in their own and in associated divisions.

How your own work is described

The work a manager is expected to accomplish, or the behaviour expected of him, can be described in three ways:

- 1. Job Description (focus on input behaviour of positions)
- 2. Position Description (focus on structure of position)
- 3. Effectiveness Standards (focus on output of position)

The effectiveness - standards method is likely to improve manangerial effectiveness; the other two methods tend to inhibit it.

Job description

The source of much of the problem surrounding effectiveness is found in the way job descriptions are written. Lengthy job descriptions or crash programmes to write them or up-date them usually indicate very little, As Parkinson has pointed out, the last act of a dying organisation is to issue a revised and greatly enlarged rule book. This observation may hold as well for crash programmes to write job descriptions.

Many, if not most, managerial jobs are defined in terms of their input and behaviour requirements by such phrases as 'He plans,' 'He organises,' He schedules.' Naturally enough, managers never refer to job descriptions like these. Once made they are not too useful as an operating guide. They are often proposed

initially by those who want to use a seemingly scientific technique to justify a widespread change in salary differentials or change in the organisation structure. They are often a negative influence as they focus on input and behaviour, the less important parts of a manager's job.

It is difficult if not impossible to judge managerial effectiveness by observation of job - description behaviour alone. The behaviour must be evaluated in terms of whether or not it is appropriate to the output requirements of the job. For example, these qualities, important in some jobs, may in others be irrelevant to managerial effectiveness.

Usually on time

Makes quick decisions

Answers promptly

Good at public relations

Has tidy desk

Good writer

These usually give an air of apparent effectiveness in no matter what context they are used but may or may not lead to managerial effectiveness.

Charles Smith was an independent consultant in Australia, with four employees. He was first in and last out each day. He virtually ran everything and ran everywhere. In a business which usually makes low demands for immediate decisions he always made them on the spot, 'Do it now' was his catch phrase. Very intelligent, active, optimistic and aggressive his job input was enormous. His staff turnover however, in one year, was 100 per cent and he sometimes signed contracts which he had no possibility of meeting. When his business failed the casual observer might well say, 'it wasn't because of Charlie' thus showing the confusion over the important differences between apparent effectiveness and managerial effectiveness.

The manager trapped by a job description is easily recognised. He prefers to:

Do things right rather than Do right things

Solve problems rather than Produce creative alternatives

Safeguard resources rather than Optimise resource utilisation

Follow duties rather than Obtain results

Lower costs rather than Increase profits

Some managers focus on their job input by saying: 'I manage 1,200 people,' rather than in terms of output: 'I am responsible for expanding at six to ten per cent a year with any products I can make with my existing resources'. The first is the job-description approach; the second is the effectiveness-standards approach.

Position description

Some organisations have a predominance of descriptions which focus on a manager's position in the organisation: 'He reports to' - 'He authorizes' 'He directs' - 'He liaises with' - 'He delegates to' - 'He approves.' This kind of description can be important to the military in wartime, when changes in command can take place in seconds. However, in industry, position descriptions, focusing as they do on structure, spring from and reinforce the bureaucratic style. Many senior military officers who participate in managerial-effectiveness training are surprised to see evidence mount up that they are bureaucrats and they work essentially from a position-description framework with little attention to output.

One such officer, a general, was the director of a large Canadian army command in peacetime, He found that in situational-training exercises he first looked for rules to guide him and then for approval of his action by his superior. He frequently used 'I submit' as a verbal prelude to an argument. There was little doubt that this style was appropriate for his peacetime job. He had no real output measures to guide him. He was subject to tight control from Ottawa. His jiob, in fact, was equivalent to the principal of technical college, maintaining a going concern, which processed raw recruits at one end, changing them to a trained force and then improving this level of training and readiness until their retirement at age 45 or 50.

Position descriptions without objective standards of output associated with them can lead to the maintenance of managers in a business organisation who are not contributing to the organisation in any useful way, any who may be hurting it

Personal effectiveness

Poorly defined job outputs can also lead to an emphasis on what might be called *personal effectiveness*, that is satisfying personal objectives rather than the objectives of the organisation. This is particularly likely to occur with ambitious men in an organisation that has only a few clearly defined management-effectiveness measures. Meetings with these men can be riddled with hidden agendas which operate below the surface and which lead to poor decision-making.

In a three-day Corporate Strategy Laboratory conducted for a Toronto consumer-goods firm, one of the four vice-presidents present initiated a series of proposals for re-organisation and argued for them with great force. While all had some merit it became clear as he described them that most would not lead to greatly improved corporate effectiveness. Other team members saw quickly that all these proposals were aimed, to some extent unconsciously, at improving the VP's power and prestige.

This issue was confronted directly for several hours and the team members many of whom previously had similar intentions to those of the VP, finally decided to turn their attention away from improving their personal effectiveness to improving their managerial effectiveness and therefore total team effectiveness. The team structure was modified but in keeping with market, consumer, competive, and organisational needs, not personal needs.

What are your effectiveness standards?

How is your job described? Is it in terms of job, position, or effectiveness? What are your effectiveness standards? How do you know when you are doing a good job?

You might like to complete the following statement. You might also like to ask your subordinates to do the same for their jobs:

When I perform effectively this happens......

Initially the answers sometimes are: 'When my superior says he likes my work,' 'When there is no conflict,' 'When I get raises,' 'When I put in a good day's work,' When letters and requests are handle promptly.' All five of these answers may or may not lead to or result from managerial effectiveness and non reflect output.

Managers need to re-write the answer to the basic question several times before they are satisfied with it.