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REMINDER: Our new phone number ... 513/919-7672. Please make a note of this change. Thanks! Our "land line" will soon go away!

TIPS FOR TWEAKING ORGANIZATIONS

Hello Again!

We often get requests to help organizations set their **Strategic Direction** with a strategic plan ... and we try to keep it concise, well organized and useful/useable, and on **one page!**

We're also often asked to assist clients with other leadership challenges, such as: succession planning, board member searches, senior level team development, improving project management, or improving quality and risk management.

Recently, a number of projects have led us to help clients **improve their organizational structure, roles, and relationships**, in order to cope with acquisitions, solve structural problems, focus more on clients, or help implement the strategic plan. Or ... all of these.

About 20 years ago, the ASCE *Journal of Management in Engineering* published an article of mine on this topic. So ... I looked it over to see what might still be useful, and/or what needed updating.

Much of that article still seems relevant, plus some new thoughts came to mind as well. The results are in the following ... "**Tips for Tweaking Organizations.**" I hope you enjoy it, and try it yourself.

With best wishes for success in these challenging times!

Mel

Mel Hensey, PE, F.ASCE
Management Consulting Engineer
Hensey Associates
8220 Riversedge Cir., Maineville, OH 45039
513/919-7672, MHensey@aol.com

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TIPS FOR TWEAKING ORGANIZATIONS

THE BIG PICTURE

Executives and managers often fall back on organizational changes—from a minor fine-tuning to a thorough overhaul—to solve problems or, less frequently, to grasp opportunities.

It seems to us that, in general, leaders tend to make minor adjustments less often than they are needed and helpful, and turn to major reorganizations more often than they can be useful and more quickly than they can be absorbed.

Major reorganizations can take up to three years for complete integration at the working level, for medium to large organizations, even if they are appropriate. Leaders greatly underestimate the amount of change required in human behaviors, systems and practices.

On the other hand, minor changes such as the following, can often resolve small but important problems:

- A new position or role (presently missing).
- A shift, transfer, or exchange of people.
- A temporary assignment or relocation.
- Moving a narrow performer to where he/she can better utilize natural skills.
- Providing an assistant, deputy or other supporting player.

Often, what looks like a performance problem is actually an organization that is slightly out of kilter. And yes, sometimes positions do have to be designed around specific skills of key people. Major reorganizations are needed far less often if frequent fine-tuning is provided.

LEADERSHIP IS KEY

A recent study of church growth and development found that there are 8 factors that are necessary for success. The most critical factor is **empowering leadership**. That is, leaders who empower their people!

Not so surprising, since other studies in the HR realm show that the biggest reason people leave their organization is **their leader** (immediate supervisor).

As we assist executives and their management groups, whatever the nature of the project we're working on, it soon becomes obvious if there's a shortage of effective leaders. So much so, that we believe leadership is the most critical, and sometimes the **scarcest** resource in the organization!

Many executives also realize this, but all too frequently, they turn to "training" to help fill the gap. I must agree with consultant/author David Maister that "most training is wasted" ... because it's ineffective, on the wrong topics, for the wrong people, or isn't modeled or reinforced by senior management.

On-the-job coaching and mentoring by your best leaders, and careful challenging job assignments ... are better than most training. Yet, how do you get your good leaders to take the time to do effective coaching? That's a topic for later, perhaps.

WHAT DRIVES CHANGES?

In today's turbulent world, with the growing focus on quality, speed, cost, and service, changes must be made quickly to address organizational needs.

These needs might come from the strategic planning work, success and growth, new service opportunities, new locations or units, acquisitions, or problems with morale, turnover, profits, costs, competitors, or regulations.

Many of the old rules about organizations no longer apply. For example, span of control, task specialization, and grouping similar functions are either outmoded or superceded, particularly in service organizations. New organizations and new organizational forms are changing the tasks of managers, such as matrix organizations, task groups, and cross-functional work teams of various kinds.

SO ... WHAT'S NEW?

Some new approaches and values seem to be emerging that help shape organizations, large and small. Here are some I have observed often in recent years:

- A small senior management team may be a **better organization designer** than a traditional outside management consulting firm. More and more, organizations need to be custom-designed by the people who know them best, guided by a process consultant.
- Within reason, small, integrated, multi-skilled groups, businesses, or business units will outperform larger ones. Small is relative to function; for a consulting or design firm, 50 is a good size.
- When you have good leaders, recognize and use their skills in appropriate positions in the organization; use them to maximum effect based on specific needs and talents.
- Start in the environment. That is, begin with the needs of clients/users, suppliers, subs, regulators, general public, professional associations, competitors, government, and others. What are they telling you?
- Organizations benefit greatly, in terms of enhanced communication, coordination, productivity, and responsiveness, when teamwork is supported, expected, and rewarded. Teamwork among group members, between groups, and at all levels is important.
Teamwork may be more important than structure!

BASIC MANAGEMENT FUNCTIONS

Different parts of an organization may have differing needs for particular management strengths. For example, the manager of an emerging technology, such as cutting edge traffic management, may need to be a strong developer of people in order to create the necessary technical staff.

The manager of a complex accounting and financial systems unit may need to be very strong in organizing and systematizing. Or, the manager of a new office may need to be excellent at business development, marketing and sales.

This is where the practical work of two wise management researchers becomes valuable if not essential! *How to Solve the Mismanagement Crisis* (Adizes 1979) and *Why Leaders Can't Lead* (Bennis 1989) provide the background for my adaptation of the five essential management functions:

Five Essential Management Functions

ESSENTIAL FUNCTIONS	TYPICAL STRENGTHS	POTENTIAL PROBLEMS
<i>Producer</i>	Excellent knowledge of his/her area; able to handle large volume of work; respected as resource, coach or consultant	May have difficulty delegating work to others; overly critical of others' work; may even be a bottleneck
<i>Administrator</i>	Brings order and organization to complex projects or organizations; develops systems, procedures, standards, policies, etc.	May over-systematize work; too many forms; too rigid in procedures; too little flexibility or room for creativity
<i>Entrepreneur</i>	Able to generate ideas, innovations, new services or methods; able to sell or market them to colleagues and clients/users	May not be able to help implement details or recognize problems; may confuse those who support him/her
<i>Integrator</i>	Integrates many individual goals into overarching team goals; harmonizes staff effort and improves relationships among people	May be frustrated by direct disagreements and conflicts and seek to avoid conflict
<i>Leader</i>	Able to bring out best in people, develop and motivate people and individuals; able to develop organizations, improve productivity, etc.	May tend to hang in too long with individuals rather than change them; may resist necessary restructuring to solve organizational problems

Adizes' research shows that most real managers are fortunate to have strengths in one or two of these essential functions, and rarely, three of them.

Bennis's research on leaders found that one key characteristic is their ability to recognize their own limitations and skills and put skillful managers in charge of their "short suits."

THE “REQUISITE” ORGANIZATION

In *Requisite Organization* (1989), Elliott Jaques explains how he chose this title from the Oxford Dictionary definition of *requisite*: “required by the nature of things.” He notes there are at least three other meanings of *organizational structure*:

- **Manifest** organization: the organization structure as it is represented on the official organization chart; at best only a very rough approximation to what is actually going on, if you can even make sense of it.
- **Assumed** organization: the structure as different people assume it really works; likely to have as many variations as you have people. This produces confusion and conflict.
- **Extant** organization: the system as it **actually functions**. It requires that you dig in and find out who is actually being held accountable for what, and what authority they exercise in relation to whom and to what.

A practical way of getting at the extant organization is to ask managers and executives for their views of the organization (what Jaques calls “assumed organization”). From these views, one can usually approximate the organization as it actually functions!

ORGANIZATION DESIGN!

We believe that **executives and key leaders**, working together as a team, are the **best designers** of the requisite structure for any organization, especially if they are assisted/facilitated. They need to:

- **Unhook** themselves from the constraints and limited thinking of the present structure.
- **Develop** a list of desired criteria or attributes for any organizational changes.
- **Generate** creative options and alternatives, then explore the best of these.
- **Match** their leaders’ skills with key positions that fit them best.
- **Develop** a clear representation of the improved organization.
- **Define** all key roles, particularly those that are new or significantly changed.
- **“Test”** new/changed roles in one-to-one meetings with those whose roles will change to see if they will be on board. If not, you may have more work to do.
- **Be sure to allow time** for staff to understand the changes and implement them at their levels. In some cases, they may need to form special task groups to implement difficult or complex aspects of changes, such as accounting, IT, etc.
- **Review progress** on implementation often. Help those who need it. Tweak trouble spots where needed. Keep it on your radar until it's working well.



Mel Hensey, PE, F.ASCE
Management Consulting Engineer, Hensey Associates
MHensey@aol.com www.henseyassociates.com