Theme of the Book

This book presents in a concise way a whole spread of key factors that affect managers in their day-to-day working lives. It examines many aspects of how an organisation works and how managers can operate most effectively within it: for example, it includes discussions on teamwork, motivation, politics and communication, and in each section practical examples are given. It can usefully serve as an introduction for new managers, or a reminder for those with experience.
Key Learning Points

- Managers must understand how to lead and why people at work behave the way they do in order to accomplish the goals of their organisation.
- Each manager has experience and knowledge, which, coupled with their values and beliefs from growing up, is the basis from which they interpret the world. Managers should try to develop an awareness of this so they can identify how it may influence any decisions they make, positively or negatively.
- Managers must understand how teams work, and the team dynamics, so as to get the best from them in achieving the organisation’s objectives.
- Instead of seeing diversity as a compliance issue, it should be positioned for competitive advantage.
- The leadership style adopted by managers is critical to the impact they have on their team and therefore performance in general.
- Managers must understand their own leadership style, and identify the styles that are responded to well by the team.
- Managers must be able to influence the views and opinions of others, particularly if conflicts of interest, rivalry for scarce resources, or a clash of values, exist.
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In order to accomplish the goals of their organisation, a key challenge for managers is in understanding how to lead and why people at work behave the way they do. Understanding organisational behaviour is essential for good management; however, this must be a continuous process as the people and the context in which they work change over time.

Challenges which managers must grasp are:

- Determining and living by business ethics: managers must act ethically and positively; if they do not, the effects can devastate employees and economic markets. Organisations need values and beliefs, which should be upheld by their managers.
- Managing globalisation: ensuring that the individual elements of an organisation across the world are integrated as a coherent whole.
- Dealing with downsizing: impacts such as mergers and acquisitions, new technology, economic crisis and international competition have made downsizing a common practice. The unsettling effects for employees, both leaving and remaining, have to be dealt with.
- Valuing employee diversity: understanding that competitive advantage can be built from a heterogeneous workforce.
- Exploiting new technology: both in e-commerce and how organisational processes can be improved. Both may profoundly alter the remit of the manager's responsibilities and actions.
The Manager’s Job

In their job, a manager will develop a “purpose” of what they are trying to accomplish, a “perspective” as to how they manage their team (which may be manifest as culture). This is often imposed by senior management, and monitored by performance measures. Predominantly, though, it is influenced by how they see the world; every manager has experience and knowledge, and this coupled with their values and beliefs from growing up, are the bases from which they interpret the world. Managers should try to develop an awareness of this so they can identify how it may be influencing their decisions, positively or negatively.

Managers either manage action directly or manage others to ensure actions are completed. In managing others, skills of motivation, inspiration and mentoring are critical to achieving success which is also influenced by the atmosphere the manager creates in the workplace. Managers can also manage by information; for example, disseminating information to influence people to action, for instance by imposing directives.

Many managers encounter stress, which can lead to physical and emotional problems, causing mistakes and reducing performance on the job. It is important to tackle this issue through the following:

• Confront the stressful factor; do not allow it to escalate.
• Put any problem into a wider perspective.
• Obtain support from colleagues and other managers.
• Switch off at the end of day.
• Have a confident outlook and faith in oneself.
Manager’s Career

The manager’s induction into the organisation should be as quick and smooth as possible. The aim is to achieve socialisation, whereby the individual learns and adapts to the culture of the organisation and the realities of day to day organisational life. For more senior managers, mentors may be used to guide them through this process. A new manager will move through a transition period as they adjust to the new organisation; an awareness of this transition by both the manager and the organisation will facilitate the process:

- **Introduction:** after the initial shock of being in an unfamiliar job, the person gets used to the place, but still retains their old working behaviours.

- **Relearning:** after a few weeks, real work demands begin and the individual may experience denial as to the changes they have to make. They will not be treated as a newcomer, but be expected to make an impact. They may need to learn new skills to cope with the responsibilities, and how to act and operate in the new culture, as their old organisational culture may not “fit” well in the new situation. This can lead to depression as they might not feel effective; at this point they should realise the need to change.

- **Becoming effective:** once they have realised they must move on from the past they may become pro-active. Internalisation takes place and the new behaviours are incorporated with the old ones.

Failure to make their way through this transition could result in the employee leaving the organisation, either by dismissal or of their own accord.
Motivation

An important part of any manager’s work is motivating their team, because this leads to better performance. However, it is not clear-cut, as what motivates one employee will not be the same for another. Therefore managers cannot just think of motivating the team, they must motivate each individual in the team. Individuals who are not motivated will work ineffectively and can demotivate others.

Motivation is partly determined by needs, so managers should understand each individual’s needs; for example, some people may want high achievement, whereas others want powerful positions. Understanding this can help managers to put employees into positions where their needs are more likely to be met. These can also be linked to organisation incentives, such as challenges, salary or job title.

In terms of motivation and the satisfaction the job gives, employees must:
- Believe their work is meaningful, not insignificant.
- Be responsible and accountable for their work, so the quality of their actions is easy to see.
- Have knowledge of the positive and negative results of their work.

If employees are motivated, they are less likely to be absent or leave and will have a higher performance level and self-regard.

Motivation is often linked to empowerment – a tool used by managers at all organisational levels – which can lead to competitive advantage. Giving employees freedom to be responsible for their own ideas and actions can often release hidden resources/talents that would have remained untapped. Empowerment throughout an organisation can make for high morale and a committed workforce. Conversely, disempowered employees can be bored, cynical, unproductive and unsatisfied.
However, managers should be aware that the level to which tasks are asked of individuals must be based on their abilities, or else some will feel overstretched.

Teamwork

Teamwork is essential to managing organisations – it can increase productivity, efficiency, motivation, job satisfaction and creativity. Managers must understand how teams work, and the dynamics of teams, so that they are able to get the best from them in achieving the organisation’s objectives.

Team building exercises are often undertaken to strengthen the team through understanding team roles, leading, communicating, trusting and decision making. These exercises can be performed in outdoor environments, such as rock climbing or sailing. Alternatively, away-days give the team a chance to relax and get to know each other better. By building social relationships and interaction, trust, bonding and commitment grow, all of which are essential in keeping the team operational, especially in times of crisis.

Teams tend to move over time through stages; managers should be aware how teams move through these and how they can increase or decrease performance:

- **Forming**: team members get to know each other, test boundaries and develop personal relationships.
- **Storming**: conflicts, based on personal relationships or task requirements, occur. At this stage the team could implode.
- **Norming**: following resolution of “storming”, the norms of the team and cohesiveness are established.
- **Performing**: team performs tasks together, everyone knowing their role.

One of the main problems for a team is “group think”, as this can disrupt effectiveness, to the extent that bad decisions are made or nothing at all is achieved. Group think is
where all team members appear to think in the same way, no one identifies new avenues of thought or sees problems; they appear to be cohesive in their opinions. Early warning signs of group think are:

- **Invulnerability**: over-optimistic and risk taking, stemming from no dissenting or cautioning voices.
- **Rationale**: use logic to dismiss disagreeable data.
- **Morality**: ethical arguments cannot persuade the team.
- **Pressure**: to keep quiet and conform, so as not to be ostracised.
- **Self-censorship**: doubts are not taken outside the team.
- **Unanimity**: dissenting views are not included in decision-making.
- **Mind guards**: closing ranks, protecting and defending each other.

### Diversity

“Instead of seeing diversity as a compliance issue, it should be positioned for competitive advantage”. Employee diversity is a difficult challenge for managers. If differences are poorly managed, they can lead to conflict and demotivation, but if well managed, benefits can result in greater creativity, commitment, decision-making and high performance. Diversity is difficult to categorise, since by their nature individuals differ from one another, for example by gender, age, values, education and religion. Not only will managers who try to exclude diverse employees miss out on a greater spread of skills, knowledge and different perspectives – and hence competitive advantage – but those individuals affected will feel undervalued and either under-perform or leave.

Initiatives which promote diversity include:

- Flexible working hours or working periods, such as no work during school holidays.
- Prayer rooms and acknowledgement of all religious festivals.
- Employees using sign language with deaf customers.
Offices equipped for the needs of disabled staff.
Cultural awareness workshops for managers.
Support groups for those with particular differences.
Align diversity with corporate strategy; not just as an HR remit.
Diversity champion.
Build diversity into performance measures.

It is also worth managers considering how well the employee backgrounds match those of their customers. If the majority of employees are white men, but the customers are multi-race women there may be a problem in understanding, communicating with, and retaining, the target market.

**Leadership**

The leadership style adopted by managers is critical to the impact they have on their team and therefore performance in general. Managers must understand themselves and be aware of their own style, and the styles that work well for their team. In this way, they can bring out the best in the team, while achieving the organisation’s objectives.

If the task and situation make the manager behave in a style that causes them to feel uncomfortable, they may be frustrated and stressed. In contrast, if a leader falls short on delivery from the expectations they have built up, then the team can feel betrayed and angry.

Sometimes it is useful to get the team’s input into the decision-making process. This will be influenced by the importance and timescale of the decision. Another factor is the degree of collaboration required: without collaboration, will it be accepted by the team, and also has the manager enough information to make the decision without the team’s input?
Communication

Communication is essential to the effective operations of an organisation. For communication to truly take place, the meaning of the message has to be clearly stated, received and understood. It cannot simply be stated; there must be understanding on the part of the recipient. Good and clear communication is vital, as every employee communicates with other employees and many with customers too.

The quality of information communicated is important in enabling others to perform their tasks to a satisfactory level. It also facilitates building relationships, so that employees understand and relate to each other, ultimately leading to their commitment and motivation.

Managers should be aware of their own body language and ensure it is not betraying or contradicting what they are saying. Equally they should be aware of their team members’ body language and use this awareness to identify problems. Popular communication mechanisms include:

- Team briefings: building a group while strengthening the manager’s position as the visible leader. All members of the team have the same information which prevents misunderstandings.
- Email: very efficient and quick to respond to; however, it can result in information overload or misinterpretation of the “real” message.
- Bargaining: to end in agreement with all parties satisfied and having a solution.
Politics and Conflict

Politics should not simply be seen in a negative light, because conflict is normal and political strategies are needed to ensure that managers can reach solutions. “A manager must be able to influence the views and opinions of others, particularly if conflicts of interest, rivalry for scarce resources, or a clash of values, exist”.

Every organisation will have elements of conflict, which managers must deal with. No conflict could be a sign of group think (see earlier section on Teamwork). Conflict is not always negative, as there is creative conflict, i.e. different options being expressed resulting in a new idea. To enable creative conflict:

- Have a heterogeneous team.
- Hold regular team meetings.
- Encourage team to change roles or play devil’s advocate.
- Use “what if” scenarios.
- Actively manage the process of conflict, don’t let it be too readily settled.

Managers should aim for fairness in discussions and to accommodate a number of alternatives. Creative conflict is effective because diverse options are aired, with more information, and a deeper understanding of issues.

Political tensions may arise from such factors as:

- Global perspective and local issues: e.g. effects on environment, labour rights and social policies. Local managers may find some global initiatives hard to implement if they feel they would harm their country.
- Bosses and subordinates: based on the relationships and demands of task. How both treat each other.
- Professional employees (scientists, doctors) and line managers. Both may not appreciate what the other does as their priorities may be different, for example
the line manager may be attempting to curtail the costs of an R&D project, which the scientist believes to be critical. The specialist may feel more loyalty to the profession than the organisation.

- HQ and divisions. The HQ edict set for divisions may not fit with their agendas.

- Colleagues: relationships between different people, personal dislikes/likes.

Practical political methods that managers can employ include:

- Identify stakeholders: Stakeholders have influence and power in organisations, gaining their respect may facilitate managerial duties.

- Work within comfort zones: aid employees to feel happy in their positions, concentrate on acceptable behaviours and values; once they feel this way they are more likely to achieve relevant outcomes.

- Use networks: an individual will formally and informally belong to many different networks in an organisation, which help build relationships.

- Make deals: find common ways to achieve ends, for example exchange resources.

- Be “economical” with the truth: consider how cases are presented to a specific audience and their likely reaction. However, care must be taken that people do not feel betrayed, and then not trust the manager in the future.

- Confront or withdraw: not everyone in the organisation is likely to be satisfied, therefore could withhold damaging or inflammatory information from certain groups; however, this must be done carefully and not continuously, as it could lead to mistrust.

- Know when to step back and let the parties sort it out themselves or withdraw a damaging internal strategy.
Power

Managers may hold power because of:

- Resources they control, physical or for example ability to promote.
- The amount others depend on the resources.
- Whether there are alternative resources.

Different types of power strategies that managers can use are:

- Reward: ability to influence money or non-financial rewards such as status and privilege i.e. exclusive clubs. This is given to employees to influence their performance, but must be carefully used so as not to incur resentment.
- Role: the formal organisational position held; the authority, accountability and control they hold.
- Personal: whether the manager can influence others with charismatic personality, their ability to connect emotionally with another.
- Knowledge: an expert or specialist. In some industries this knowledge can quickly become out of date.
- Network: personal and professional access to a wide and different group of people.
- Information: can be used to support or disprove arguments. Also the manager’s ability to access information and interpret it for its wider implications.
- Corporate memory: downsizing and career progression mean that organisations may have high staff turnover, those who have remained a long time will intimately understand the organisation, know who to ask for help and know which strategies worked in the past.

Understanding the context of the organisation will help the manager determine which power strategies are most appropriate to use:
• Creative: driven by a sense of uniqueness, open relationships, acceptance of debate, knowledge strategy is most likely to be used.

• Leverage: aim for consistency, targets are centred around individuals; reward and cohesion are most likely to be used, along with information that is shared throughout the organisation.

• Scope: looking to the past to recapture former glory, those with corporate memory are the most powerful.

• Cost discipline: difference of cost and revenue is main concern. Rewards are given for achieving this, and role and personal power ensures everyone does their job to maximise this.

Organisational Design

Managers need to have an understanding of their organisation’s structure as it has an impact on the way the organisation works. It is determined by its:

• Size: the larger the organisation the more likely it is to have formal systems, and need co-ordination and control mechanisms.

• History: linked to ownership and control, i.e. if it is family run they may still have control over all the decisions and resources. A history of takeovers may result in a very disjointed organisation, both structurally and culturally.

• Geographic spread: structure, systems and attitudes of employees will be different the more dispersed the organisation, and influenced by local conditions. This may make organisation-wide initiatives difficult to implement.

• Impact of technology: IT has meant that virtual teams exist and people can work in different countries while still communicating with home colleagues, meaning many old structures are no longer relevant.

• Core-competences: moving, downsizing, acquiring or outsourcing elements of the organisation so as to fit with the current core competencies.
• Habits: a lack of flexibility can mean not making the most of the organisation and its position in a market, i.e. keeping an organisation a certain way because that is how it has always been.

The typical organisational structures are:

• Functional structure: usually the structure of organisations that have grown from a small size. There are department heads and teams feeding into them. Career paths are easily seen. Problems stem from growth of the organisation or diversification to new products/markets.

• Product structure: a separate arm for each product, but underneath which the structure is akin to the functional structure. There is often a duplication of effort, but also a quicker reaction time to change and understanding of customer needs.

• Divisional structure: each division is autonomous and provides a total service for its market. Each division will have a different structure. It has a quicker reaction time to market changes.

• Matrix: divisions organise themselves with centrally located functional specialisms such as IT, marketing, HR etc. This removes duplication of effort, but needs much organising and the speed can be quite slow.

Finally, organisations will be centralised or decentralised in their structure. A centralised structure is characterised by simplicity and co-ordination, with many specialists employed and where senior management have a perspective on all organisational elements. It has reduced duplication, and is quick to deal with any crisis.

A decentralised structure is characterised by managers having an even workload and set of responsibilities, with greater freedom over work and greater flexibility, as decisions are not continually checked. There are also clearer controls and performance measures.
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