LEADERSHIP AND MANAGEMENT

Diploma stage examination

4 June 2008

MARKING SCHEME

The examiner recognises that leadership and management is not an exact science and that there are many valid theoretical and practical approaches to the subject. The assessment guide outlines the types of area each candidate would normally be expected to consider, based on the open learning material.

Alternative views and approaches may be offered and provided they are logical, rational, valid and relevant to the context of the question and serve to meet the requirements of the question, appropriate credit will be given.

Throughout this paper students are expected to demonstrate knowledge of leadership and management as a subject, the public service environment, and a current working knowledge of relevant key issues.

The marking scheme 'suggested solutions' are taken from the open learning material and supplemented with examples from the public service organisations.

Question 1 (Learning Objectives 11.1, 19.1, 19.2, 19.3, 20.3)

(a)   Drivers/Forces for change

An organisation can only perform effectively through interactions with the broader of change external environment of which it is part. The structure and functioning of the organisation must reflect, therefore, the nature of the environment in which it is operating. There are factors which create an increasingly volatile environment, such as:

- uncertain economic conditions;
- globalisation and fierce world competition;
- the level of government intervention;
- scarcity of natural resources;
- rapid developments in new technology and the information age.

In order to help ensure its survival and future success the organisation must be readily adaptable to the external demands placed upon it. The organisation must be responsive to change. Other major forces of change include:

- increased demands for quality and high levels of customer service and satisfaction;
- greater flexibility in the structure of work organisations and patterns of management; and
- the changing nature and composition of the workforce.

Change also originates within the organisation itself. Much of this change is part of a natural process of ageing – for example, as material resources such as buildings, equipment or machinery deteriorate or lose efficiency; or as human resources get older, or as skills and abilities become outdated. Some of this change can be managed through careful planning – for example, regular repairs and maintenance; choice of introducing new technology or methods of work; effective human resource planning to prevent a large number of staff retiring at the same time; management succession planning – training and staff development.

However, the main pressure of change is from external forces. The organisation must be properly prepared to face the demands of a changing environment. It must give attention to its future development and success and this includes public sector organisations.

(Mullins (2002) Management and Organisational Behaviour 6th Edition, P466-467)

(10)

(b)   Resisting forces

Selective perception. People's own interpretation of stimuli presents a unique picture or image of the 'real' world and can result in selective perception. This can lead to a biased view of a particular situation, which fits most comfortably into a person's own perception of reality, and can cause resistance to change. For example, trade unionists may have a stereotyped view of management as untrustworthy and therefore oppose any management change, however well founded the intention might have been. Managers exposed to different theories or ideas may tend to categorise these as either those they already practise and have no need to worry about or those that are of no practical value and which can be discarded as of no concern to them.

Habit. People tend to respond to situations in an established and accustomed manner. Habits may serve as a means of comfort and security, and as a guide for easy decision-making. Proposed changes to habits, especially if the habits are well established and require little effort, may well be resisted. However, if there is a clearly perceived advantage, for example a reduction in working hours without loss of pay, there is likely to be less, if any, resistance to the change, although some people may, because of habit, still find it difficult to adjust to the new times.

Inconvenience or loss of freedom. If the change is seen as likely to prove inconvenient, make life more difficult, reduce freedom of action or result in increased control, there will be resistance.

Economic implications. People are likely to resist change which is perceived as reducing either directly or indirectly their pay or other rewards, requiring an increase in work for the same level of pay or acting as a threat to their job security. People tend to have established patterns of working and a vested interest in maintaining the status quo.

Security in the past. There is a tendency for some people to find a sense of security in the past. In times of frustration or difficulty, or when faced with new or unfamiliar ideas or methods, people may reflect on the past. There is a wish to retain old and comfortable ways. For example, in bureaucratic organisations, officials often tend to place faith in well-established ('tried and trusted') procedures and cling to these as giving a feeling of security.

Fear of the unknown. Changes which confront people with the unknown tend to cause anxiety or fear. Many major changes in a work organisation present a degree of uncertainty: for example, the introduction of new technology or methods of working. A person may resist promotion because of uncertainty over changes in responsibilities or the increased social demands of the higher position.

Organisation culture. Recall that the culture of an organisation develops over time and may not be easy to change. The pervasive nature of culture in terms of 'how things are done around here' also has a significant effect on organisational processes and the behaviour of staff. An ineffective culture may result in a lack of flexibility for, or acceptance of, change.

Maintaining stability. Organisations, especially large-scale ones, pay much attention to maintaining stability and predictability. The need for formal organisation structure and the division of work, narrow definitions of assigned duties and responsibilities, established rules, procedures and methods of work, can result in resistance to change. The more mechanistic or bureaucratic the structure, the less likely it is that the organisation will be responsive to change.

Investment in resources. Change often requires large resources which may already be committed to investments in other areas or strategies. Assets such as buildings, technology, equipment and people cannot easily be altered. For example, a car manufacturer may not find it easy to change to a socio-technical approach and the use of autonomous work groups because it cannot afford the cost of a new purpose-built plant and specialised equipment.

Past contracts or agreements. Organisations enter into contracts or agreements with other parties, such as the government, other organisations, trade unions, suppliers and customers. These contracts and agreements can limit changes in behaviour – for example, organisations operating under a special licence or permit, or a fixed-price contract to supply goods/services to a government agency. Another example might be an agreement with trade unions which limits the opportunity to introduce compulsory redundancies, or the introduction of certain new technology or working practices.

Threats to power or influence. Change may be seen as a threat to the power or influence of certain groups within the organisation, such as their control over decisions, resources or information. For example, managers may resist the introduction of quality circles or worker-directors because they see this as increasing the role and influence of non-managerial staff, and a threat to the power in their own positions. Where a group of people have, over a period of time, established what they perceive as their 'territorial rights', they are likely to resist change.

(Mullins (2002) Management and Organisational Behaviour 6th Edition, P470-472)

(10)

(c) Magnitude of change and likely impact

The TROPICS test can be used at an early stage of the change process to assess the magnitude of the change and its likely impact. It aims to identify questions that need to be considered rather than to provide solutions.

The factors considered in the test are as follows:

- Timescales. What are the needs in the short and medium term? How can we define those needs accurately?
- Resources. Are these clear and fixed, or unclear and variable? How can we collect further information about resource needs?
- Objectives. Are they objective and quantifiable, or subjective and visionary?
- Perceptions. Are these shared or are there conflicts of interest?
- Interest. Who is concerned about this problem or change?
- Control. Will this be kept within the group managing the change or will it be shared with others outside that group?
- Source. Did the need for change originate internally or externally?

The various questions can be considered using a 'hard' approach (with mechanistic, process-centred methods), a 'soft' approach (involving more complex, people-centred solutions) or some combination of the two.

(Extract from the CIPFA on-line learning material, Leadership & Management, Study Session 20)

Stages of change

One description of the change process, originated by Lewin, has been used as the basis of a number of later, more detailed, models.

Lewin's three-step model

Lewin considered that change involves three steps:

1   unfreezing
2   moving
3   refreezing.

As an example of individual changes consider a manager who has been accused of sexist behaviour. 'Unfreezing' may involve sensitivity training sessions in which the manager is exposed to feedback on the attitudes of colleagues. 'Moving' may involve devising an action plan for changes to behaviour and making those changes. 'Refreezing' is designed to make the new behaviour 'relatively secure against change' (in Lewin's words); in this case this could be through ongoing feedback from colleagues and team members, from appraisal processes, and so on.

At the organisational level, views on levels of performance might have to be unfrozen by discussion of the organisation's recent record on productivity. Movement might take place through changing procedures or improving information systems. Refreezing could involve devising new control systems to ensure that the new procedures are closely followed or that the new information system is being used effectively.

Schein's expansion

Schein (1988) considers that some of the processes involved in each of Lewin's steps actually overlap. Using the term 'stages' to emphasise the greater complexity of his model, he describes:

Stage 1: Unfreezing. This relates to creating motivation and readiness to change. Schein describes three elements of unfreezing an organisation:
• Disconfirmation – demonstrating a need for change by bringing employees' dissatisfaction to the surface or identifying a radical change in the external environment.
• Induction of guilt or anxiety – facing organisational members with data showing a gap between what is and what could be better.
• Creating psychological safety – organisational members must believe that their efforts to change will not cause feelings of embarrassment, humiliation or loss of self-esteem.

Stage 2: Changing. Members need to see things differently from before and to act differently. Two elements are necessary:
• Identifying with the new model being offered by the mentor or leader: seeing things from that person's point of view.
• Scanning the environment for new, relevant information. This may be through investigating change in other organisations, learning from others' experiences and checking that 'we are not reinventing the wheel'.

Stage 3: Refreezing. Schein considers that ensuring permanent adoption of the new approach has two elements:

- Personal and individual – helping the organisational member feel comfortable with the new behaviour ('linking the new behaviour with one's self-concept').
- Interpersonal – making sure that the new behaviour fits well with others who are significant in the organisation, and that other people with whom the 'changed person' works are comfortable with the new behaviour.

The overlapping within Schein's model becomes clear if, for example, we consider the use of the second element from stage 2 ('scanning the environment'). The information gained on a similar change elsewhere may help the person to feel comfortable with the new behaviour (stage 3, element 1); it may also create psychological safety (stage 1, element 3).

(Extract from the CIPFA on-line learning material, Leadership & Management, Study Session 20)

Common reasons for change failure

Drawing on the works of Alexander (1985), Hogwood and Gunn (1984) and Baier, March and Saetren (1986), we can identify a number of factors which will have an impact on the successful implementation of change:

1 Time and sufficient resources – implementation invariably takes more time than was originally allocated.

2 Unidentified problems – which surface during implementation and which had not been identified in advance.

3 Co-ordination – the implementation process may not be sufficiently creative or imaginative.

4 Distractions – competing activities and crises may distract attention from implementing the change.

5 Lack of skills – those charged with implementation may not have the necessary skills.

6 Training – the training and instruction given to handle the change may be insufficient.

7 Turbulent environment – uncontrollable factors in the environment will have an adverse impact.

8 Lack of leadership – there may be a lack of direction from senior managers.

9 Lack of detail – key implementation tasks may not have been clarified.

10 Evaluation – the information systems used to monitor progress may be inadequate.

11 Lack of clear objectives.

12 Lack of communication.

13 Tasks not specified in correct sequence.

Baier et al. (1986) identify two implementation problems. The first, which might be a technical problem, results from bureaucratic incompetence. The second set of problems are associated with conflicts of interests between policy makers and implementers; such problems arise from deficiencies in organisational control.

An interest in ensuring the support of stakeholders leads policy makers to be vigorous in enacting policies and lax in enforcing them. Some tasks are just not feasible. There may be goal incongruence between different parts of the organisation. There may also be multiple actors, and public services organisations are pressed to meet the inconsistent demands of a continually changing group of actors. Baier et al. (1986, p 212) argue that 'Any simple concept of implementation, with its implicit assumption of clear and stable policy intent, is likely to lead to a fundamental misunderstanding of the policy process and to disappointment with efforts to reform it'.

(Rose & Lawton (1999) Public Services Management)

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Question 2 (Learning Objectives 10.1, 10.2, 10.3)

(a) Definition of a group

There are many possible ways of defining what is meant by a group. The essential feature of a group is that its members regard themselves as belonging to the group.

Although there is no single, accepted definition, most people will readily understand what constitutes a group. A popular definition defines the group in psychological terms as: **any number of people who (1) interact with one another; (2) are psychologically aware of one another; and (3) perceive themselves to be a group.**

Another useful way of defining a work group is a collection of people who share most, if not all, of the following characteristics:

*   Definable membership;
*   Group consciousness;
*   Sense of shared purpose;
*   Interdependence;
*   Interaction; and
*   Ability to act in a unitary manner.

(Mullins 2002, P462)

Formal groups are created to achieve specific organisational objectives and are concerned with the co-ordination of work activities. People are brought together on the basis of defined roles within the structure of the organisation. The nature of the tasks to be undertaken is a predominant feature of the formal group. Goals are identified by management, and certain rules, relationships and norms of behaviour established.

Formal groups tend to be relatively permanent, although there may be changes in actual membership. However, temporary formal groups may also be created by management, for example the use of project teams in a matrix organisation.

Formal work groups can be differentiated in a number of ways, for example on the basis of membership, the task to be performed, the nature of technology, or position within the organisation structure.

Informal groups
Within the formal structure of the organisation there will always be an informal structure. The formal structure of the organisation, and system of role relationships, rules and procedures, will be augmented by interpretation and development at the informal level.

Informal groups are based more on personal relationships and agreement of group members than on defined role relationships. They serve to satisfy psychological and social needs not related necessarily to the tasks to be undertaken. Groups may devise ways of attempting to satisfy members' affiliation and other social motivations which are lacking in the work situation, especially in industrial organisations.

The membership of informal groups can cut across the formal structure. They may comprise individuals from different parts of the organisation and/or from different levels of the organisation, both vertically and diagonally, as well as from the same horizontal level. An informal group could also be the same as the formal group, or it might comprise a part only of the formal group.

The members of an informal group may appoint their own leader who exercises authority by the consent of the members themselves. The informal leader may be chosen as the person who reflects the attitudes and values of the members, helps to resolve conflict, leads the group in satisfying its goals, or liaises with management or other people outside the group. The informal leader may often change according to the particular situation facing the group. Although not usually the case, it is possible for the informal leader to be the same person as the formal leader appointed officially by management.

(Mullins (2002) Management and Organisational Behaviour 6th Edition, P469)

(10)

(b)   Factors affecting Group Cohesiveness and Performance

In order to develop the effectiveness of work groups the manager will be concerned with those factors that contribute to group cohesiveness, or that may cause frustration or disruption to the operation of the group.

The manager needs to consider, therefore, both the needs of individual members of staff, and the promotion of a high level of group identity and cohesion. There are many factors which affect **group cohesiveness** and performance, which can be summarised under four broad headings.

Membership

Size of the Group
As a group increases in size, problems arise with communications and co-ordination. Large groups are more difficult to handle and require a higher level of supervision. Absenteeism also tends to be higher in larger groups. When a group becomes too large it may split into smaller units and friction may develop between the sub-groups. It is difficult to put a precise figure on the ideal size of a work group and there are many conflicting studies and reports. Much will depend upon other variables, but it seems to be generally accepted that cohesiveness becomes more difficult to achieve when a group exceeds 10–12 members. Beyond this size the group tends to split into sub-groups. A figure of between five and seven is often quoted as an apparent optimum size for full participation within the group.

One particular feature of size is the concept of social loafing and the 'Ringlemann effect' which is the tendency for individuals to expend less effort when working as a member of a group than as an individual. A German psychologist, *Ringlemann*, compared the results of individual and group performance on a rope-pulling task. Workers were asked to pull as hard as they could on a rope, performing the task first individually and then with others in groups of varying size. A meter measured the strength of each pull. Although the total amount of force did increase with the size of the work group, the effort expended by each individual member decreased with the result that the total group effort was less than the expected sum of the individual contributions. Replications of the Ringlemann effect have generally been supportive of the original findings.

Capability of its members

The more homogeneous the group in terms of such features as shared backgrounds, interests, attitudes and values of its members, the easier it is usually to promote cohesiveness. Variations in other individual differences, such as the personality or skills of members, may serve to complement each other and help make for a cohesive group. On the other hand, such differences may be the cause of disruption and conflict. Conflict can also arise in a homogeneous group where members are in competition with each other. Individual incentive payment schemes, for example, may be a source of conflict.

Performance of Group Members

Group spirit and relationships take time to develop. Cohesiveness is more likely when members of a group are together for a reasonable length of time, and changes occur only slowly. A frequent turnover of members is likely to have an adverse effect on morale, and on the cohesiveness of the group.

Work environment

The nature of the Task

Where workers are involved in similar work, share a common task, or face the same problems, this may assist cohesiveness. The nature of the task may serve to bring people together when it is necessary for them to communicate and interact regularly with each other in the performance of their duties – for example, members of a research and development team.

Even if members of a group normally work at different locations they may still experience a feeling of cohesiveness if the nature of the task requires frequent communication and interaction – for example, security guards patrolling separate areas who need to check with each other on a regular basis. However, where the task demands a series of relatively separate operations or discrete activities – for example, on a machine-paced assembly line – it is more difficult to develop cohesiveness. Individuals may have interactions with colleagues on either side of them, but little opportunity to develop a common group feeling.

Physical Setting

Where members of a group work in the same location or in close physical proximity to each other, this will generally help cohesiveness. However, this is not always the case. For example, in large open-plan offices staff often tend to segregate themselves from colleagues and create barriers by the strategic siting of such items as filing cabinets, bookcases or indoor plants. The size of the office and the number of staff in it are, of course, important considerations in this case. Isolation from other groups of workers will also tend to build cohesiveness. This often applies, for example, to a smaller number of workers on a night shift.

Communications The more easily members can communicate freely with each other, the greater the likelihood of group cohesiveness. Communications are affected by the work environment, by the nature of the task, and by technology. For example, difficulties in communication can arise with production systems where workers are stationed continuously at a particular point with limited freedom of movement. Even when opportunities exist for interaction with colleagues, physical conditions may limit effective communication. For example, the technological layout and high level of noise with some assembly line work can limit contact between workers. Restrictions on opportunities for social interaction can hamper internal group unity.

Technology

We can see that the nature of technology and the manner in which work is carried out has an important effect on cohesiveness, and relates closely to the nature of the task, physical setting and communications. Where the nature of the work process involves a craft or skill-based 'technology' there is a higher likelihood of group cohesiveness. However, as mentioned earlier, with machine-paced assembly line work it is more difficult to develop cohesiveness. Technology also has wider implications for the operation and behaviour of groups and therefore is considered in a separate section later.

Organisational factors

Management and Leadership

The activities of groups cannot be separated from management and the process of leadership. The form of management and style of leadership adopted will influence the relationship between the group and the organisation, and is a major determinant of group cohesiveness. In general terms, cohesiveness will be affected by such things as the manner in which the manager gives guidance and encouragement to the group, offers help and support, provides opportunities for participation, attempts to resolve conflicts, and gives attention to both employee relations and task problems.

Personnel Policies

Harmony and cohesiveness within the group are more likely to be achieved if personnel policies and procedures are well developed, and perceived to be equitable with fair treatment for all members. Attention should be given to the effects that appraisal systems, discipline, promotion and rewards, and opportunities for personal development have on members of the group.

Success

The more successful the group, the more cohesive it is likely to be; and cohesive groups are more likely to be successful. Success is usually a strong motivational influence on the level of work performance. Success or reward as a positive motivator can be perceived by group members in a number of ways. For example, the satisfactory completion of a task through co-operative action; praise from management; a feeling of high status; achievement in competition with other groups; benefits gained, such as high wage payments from a group bonus incentive scheme.

External threat

Cohesiveness may be enhanced by members co-operating with one another when faced with a common external threat, such as changes in their method of work or the appointment of a new manager. Even if the threat is subsequently removed, the group may still continue to have a greater degree of cohesiveness than before the threat arose. Conflict between groups will also tend to increase the cohesiveness of each group and the boundaries of the group become drawn more clearly.

Group development and maturity

The degree of cohesiveness is affected also by the manner in which groups progress through the various stages of development and maturity. *Bass and Ryterband* identify four distinct stages in group development:

- mutual acceptance and membership;
- communication and decision-making;
- motivation and productivity; and
- control and organisation.

An alternative, and more popular, model by *Tuckman* also identifies four main successive stages of group development and relationships: **forming**, **storming**, **norming** and **performing**.

Stage 1 – forming. The initial formation of the group and the bringing together of a number of individuals who identify, tentatively, the purpose of the group, its composition and terms of reference. At this stage consideration is given to hierarchical structure of the group, pattern of leadership, individual roles and responsibilities, and codes of conduct. There is likely to be considerable anxiety as members attempt to create an impression, to test each other, and to establish their personal identity within the group.

Stage 2 – storming. As members of the group get to know each other better they will put forward their views more openly and forcefully. Disagreements will be expressed and challenges offered on the nature of the task and arrangements made in the earlier stage of development. This may lead to conflict and hostility. The storming stage is important because, if successful, there will be discussions on reforming arrangements for the working and operation of the group, and agreement on more meaningful structures and procedures.

Stage 3 – norming. As conflict and hostility start to be controlled members of the group will establish guidelines and standards, and develop their own norms of acceptable behaviour. The norming stage is important in establishing the need for members to co-operate in order to plan, agree standards of performance and fulfil the purpose of the group. This co-operation and adherence to group norms can work against effective organisational performance. It may be remembered, for example, that, in the bank wiring room experiment of the Hawthorne studies, group norms imposed a restriction on the level of output of the workers.

Stage 4 – performing. When the group has progressed successfully through the three earlier stages of development it will have created structure and cohesiveness to work effectively as a team. At this stage the group can concentrate on the attainment of its purpose and performance of the common task is likely to be at its most effective.

Another writer suggests that new groups go through the following stages:
- the polite stage;
- the why are we here, what are we doing stage?
- the power stage, which dominant will emerge?
- the constructive stage when sharing begins; and
- the unity stage – this often takes weeks, eating together, talking together.

(Mullins (2002) Management and Organisational Behaviour 6th Edition, P472-475)

(20)

(30)

Question 3 (Learning Objectives 14.1)

(a) Factors that may affect Job satisfaction

There is some doubt whether job satisfaction consists of a single dimension or a number of separate dimensions. Some workers may be satisfied with certain aspects of their work and dissatisfied with other aspects. There does, however, appear to be a positive correlation between satisfaction in different areas of work. This suggests a single overall factor of job satisfaction. However, it seems that there is no one, general, comprehensive theory which explains job satisfaction.

Job satisfaction is itself a complex concept and difficult to measure objectively. The level of job satisfaction is affected by a wide range of variables relating to individual, social, cultural, organisational and environmental factors.

- Individual factors include personality, education, intelligence and abilities, age, marital status, orientation to work.
- Social factors include relationships with co-workers, group working and norms, opportunities for interaction, informal organisation.
- Cultural factors include underlying attitudes, beliefs and values.
- Organisational factors include nature and size, formal structure, personnel policies and procedures, employee relations, nature of the work, technology and work organisation, supervision and styles of leadership, management systems, working conditions.
- Environmental factors include economic, social, technical and governmental influences.

There is also a wide range of specific factors which influence job satisfaction, including Herzberg's hygiene and motivating factors. These different factors all affect the job satisfaction of certain individuals in a given set of circumstances, but not necessarily in others.

The various studies of job satisfaction all have some validity.

Handy, for example, argues that an inspired workplace will result in inspired workers and draws attention to the importance of the atmosphere, quality and style of buildings and offices for work performance. There may also be significant differences in terms of what employees want from their work in different industries. For example, in a study by Simons and Enz, responses from hospitality workers showed a marked difference from those described in earlier studies of workers in manufacturing industries. Overall, for industrial workers, the three things most wanted were interesting work, appreciation and the feeling of being in on things; for the hospitality workers, the three things most wanted were good wages, job security and opportunities for advancement and development.

In the 1998 Workplace Employee Relations Survey, employees found that five out of ten employees were satisfied or very satisfied with their jobs. The more influence employees had in how they went about their work, the greater their satisfaction. Employees were also more likely to be satisfied with their job when they thought management showed an understanding about balancing work and family responsibilities, encouraged skill development, involved employees and treated them fairly.

Mumford examines job satisfaction in two ways:

1 - in terms of the fit between what the organisation requires and what the employee is seeking; and

2 - in terms of the fit between what the employee is seeking and what he/she is actually receiving.

On the basis of various schools of thought on job satisfaction, Mumford identifies five contractual areas by which this organisational/employee relationship can be examined: the knowledge contract; the psychological contract; the efficiency/reward contract; the ethical contract; and the task structure contract.

(Mullins (2002) Management and Organisational Behaviour 6th Edition, p602-604)

(12)

(b)   Stress

Causes of Stress

The causes of stress are complex. Arnold et al. point out that 'workplace stress today is caused by overload, job insecurity, information overload and management style which punishes rather than praises'. Stress, however, is a very personal experience, as is the response of each individual to it and their beliefs about how best to cope with the causes and effects of stress. It has been suggested that a certain amount of stress may arguably be seen as positive and even as a good thing and helps to promote a high level of performance.

For example, Orpen questions the prevalent view among managers in Britain which seems to be that stress at work is something to be avoided at all costs. Just as there are circumstances when individuals may have too much stress, there are also circumstances when individuals may have too little stress for effective performance. This view also appears to be supported by Gwyther, who points out that although stress appears to have become public health enemy number one and is viewed as the culprit of a myriad of complaints, the term is bandied about far too readily and there is a need to stand back and attempt to get things into some sort of perspective. A measure of stress is natural. A degree of stress at work is no unhealthy thing and without it nothing would ever get done.

However, it is important to bear in mind that stress can potentially be very harmful. Research into managers in various types of organisation in Western Australia showed that delegation of responsibility to middle managers required great skill, which was too seldom present. Replies from 532 managers in 36 organisations indicated a clear correlation between lack of autonomy and stress at work. Stress was often caused by the hierarchical structure of the organisation not permitting sufficient autonomy. As a result, projects were frequently delayed and also managers' authority within their own departments was undermined.

One potential major source of work stress arises from role incongruence and role conflict. Role stress can lead to difficulties in communication and interpersonal relationships and can have an adverse effect on morale, performance and effectiveness at work, and health.

Demands for improved business competitiveness and lower operating costs have frequently led to restructuring of organisations and reductions in staffing levels. This has placed greater pressures on remaining staff and resulted in a growing number of work-related health problems, work stress and a less efficient workforce. In the case of customer service, Jamison suggests that if there is a conflict between the requirements of a customer and the requirements of the organisation, it will induce helpful behaviour as a result of stress.

Handy suggests five organisational situations that are likely to create role problems and therefore stress for the individual:

- Responsibility for the work of others – reconciling overlapping or conflicting objectives of groups and organisations, of groups and individuals, of self and superiors.
- Innovative functions – conflicting priorities and different psychological demands between the routine and administrative aspects of the job and the creative side.
- Integrative or boundary functions – the particularly stressful role to the coordinator, link person or outside contact, perhaps due to the lack of control over their demands or resources.
- Relationship problems – difficulties with a boss, subordinates or colleagues. For some people, particularly those with a technical orientation, the need to work with other people is a worrying complication.
- Career uncertainty – if future career prospects become doubtful, the uncertainty can quickly become stressful and spread to affect the whole of a person's work.

According to McKenna,
In human terms any situation that is seen as burdensome, threatening, ambiguous or boring is likely to induce stress. This is the type of situation that would normally strike the individual as deserving immediate attention or concern and is viewed as unfortunate or annoying. There tends to be the feeling that the situation should not exist, but because of it the person feels disappointed or annoyed and eventually is prone to anxiety, depression, anger, hostility, inadequacy, and low frustration tolerance.

Strategies to reduce stress

There are a number of measures by which individuals and organisations can attempt to reduce the causes and effects of stress. The Health and Safety Executive, for example, have produced guidelines involving attention to good management and managerial style, attitudes to stress, training and resources to complete the job, and dealing with change. There are also many suggested techniques to help individuals bring stress under control – for example, changing your viewpoint; putting your problems into perspective; learning to laugh at life; not worrying and working on stress reduction; not talking yourself down; and attempting to slow your life down. Organisations also need to give greater attention to training, support and counselling; and to the work organisation and job design.

However, there are not always easy remedies for stress and much depends upon the personality of the individual. Techniques such as relaxation therapy may help some people, although not others, but still tend to address the symptoms rather than the cause. For example, as Vine and Williamson point out, stress-inducing hazards are hard to pin down, much less eliminate. It is important to know how

people feel about the things which cause them stress as well as which 'stressors' are most common in a particular industry and occupation.

Human resource policy should include several stress management building blocks within the organisation structure including management education, employee education, counselling and support, critical incident briefing, and good sound management.

Individual managers can help to reduce stress within their group of employees by focusing on the task, and the way the task is managed. This can be achieved through job enrichment.

Job enrichment is an extension of the more basic job rotation and job enlargement methods of job design. Job enrichment arose out of Herzberg's two-factor theory. It attempts to enrich the job by incorporating motivating or growth factors such as increased responsibility and involvement, opportunities for advancement and the sense of achievement.

Job enrichment involves vertical job enlargement. It aims to give the person greater autonomy and authority over the planning, execution and control of their own work. It focuses attention on intrinsic satisfaction. Job enrichment increases the complexity of the work and should provide the person with a more meaningful and challenging job. It provides greater opportunities for psychological growth.

Main methods of achieving job enrichment include the following:

- permitting workers greater freedom and control over the scheduling and pacing of their work as opposed to machine pacing;
- allowing workers to undertake a full task cycle, build or assemble a complete product or component, or deliver a complete service;
- providing workers with tasks or jobs which challenge their abilities and make fuller use of their training, expertise and skills;
- giving workers greater freedom to work in self-managing teams with greater responsibility for monitoring their own performance and the minimum of direct supervision; and
- providing workers with the opportunity to have greater direct contact with clients, consumers or users of the product or service.

(Mullins (2002) Management and Organisational Behaviour 6th Edition, p606-615)

(18)

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Question 4 (Learning Objective 3.1, 3.2, 3.3, 4.1)

(a) Common activities of management

The managerial activity is divided into five elements of management, which are defined as: 'to forecast and plan, to organise, to command, to co-ordinate and to control'.

Fayol describes these elements as:

- Planning (translated from the French prevoyer = to foresee, and taken to include forecasting) – examining the future, deciding what needs to be achieved and developing a plan of action.

- Organising – providing the material and human resources and building the structure to carry out the activities of the organisation.

- Command – maintaining activity among personnel, getting the optimum return from all employees in the interests of the whole organisation.

- Co-ordination – unifying and harmonising all activities and effort of the organisation to facilitate its working and success.

- Control – verifying that everything occurs in accordance with plans, instructions, established principles and expressed command.

Another well-known analysis is given by Brech who defines management as:

A social process entailing responsibility for the effective and economical planning and regulation of the operations of an enterprise, in fulfilment of given purposes or tasks, such responsibility involving:
(a) judgement and decision in determining plans and in using data to control performance and progress against plans;
(b) the guidance, integration, motivation and supervision of the personnel composing the enterprise and carrying out its operations.

Brech identifies four main elements of management:

- Planning – determining the broad lines for carrying out operations, preparing methods by which they are carried out and setting standards of performance.

- Control – checking actual performance against standards to ensure satisfactory progress and performance, and recording as a guide to possible future operations.

- Co-ordination – balancing and maintaining the team by ensuring a suitable division of work and seeing that tasks are performed in harmony.

- Motivation – or inspiring morale. Getting members of the team to work effectively, to give loyalty to the group and to the task, to carry out their tasks properly, and to play an effective part in the activities of the organisation. This general inspiration is accompanied by a process of supervision or leadership to ensure the teams are carrying out their activities properly.

(Mullins (2002) Management and Organisational Behaviour 6th Edition, p111-119)

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(8)

(b) Perceived Differences

There are perceived differences between management in the private and public sectors. These differences arise from particular features of public sector organisations. For example:

- aims concerned with providing a service for, and for the well-being of, the community rather than just of a commercial nature;

- the scale, variety and complexity of their operations;

- the tendency for them to be subject more to press reports on their activities;

- the political environment in which they operate, and in the case of local government, for example, the relationship between elected members and permanent officers;

- high levels of statutory controls, legislation and ministerial guidance;

- the generally high level of trade union involvement;

- the difficulties in measuring standards of performance of services provided compared with profitability;

- the demand for uniformity of treatment and public accountability for their operations; and

- the tendency towards more rigid personnel policies: for example, specific limitations on levels of authority and responsibility, fixed salary gradings based on general pay scales, long-term career structures and set promotion procedures.

A number of these features frequently combine to result in increased bureaucracy within public sector organisations.

Perceived or real?

Based on an analysis of management development in central and local government, Bourn suggests management (in the public services) as a set of interrelated activities:

1   forecasting, setting objectives and planning;
2   the definition of problems that need to be solved to achieve these objectives;
3   the search for various solutions that might be offered to these problems;
4   the determination of the best or most acceptable solutions;
5   the securing of agreement that such solutions should be implemented;
6   the preparation and issue of instructions for carrying out the agreed solutions;
7   the execution of the solutions;
8   the devising of an auditing process for checking whether such solutions are properly carried out and, if they are, that they do in fact solve the problems for which they were devised;
9   the design, introduction and maintenance of the organisational structures which are most appropriate for these activities;
10   the selection, training, development and management of the appropriate staff.

Clearly, this set of activities is of equal relevance to management in business organisations, and can be seen as an extension of the generalised definition of clarification of objectives, planning, organising, directing and controlling suggested above. Although greater emphasis **might** be placed on certain activities this analysis helps demonstrate the degree of commonality between the basic process of management in both private and public sector organisations.

And as Drucker points out, although there are, of course, differences in management between different organizations, the **differences are mainly in application** rather than in principles.

There are not even tremendous differences in tasks and challenges. The executives of all these organizations spend, for instance, about the same amount of their time on people problems – and the people problems are almost always the same. Ninety per cent or so of what each organization is concerned with is generic. And the differences in respect of the last 10 per cent are no greater between businesses and non-businesses than they are between businesses in different industries.

Arguing that there is a difference Farnham and Horton conclude that public service management remains distinct and separate from much of private sector practice.

However:
There is evidence of some considerable convergence between managing private and public organisations since the early 1980s. This has been described as the 'new managerialism' or the 'new public management'. Many private management techniques are now widely used in the public services and the language and practice of 'business' are becoming common to the public sector … Public managers are being trained alongside private managers and are expected to demonstrate the same competencies as their private counterparts. Their managerial role is still limited, however, by the fact that, as public officials, they are constrained by overall resource decisions and policy boundaries made by the politicians.

(Mullins (2002) Management and Organisational Behaviour 6th Edition, p124 - 126)

(12)

(c)   Challenges

Today, managements whose minds and deeds are stuck in the status quo are obsolescent, weak and failing. In the next few years, they will be obsolete – and failed. Renewal and nimbleness have become paramount necessities for the large and established. For the younger business, staying new and agile is equally imperative. (Heller)

Heller goes on to identify ten key strategies for Europe's new breed of managers:

1   Developing leadership – without losing control or direction.
2   Driving radical change – in the entire corporate system, not just in its parts.
3   Reshaping culture – to achieve long-term success.
4   Dividing to rule – winning the rewards of smallness while staying or growing large.
5   Exploiting the 'organisation' – by new approaches to central direction.
6   Keeping the competitive edge – in a world where the old ways of winning no longer work.
7   Achieving constant renewal – stopping success from sowing the seeds of decay.
8   Managing the motivators – so that people can motivate themselves.
9   Making team-working work – the new, indispensable skill.
10   Achieving total management quality – by managing everything much better.

To deal with the changing nature of work organisations and elements Prahalad suggests that the change in the work of managing is obvious. Issues of formal structure and hierarchy, authority and power, industry experience and seniority, and control and co-ordination are all open to challenge. The changing role of managing requires that special attention should be given to the role of senior managers.

Prahalad suggests the need to concentrate on six critical elements:

1   The importance of a shared competitive agenda.
2   Creating a clear charter of values and behaviours.
3   Focusing on influence without ownership.
4   Competing for talent and building the skill mix of the organisation.
5   Speed of reaction in the organization.
6   Leveraging corporate resources to address emerging opportunities.
     Prahalad concludes that: 'The emerging dimensions of managerial work are clear. The soft issues such as values and behaviors, (sic) often dismissed as unimportant, are critical.'

(Mullins (2002) Management and Organisational Behaviour 6th Edition, p139-140)

(10)

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