

Managing for Maximum Performance

UCSD Extension Business & Technology

Chapter 9 – Organizing Work – Fall 07

QuickTime™ and a
PowerPC™ decompressor
are needed to see this picture.

ORGANIZING WORK

Carla Oseroff
November 28, 2007

LIAI LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

Introduction

What is organization?
Group of people that coordinate the efforts to reach the same objectives

What is organizing work??
A process of division of labor accompanied by appropriate delegation of authority

LIAI LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

Serving to Promote the Potential Of People & Organizations

Managing for Maximum Performance

UCSD Extension Business & Technology

Chapter 9 – Organizing Work – Fall 07

Reasons for Organization

- Establish line of authority
- To improve efficiency and quality of work (synergism)
- Communication



LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

Organizing = Division of Labor

Vertical

- Lines of authority
- Flow of communication
- Centralized decision making
- Designed for efficiency
- Broad job scope

Horizontal

- Specialization work
- Training easier to supply
- Efficient skills
- Concurrent operations possible
- Job boredom.
Narrow job scope



LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

Serving to Promote the Potential Of People & Organizations

Managing for Maximum Performance

UCSD Extension Business & Technology

Chapter 9 – Organizing Work – Fall 07

Key Concepts

What is power?

The ability to influence the behavior of others

What is authority?

Formal power granted to a management position

What is empowerment?

The redistribution of power within an organization that will enable managers, supervisors and employees to perform their job more effectively and efficiently



LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

Who Has the Power

Centralized Organizations - decision making at top management (one level)

Decentralized Organizations - decision making distributed throughout (multiple levels)



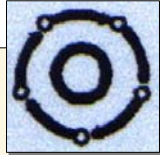

LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

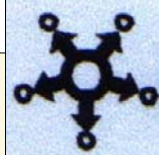

Serving to Promote the Potential Of People & Organizations

Managing for Maximum Performance

UCSD Extension Business & Technology

Chapter 9 – Organizing Work – Fall 07

Centralization	
	
Pros	Cons
<ul style="list-style-type: none"> •Standardization in procedures •Cost saving •Easy alignment of employees and corporate goals •Career opportunities •Appropriate for financial crisis 	<ul style="list-style-type: none"> •Potentially slow decision- making •Inflexible •Employees become less motivated
 <small>LA JOLLA INSTITUTE ALLERGY & IMMUNOLOGY</small>	

Decentralization	
	
Pros	Cons
<ul style="list-style-type: none"> •Flexible •Time saving •Localized control of project/decision-making •Empowerment •Appropriate for quick decision-making for competitive advantage 	<ul style="list-style-type: none"> •Lack of formal structure in procedures •High cost •Duplication of effort •Potential conflicting information
 <small>LA JOLLA INSTITUTE ALLERGY & IMMUNOLOGY</small>	

Serving to Promote the Potential Of People & Organizations

Managing for Maximum Performance

UCSD Extension Business & Technology

Chapter 9 – Organizing Work – Fall 07

Four Elements of Empowerment

1. Participation
 - Management influence others to accept responsibility of power by gaining their commitment to values, mission and goals of the organization
2. Innovation
 - Employees encourage to be innovative
3. Access to information
 - They must insure everyone understands how their work contributes to the success of the company
 - Managers and staff member have understanding of the entire operations
4. Accountability
 - Employees are responsible for their action and results



LA JOLLA INSTITUTE
OF ALLERGY & IMMUNOLOGY

Principles Based in Authority

- Delegation
- Unity of command
- The scalar principle
- Span of management



LA JOLLA INSTITUTE
OF ALLERGY & IMMUNOLOGY

Serving to Promote the Potential Of People & Organizations

Managing for Maximum Performance

UCSD Extension Business & Technology

Chapter 9 – Organizing Work – Fall 07

Delegation

The process of assigning responsibility and granting authority to employees to perform tasks and make decisions for which the manager is still accountable

- Difficult skill to master
- Essential for success



LIAI

LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

Objectives of Delegation

1. Develop abilities and talents of staff members
2. Managers who delegate “share power” with staff. Subordinate needs to accept both authority and responsibility (Parity Principal)
3. Manager’s time is free to pursue other tasks

LIAI

LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

Serving to Promote the Potential Of People & Organizations

Managing for Maximum Performance

UCSD Extension Business & Technology

Chapter 9 – Organizing Work – Fall 07

Barriers to Delegation

1. Lack of confidence in employees' abilities
2. Fear of being outdone by employees
3. Lack of experience
4. Lack of organizational skills
5. Fear of being disliked by employees
6. Reluctant to spend time to train employees
7. Failure to establish effective control and follow-up procedures



LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

How to Delegate

1. Analyze how you spend your time
2. Think a task through
3. Choose an employee(s)
4. Meet with the employee(s) and delegate authority
5. Create an obligation
6. Monitor progress, provide assistance, praise employee(s)



LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

Serving to Promote the Potential Of People & Organizations

Managing for Maximum Performance

UCSD Extension Business & Technology

Chapter 9 – Organizing Work – Fall 07

Exception Principal

- Managers should concentrate on matters that deviate from normal.
- Subordinates handle routine matters



LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

Unity of Command

- Employee should have only one immediate manager
- Employee should understand the organizational chart



LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

Serving to Promote the Potential Of People & Organizations

Managing for Maximum Performance

UCSD Extension Business & Technology

Chapter 9 – Organizing Work – Fall 07

Scalar Principal

- Chain of command. Authority flows through the chain of managers from the highest to the lowest



LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

Span Management

- Span of control refers to the number of subordinates a manager can effectively manage
- Complexities of managing increase geometrically as the number of subordinates increases arithmetically
- Factors affecting span management
 1. Complexity
 2. Variety
 3. Proximity
 4. Quality of subordinates
 5. Quality of manager



LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

Serving to Promote the Potential Of People & Organizations

Managing for Maximum Performance

UCSD Extension Business & Technology

Chapter 9 – Organizing Work – Fall 07

In the Future

- In horizontal divisions of labor, coordination occurs through the ongoing collaboration of experts rather than through a system of command and control.
- The nature of work change to favor a more horizontal division of labor (decentralized authority), it would represent a reversal of one of the primary attributes of the industrial era: the primacy of bureaucracy and hierarchy.
- In an economy marked by a horizontal division of labor, content and knowledge would become more important than command and control as vectors for organizing.



LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

Changes in Work Organization

- Flextime
- Telecommuting
- Job sharing



LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

Serving to Promote the Potential Of People & Organizations

Managing for Maximum Performance

UCSD Extension Business & Technology

Chapter 9 – Organizing Work – Fall 07

A Thought ...

Even so-called "tough" managers can no longer ignore the hard evidence in support of people-oriented management.

In the new millennium, people are the ultimate differentiator. Peoples' unique talents, skills, and ideas are the currency of the knowledge economy; their passions is the fuel that drives value creation.

Shared goals and intense cooperative efforts are essential for long-term success in the rapidly changing, frenetic global market.

A new value system is gaining currency among managers, who are beginning to wrestle with the practicalities of culture, mission, motivation, trust, innovation, and alignment. JEFFERY Piffer – Profit by putting people

firsqt.

LA JOLLA INSTITUTE
ALLERGY & IMMUNOLOGY

Serving to Promote the Potential Of People & Organizations