

VIEWPOINT *Mike S.*

EIGHT CHARACTERISTICS OF ORGANIZATIONAL EFFECTIVENESS

When my kids ask me what I do, I say, "I teach big people how to be better bosses." Of course, as an (OD) consultant, I realize that organizational effectiveness requires more than excellent managers and executives.

Other organizational development consultants say that they work with clients to build structures, systems and styles that help the organization achieve its goals; others emphasize our role in creating and managing change.

Still others describe organizational effectiveness in terms of its components: productivity, job satisfaction, employee development, retention, open communication, efficiency, customer relations and so on.

The real focus of organizational effectiveness, however, is on using all employees to the fullest to achieve a company's goals.

Although more and more CEOs are standing up at annual meetings and talking about people being their company's most important asset — and meaning it — many don't know how to use this valuable asset adequately.

Consequently, I keep hearing the same questions: What is organizational effectiveness? How do we get it? How do we know when we've got it? How can we increase it? What do you have to do

When clients come to us with these questions we work through three phases with them:

- **Assessment:** assessing where the organization stands and where it wants to go — including identifying clear strategic and operational goals

- **Building:** building structures, systems and styles to implement those goals



ILLUSTRATION BY JOEY HUBER

- **Follow up:** monitoring these new structures to measure and consolidate improvements.

Eight Characteristics Are Crucial for Effective Organizations

In most companies, organizational effectiveness expresses itself in the presence or absence, and relative balance of, eight complementary characteristics: purpose and direction, performance standards, rewards and recognition, participation and teamwork, coordination and cooperation among different areas, formal support systems, human resources development and relationship

to the external environment.

As OD consultants our first step is to assess these eight key dimensions within the client company and then to outline the practical steps necessary to build or reinforce them.

1) Purpose and direction. To achieve effectiveness, management and employees must understand the mission and direction of the organization at large and the contribution each of its parts makes to the whole.

Everyone in an organization should have some sense of their company's foundations and strategic objectives. They should be able to answer such questions as: What business are we in? What are our strengths and weaknesses? What are our markets? What are our present and future driving forces? What do we want to accomplish and what measurement criteria will we use?

Effectiveness also requires a strong management philosophy and a clear view of the basic motivational factors at work in the organization.

Management should be able to define, in short, why someone would want to work for the company: what attitudes, axioms and beliefs support its actions, what incentives are offered to instill good performance and so on.

Although they do expend great efforts on detailed strategic planning, many organizations don't expend equal effort on the next step — communicating those plans and goals to employees.

Consequently, we often survey employees to determine what they're hearing, the way in which they hear it, and how much they believe of what they hear.

An example illustrates how all of these elements can be combined to improve effectiveness. One of our rapidly expanding clients wanted to preserve its

RESUME OVERLOAD?

Spend **ONE MINUTE** per resume and let **RETRIEVE** and your PC do the rest:

- Search and recall up to 30,000 applicants
- Print applicant letters
- Print mini-resumes
- Produce EEO1 and other reports
- Make you a hero!

For information and a \$30 demonstration disk, call or write today.



**GREENTREE
Systems, Inc.**

444 Castro St., Suite 1100
Mountain View, CA 94041
(415) 965-1100



CIRCLE NO. 28

With Adia, your experience works for you.

Put your personnel management skills and market knowledge to work for you — with Adia as your experienced partner.

As a personnel expert, you've already developed the skills for finding the right person for the job — skills that are essential for success in the fast growing temporary help industry.

Best of all, with Adia you're in business for yourself, but not by yourself. Your special abilities and knowledge, combined with our

proven training programs, ongoing financial and marketing support all add up to a winning combination.

Choose from over 100 exclusive market locations near you or where you want to live. For more information about how you can become your own boss, contact Steve Pataky at 800/343-2342. In CA call collect, 415/324-0696. 64 Willow Place, Menlo Park, CA 94025.

200 U.S. offices,
600 Worldwide.

ADIA
The Employment People



This advertisement does not constitute an offer. An offer is made only by delivery of a prospectus.

CIRCLE NO. 44

VIEWPOINT

aggressive entrepreneurial posture while creating a work setting that reinforced mutual reliance among all levels of its employees.

The client asked us to help shape and implement a realistic management philosophy statement that reconciled these potentially conflicting goals.

We agreed on a statement of four principles — fairness, open communication, undivided accountability, and recognition — that translated well into practical worklife and supported both individual initiative and collective effectiveness.

2) **Performance standards.** Performance is what ultimately counts in an organization. To perform consistently well, every employee must have standards that answer three questions: What am I supposed to do? How am I doing? What do I have to do to improve?

At the same time, the organization should be asking the related question: How do we translate our goals into employee action?

A good performance planning and review system answers all these questions. Poor standards — or the absence of any formal standards — confuse and ultimately demotivate the company's employees.

For all their potential pitfalls and possible misuses, performance planning and review systems remain an organization's best safeguard for ensuring clear performance standards and, ultimately, excellent performance.

Anticipate Employees' Self-interest with Reward Programs

The systems that work best are those that fit the organization's operations and procedures, ones in which employees understand how the planning and evaluation work, in which administrative controls are in place, and in which proper training and guidance is available to the managers conducting the performance reviews.

3) **Reward and recognition.** Once armed with goals and standards, employees naturally confront basic questions of personal motivation, i.e.,



ABRA 2000

only \$995

for IBM PC

Computerized
Human
Resources

You can magically reduce personnel paperwork, save your time & your sanity:

- Automate employee record keeping, benefits, compensation, reviews, job history, skills, education & EEO
- Best for 25-2500 employees
- 40 reports, 180 data items
- Very fast screens & reports
- Custom reports & online query thru dBASE III compatibility
- Affordable and easy to use!

To experience the magic, send \$25 plus tax for a demo disk and 150 pg. manual.

It's no illusion

ABRA Cadabra
SOFTWARE

111 Worcester Lane, Los Gatos, CA 95030
(408) 395-2595

CIRCLE NO. 45

Don't leave them in the dark.

Does the new job mean a new location?

Relocation doesn't have to be complex. Don't be in the dark when your employee needs help!

You deserve a quality resource and personal attention.

At Dallamora we specialize in uncomplicating relocation.

Six offices, a mortgage company and a national network... Dallamora can make the difference.

Call Ellen Gitelson, Director of Relocation Services to find out more and to receive a free relocation guide.

 **Dallamora**
Realtors/Relocation

235 Walnut St., Framingham, MA 01701
617/620-0761 1-800-225-2220

CIRCLE NO. 31

VIEWPOINT

"What's in this for me?"

Effective organizations anticipate this driving force and provide rewards and recognition that show employees a clear connection between performance and reward.

Commonly, we think of compensation in terms of dollars. But individual motivation is actually built on three different kinds of rewards and recognition: dollars, development and distinction.

• *Dollars.* Obviously, effective organizations must monitor and survey their industries, keeping abreast of salary levels, benefit trends and so forth.

• *Development.* It's also important to provide employees with resources to develop their skills, ways to challenge their creativity, and programs that demonstrate the organization's interest in their career advancement.

• *Distinction.* Distinction, an employee's status among peers, is generally left to individual managers, who give praise and strokes according to their own preference.

Creativity can really pay off in this regard. At a busy conference hotel, for example, I pulled into what looked like a convenient parking space — only to find that it was reserved for the Employee-of-the-Month.

More formal distinctions — awards, citations, winners clubs, recognition in the company newsletter — can prove just as effective as a manager's praise, because they carry the sponsorship of the whole company.

In working with clients to design coordinated reward and recognition programs, we try to emphasize the uniqueness of both the organization and each of its employees.

4) **Participation and teamwork.** Participation and teamwork is the degree to which people feel part of the organization and their own work group, including their willingness to work with other employees toward common goals.

5) **Coordination and cooperation.** Coordination and cooperation deals with how well various organizational units within the organization — their roles and accountabilities — work together.

As organizational development counselors, we look at the structure of each unit both in terms of reaching its own goals and whether there are any structural or operational barriers to effective inter-unit communication and activity.

When a company's organization chart gets in the way of effective communication, team building meetings often help break up log jams.

Such meetings should not be rah-rah or "touchy-feely" sessions but should be forums for setting specific agendas, outlining the expected roles and contributions of team members, setting standards of behavior, and creating explicit agreements about mutual responsibilities.

6) **Formal support systems.** Even the most accountable, most productive, and most satisfied team player in any organization still needs support, resources and necessary tools to remain effective.

Accordingly, we look carefully at the formal support systems existing within the organization to determine if, indeed, adequate support is provided.

Such support can take the form of technical assistance (information, data banks, equipment, consulting help, tooling, budget and people allocations) or personal assistance (employee assistance programs, day care or corporate fitness programs).

Ongoing HR Development Ensures a Pool of Qualified Employees

7) **Human resources development.** The continual development of employee skills and competencies goes beyond an organization's interest in employee motivation. The organization must ensure the continuing availability of qualified staff at all levels.

It must, therefore, systematically assess its own knowledge, skill and management needs and translate them into specific employee and management development efforts.

These needs require more than occasional training. Effective organizations have a variety of HRD practices: career development, planning and

VIEWPOINT

counseling, technical competency training, job rotation and enrichment, educational tuition reimbursement, job posting, succession planning and development of high-potential employees.

Obviously, not all organizations need or can afford each and every practice. One of our consulting responsibilities is to help develop an approach to HRD that is both cost-effective and tailored to the client's particular needs.

8) **Relationship to the external environment.** All of the previous characteristics have been directed toward internal issues and activities, but to become and remain successful, an organization must also cultivate an effective relationship to the external environment — both operationally and strategically.

An effective organization functions in harmony with its industry and its markets; its sensitivity to outside forces controls both the shape it gives its goals and objectives and its ability to adapt.

Our efforts in this area focus on determining what in the external environment needs monitoring and on framing practical techniques for doing so.

Again, the thrust is more pragmatic than theoretical. We look for those forces that have a real impact on the way the organization and those in it behave.

In this vein, sound customer and public relations, realistic quality assurance programs and good avenues for getting feedback from consumers should all be included in the organization's future strategic thinking.

Organizational effectiveness is not a set of isolated activities, it is an on-going process — a loop that moves from planning for certain ends, to building those activities necessary to reach those ends, to seeing how well you did in your efforts and back to planning again. ■

Joseph R. Toto was the director of management and organizational development for the Sperry Corporation, Computer Systems Department, before joining W.K. Gray & Associates in 1983.

FREE Handwriting Analysis

Find out why CHASE MANHATTAN, GENERAL FOODS and COCA-COLA are hiring through handwriting.

Are you aware that Handwriting Analysis is a highly accurate tool for personnel selection? A headline article in *The Wall Street Journal* (9/3/85) reported that "At least 80 of France's 100 biggest companies use graphology in hiring... Besides French companies, numerous subsidiaries of American concerns like Coca-Cola, General Foods and Chase Manhattan now use handwriting analysis in hiring."

The personnel chief at Coca-Cola France says, "We find it quite reliable." The deputy managing director of Matra Horlogerie adds, "Every time we hired somebody who seemed good but didn't do well in the handwriting analysis, he failed within six months."

But don't take their word for it. **DECIDE FOR YOURSELF!** Just have 5 to 10 of your sales people, secretaries, (or any other job category you wish) copy a few paragraphs from today's paper on plain white, unlined paper. Mark each sample with the individual's position title and send them along with your corporate letterhead or business card to the address below for a **FREE INCISIVE ANALYSIS**. We cut through the psychological mumbo-jumbo and give you the straightforward, hard-hitting facts in just 24 hours. Send attention: John Thomas, Chairman

Hiring Through Handwriting

a division of Breakthrough Marketing, Inc.

10 Penn Center, Philadelphia, PA 19103 • (215) 564-1449

(Offer Limited to Presidents, Sales Managers, and Personnel Directors)

CIRCLE NO. 34

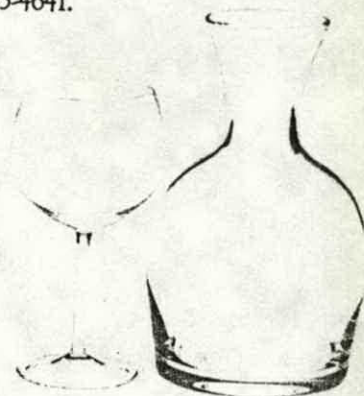
Because your most valuable asset leaves the building each evening.

If your employees leave each night knowing that their efforts are noticed, you have protected your investment. A Tiffany service recognition program is a powerful management tool. It creates the excitement that helps drive your business.

Our Corporate Division will plan and execute a program consistent with your budget, and provide special design services where appropriate.

To arrange for a consultation with a service awards sales executive, please call Sandra Alton at 212-605-4641.

Pictured: Our suggestion for a ten-year service award, a decanter and set of four all-purpose glasses in full lead crystal.



TIFFANY & CO.

NEW YORK • BEVERLY HILLS • CHICAGO • DALLAS • HOUSTON
BOSTON • ATLANTA • SAN FRANCISCO • PHILADELPHIA © T & CO. 1986

CIRCLE NO. 35

ork

nt. So it's
alled
families

irt out
und.
31-1401
to
dent,
orum,