

PETER MILLS

# LEADING PEOPLE

The 10 Things  
Successful Managers Know and Do



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Successful Managers  
Know and Do

PETER MILLS

The Leadership Framework Pty Limited  
Sydney, Australia



**G O K O**  
P U B L I S H I N G

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- ▶ **I WISH TO** thank Barry and Sheila Deane, from PeopleFit Australasia, who developed the original Leadership Framework based on the work of Elliot Jaques and Lord Wilfred Brown. They have kindly given me full access to their substantial and excellent work, without which I could not have written this book.

I also wish to acknowledge Peter Dawe, a business studies teacher, and Michelle McShane, a Human Resources Manager, both of whom reviewed early drafts of the book and made valuable suggestions for improvement.

Finally, I would like to thank my wife, Sue, who has been a constant reference point, helping me to clarify my thoughts and ideas.

# Praise for Leading People

- 
- ▶ The Leadership Framework has improved my capability to deliver great HR as the principles and practices provide a systematic approach for diagnosing and resolving people issues through the lens of what is required to lead an organization, lead people, and manage effective relationships. Peter's application is distinguished from other practitioners due to his pragmatic approach of what does and doesn't work within the organizational context. He focuses on getting the best outcomes for an organization by understanding how to prioritize and focus on what will provide the greatest return on investment.

*Zaklina Civijovski, HR Manager and Dave Ulrich  
HR Practitioner of the Year FINALIST*

Managers seeking clear, effective, and pragmatic advice about specifically what to do and how to add value in their role should look no further. Much of what passes for new management thought is repackaged opinion. This research-based, tried and tested framework enables managers, their advisers, and their people to focus on meeting each other's needs and deliver together on the purpose of their work. The predictive power of this framework to explain organizational life and its application to team problem solving is impressive. Once I integrated this framework into my daily

work, I viewed my organization through an entirely different lens and changed my team's experience of working together for the better.

Peter's deep experience and understanding of HR combines with his gift for simple, effective, pragmatic strategy to create HR teams and systems that deliver great results for individuals and organizations. A conversation with Peter is like a HR masterclass. I have learned and achieved so much with Peter, and have every faith that you and your organization will as well.

*Tod Campbell, Organizational Development Manager*

I have found the principles and the tools of the Leadership Framework invaluable in diagnosing root causes of issues, and in being able to identify immediate, mid-term, and systemic interventions for sustainable change. The principles are very respectful of the dignity of all, and enable insights for identification of organizational issues and how to address them.

*Amy Miszalski, Senior Transformation Leader*

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# Introduction

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- ▶ **TO MEET THE** challenges of today's work environment, all employees must be focused on achieving business goals, with managers creating a work environment where personal effectiveness and continuous improvement is sought by all. In most organizations, however, this is not the case and managers are left wanting as they either don't know what they need to do to be successful, or are not effectively supported by their organization to do their role – or both.

Over the years, there has been much talk about the role of the manager, building a high-performance workforce, improving staff engagement, changing an organization's culture, increasing innovation, and effective change management without a clear understanding of what is required. This has resulted in a feeling of helplessness for managers who already feel overburdened by unclear and unfair expectations. As a result, managers are more and more outsourcing their work to others instead of performing their role, creating an industry of work for consultants. This damages or even breaks the strong manager-employee relationship that is needed for productive work.

This book provides managers with the 10 things successful managers know and do. It is based on 'The Leadership Framework', a fully integrated model of principles and concepts for managing people. At the framework's core is a strong manager-employee relationship based on working together to achieve business goals. This relationship is *a two-way, trusting, productive, working relationship with team members working to their full potential.*



At the framework's foundation is a body of knowledge known as Requisite Organization—requisite meaning what is required by the natural order of things. The concepts and principles were originally developed by Dr. Elliott Jaques and Lord Wilfred Brown, and are based on significant research and practice around the world. This research considers organizational design as a purpose-built structure, with systems of work and defined working relationships that enable people to work toward a common business purpose. The organization itself is activated by applying effective managerial leadership practices.

The original Leadership Framework was developed by Barry and Sheila Deane, from PeopleFit Australasia, who simplified and condensed Jaques' concepts and principles. They have kindly given me full access to their substantial and excellent work.

Using PeopleFit's work, I have complemented, modified, and updated it using the research of others and from my own extensive experience:

- In senior human resources roles across a range of industries both in the private and public sector
- In working directly with my own team as a leader on setting goals and improving performance
- As an advisor and coach to CEOs, managers, and non-managers roles in organizations

## Using This Book

To be successful, managers need a framework for their work. This book provides that framework. The book stands alone and each principle is complete. It defines what managers must know and must do.

As all concepts are fully integrated by the end of the book, the reader will have a strong understanding of the nature of people, work, and working relationships. Using these principles will provide:

- Clarity on the requirements of your role as a manager
- Clarity on the role of others in the organization and how you should interact with them
- Clear accountabilities and authorities for managerial work
- Principles for managing in a way that builds trust and achieves business outcomes
- Practices to develop the full capability of your team
- An understanding of how to build effective working relationships across the organization
- A way to quickly diagnose the systemic causes behind day-to-day issues and address root causes
- A "code of practice" for your managerial work
- A checkpoint against which you can assess yourself

This will enable you to build a high-performing team, to develop team members to their full potential and be personally successful.

If these concepts are extended across an organization to all people managers, it will provide the additional benefits of:


- Consistency in leadership practices across the organization
- Improvement in leadership at the individual, team, and organizational levels.
- A common language to solve people management issues
- An organizational culture based on trust and fairness
- Cross-organizational alignment

- Efficient strategy execution
- Improved staff engagement and effectiveness

At the end of each chapter there is a list of 'Tips for Getting Started'. These tips will help you on your journey to become a great manager and leader, and provide the basics for implementation. The companion website offers additional free information and tools, and the opportunity to partner for a more comprehensive implementation. It also provides additional content on other related topics. You can join The Leadership Framework Network and get access to all this information, or purchase content as you need it.

**Additional information available at:**  
**[www.theleadershipframework.com.au](http://www.theleadershipframework.com.au)**

# Why Managers Fail

- 
- ▶ **WHILE** ◀ **MANAGER DEVELOPMENT** is a critical issue for most organizations, many managers are still unclear as to their role, or do not have the knowledge, skills, or experience required to perform their role effectively. Widespread problems continue to exist in organizations because of a lack of coherent and integrated principles and practices relating to people at work – problems of compensation, layering, organization structure, systems of work, career development, poorly defined role relationships, inadequate leadership, poor planning, and dysfunctional behaviors. People still manage to do their work, but it is not done effectively. Renowned Canadian psychoanalyst and organizational psychologist Elliott Jaques articulated this at the 2002 Mid-Winter Conference of Consulting Psychology Division (XIII) of the American Psychological Association when he said, “The problems resemble back pain. Muscles get knotted up and may hurt and create discomfort, they may de-energize and cut down creativity, but people can still get on with their work, even though not as well as they might have done. So it is with management. People get tied up in psychological knots, and may get hurt and de-energized, but it does not preclude them from getting on with work. The fact that managerial organizations have been as successful as they have is due to the constructiveness and spirit of their people, who enjoy working, enjoy working together, and enjoy work opportunities however limited, and who rise above the shortcomings of organizational structures and managerial processes to make things work.” Jaques goes on to suggest that, even in the

best companies, people "are at most 50% to 60% as effective as they could be," and in public sector organizations less so.

So why does this occur?

The issues often start at the very beginning of a manager's career. Their managerial journey usually begins by working hard to become a competent specialist. They get promoted to a managerial role or have management accountabilities thrust upon them because they have performed well in a specialist role.

When appointed, they are often underequipped for the managerial role they are given. The knowledge and skills necessary to perform their role have to be gained on the job, over time, and largely through trial and error. Even when trained to be a 'manager,' the training is often piecemeal and a mix of models, practices, and theories which individuals struggle to bring together into a meaningful and implementable framework for their managerial work.

To make things worse, their own manager has often been "developed" under the same process, and the organization's senior leadership team has failed to provide the required systems of work to support good managerial leadership practice.

The causes of ineffective individual performance may originate in the organization but in the end they are owned by the manager.

## **Organizational Causes of Poor Performance Effectiveness**

There are four causes directly attributable to the organization's leadership team. These are:

- 1.** Lack of a clear definition of the role of a manager
  - A.** Some organizations do not have a clear and common understanding of the role of a manager. In fact, often senior management have conflicting views of what a manager should know and do. In these circumstances,

how can an individual manager understand their role in an organization?

- 2. Lack of organizational models**
  - A.** Some organizations have not identified the knowledge, skills, and behaviors their managers need in order to lead, manage, and develop people effectively. As a result, they do not have standards to establish a benchmark for good practice. Therefore, managers don't know what standards are required by the organization.
  - B.** Some organizations have identified the individual capabilities required but fail to communicate these to managers. As a result, managers are unaware of what is expected.
  - C.** Some organizations have identified the individual capability requirements and communicate them to managers, but they fail to make sure managers have the required capabilities and deliver them. They assume that managers deliver on those expectations and do not assess each manager against the required criteria to ensure a standard of performance.
- 3. Lack of systems of work to support managers in their managerial work**
  - A.** Managerial work requires the organization to provide effective systems of work to enable managers to be successful, such as recruitment or performance effectiveness systems. Some organizations do not provide these systems for managers, or they are poorly designed or implemented and often not integrated.
- 4. Lack of role models**
  - A.** Managers of new managers may not have the knowledge, skills, and experience required themselves. As they were also developed on the job, they do not have the capability to develop their own direct reporting

managers. Even if the manager is effective, they cannot pass on this knowledge to their direct reporting managers because they are unaware of how they have been effective.

### **Individual Manager Causes of Poor Performance Effectiveness**

There are five causes directly attributable to managers themselves. These are:

- 1.** Lack of understanding of the role of a manager, or the knowledge, skills, and experience required
  - A.** Some managers don't understand the role of the manager, or know what knowledge, skills, and experience are required to lead, manage, and develop people effectively. They do not have a coherent standard to benchmark themselves against.
- 2.** The manager does not value managerial work
  - A.** Valuing the work is about the person's level of interest, commitment to, and sense of involvement in what they do. To perform at a high standard continuously, a person must value their work. If a manager does not find value, is not interested in, or finds no enjoyment in managing people, they are unlikely to be able to sustain effort over time, or to excel in their role. As managers are often promoted from being a competent specialist, it does not automatically mean they want, or even value, the role of a manager.
- 3.** The manager does not have the mental capacity to solve the complex problems of managerial work
  - A.** In essence, this refers to the manager's cognitive ability to assimilate data and information, and to exercise sound judgment in the face of ambiguity and uncertainty. It is a

critical, threshold condition for fitting a person to a role, and often is lacking when a person is over-promoted. The exercise of judgment becomes more and more important when the facts and figures fall short of obvious solutions, and the increase in variables makes decision-making increasingly difficult.

4. The manager exhibits extremes of temperament
  - A. The manager may be achieving the required results, but their overall capability to perform a role successfully is overshadowed by one or more negative personal characteristics, and this has never been "corrected." Extremes of behavior may include: chronic problems with interpersonal relationships, aggression, disabling extremes of temperament, or drug or alcohol dependency.
5. Lack of application
  - A. Managers know what they should be doing, but for various reasons, don't do it. As a result, people are poorly managed and developed leading to low staff engagement.

## **The Solution**

To overcome these issues, one fully integrated, proven Leadership Framework for people management has been developed. The framework provides a set of principles and practices for effective decision-making, and for diagnosing and correcting managerial leadership and organization issues. It brings clarity of thought and rational understanding to the nature of work, what it is, and how it should be structured, distributed, executed and assured.

The Leadership Framework provides a methodology for the design and deployment of an organizational structure that ensures the right organizational design, with the correct number of managerial layers, with the right work at the right levels, with well-defined accountabilities



and authorities to execute business strategies. It enables the design of people management systems to support productive work.

At the framework's core is a strong manager-employee relationship. This is a *two-way, trusting, productive, working relationship focused on achieving business goals with team members working to their full potential.*

This Leadership Framework has three interconnected parts with a coherent set of integrated principles and practices.

### Framework for Managerial Leadership



**Leading people** specifies actions required of all people who are appointed to managerial roles and are accountable for the output of others. It comprises the minimum and essential requirements of all

managers, from “frontline” managers up to and including the CEO/ Managing Director. It is about the day-to-day things managers do to lead and manage their team, such as creating effective roles and filling them with good people, assigning and assessing work and recognizing and rewarding good work.

**Leading the organization** specifies additional requirements of senior executives and middle management in designing and implementing workplace conditions, such as structures and systems of work that enable and support effective managerial leadership and productive work. Implementing business strategy and building workforce capability are part of this.

**Leading yourself** is about understanding the manager's role and how to work with others across the organization to build constructive working relationships.

The framework is underpinned by certain beliefs about people at work, and that work is only enabled when managers provide an environment that allows people to work together, be effective and satisfied with their work while, at the same time, developing their full potential. The beliefs are:

1. People are naturally motivated to work; they are not intrinsically lazy.
2. People are social beings and work is an environment where social interaction is required to achieve business outcomes.
3. Organizations and their employees share a common goal in the need for productive work.
4. The work environment critically influences an individual's ability to do their best work.
5. Productive work is enabled by systemic trust and fairness, and is reduced by fear.
6. People seek to work at a level in which they can use their capabilities to the fullest.
7. People seek fair differential pay for that work.

What do these beliefs about people at work mean for managers?

- People come to work to do the best job they can, but their natural motivation to work and their performance effectiveness is affected by workplace conditions. It is a requirement of managers to set the right workplace *conditions* or *environment* to enable people to be productive. Managers do not need to motivate people; a manager's role is to set the right conditions for productive work.
- If the conditions in the workplace are such that they induce fear, people cannot be expected to contribute fully. Therefore, all organizational systems of work must be designed and deployed to induce mutual trust, such as the systemic trust engendered by the employees' ability to follow established rules, procedures, and custom and practice, and to rely upon others to be truthful and to do as they say. For example, if the performance appraisal system is poorly designed and produces inconsistent outcomes for staff performing at the same level, this can create the perception that the organization does not treat people fairly. This can be expected to diminish feelings of mutual trust.
- People want to work at a level where they can use their capabilities to the full. Therefore managers must understand what individual capability is and how it is assessed, and roles must be designed so people are able to use their mental capability to the full.
- As work is a social environment where social interaction is required to achieve business outcomes, a clear understanding of the "social norms" and the "rules of engagement" is essential.
- People effectively contributing in their role expect fair payment for the work they do. This payment is based on a differential pay structure, where progression is possible and

determined by individual effectiveness as assessed by the manager. People paid at equitable levels feel satisfied, and pay tends not to be raised as a focusing issue in the workplace.

The concepts of the Leadership Framework are not fuzzy or soft; they provide clear definitions with principles and practices to guide every manager in their day-to-day work, balancing the mind and the heart. At the core of these concepts is a strong manager-employee relationship based on working together to achieve business goals.

The focus of this book is on the 10 things successful managers know and do. These principles comprise some of the key components of leading people and leading yourself. Following these principles and practices ensures that the right people are put in the right roles so that they can realize their full potential, both for their own satisfaction and to contribute fully to the success of the organization.

For employees, this means quality working relationships, high levels of engagement, and meaningful work aligned to their own personal career goals.

For managers, it means strong working relationships, and the achievement of business goals. Unlike other frameworks, as all the principles and concepts are fully integrated and learned, they can be used for role creation, recruitment, talent development, building a team, and much more.

For shareholders, this quality of working relationship will mean higher levels of productivity and business performance. It will enable the organization to build a culture based on trust and fairness. It will provide a common language to solve people management issues and enable cross-organizational alignment. It will provide managers with skills and tools to execute organizational strategy with consistency in leadership practices throughout the organization.

## Tips for Getting Started

1. Create a Managerial Leadership Action Planning Log. At the end of each principle, jot down the issues, desired outcomes, next actions, by who, and by when. Update and review the log at the end of each chapter. A Managerial Action Plan template is provided at the back of this book or can be downloaded free from the website below.
2. Read the *Introduction to the Leadership Framework*. Download it free from the website below.

**Additional information available at:**  
**[www.theleadershipframework.com.au](http://www.theleadershipframework.com.au)**

# Principle 1



## Understand Your Role

*To be successful, managers must understand their role. The role of the manager is to achieve the business goals set for them, and at the same time provide an environment that allows their team to be effective and satisfied with their work while developing their full potential.*

**ORGANIZATIONS EXIST TO** coordinate the work of many people toward a common business purpose of producing the organization's products and/or services. To deliver its purpose, each organization has a strategy, decided by the owner or the board as representatives of the owners, with business objectives, decided by the chief executive officer (CEO). The work is then organized by managers and delegated to the right people, at the right level and in the right roles.

Critical to the organization of work is every employee being clear on what work he/she must do to play his/her part. Therefore, to be successful, managers must understand their role in the organization and the role of their direct reports. They must have a clear understanding of what each role is *accountable* to do and what *authorities* they have to do it. This understanding goes beyond

the technical and programming aspects of a role and extends to the requirements of managing people.

### The Role and Accountabilities of Managers

The role of the manager is to *achieve* the business goals set for them, while providing an environment that allows their team to be effective and satisfied with their work while developing their full potential.

To do this, managers are specifically accountable for:

- Their own personal effectiveness
- The output and behavior of their team
- Building and leading an effective team, so that each member is fully committed to, and capable of, moving in the established direction
- Continuous improvement of work processes and methods

This brings together a number of concepts with which organizations (and managers) often struggle. The first is that managers are accountable for *their own personal effectiveness*. Everyone in an organization is an employee of the organization and reports to a manager. This is how organizations ensure strategy is executed in a planned and orderly way. In doing work, all employees, including managers, are accountable for delivering the work defined by their manager. Managers have this same requirement for both delivering their outputs and demonstrating the behaviors required of all employees. In the area of behaviors, these requirements are arguably at a higher standard.

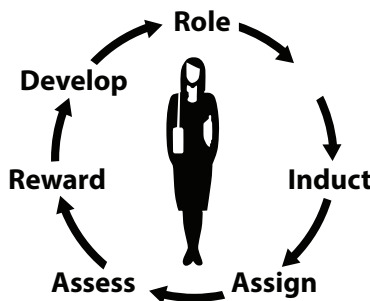
Managers, however, have additional accountabilities beyond those of non-managers. They are accountable for *the output and behavior of their team*. While all employees are accountable for delivering their work, a manager is also accountable for the work outputs and behaviors of their direct reports. This means managers cannot blame individual team members for not delivering the output

that the manager's manager requires, or for poor behavior of team members, as the manager is accountable for the outputs and behavior of the team. This is a requirement for all managers, from the CEO down to a frontline manager.

Managers get work done through their direct reporting team. So managers are accountable for *building and leading an effective team so that each team member is fully committed and capable of moving in the direction set*. They set the purpose and direction of their team and enable team members to move along together in that direction with competence, commitment and enthusiasm, dealing with obstacles on the way. They are accountable for building the capability of their team to achieve the outputs.

Managers build and lead an effective team by delivering the performance management sequence. This sequence starts with effective role design, followed by selection for the role, then induction of the individual into the role. It continues while the individual is working in the role. Each part of the sequence has a different emphasis with the same goal: having fully loaded roles filled with people capable of doing their work. This sequence is shown in the diagram below.

### **The Performance Management Sequence**



**Role design** establishes the role in the organization. It sets out its business reason, its purpose and objectives, its accountabilities and



authorities, and its working relationships with other roles. See “Principle 6: Create Effective Roles and Put Good People in Them.”

**Selection** identifies and appoints an individual whose capability is judged to best suit the capability requirements of the role. See “Principle 6: Create Effective Roles and Put Good People in Them.”

**Induction** familiarizes those selected with the work of the role, its relationships with other roles and the incumbents in those roles, the systems of work including the policies and work processes relating to the role, an overview of the typical tasks, the current priority tasks of the role and the performance requirements of the role. See “Principle 8: Coach and Develop Your Team”

**Assigning and assessing work** is a foundation condition for individual performance effectiveness. The manager assigns clear tasks and then monitors the individual as he/she progresses in their work, providing feedback about progress and how effectively the individual is working. See “Principle 7: Effectively Assign and Assess Work.”

**Development** in the role follows naturally from effective task assignment and completion, as the manager reviews the work and the individual's effectiveness in executing the work. The manager creates opportunities to coach the individual on how to be more effective. This may involve helping individual's see better ways to solve problems, run meetings, collaborate with others, comply with rules and policies, or better use the company's resources. See “Principle 9: Develop Your Team.”

**Reward** and recognize team members, as appropriate. The intent is to create conditions where all employees are in a position to see that the organization is a meritocracy – a place where people are paid fairly based on their performance effectiveness. See “Principle 9: Recognize and Reward Good Work.”

Finally, in addition to the execution of the day-to-day operational work, managers are accountable for continuous *improvement of work processes and methods*. They identify ways for work to be done

more effectively and efficiently. They then implement the necessary changes for this to occur.

While continuous improvement forms part of the accountabilities of all employees, only managers are authorized to change the organization's systems of work. When changes are made, it is the manager who creates the environment to enable the change to occur. See "Principle 10: Continuously Improve and Lead Change."

So, before we go further, let's tackle the argument of management vs. leadership. Leadership is defined as:

*The process in which one person sets the direction for one or more other people and gets them to move together in that direction with full commitment.*

If we accept that a manager is accountable for the output and behavior of their team, for building and leading an effective team so that each member is fully committed to and capable of moving in the direction set, and for bringing about change through continuous improvement of work processes in their team, we must accept that they are also leaders, no matter at what level in the organization. Leadership, therefore, is not a freestanding activity; it is a specific accountability of all people managers, it is part of the role and not separate from the role. Trying to separate leadership from management confuses the benefits of good managerial practice. All managers are leaders. Their only choice is to be a good one or a bad one. On the other hand, not all leaders are managers.

## **Authorities of a Manager**

Having established what managers are accountable for, they must then have authorities in connection with those accountabilities. Authorities are those aspects of a role that enable the person to act legitimately in order to carry out the accountabilities required of a

role. Authorities include such things as authority to assign tasks, get access to information and expend resources, including money, in the organization.

In order to do their work and fulfill their accountabilities, managers have three types of authorities:

- Work authorities
- Role authorities (managerial)
- Personally earned authority

### **Work Authorities**

The first type of authority a manager has is the authority to do specified types of work, such as, the technical and programming work specified in the position description.

Work is authorized through the line of management. It cascades down the organization from the managing director, who authorizes the strategy and business plan, through each layer of management to the frontline manager. The frontline manager authorizes the work plan and assigns tasks to each team member. This cascading of authority and assigning tasks enables the organization to achieve its business objectives. Examples include the delivery of a service or product, the preparation of a forecast or business plan, or the authority to expend money.

### **Role Authorities (Managerial)**

The second type of authority a manager has is the authority stemming from their role as a manager. It is the authority given to a person to make decisions in order to meet the accountabilities of the role. All employees are held accountable for their own work effort in producing something, whereas, employees in managerial roles are doubly accountable. They are not only held to account for

their own personal effectiveness, they are also held to account for the output and behaviors of their direct reports.

In order to be held accountable for the work of their team, managers must have four minimum managerial authorities in relation to their direct reports. These authorities are the ability to:

- **Veto** the appointment of a person to their team, with good reason
- **Assign** tasks to team members
- **Review** performance, **Recognize** and **Reward** performance differentially
- **Initiate** removal of poor performers from the role, with good reason and due process

Without these authorities, a manager will not be seen as the true leader and will have difficulty carrying out their accountability for achieving the output. These authorities are called VAR<sup>3</sup>I authorities and they must be exercised within the boundaries of the organization's policies, procedures and values.

So why do managers need VAR<sup>3</sup>I authorities? If a manager is held to account for the output of their direct reports, then it makes sense that the manager must be able to decide on the capability fit of a person to their team. If a person is to be transferred to their team, the manager must be able to veto the appointment to the team if he/she feels that it will affect team performance.

In the selection process for team members, the manager does not act alone. In practice, he/she selects the best fit and then recommends the appointment to their own manager for authorization, that is the manager-once-removed (MoR) from the employee. The MoR then has a "reviewing role" and can also veto *appointment* with good reason. This ensures that the long-term view of the organization is considered and that both the manager and MoR are comfortable with the selection.

If the manager is accountable for the output of the team, then he/she must be able to *assign tasks* to team members. In fact, the manager is the only person who can assign tasks to members of their team. If others are able to assign tasks, the manager will be unable to manage workloads effectively or ensure critical issues are addressed in balancing the work to be done. This is likely to impact others in the team. This does not mean that the manager's team members do not work with others; they do and must for the organization to be successful. But it does mean all working relationships must be clear. This is covered in "Principle 3: Understand and Respect the Role of Others".

Following this, it makes sense that, as the manager is the only person who can assign a task, he/she is the only person who can effectively judge or assess the performance of that task (*review*) and make fair judgments to *recognize* and *reward* team members based on those judgments (within the boundaries of the salary system). This is a most important authority, for it goes directly to the individual's sense of worth and is therefore an important building block in the relationship with the manager and a key to building trust.

If a manager's decisions are overturned, he/she may have difficulty in linking the changed decision to the work outcomes. It could lead to inappropriate behavior and employees losing confidence in the organization's support of managerial authority. Over time this will erode feelings of mutual trust in the organization.

Consistency of monetary reward is achieved through good salary systems design and implementation.

The *initiate removal* authority is exercised when a team member is unable to deliver the required output for the role. The manager will have worked with the team member to identify the issues and, where appropriate, to develop and implement a performance improvement plan. If the team member's performance does not improve and the manager assesses the issues relate to an incorrect fit to the role (not valuing the work or level of work ability mismatch,

for example), then the manager is accountable to use this authority to remove the team member from the current role. Obviously the manager will have had appropriate conversations and guidance from their own manager in this process. In this context, it should not be a surprise to the manager's manager that there has been a performance issue. If the working relationship between the manager and his/her manager is effective, they would have discussed the issue earlier and together agreed upon actions to improve the team member's performance.

This authority is only to "initiate removal" from the team, as the manager does not have the authority to remove the person from the organization (dismissing the person). This authority rests with the person's manager-once-removed (MoR), as it may be that the manager is underutilizing that team member or not managing effectively.

It may also be that the person's performance is related to long-standing and unresolved conflict. If placed in another role suited to their skills, that person may thrive. It is also about ensuring that such serious decisions about dismissal have appropriate controls and checks, and that fair treatment processes are followed.

What is important is that the MoR reviews the manager's decision to initiate removal from the role and checks to ensure that the appropriate process is followed. If so, the MoR must support the manager's authority and decide the removal from the role.

It is then the MoRs accountability to decide whether the person is retained within the organization, in a more suitable role, and of course ensuring the receiving manager has veto appointment authority, or whether the person must leave the organization.

The interrelationship between manager accountabilities and VAR3I authorities and the manager-once-removed is shown in the table adapted from Dr. Elliott Jaques shown on the following page.

<b>Accountabilities and Authorities of Managers and Managers-Once-Removed</b>		
<b>Task</b>	<b>Manager</b>	<b>Manager Once Removed</b>
Veto appointment	D	D
Induct and set context	D	-
Set type of task	D	-
Assign tasks	D	-
Coach and train for current role	D	-
Modify tasks	D	-
Expand and reduce task type	D	-
Recognize (verbal appraisal)	D	-
Review performance	D	-
Reward	D	-
Initiate removal from team	D	-
Dismiss	R	D
Assess career potential	R	D
Adjust pay band	R	D
Transfer	R	D
Promote/demote	R	D
Judge an appeal	-	D

**D = Decides****R=Recommends**

## **Personally Earned Authority**

To perform successfully, managers must also develop a significant level of personally earned authority. While authority to set direction is vested in the work and the authorities of a role, managers must continually earn personal authority to achieve the willing, enthusiastic collaboration of others to drive in a direction. This work is central to building and maintaining the manager-employee relationship.

The minimum requirement for a manager to be able to develop personally earned authority is to demonstrate capability in the role. Personally earned authority is earned, or grown, by demonstrating competence in the role and by building trust through the consistent application of sound managerial practices. Beyond this, it is the trust and respect that is engendered through the hundreds of actions that the manager takes every day in carrying out their work. It is developed through maintaining a clear and consistent position on what is right, even when things get tough, doing what you say you will do, and demonstrating your consistent application of the company's policies and practices.

To demonstrate competence in a role, managers must:

- Have the necessary mental processing ability for their role so that they can add value to their team and be capable of working at one level of work higher than their direct reports, so that they can see those things that their team members do not see
- Have the skills, knowledge and experience for the role
- Personally value the work of their role
- Be free from personal characteristics that inhibit effective people management
- Effectively implement their division's business plan
- Continually demonstrate the organization's values and behaviors



- Consistently apply effective managerial leadership principles in creating roles, selecting team members, assigning and assessing work, developing, recognizing and rewarding team members
- Demonstrate sound judgment on people management issues
- Be free to use their discretion and judgment to make decisions within their authority, using their own personal style in a way that builds trusting, productive working relationships, not only with their direct reports, but across the business

### Key Concepts

The key concepts of this principle are:

- The role of the manager is to *achieve the business goals set for them, and at the same time, provide an environment that allows their team to be effective and satisfied with their work while developing their full potential.*
- Specifically a manager is accountable for:
  - Their own personal effectiveness
  - The output and behavior of their team
  - Building and leading an effective team, so that each member is fully committed to, and capable of, moving in the direction set
  - Constant improvement of processes and methods
- Leadership is not a freestanding activity; it is a specific accountability of all people managers; it is part of the role and not separate from the role.
- In order to do their work and fulfill their accountabilities, managers have three types of authorities:
  - Work authorities
  - Role authorities (managerial)
  - Personally earned authority

- To get work done, role accountabilities must be matched with role authorities.
- To be held accountable for the work of their team, managers must have four minimum managerial authorities in relation to their direct reports, including the ability to:
  - **V**eto the appointment of a person to their team, with good reason
  - **A**ssign tasks to team members
  - **R**evue performance, **R**ecognize and **R**eward performance differentially
  - **I**nitiate removal of poor performers from the role, with good reason and due process

Without these authorities, a manager will not be seen as the true leader and will have difficulty carrying out their accountability for achieving the output. These authorities are called VAR<sup>31</sup> authorities and they must be exercised within the boundaries of the organization's policies, procedures and values.

- Managers build and lead an effective team so that each team member is fully committed to and capable of moving in the direction set. They do this by effectively delivering the performance management sequence:
  - Selection for the role
  - Induction
  - Assignment of tasks
  - Assessment of tasks
  - Reward and recognition
  - Development in the role

## **Tips for Getting Started**

1. Compare your people manager role, accountabilities and authorities with those outlined in this chapter. How does it compare?
2. Assess your effectiveness in delivering your role.
  - Do you fully accept accountability for your own personal effectiveness?
  - Do you fully accept accountability for the output and behavior of the team?
  - Do you build and lead an effective team, so that each member is fully committed to and capable of moving in the direction set?
  - Do you continuously improve work processes and methods?
3. Discuss your people manager role, accountabilities and authorities with your manager to confirm the requirements.
4. Ensure that your organization's formal policies provide the accountabilities and authorities needed to fulfill your role.
5. Communicate your role, accountabilities and authorities to your team members so they understand your role requirements.
6. Update and review your Managerial Leadership Action Planning Log using the content of this chapter.

**Additional information available at:**  
**[www.theleadershipframework.com.au](http://www.theleadershipframework.com.au)**

1. Role, accountabilities and authorities of acting managers
2. Role, accountabilities and authorities of supervisors/ team leaders
3. Role, accountabilities and authorities of a manager's manager
4. Leadership skills and behaviors

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