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Appointing Tenants: Sharing responsibility for the outcomes

Now we have the rooms of our house, we need to appoint tenants who will live in them, realise their potential, and creatively transform them.

We need people who will take full ownership of the responsibilities of each room (generated in the grid discussions in the last chapter) and commit themselves to systematically inspire, guide

and encourage their teams to utilise every gram of potential in ensuring those responsibilities are fulfilled.

We need managers!

Sadly, the currency of the label 'manager' has been much undervalued in recent years. Large sections of the business press have tended to view it with disdain, and associated it with an image of plodding bureaucracy. They have opted instead for the concept of 'leader' - and painted pictures of inspiring and charismatic visionaries. This is an unfortunate contrast; it implies a mutually exclusive choice between system and passion; it suggests that managers do not need leadership skills, and that leaders can function without method.

Partly as a result of this, we have begun to lose sight of the full range of skills and attributes that an effective manager really needs, and we have left vital sections of our business with custodians who exhibit flair, but lack the wherewithal to guarantee their results are sustained or their successors successful.

To deliver the full potential of your business, you will need individuals who can demonstrate and develop both skill sets. You need people who can effectively communicate the responsibilities conferred by the top-level house, and can inspire their teams to a new vision of what they can do to contribute. You need people who can design, implement and operate systems to evaluate progress, analyse issues, and develop effective and efficient corrective actions. You need people who can do the former methodically, the latter inspirationally, and who have sufficient mastery over both of these skill sets that they can equip their people to do the same.

In short, we believe we need to regain the label 'manager' for

what it is required to be in this modern world, rather than what it has been allowed to become.

In the context of tenancy of your house, what we believe is required is somebody who:

- ensures a clear understanding of Customer needs and issues, and inspires a desire to find new ways to serve them better
- establishes clear targets for improvement of performance, at all levels, and develops a value culture which ensures they are actively pursued
- develops people's abilities and attitudes in a planned and productive manner, through a programme of challenges, experiences, team involvement, and training
- develops and designs the processes which effect performance, using methods which aid collective involvement and disciplined thinking
- measures process performance objectively, and uses trends and gap analysis to drive a disciplined approach to solving current or potential performance issues
- plans to continuously improve their approach to all of the above, through a strategy of actively learning from themselves and others
- and delivers clear business benefits as a result of the above.

A positive thing that has been achieved by the business press in supplanting the concept of manager with that of leader is to

highlight that too often management takes place at the wrong level. Our experience of management is that it is all too often conducted in the day-to-day, looking at specifics, resolving immediate problems, focusing on an event-by-event basis. The emphasis on leadership has at least highlighted the existence of a meta-level of management; a level where thinking determines whole sequences of events; a level where the whole picture can be seen and used to guide an overall gameplan. The problem we are facing though is that leadership is only one aspect of that meta-level management process, and while it reflects the need for vision and direction well, it takes little account of the meta-level activities for ensuring progress against that vision or for building the competence to pursue even greater visions.

We believe we need to adopt the lesson of 'leadership' but extend it back to cover the whole of the management concept, and the role description outlined above is our attempt to do that.

In our experience, there are two big issues that face the typical organisation in appointing suitable tenants.

1. They default to their current management team, who interpret the new role as simply a continuation, with slight variations, of their old role and thereby fail to transform their approach and performance.
2. They appoint a new management team who attempt to work in parallel with old management structure until frustration and disillusionment undermines the new approach.

To avoid these issues, we propose the following steps to appointing tenants:

1. Wherever possible appoint staff from your existing management team, at least initially. Do not provide any sense of two separate management structures/processes, and avoid all possible confusion of authority.
2. Ensure those appointed understand that they have been appointed to a new role, with different expectations, accountability processes, meeting and reporting structures.
3. Introduce new processes for management and dismantle/discontinue the old processes. Leave no possibility of confusion over responsibility.
4. Update job description to better reflect the new responsibilities of tenancy.
5. Ensure people fully understand and are competent in their new role.
6. Appraise and evaluate people against their new roles

The following chapters will provide further insight into steps 2, 3 and 4

