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Why Managers Don't Manage

Executives overseeing transactional processing operations routinely question the leadership attributes held by front-line management within their organizations. Their concern is justified, as the typical front-line manager employs a highly reactive approach to management and focuses on “putting out fires” rather than proactively managing their teams.

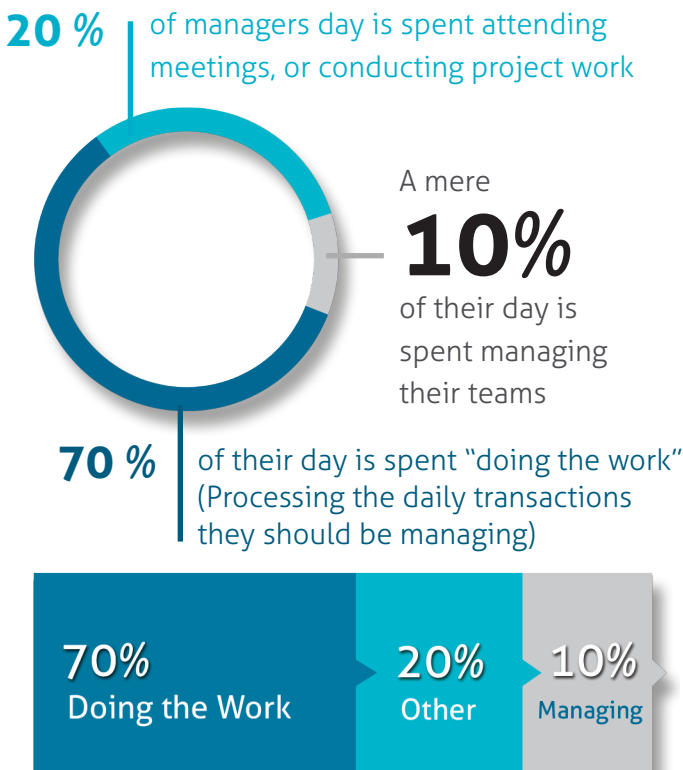
To be fair, this is partly due to the fact that most firms promote from within, then have no blueprint to continuously develop the internal craft of management. It should thus come as no surprise to executives that the lower levels of their management structures are especially weak when it comes to leadership, even though they are very strong in terms of technical skills.

What does surprise executives, however, is just how little time team managers spend filling the role of manager and leader. A consistent theme emerges from hundreds of studies we have

conducted in back-office processing areas. Front-line managers are acting as superior workers and spend negligible amounts of time engaging in crucial management functions - planning, organizing, leading, and controlling - to optimize team performance. In fact, in most organizations, a typical front-line manager spends just 10% of their day on management activities, while devoting 70% to “doing work” and 20% to meetings and projects.

While we have seen fluctuations in the time managers spend between “doing the work” and attending meetings, the portion of their day spent managing and optimizing performance is consistently very low.

In contrast to what we see in transactional servicing, the manufacturing sector has witnessed much greater success in defining and adapting the role of the manager. This is partly due to manufacturing companies experiencing decades of intense global competition that has resulted in the evolution of management best practices. Manufacturing companies have focussed on how to best measure and manage their operations to produce high quality at a low cost. Their success in clearly differentiating between managerial and processing roles can also be attributed to the clearly visible difference between “line staff” and managers in the manufacturing setting. For example, if a manufacturing manager joins his staff at the assembly line, it becomes immediately visible at all levels of the organization that he is “doing the work”, rather than managing his team. Such visibility provides senior managers with the opportunity to intervene if the manager spends an excessive amount of time processing work rather than managing.



How typical front-line managers spend their time

In back-office administrative environments, the practice of clearly defining the managerial role has not been equally embraced, much to the detriment of performance in this sector. The distinction

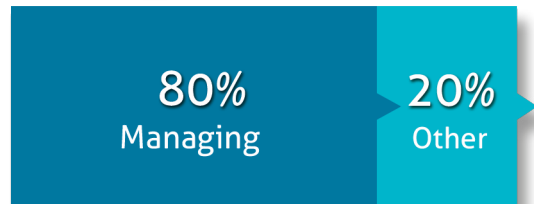
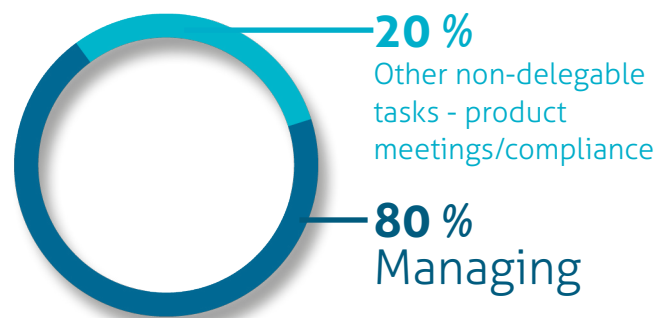
between “doing the work” and “managing the work” is gray, as the work is predominately paper or computer based. The confusion about the role of a manager occurs despite the fact that most front-line managers have undergone leadership training at some point in their career. Many have a college degree, have completed post-graduate study, or have participated in an internal development course. Managers will have been exposed to the work of some of the greatest management theorists of all times, including Taylor, Fayol, Webster, Drucker and Deming; all of whom have *for decades* advocated for the division of labor and the craft of management. So the question begs, if front-line managers know that the basis of management is to maximize the output of personnel reporting to that role, then why do they spend so little time actively managing this effort?

We believe there are 3 key reasons why front-line managers in back-office environments don’t manage:

- Insufficient information
- Lack of methodologies
- Self-perpetuating behavioral norms (“This is not the way it’s done here”)

Insufficient information

It is very difficult to manage something you do not measure, and most front-line managers simply lack access to a robust metrics system that provides them with information that matters. They have no way to measure efficiency, capacity, waste or the impact of errors. Without this information, managers are neither able to understand nor to effectively manage their teams’ performance. They are also unable to conduct a range of essential management functions. For example, how can they use latent capacity if they do not know what capacity there is?



How the most effective front-line managers spend their time

Lack of methodologies

Even if the appropriate metrics are in place, it is *how this information is used* that ultimately drives results. In order to ensure that front-line managers use information in a *meaningful* way, their role must change drastically. Specifically, they must evolve from seeing themselves as superior technical resources that “do the work” and become *superior managers* that spend the majority of their day, typically 80% of their time, actively managing. Their primary behaviors should be management activities, including:

- recognizing potential
- planning team effort
- managing capacity
- improving processes & removing waste
- communicating and building team cohesiveness

Self-perpetuating behavioral norms

In white collar environments, front-line managers (even those with the best intention to apply their management skills) are often unable to perform their role as a leader because “*this is not the way*

it's done here." Behavior is self-perpetuating and becomes engrained in organizations over time. This inertia takes a good deal of concerted effort to overcome.

Let's say an eager front-line manager one day decides to walk around the team and follow up how staff member are performing. The manager approaches a team member to see how they're progressing and the natural response is "why are you following me up? No one has ever done that before, don't you trust me? The eager frontline manager soon adheres to company norm as "this is not the way it's done here!"

Take Action

There are steps executives can take to ensure that effective managerial behavior is deeply embedded at the front-line of the operations, leading to sustainable and dramatic performance improvement. A good first step is to understand that management and leadership is a craft that can be taught and developed in an organization. An excellent way to commence this journey is via an enterprise wide transformation program that introduces management practices across the organization and "resets" current practices (or lack thereof). One of the best methods to achieve this

is under the auspices of a Lean transformation program. Through the introduction of new metrics and management methods, a Lean transformation program drastically improves management's ability to understand and optimize operational performance, which leads to extraordinary results.

When we have introduced systemic and recursive metrics-driven Lean transformation programs in organizations, we typically observe the following types of results:

- An active management environment that continually identifies potential, eliminates waste and minimizes non-value-added activities
- Significant improvements in quality, service and customer satisfaction rates
- Sustainable improvement in productivity by 40% to 100%
- A more empowered, engaged and happy workforce
- A wealth of hidden capacity identified and made available
- Greater visibility and control over back- and middle-office operations

For more information on how to unlock the untapped potential of your front-line managers, contact your nearest Enlighten office.

