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Mastering the new, letting go of the old

Managers need more than training courses to excel in new positions

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With so many management and leadership training courses available, HR professionals may have a hard time figuring out which ones turn effective employees into effective leaders.

Leadership training typically focuses on essential skills, such as coaching, performance management, rewards and recognition, communication, work planning and goal setting. Not a lot of thought is given to what it means for managers to progress through different organizational levels and how best to help them through the transitions.

Each promotion to a new level requires the manager to demonstrate a different set of problem-solving skills. Success depends on the manager's ability to value and master new work while letting go of the very work at which the person excelled, and which probably led to the promotion.

Often, failure to give up work from the lower level derails a manager's career. It is in these areas — learning and valuing the new work and letting go of the old — that training and development is often lacking, resulting in managers who are ill-equipped to do the work, and money wasted on training that is not sufficiently focused.

Research over the past 50 years has identified a maximum of six unique levels of managerial work, in addition to front-line work, in any organizational hierarchy. While some organizations may have more, additional layers are typically job grade- or title-related, and an examination of the actual work performed would indicate multiple layers of management performing the same level of work.

Following are some brief descriptions of just the first four levels of management, since this is where more than 95 per cent of managers spend their careers. (The fifth and sixth levels of management occur at the top of large global enterprises.)

It is important to have a clear picture of what these transitions entail so that the right actions are taken and support provided for managers taking the next step up the corporate ladder.

First-level management

A first-level manager begins monitoring the work of others for the first time. The work involves managing a team's performance to meet quality standards while looking for continuous improvement opportunities.

Where first-level managers often get derailed is in doing front-line work themselves rather than delegating the work and then managing it.

To be successful, first-level managers must be capable of identifying and diagnosing emerging problems to solve operational issues. In addition to solid people management skills, they need a deep understanding of their area's processes and how they operate, as well as what and how to monitor.

Critical skills include data collection and analysis, reporting, project management and internal benchmarking.

Most formal management training focuses on this level of work. At subsequent levels, while some formal skill development may still be required, the bulk of development takes place through networking, mentoring, coaching, specialized university education and external organizations or associations such as Young Presidents' Organization or the Conference Board of Canada.

Second-level management

Second-level managers are the most senior operational roles in an organization. It is their work to translate strategic initiatives into operational processes and determine how to add or change processes while maintaining service levels.

They continue to use skills and knowledge from the first level, but are now managing managers and are heavily involved in work that crosses functional areas. The work requires a greater focus on determining the implications of changes and trying to eliminate surprises or unintended consequences.

Derailment results if second-level managers don't spend enough time working with colleagues across functions to determine such implications.

Another major portion of work at this level is talent pool development and succession planning. On top of managing their own team's performance, second-level managers (and indeed, all those above) must also manage the potential of their direct reports

Second-level managers who continue to manage front-line performance, rather than trusting their direct reports to do it, will become derailed.

To be successful, second-level managers must be capable of understanding the intended consequences of actions, and thinking through and planning for potential consequences in different areas.

They need skills in program management for one- to two-year projects, business case development, contingency planning and external benchmarking. To support the talent pool and succession planning element of their roles, they need to know how to identify and develop talent and how to ensure their own direct reports are doing a good job of managing.

Third-level management

The third-level manager leaves behind the immediate gratification of the operational world and moves into general management — working with other executives and the president to manage the business, and balancing this with functional requirements.

The work involves looking for ways to create something entirely new, such as markets, products or customers.

Derailment will occur if third-level managers fail to value other areas and understand the integrating links between them, or if they spend significantly more time managing their own function than applying their functional expertise to overall business management.

To be successful, third-level managers must be capable of looking ahead two to five years, preparing for potential problems along several different but connected courses of action and making trade-offs to maintain overall progress.

They will need to obtain education and information about industry and societal trends, since knowledge of the external environment is important to adapting and integrating ideas, concepts or technologies to meet future business needs. Good analytical skills and comfort with ambiguity are essential.

Fourth-level management

This transition involves managing a fully integrated profit-and-loss business (as CEO or president) or supporting a multi-national organization (in a staff role). Fourth-level managers build and manage the business model, devising far-reaching policies that determine and influence how the business will operate.

A key component is the accountability for overall strategy and culture. Derailment occurs when fourth-level managers try to manage each function or business independently rather than managing the whole.

Fourth-level managers must be capable of making clear decisions when surrounded by ambiguity. They must be able to envision five- to 10-year strategic, market and political changes, declare the strategy and build the model and systems to achieve it.

Understanding these jumps in work complexity helps identify which candidates are ready to move to the next level and allows for targeted development opportunities to successfully manage work transitions, resulting in improvements in employee satisfaction, productivity and profitability.

Organizational levels and work focus table for HR

Level	Possible title	Focus of work	Example
Front line	Payroll Administrator	Delivering quality and customer service at the front line.	Providing front-line HR support and administration and ensuring timely and accurate payroll transactions.
First level manager	Manager, Compensation	Managing and improving processes within a single team.	Analyzing the company's compensation practices to establish best practices, fairness and equity.
Second level manager	Director, Total Rewards	Developing processes that span multiple teams and boundaries.	Redesigning the total rewards program by integrating an external supplier's new flexible benefits system with existing base pay and pension systems.
Third level managers	Vice-president HR	Innovation — creating new systems, processes, policies	Working with other executive colleagues in designing HR policies and practices (recruitment, development, compensation) to fundamentally alter the corporation's culture to become more customer-focused.
Fourth level manager	Executive vice-president HR	Business modelling and culture definition	Designing a model to successfully integrate other businesses into the culture, and assessing the suitability of companies as potential takeover targets.

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