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Converting Strategy into Action- The Benefits of Active Management

Effective strategic management of any business is essential to creating sustainable results in good times and in bad. Strategy lays clear the focus on what is critical to an organization or department and enables decision makers to make the tough choices necessary to succeed. Though vital to organizations, strategy alone does not provide the answer – in order to improve, leaders not only need to generate winning ideas, but reinforce them every day. Active management is an ongoing, day-by-day process whereby managers schedule interactions with staff to:

- Connect with people as individuals to truly understand each member of the team and what motivates him/her
- Monitor how each member of the team is progressing on required business goals
- Take necessary action in order to ensure business results are met
- Promote and reinforce great performance

Active management is fundamentally based on the principle that reinforcement of behaviours, both good and bad, is critical for the successful adoption of an organizational change or new strategy. It is based on observable behaviors, which are controllable by the employee and critical to the company, in which the manager sets the expectation ahead of time and reinforces the employee's behaviour afterwards. Active management should be a day-to-day activity highlighted by simple feedback given more frequently – feedback is less effective as time elapses between performance and feedback.

Figure 1: Absent v. Active v. Micro Management

Management Involvement		
Absent Management	Active Management	Micro Management
"My team knows what is expected and how to do it, I don't need to explain"	"I clearly explain expectations and the results that are required and how to get to those results."	"To get anything done right, I either end up doing it myself or watching people closely as they do the work."
"They know where to find me if they have problems"	"I follow up with my team frequently to see if they have achieved required results so I can act quickly on variances and acknowledge performance."	"There is no point in coaching my employees, they will never be able to do the work as well as I can."
"My team knows that I appreciate them, I don't need to tell them."	"I work with my team to problem solve variances."	"I solve all the problems in my department, I know best."

Managers and organizations spend a great deal of time assessing the performance of their business units or front-line staff, but not nearly enough time assessing the performance of their managers. This can be a difficult task, often plagued by subjectivity and performance metrics which do not align with the strategy of the business. Performance assessment can be simplified by considering daily management activities as focused on the following 5 categories:

- Active Management – communication of expectations or goals which is followed by either positive or negative reinforcement based on the behavior being observed;
- Training – scheduled training of an employee which results in a permanent transfer of job-related skills or abilities;

- Administration – most commonly observed as daily meetings, paperwork, approvals, e-mail checking;
- Direct Work – performing process activities which are usually performed by an employee;
- Available to Manage – reacting to problems related to an organization's key process, system, or people issues

Managers should assess their particular department or business line and understand what priority or weighting should be given to each category. Often times, we find a significant disconnect between a manager's perceived day, an ideal day, and an ideal day truly aligned with the business' overall strategy. Aligning these three focus areas is critical to ensure business objectives are met and managers continue to develop strong talent.

Figure 2: Active Management Assessment Scorecard

MANAGER PERCEPTION & FEEDBACK				
PERCEIVED DAY	IDEAL DAY	MANAGEMENT ACTIVITIES	DESCRIPTION	
		ACTIVE MANAGEMENT	<ul style="list-style-type: none"> • Actively communicating expectations and goals • Monitoring progress • Following up on results • Removing barriers to performance for employees • Confronting issues proactively 	
		TRAINING	<ul style="list-style-type: none"> • Actively training an employee • Must result in a permanent transfer of a job-relevant skill or ability • Must be proactive and scheduled • Must be given to appropriate candidate(s) • Where appropriate, should be conducted as a group 	
		ADMINISTRATION	<ul style="list-style-type: none"> • Most commonly includes meetings, paperwork, e-mail checking & computer work • Must be effective: i.e., meetings that start and stop on time, that have and follow agenda and that accomplish a predetermined purpose • Often confused with active management (Manager cannot actively supervise through a computer screen) 	
		DIRECT WORK	<ul style="list-style-type: none"> • Engaging in process activities usually performed by an employee • Approving/denying requests as part of the regular process • Transiting time to and from scheduled meetings 	
		AVAILABLE TO MANAGE	<ul style="list-style-type: none"> • Reacting to problems (fire fighting) • Handling customer issues/escalations that employee should handle • System downtime or delays • Ineffective situations - poorly structured meetings, teleconferences • Rework activities to correct errors 	
0%	0%	TOTAL		



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Today's effective leaders do six things well: establish direction, demonstrate the right behaviors, create the context for change and action, integrate and align resources, recognize and reward performance, and create more leaders. Active management is the most effective way for managers and business leaders to successfully bridge the gap between great strategy and effective performance, creating sustainable results and business growth.