



Structure

Key to company performance

Organisational structure defines how the tasks necessary to produce a company's products or services are assigned and grouped together. It includes the formal reporting relationships between the people who perform the tasks. Creating a structure that effectively coordinates a firm's activities increases the firm's likelihood of success. Peters and Waterman (1982) included "structure" as one of the 7 elements in their model for analysing and developing organisational effectiveness. **...To Page 2**



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Structure

Key to company performance

Organisational structure defines how the tasks necessary to produce a company's products or services are assigned and grouped together. It includes the formal reporting relationships between the people who perform the tasks. Creating a structure that effectively coordinates a company's activities increases the company's likelihood of success. Peters and Waterman (1982) included "structure" as one of the seven elements in their model for analysing and developing organisational effectiveness.

Company leaders must contend with the following organisational structure headaches as they steer their organisations to long term growth and sustainability:

1. **Layers** – How many levels of management and supervision separate the most junior employee from the CEO? Flat structures are trendy but may end in leaders having to supervise an overwhelming number of people.
2. **Spans of control** – How many people report directly to any given manager. Bain & Company have found that in an average company, a manager has a span of six to

seven direct reports and the organization has eight to nine layers between the top leadership and the frontline employee. Rival consulting firm, Booz & Company (2003) cautions that organisations should avoid the seduction of simplistic targets (e.g. "no more than five management layers / no fewer than three direct reports"). For every company, there is an optimal pattern of "lines and boxes" and it is not the same for every company even in the same industry.

3. **Silos** – Do groups of employees in 'vertical slices' of the company, often along functional lines such as sales and operations, compete against each other to the detriment of the whole organisation?
4. **Structural creep** – A euphemism for an organisation getting more positions than it needs over time and becoming more bureaucratic because of too many layers and too narrow spans of control. Progression past the start-up phase or growth through acquisition or market expansion may be the cause. This can result in too much distance between the company's leadership and the frontline. Costs can pile up and ideas and decisions, the life force of a strong company, can stop flowing smoothly up and down and across the organization.
5. **Organisation size** – The number of employees in an organisation is likely to be very influential in the organisational structure. W.L. Gore is a company renowned for its innovative lattice organisational structure which does away with hierarchy and traditional job titles. Another feature of the design is Gore's commitment to keeping its operations small and informal. It generally does not allow a facility to grow to more than 200 people. That reflects another of the founder's beliefs: that once a unit reaches a certain size, "*we decided*" becomes "*they decided*." It is then time to set up a new facility.

Every organisation should review its structures around every five years to ensure that it is appropriately designed for efficiency and effectiveness. Specific triggers for organisation redesign may be slow decision making in a



company, poor performance in strategy execution, a too complex structure, mergers and acquisitions and rapid growth or reduction in size. Sustained improvements depend on developing the right size and number of building blocks based on the nature of work, the core business processes involved, and the interactions required to drive smart decision making.

All organisational structures involve a series of trade-offs, such as control versus individual creativity, that must be carefully managed. Some companies try to move around the rigidities of organisation structure by pursuing a boundaryless philosophy. Jack Welch adopted the approach at General Electric in the 1980s. The aim was to enhance flexibility and responsiveness by, as far as possible, removing the usual barriers between parts of the organisation as well as barriers between the organisation and others.

Ultimately, structure must fit and follow the organisation's strategy. Structure decisions should be based on the best formulation to support and drive the business strategy. Structure design cannot be pursued in isolation. The design must integrate with how people in the company made decisions, adopt new behaviours, manage, and reward performance, agree on commitments, manage information, and connect with each other.

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Intimidation

An ugly aspect of employment relations

The Labour Appeal Court (LAC) recently sent employees a clear message that intimidation has no place in employment relations. This is a summary of a LAC judgment handed down on 29 May 2020.

The judgment finally resolved a dispute which had its origin immediately after a three-week protected construction industry strike which ended on Thursday 12 September 2013. The strike was not peaceful. The company in this case had obtained an interdict against interference by the strikers with ongoing work at the site situated at Lynnwood Bridge, Pretoria. Attempts to continue work during the strike were hampered by sub-contractors being intimidated to leave the site.

Resolution of the strike did not pacify the employees involved in this case. They arrived back at work on Friday 13 September and immediately spread the message that subcontractors were not wanted there. The company used subcontractors to do specialist artisan jobs and during the strike the subcontractors had also done structural work normally done by the striking employees.

On Saturday 14 September, the company scheduled work for the subcontractors and no overtime work for the employees back from strike. In defiance of this workplan, the employees arrived *en masse* at the site on Saturday morning. They immediately ushered all the subcontractors offsite, locked the site gate and prevented any work being done on the site. Employees also told managers to leave the site which, on the advice of police, the managers did. Company witnesses testified that they were verbally threatened, the demeanour of the



employees was aggressive and many of the employees carried steel rods, bricks, and other weapons. The company abandoned any attempt at getting work done on that Saturday. Employees denied the charge of intimidation saying that the fact that nobody got hurt was proof of that.

On Monday, 17 September a return to normal work was short-lived when in the afternoon the employees refused to work a routine half-hour of overtime and forced the subcontractors to leave the site as well. Thereafter the company initiated disciplinary proceedings against the employees and dismissed them for *'intimidation of subcontractors and Management and/or engaging in undesirable activities leading to the shut-down of the site on 14 September 2013'*. The company dismissed all the employees involved.

Employees referred an unfair dismissal dispute to the CCMA. The Commissioner concluded that *intimidation* was not proven and ordered reinstatement with full retrospectivity to the date of dismissal. The company took the award on review to the Labour Court, which concluded that the Commissioner had erred in the evaluation of the evidence. The Labour Court took the view that a case of intimidation had indeed been proven, albeit on a lesser scale than that alleged by the appellant. The Labour Court concluded that there were mitigating factors present that, in its view, excluded dismissal as an appropriate sanction. The Labour Court ordered reinstatement of the employees with a forfeiture of one year's backpay.

Still not satisfied, the company took the case on appeal to the LAC, which found in the company's favour that the charge as framed was proven. The employees' misconduct extended to the intimidation of management and subcontractors to leave the site, as well as the blocking of the gate to prevent any subcontractors gaining entry, thereby illegitimately bringing work to a halt using force.

The Labour Court had concluded that while the employees had committed intimidation, the fact that they allowed certain subcontractors to collect their overalls under escort was a mitigating factor. It was used to justify a finding that the workers acted with "restraint". In the LAC's view, this perspective was wholly

misconceived; rather, the employee's escorting subcontractors to retrieve their belongings was a naked display of power over the circumstances and the subcontractors. Moreover, it was a power illegitimately arrogated by the employees to themselves and was an illustration of the seriousness of their misconduct, not a factor to ameliorate their behaviour. The LAC concluded that in other aspects of its judgment, the Labour Court also made wrong findings of fact.

The LAC was critical of the failure by employees to pursue a grievance in an orderly manner in accordance with sound labour relations norms regarding management's decision to not plan overtime work for them on Saturday, 14 September.

"The resort to mob-power to ventilate grievances is utterly unacceptable."

Labour Appeal Court

The LAC found in the company's favour that, "Naked displays of power, bereft of respect for labour relations norms, ought not to be rewarded. To do so, achieves no more than to exacerbate the decline of respect for those norms. The Courts have repeatedly held that the resort to mob-power to ventilate grievances is utterly unacceptable. Only a zero-tolerance stance by the courts can bring such conduct to an end. The appropriate sanction is dismissal."

Case

WBHO Construction (Pty) Ltd v Themba Hlatshwayo NO, NUM obo Mvelase and others. (29 May 2020) LAC Case no: JA66/2018

How to?

Manage time effectively

When many employees changed to working from home during the coronavirus lockdown, there was for many an expectation that there would be a productivity gain because time normally spent on commuting would be freed up and the opportunity to focus without distraction could be



exploited. However, many people experienced a sense of being busier than ever and the spread of working hours in a day widened to early starts and late-night finishes.

The coronavirus lockdown directly caused some of the new time management pressures. For example, the sudden closing of childcare facilities and schools meant parents had to integrate their family responsibilities into the workday.

This 'how to' note offers a time keeping system which will help employees use time effectively. A system is a coordinated set of actions consistently applied, a routine. The outcome of applying this system should be greater productivity, job success and less stress.

There are four elements in the time management system:

1. Monthly, weekly, and daily planning
2. The Eisenhower Matrix
3. To do lists
4. Reflection

Monthly, weekly, and daily planning

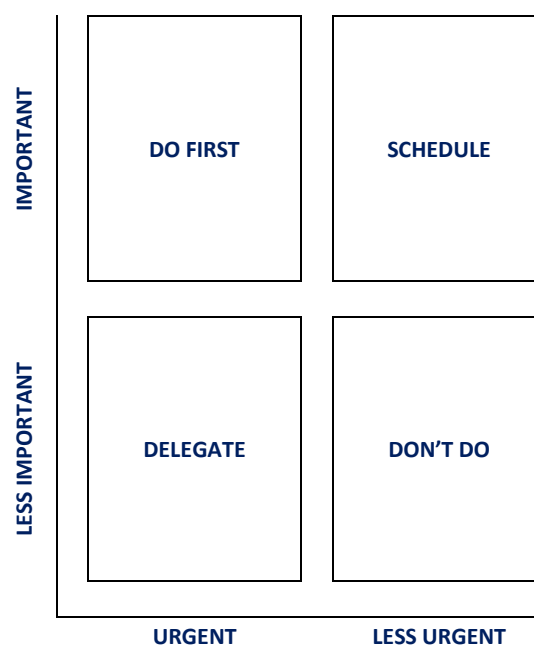
Every employee should have plans which cascade in ever more specific detail from long-term (multiyear), to annual, to monthly, to weekly, to daily plans. To do so ensures a constant link between tasks being undertaken every day and the employee's role in accomplishing the organisation's mission and goals.

Planning is a key to being effective at work. As the saying goes, "if you do not plan where you are going, you will certainly get there". A marathon mindset is needed. Through small steps every day in the right direction, the goal is to reap the benefits of the compound effect.

The Eisenhower Matrix

This is not a new time management model. It is widely used and part of learning curricula from school to post graduate level. The matrix takes the name of General Eisenhower who amongst other roles was Supreme Commander of Allied Forces during World War II and later a 2-term President of the United States. He was an overachiever and an extraordinary manager of time. To manage his time, Eisenhower allocated

all his tasks into four categories and focussed on the 'do first' and 'schedule' quadrants. The simple rule is focus on doing what is important.



The Eisenhower Matrix

The goal is to spend more than 80% of each working day doing activities in the 'Schedule' (important and less urgent) quadrant. Inevitably, some tasks fall in the 'Do first' (important and urgent) quadrant. But too often tasks landed there because of procrastination and waiting until the deadline is imminent. Successful people are busy but do not operate in a perpetual rush. They have mastered the art of focussing on the important.

To do lists

At the start of each day, take about fifteen minutes to list the tasks you aim to accomplish. Here are some tips to compile smart to do lists:

- Start a fresh list each day. Adding new tasks onto an incomplete list from the previous day is the first step towards a frustrating sense of overwhelming workload.
- Do not be over ambitious and take on more than you can reasonably accomplish.
- Check that >80% of your tasks are important.
- Assign estimated times to each task. Over time these estimates will be increasingly accurate.



- If you are in a position which includes regular interruptions (e.g. team manager) build in enough time to complete unplanned tasks. As a manager, they may be unplanned but are nonetheless important.
- If there are important but unpleasant tasks to do, get them first. As Mark Twain said, if you must eat a frog as part of your daily tasks get that out of the way first and if you must eat two frogs eat the biggest first.
- Check that your list includes an appropriate spread of important activities. For example, if your job involves doing admin and sales, avoid falling into the trap of doing admin all day, every day because you prefer it. Yes, it is important work, but your other important tasks must also get done.

Reflection

At the end of your workday, take five minutes to think back on your day. Questions to ask yourself: How did I do against my plan? What percentage of my day was spent doing important work? What were the distractions and how did I manage them? Can I go to sleep feeling satisfied?

Many articles on working from home talk about the need to separate work activities from your family and homelife activities. It is recommended that you formally transition from one role to another. Each transition requires a shift in mindset. If you do not take the time to transition, the thoughts and concerns that stem from one role are likely to carry over into the next and weigh you down. Doing the daily reflection exercise is a useful transitioning tool.

Conclusion

The idea of this note is not to prescribe a time management system, but to provide practical time management planning tips and tools you can use to design your own time management systems and succeed at work without the stress of a frenetic work life.

Source – the Eisenhower Matrix
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Consultant profiles

Peter Fisher

Peter is a BSocSc(Hons) graduate and seasoned human resources specialist. For more than 25 years, Peter has worked in senior human resources roles as Consultant, Manager and HR Director in many industries.

As a deeply experienced generalist, Peter aims to build the bridge between employees and business success by developing and implementing human capital practices which foster excellent employee performance through assignments in, amongst others:

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Natalie is an Industrial Psychologist (HPCSA Reg No: PS 0128180), registered with the Health Professions Council of South Africa. She completed her Master's degree at the University of Johannesburg in 2013 and was invited to present her dissertation at the International Conference for Applied Psychology (ICAP) in Paris in 2014. She has had extensive exposure to Change Management and has consulted to the financial services and mining industry in the areas of learning and development, organisational development and talent management.

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