

**mce_style="color: #4c4c4c; font-size: 10pt;"mce_style="font-size: small;"[Kamran Rizvi](http://www.navitus.biz/navitus-magicians/management-team/kamran-rizvi), Navitus
/>>May, 2012</p><p class="MsoNormal"><i>The good news is that leadership can influence, guide and foster people's thinking and behavior and overtime create an organizational culture characterized by delegation and empowerment. </i></p><p class="MsoNormal">It is an established fact that without delegation no organization can sustain its growth and perform effectively. Yet, lack of courage and knowledge of how to delegate properly remains one of the main causes of organizational failures. It is also clear that without delegation, we cannot grow as professionals.</p><p class="MsoNormal">What stops us from delegating ♦ from letting go of the reins? It could be our attitudes about subordinates, our personal insecurities or even personal preferences. When to let go and how, remains a challenge for many leaders today. In this context, Rosabeth Moss Kanter provides two cogent examples[1] of differences in management of two American television networks: NBC, owned by GE, and ABC, owned by Disney:</p><p class="MsoNormal">♦ABC had begun to slide in ratings, and the losing streak continued after ABC♦s purchase by entertainment giant Disney. Industry insiders told me that Disney reduced ABC♦s initiative and constrained its creative output by micromanagement, autocracy and tight control of budgets, and all this was accompanied by a parade of exiting network heads. The worse ABC did, the more interference there was in its activities, which did not improve performance during the also-ran years. (Disney itself became a takeover target after Comcast♦s hostile bid in February 2004.)♦</p><p class="MsoNormal">♦In contrast, NBC had a long winning streak under General Electric, an industrial conglomerate known for high standards; each GE business was expected to be a ♦winner♦ (number one or two in its industry). As long as NBC♦s ♦wins♦ added up, the network was expected to control its own destiny and enjoyed continuity of leadership, with Bob**

Wright as chief executive of NBC since 1986, and Dick Ebersol as head of NBC Sports since 1989. GE held NBC accountable for performance results but otherwise provided autonomy, which allowed NBC people to take more initiatives and make creative decisions on their own terms.

Examples above illustrate the impact of different management styles adopted by Disney and GE. I wonder what GE management might have done if NBC had not performed to expectations.

It is very likely that in holding NBC accountable, they would have commenced the process of micromanagement too! The assumption seems to be that letting go is easier when the going is good. But what should one do, when desired numbers are not being achieved? It's a delicate balancing act. Hastily jumping in to the rescue, could make matters worse than they need be.

To help managers grapple with challenges of how to delegate, without abdicating, consider this home-grown case study based on a true situation. Names and business context have been changed to preserve confidentiality:

Case Study

[\[2\]](#)

Meera Bakhtiar had recently been promoted to the position of manager operations after serving just less than two years in a local courier service company XYZ, with an office staff of 8 in Karachi and 12 in Lahore. Of the 8 in Karachi, four were in clerical positions and the rest in supervisory and managerial roles. She graduated in Psychology and obtained her Masters Degree in International Relations from Punjab University. She was single, and lived with her mother who was perpetually unwell.

Rashid, her boss and managing director of the business, was finding it very hard to manage the operations in Karachi, as he was also required to develop the business in the North. He had to choose from four people in the team to run the Karachi operation profitably. He selected Meera for this post as she showed greatest concern for the success of the business, worked hard and welcomed challenges.

This selection turned out to be a challenge, as Meera was the youngest in

the team, while others had worked for around four years in the business. One of Meera's responsibilities was to see that Khalid, a business development manager, performed to a tight schedule of visits to clients and capitalized on the market opportunities available. Khalid had recently married and a year earlier had obtained an MBA from an unknown local university, despite Rashid's insistence that he should improve his competence and apply to a quality university. Khalid was historically known to be lazy and complacent and would often miss deadlines. Soon after Meera took charge, human relations problems started to surface. Rashid was aware that this would happen. But things got gradually worse.

Under the new arrangement, Khalid was reporting to Meera, who was three years, his junior. Three weeks after Meera took charge, Khalid wrote to Rashid in Lahore, strongly complaining about Meera's behavior. He said that Meera liked giving orders and lost her temper on little things. Khalid said that not only was she insulting him in front of others, she showed no respect for his feelings and those of others in the office. Team morale was low and client service was suffering. Khalid concluded his letter by saying that he refused to work with such a "hard-nosed woman" and would report directly to Rashid till the matter was resolved.

Khalid enjoyed a good relationship with Rashid. Rashid appreciated Khalid's help on many occasions on personal matters, but found him not taking his growth, performance and development seriously. Khalid had not improved his analytical abilities, and selling skills despite all the opportunities that were provided by the company. Khalid had not even learned how to write a decent business proposal despite several requests by Rashid. Khalid routinely missed deadlines and needed to be followed-up constantly.

Rashid phoned Meera at her house to find out what was happening with Khalid. She said that Khalid was not following procedures and deadlines agreed with him and was in the habit of offering excuses. Each time she pointed this out to Khalid; he would get upset and throw a fit. "I am only doing my job!" she said. "I don't understand why he doesn't do what he is supposed to. After all, he is an adult, and should realize that he is responsible for delivering results. If he can't stand my guts, so be it!" She concluded.

Meera expressed her view that it is her job is to see the business flourish, and that it is everyone's responsibility in the team to perform tasks assigned to them by focusing on the goal. There is no room for wasting time in pettiness, complaining and blaming. The workplace was not for playing politics, but for doing what one is paid for.

Question: What should Rashid do? As you would have gathered by now, it is very tempting for Rashid to dive in to save the day. If Rashid takes control of the situation, would it help or hinder the development process? While he cannot ignore this problem, how should he address it?

This case study has provoked plenty of

discussion and reflection amongst managers in our learning programs. A diverse set of values, beliefs and perspectives surface. It would be interesting to see what you and your colleagues would advise ♦Rashid♦.

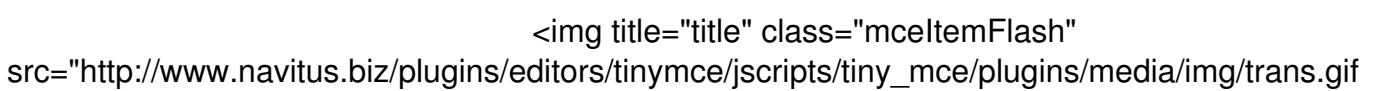
This true story dates back to 1999. How Rashid actually tackled the challenge has enabled the company to grow significantly in size and stature over the last five years. Valuable lessons have been drawn. I plan to share these in my future articles.

Aligning people to organizational vision and mission is vital to achieving sustained organizational success. To this end, we need to develop strategies that address needs and demands of our customers. The good news is that leadership can influence, guide and foster people's thinking and behavior and overtime create an organizational culture characterized by delegation and empowerment.

[1] Book: Confidence (p.60)

[2] Courtesy: Navitus

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 No matter how big your organization gets, continue to empower your people at every level to deliver. Only this way will size lead to advantage.

It is always useful to explore the history of any company to understand how they got to being what they are today. Corporate success usually follows some combination of visionary entrepreneurship and luck. When companies acquire early successes and achieve a dominant position in some market or markets they become profitable and usually follow a steep growth trajectory in their early years.

With the passage of time, however, pressures on managers come mostly from inside the firm. Building and staffing a bureaucracy that can cope with growth is the biggest challenge. External constituencies are neglected. The firm needs, hires, and promotes managers, not leaders, to cope with the growing bureaucracy. Top managers allow these people, not leaders, to become executives. Sometimes top management actively prevents leaders from becoming senior executives. Managers begin to believe that they are the best and that idiosyncratic traditions are superior. They tend to become increasingly arrogant and aloof. The problem is compounded when top management does nothing to stop this trend and often ends up exacerbating it.

A strong, insular and conceited culture develops. Managers fail to acknowledge the value of customers and other key stakeholders. They behave in an inward-looking, sometimes political fashion and fail to acknowledge the value of leadership and the talent available at all levels that can provide it. They tend to stifle initiative and innovation. They behave in centralized and authoritative ways.

, "" = "", "" "" = "" "" mce_style="mso-bidi-font-size:12.0pt;font-family:">◆</p> Consequently, as organizations grow, whether in terms of sales, number of employees, range of products and services, market share, or whatever, they start to lose the advantage they once had. According to John Naisbitt in the book <i style="mso-bidi-font-style:normal" mce_style="mso-bidi-font-style:normal">Rethinking the Future</i> ◆ it is the small companies who are creating the global economy, not the Fortune 500. And these days a small company can be as small as one person.◆ In his book, <i style="mso-bidi-font-style:normal" mce_style="mso-bidi-font-style:normal">Megatrends 2000</i> he gave the example of his neighbors Linde and Lito who have a publishing company called Western Eye Press. He continues, ◆ It◆s just two people and they publish wonderful photographic and guide books. They create them on Macintosh computers in their basement in Telluride. They print out the camera-ready pages on their own high resolution laser printer. Then they FedEx◆ed these pages to Seoul, South Korea, and the printer there manufactures their books and ships them to distributors all over the world. Western Eye Press is a key player in the global economy and its just two people on this little mountain perch in Colorado.◆◆Large corporations and global conglomerates, if not careful, end up becoming highly bureaucratic, over-managed, rule-driven and inflexible by virtue of their size. In this day and age of cyberspace and nanotechnology, fetish with size of a business can become an impediment. This is particularly true for organizations that have grown significantly in scale in terms of revenues and market share. Organizations like Citibank have lost touch with their core constituents. It ◆may be a major player with a strong brand image, but customers interacting with its frontline employees are often disappointed by their state of helplessness in resolving routine problems. This could be on account of slavish adherence to archaic procedures. Often, individual contributors in big companies don◆t take the initiative needed to listen and understand customer requirements with the intent to ultimately delighting them. There is a lot to be said for systems and processes, but if they are not customer oriented and responsive, the game is as good as lost.◆ ◆Quality can now be replicated anywhere in the world. China is leading the way in this respect. With the falling of trade barriers and dropping of quotas, the Chinese have taken their global market share in textiles from 16% to over 50% in less than a decade. In recent years, the Pakistan market has been flooded with Chinese products (mostly electronic, light engineering) that are low priced and in much demand.◆We no longer live in a world of big mainframes. We live in a world where the real power is large networks ◆ a lot of individuals connected together ◆ Facebook & Twitter are pointing the way. A network does not have any headquarters. Chinese excel in this field and have spread their global business through this means. Naisbitt

cites Asea Brown Boveri (ABB) as a great example of a huge company that thrives and grows through networking. He quotes Percy Barnevik (Former CEO at ABB) as having said, ♦We grow all the time, but we also shrink all the time.♦ As the network gets larger, the nodes get smaller. ♦So, no matter how big your company gets, continue to excel by empowering your people at every level to deliver. Building agility and responsiveness is the key.</div>