

FIA

SOLUTIONS

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Part II of a Two Part Series Rightsizing: Issues to Help You Make it Work

Applying the Model

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In the last issue, we discussed the major issues that need to be considered in a right-sizing effort, as well as a process that we have found successfully assesses whether right-sizing is a viable option for an organization. In this issue, we will discuss how to actually conduct a right-sizing analysis.

The second phase of the process focuses on span-of-control issues vertically within the organization. This study will not necessarily produce an optimal or exact span-of-control number for each supervisor or manager within the organization. Rather, the goal is to identify positions whose span of control can be increased, job class titles and positions that can be combined or eliminated, and the organizational shifts that will be needed to facilitate the needed changes.

A span-of-control analytical model is used to determine appropriate spans of control and number of management levels. A base-line span-of-control model is developed based on current span-of-control data and is reviewed with management and employees focus groups before developing a finalized model tailored to the organization's environment. The model is finalized by employee focus groups who "score" each supervisory and management position using the model.

The score for each position is based on a weighting of criteria. This score helps to determine the organization's ability to realistically increase the span-of-control for each position. Typical measurement criteria used in the model include:

- * Assigning and Scheduling: The effort, complexity, amount of time and decision making involved in assigning and scheduling the work of subordinates. Also assess the policies, goals, and programs prescribed by higher levels of management or other authorities, the procedures subordinates must follow to carry out assignments and the variety of the tasks performed by subordinates. A low score implies that the span of control can be increased.

- * Effectiveness of Controls: The impact that external and internal controls have on the individual's decision making, autonomy, degree of authority, and freedom to act in carrying out assignments. External controls can be defined as regulations and guidelines prescribed by federal, state and local governments or other authorities. Internal controls refer to agency support functions such as MIS, accounting, personnel, and purchasing. A high score implies that the span of control can be increased.

- * Networking and Consensus/Relationship Building: The effort involved in building relationships, establishing coalitions, networking,

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political interactions, creating consensus, and lobbying with higher levels of management, elected officials, other government entities, advocacy groups, and others. A low score implies that the span of control can be increased.

* **Rate of Change:** The extent and pace of organizational change that may be affected by technology changes, budget considerations, legislation, state government, locally elected officials, and management. A low score implies that the span of control can be increased.

* **Degree and Effectiveness of Automation:** The degree and effectiveness of the organization's automation efforts, including information systems, voice and electronic mail, telecommunications, and other forms of automation. A low score implies that the span of control can be increased.

* **Employee Relations:** Typical employee competence levels, motivation, turnover, movement within the organization, experience and training. Also assesses the extent to which performance measures, criteria, and evaluations are used to manage a subordinates performance. A high score implies span of control can be increased.

* **Customer Service:** The time and effort involved in direct interaction to resolve problems, provide assistance, and respond to requests from other levels of management and/or elected officials. A low score implies that the span of control can be increased.

Analyzing the Findings

Results from the model are then analyzed using regression analysis techniques and other statistical tools

to determine supervisory and management positions that warrant an increase in their span of control. In this way, we can pinpoint specific positions with insufficient span of control, as well as the appropriate number of management levels. At the end of the study, the organization will be able to identify:

* Organizational enablers and inhibitors that will affect right-sizing efforts

* Supervisory and management positions whose current span of control warrants an increase.

* Job titles and positions that can be eliminated or combined by broadening job responsibilities of the remaining positions.

A Word of Caution

While a span-of-control analysis is one way to determine the organizational changes required in right-sizing, it is important to remember that an effective study of this type must involve an analysis of both the organizational climate and of management and supervisory positions on issues that affect span of control.

If an organization is moving from a traditional structure to a flatter, more fluid structure that links process with strategic objectives, and is truly focused on public service, then the enablers are in place to effectively remove management layers and increase spans of control. But if the organizational structure and support mechanisms are hierarchical and non supportive, a right-sizing effort may not achieve its objectives.