

**Functional Test Sample**  
**Functional Test 2.0 Report**  
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## **Functional Test and Report**

Developed and published by DPG (MAP) Ltd  
The Ellesmere  
93 Walkden Road  
Worsley  
Manchester  
M28 7BQ  
Tel: 0161 975 7777  
Fax: 0161 975 7575  
Email: [service@dpgplc.co.uk](mailto:service@dpgplc.co.uk)

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## Overview of the Functional Test Report

### Introduction

The Functional Test was designed to measure the level of knowledge and understanding against learning modules that relate directly to the Chartered Management Institute and Institute of Leadership and Management's professional qualifications.

As these standards are based on the National Occupational Standards for Management (designed by industry for industry) the areas assessed apply equally well to managers who may not be involved in qualifications. Indeed many organisations are now using the Functional Test as a start point to their in-house management development programmes and as an end point to record progress.

### Summary Chart

The summary chart provides a visual representation of your scores against 27 nationally accepted areas of management. This provides you with an ideal base to;

- decide which of these management areas apply to your present role or emerging role, (don't worry if some areas do not apply to your role)
- Specifically target your development to the areas of need
- Prioritise your development in light of emerging workplace opportunities and importance
- Plan a way forward

### Functional Test Descriptors

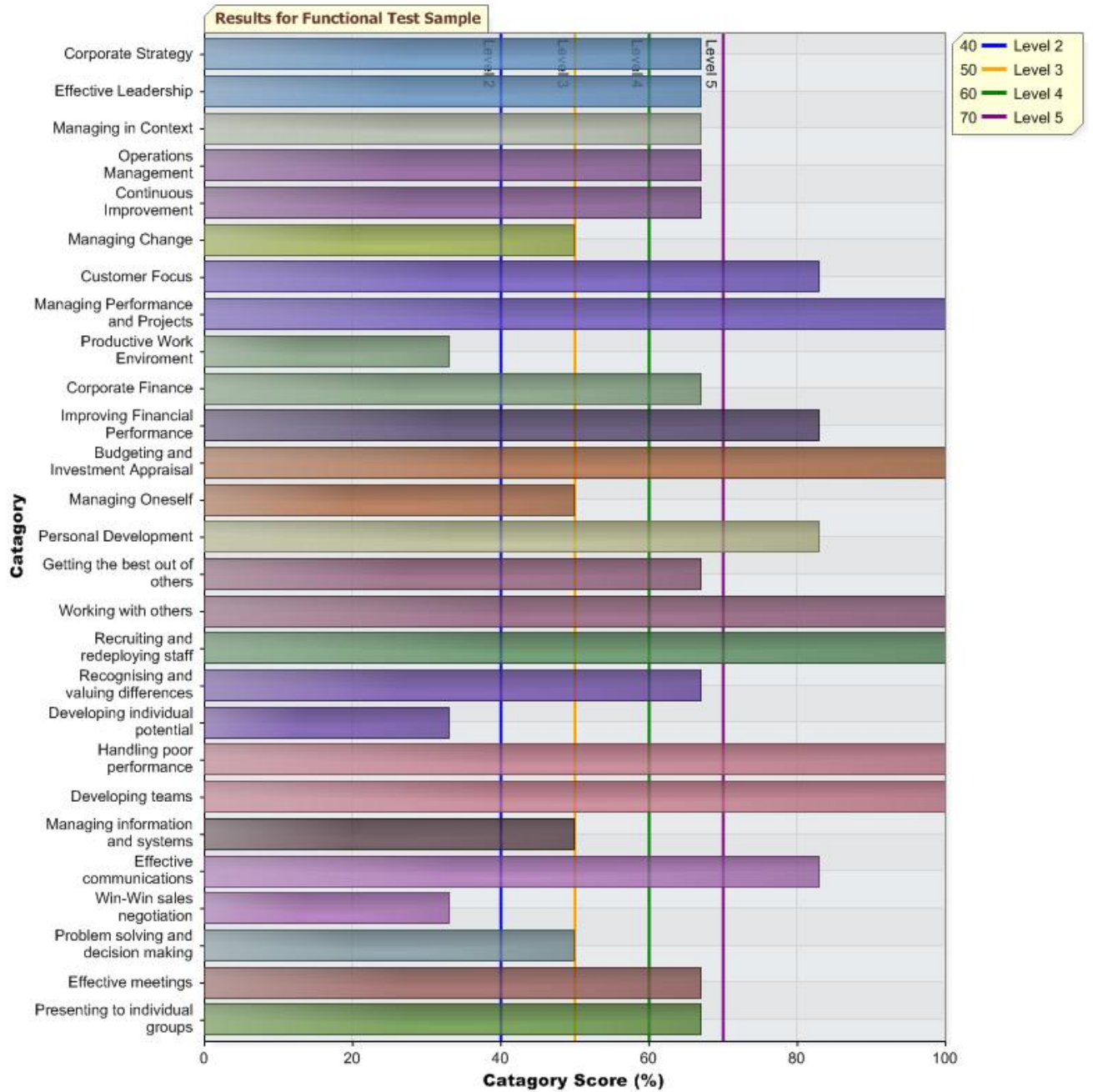
To help you to interpret your scores and plan your development, descriptors are provided for each of the management areas assessed. These consist of an overview and detailed objectives of what you would need to be able to do to score high in each particular area.

So if you are looking at an intervention for development you can compare its objectives to those stated in this section.

Please note that DPG produce a series of 27 learning modules (Managers Route to Competence) that provide the knowledge, understanding and in some cases skills for all the areas assessed within the Functional Test. (Available under licence from DPG and its delivery Partners).

### Development Plan

This development plan provides you with five areas to plan and record actions you will take to develop. You are encouraged to define success; this may be informal or formal, whichever you decide, its important that it is **you** defining what success will look like.



## Functional Test Descriptors

### Corporate Strategy

The development of organisations following the Second World War took place within protected markets and an attempt to stabilise international trade. There was a tendency within Europe and elsewhere for cartels to develop and businesses established hierarchical structures to ensure careful and risk-free decision-making.

Barriers to trade are now being broken down and rapid changes in technology are taking place. It is no longer seen to be good enough to carry on in the old ways and hope things will improve, managers must plan for change. This will entail all managers becoming more involved in decision making, because if they cannot use the resources effectively, competitors will ensure they do not survive.

Recent years have also seen the decline of some large corporations as they become bureaucratic and try to manage diverse product lines by imposing more and more control systems. They can now be seen to be going through major reconstruction, cutting layers of management and initiating change.

This area of management focuses on the process of a strategic approach to management from the wider strategic level to the operational level within the organisation. It involves dealing with issues in broad and strategic terms rather than every day activities.

#### **To score high in this area you will need to be able to:**

- ◆ describe the relationship between the strategic, operational and tactical levels of management within an organisation
- ◆ undertake an analysis of your organisation, its external operating environment and the factors relevant to effective management
- ◆ evaluate competitors and collaborators
- ◆ analyse the culture, stakeholders, stage of development and internal strengths/weaknesses within your organisation
- ◆ link strategies, plans, objectives and tactics to your organisation's objectives
- ◆ establish the organisational context for the continuing development of your management skills, knowledge and understanding.

## Effective Leadership

Leadership in organisations is about setting goals and inspiring people who work in the organisation to give a commitment to achieve those goals. There will obviously be different levels of leadership from those who lead thousands, those who lead hundreds and those who lead smaller teams, but they will still share the same function - to get people to do 'the job'. How they do that will depend on their attitudes, their perceptions of what motivates people and the prevailing culture of the organisation.

There are different leadership styles ranging from the autocratic to the democratic. There is no one style, which is appropriate in all situations or to lead all people. One of the signs of a good leader is that they choose an appropriate style for their positions in their organisation and for the situation they are dealing with.

In order to make that choice you need to understand the differences between the various leadership styles and their strengths and weaknesses so that you can effectively lead the organisation or department.

This area of management focuses on the major leadership theories and styles, how the skills of leadership are different from management and how they combine to create a management style.

### **To score high in this area you will need to be able to:**

- ◆ differentiate between management and leadership
- ◆ recognise a range of leadership styles and select appropriate action as a leader/manager
- ◆ motivate others effectively having considered various approaches and models on motivation
- ◆ develop a plan for increasing the commitment that you earn from others
- ◆ continually review and develop your leadership style to get the best of others.

## Managing in Context

When we look at the definitions of managers' roles we will see that whether they are called supervisors, team leaders, executives, directors or by any other title, management is exercised at all levels of an organisation.

The supervisor may guide production line employees and the managing director supervise senior executives, but the relationships involved are similar. They both depend upon leadership, communication and management skills. The level of decision making, in terms of managing operations may mean that more complex and far reaching decisions are made at the top, but many of the theories apply throughout an organisation.

A study of the ideas and theories behind effective management is, therefore, essential for anyone wishing to further their career.

Also, whether you are part of a voluntary, public or private sector organisation, knowing how your organisation is structured and how that structure affects your operations is important in helping you to manage appropriately within the context of your organisation.

The key purpose of management, as defined by the Management Charter Initiative (MCI), is:

**'To achieve the organisation's objectives and continuously improve its performance.'**

If you accept this definition, there is no escaping your responsibilities to know what these objectives are and how the organisation sees your role in helping to meet them - even if this does involve persistence, effort or even a role in helping to define them

This area of management focuses on the foundation of management theory and principles that help managers take a wider view of the knowledge and skills they are developing to manage operations as effectively and efficiently as possible.

### **To score high in this area you will need to be able to:**

- ◆ describe the relationship between the manager's role and the organisational context
- ◆ identify a range of organisation structures to suit different purposes and assess the appropriateness of your own structure
- ◆ compare different theories of management and relate their significance to your day to day work
- ◆ identify the impact and effects of the relationship between the organisation, the individual manager and the operations within your own span of control
- ◆ compare your own management style to that of other managers.

## Operations Management

Operations management is sometimes perceived as being exclusively to do with production, factories or manufacturing industry in general. The skills, knowledge and understanding needed have, for some people, links with oily machine shops and continuous process equipment. However, you should know that, in all likelihood, you are an operations manager, whatever your title and whatever your management discipline.

Operations are no more than the processes that organisations apply to deliver the goods and services they are there to deliver. It is true that some industrial and commercial operations extend beyond the exclusive domain of production managers in engineering plants.

This area of management focuses on the principles and techniques which apply equally well to the effective running of service and manufacturing companies, to commercial enterprises and to public sector organisations. It is specifically involved in what it means to be in charge of an organised and planned work environment and how to get there if you are not already in that fortunate or well-managed situation.

An important aspect of operations management is to be able see clearly the inter-relationship between a range of management activities and responsibilities, such as quality management, the need to meet the requirements of internal and external customers, marketing research and communications.

### **To score high in this area you will need to be able to:**

- ◆ describe the importance of the supplier/customer chain which begins with your suppliers and ends with your external customers
- ◆ determine the importance of effective communications and feedback systems up and down the supplier/customer chain
- ◆ prepare specifications and schedules which are accurate and realistic and which meet customer requirements
- ◆ monitor the operations of your department or organisation and amend them as necessary to meet changing customer requirements
- ◆ evaluate the potential of stock control and process systems for your organisation or department.

## Continuous Improvement

Continuous improvement is a process which was traditionally based on quality control mechanisms. However, quality control is only one aspect of a range of approaches that are available to you as a manager.

Continuous improvement is the underpinning principle in the need to take the customer as the focus of the operation, within the context of the business goals. This 'total approach' to quality management was described by Prof. John Oakland as:

*'... a way of managing to improve the effectiveness, flexibility and competitiveness of the business as a whole. It applies just as much to service industries as it does to manufacturing. It involves companies getting organised, in every department, every activity and every single person, at every level. For an organisation to be truly effective, every single part of it must work properly together, because every person affects and is in turn affected by others.'*

Those managers who have been bombarded by 'quality initiatives' (during the last 15 years in particular) may well be feeling a little 'punch drunk' and confused right now. You may have been too positive to step back and critically analyse the many quality approaches that have emerged. You may have been happy that each model offered you ideas, or provided a framework or system that helped you to make improvements in a systematic way at work. It may just have been because, 'everybody else was using it — so I may as well try it!'

Many organisations would argue that it is far better 'sitting on the touchline', finding holes in the models, or creating any other historical reason for 'staying as we are', rather than applying continuous improvement concepts. However organisations in this frame of mind are unlikely to survive the next decade.

This area of management does not advocate a 'quick fix' new model, but provides an insight into what has gone before, and what exists today, so that managers can select or create an approach that works for them and the stage of development of their organisation.

### **To score high in this area you will need to be able to:**

- ◆ consider a variety of models relating to continuous improvement
- ◆ make recommendations for quality systems which are realistic and appropriate to your customers' requirements and organisational goals
- ◆ apply the principles of consultation, communication and involvement at all levels in the organisation
- ◆ set up quality circles in your department or organisation
- ◆ use a range of techniques, principles and methods to identify and plan continuous quality improvement
- ◆ describe the benefits and results of quality assurance.

## Managing Change

Improvement means doing things better or having better resources. It is, therefore, by definition not a static process. It is dynamic, continuous and often difficult.

Improvement is inextricably bound up with change. Without change there can be no improvement and anyone who has tried to introduce changes at work knows that it is never an easy task. Any organisation, business or enterprise that does not plan for change will either **stagnate** or be **washed away** by external forces.

Those who stagnate do so in the wake of others who do change and move ahead in the context of an evolving environment. With the rate of change at the start of the new millennium, if you are not going forward, you're going backward! Consider the difference in the reactions that you have as a customer now, compared with ten years ago. The chances are that you are less likely to put up with poor service, more likely to complain and are far more aware of the alternative suppliers that now exist. The firms and shops you buy from are those that have changed along with your requirements.

Those 'washed away' often feel the victims of unplanned change. Some organisations can plan long-term change, with clear objectives and outcomes. Others have to cope with incremental change, perhaps with less clear outcomes, but even here the change has to be recognised, monitored and planned as a process. If change happens to you as a result of external pressures then you are in the hands of these forces.

As a manager you have to predict, make and manage changes or change will manage you. This is a constant challenge. People find change uncomfortable and threatening, and if you do not manage the process it becomes even more difficult as the pressures build up and reactions set in.

As one saying goes:

'People do not mind change — what they mind is being changed.'

This area of management focuses on the principles of change as a means of effectively managing the improvements that you have to make as part of your normal work role.

### **To score high in this area you will need to be able to:**

- ◆ collect and analyse information on current services, products and systems and on potential improvements and developments
- ◆ compare accurately the advantages and the disadvantages of current practice and proposed changes and identify possible obstacles to change
- ◆ produce plans and recommendations based on the analysis of the human and organisational impact and the drivers and restrainers of the change
- ◆ apply techniques of communication, negotiation and participation to the process of agreeing changes
- ◆ monitor and evaluate the effects of change.

## Customer Focus

Customer focus is about going through the stages of analysing information and preparing plans which match your departmental or organisational operations to what your customers need and want.

In many cases, customers are not the external 'end-users' of what the company or organisation provides by way of goods and services. Some departments never see external customers or supply them directly. For example, you may supply part-finished products, or specialist services such as administration, financial management or distribution services to other departments and sections within the organisation as part of a chain. This chain begins with your own suppliers and ends with the paying, external customer or end-user.

In these situations the departments supplied are *internal* customers and may simply add value to what they receive and pass it to another section or department further up the line. This supplier/customer chain is central to the ability of any organisation to delight its customers, survive and grow. As with any chain, the supplier/customer chain is as good as its weakest link, and if any link is not meeting its internal customers' needs the external customer has no chance of being satisfied, let alone delighted.

This area of management focuses on what marketing really means as a philosophy, as well as a range of techniques that can be used. There is a clear emphasis on the essential recognition that customer needs are what drive effective and profitable organisations.

### **To score high in this area you will need to be able to:**

- ◆ analyse market needs and opportunities
- ◆ collect information relating to customer needs
- ◆ recognise the various levels of customer service
- ◆ identify and develop customer relationships with your organisation
- ◆ prepare marketing plans relating to the elements of the marketing mix; the 4 P's - price, place, product and promotion
- ◆ assess your department's or organisation's ability to meet customer needs
- ◆ organise and present appropriate information to customers.

## Managing Performance and Projects

One of your most important roles as a manager is to get results. This means that you need to:

- find the best ways of achieving your unit's/department's goals and objectives
- make sure that your staff involve themselves in helping to achieve those goals
- design systems and processes that make the best use of available resources.

This area of management focuses on mission statements, goals and objectives and the factors you need to be aware of when defining or using these. It also looks at the importance of gaining the commitment of your team by delegating and allocating responsibilities effectively and also recognises the importance of exploring the area of process and project planning which helps you to ensure that people are using the most cost-effective working methods and processes. Finally, it recognises how appraisal systems and feedback can help people to feel valued and encourage them to give their best.

### **To score high in this area you will need to be able to:**

- ◆ set and update work objectives for teams and individuals
- ◆ delegate effectively
- ◆ define and allocate responsibilities and authority
- ◆ plan activities and determine work methods
- ◆ encourage the active involvement of staff in the achievement of work objectives
- ◆ encourage individual performance and development through the use of an appraisal system
- ◆ provide effective feedback on performance.

## Productive Work Environment

Establishing and maintaining a productive environment in which to work (whether you are a manufacturing, service, public or voluntary organisation) is one of the key areas of a manager's responsibility. You must have the right resources available, in the right quantities at the right time if things are to flow smoothly. Equipment has to be in working order and capable of doing its job or there will be downtime, waste and a drop in productivity that could be very hard to overcome.

Maintenance plays an important part, whether it is production machinery, the switchboard, computers, photocopiers or the heating system. In some instances you control this function within the organisation but in many cases you are dependent on your external suppliers for materials and services.

Unless your external suppliers are committed to meeting your needs then late deliveries, sub-standard goods or services and failure to meet specifications can frustrate your best efforts. You have to ensure that there can be no misunderstanding on their part about what is essential for your operations and to develop relationships that foster positive trading partnerships. Modern day language is moving away from 'suppliers' and more towards 'partners', 'collaborators' and 'associates'.

This area of management focuses on developing mutually beneficial relationships, clear communication, a clear picture of what resources you require, when and why and planning and reviewing skills.

Clearly, you have to remain within the legal framework that applies to the workplace and this can appear to be complex and confusing. A productive work environment requires a cool and logical approach to ensure that the simplest issues as well as the most complex are clarified and made explicit.

### **To score high in this area you will need to be able to:**

- ◆ identify external suppliers able to meet your criteria and develop sound relationships with them
- ◆ maintain a sufficient supply of acceptable resources for your operations to meet internal and external customer requirements
- ◆ plan and work to maintenance schedules
- ◆ establish systems for reporting accidents and areas for improvement.

## Corporate Finance

Managers who are non-accounting specialists are increasingly being required to make decisions based on financial data.

This area of management focuses on understanding the basic financial accounting statements produced by organisations and the information that companies must present in order to comply with the Companies Act 1985. It also looks at profitability and liquidity as quite different aspects of financial performance. Knowing the relationships between the balance sheet, profit and loss account and cash flow statement is also important.

An understanding of the nature and purpose of these financial statements and the key accounting 'jargon' contained therein is essential for anyone seeking to interpret and use such information.

### **To score high in this area you will need to be able to:**

- ◆ outline the methods of presenting the balance sheet and the profit and loss account
- ◆ identify and define the main components of the balance sheet and profit and loss account
- ◆ identify the types of accounting information that has to be published by companies who are required to comply with the Companies Act
- ◆ explain the purpose of a cash flow statement and identify reasons why a profitable business could have cash flow difficulties
- ◆ explain the difference between profit and the concept of Added Value.

## Improving Financial Performance

How well is your organisation performing? How can its performance be improved? Why is turnover up and yet profits are down? How effectively are you using resources? What can be done to improve the cash flow of the organisation? How is your organisation viewed by 'outsiders' and indeed do you assess other organisations?

Questions such as these are constantly being asked and a mass of accounting information is often given in an attempt to provide the answers.

Many managers, however, fail to make effective use of the available information, simply because there is so much information available (especially true when computer printouts are available). Managers may frequently suffer from information overload.

In order to get the best out of such information managers must:

- understand the main jargon used by accountants
- be able to use some of the 'tools' or techniques which are available to analyse financial information.

This area of management focuses on:

- the terminology managers encounter in 'internal' accounting information produced specifically for managers (i.e. management reports/accounts).
- and
- the techniques of ratio analysis (based on the information contained in the published external financial statements) are also examined in terms of how they offer a practical technique for using the financial, accounting information, including the 'external' financial statements, to improve financial performance.

### **To score high in this area you will need to be able to:**

- ◆ identify the elements and behaviour of cost
- ◆ differentiate between the techniques of total costing and marginal costing
- ◆ select the most appropriate cost data for the use in decision making
- ◆ outline the principles of ratio selection
- ◆ identify ratios which measure performance in selected areas
- ◆ use ratio analysis to monitor business performance and identify where and when action can be taken to improve performance
- ◆ describe the limitations of the results revealed in ratio analysis.

## **Budgeting and Investment Appraisal**

Managers plan and control not only their own work but also that of their colleagues. Whether this is related to a specific project (such as a one-off situation) or an on-going manufacturing unit or service area, it is imperative that the person involved is aware of the likely cost consequences of any decision made. Planning and controlling costs should go hand in hand with the planning and controlling of the business activities. This area of management focuses on the techniques of planning and control in a management accountancy framework, why planning and control are different, and the importance of methods for planning and controlling the cost of a product service, production line or manufacturing unit.

### **To score high in this area you will need to be able to:**

- ◆ describe the importance of financial planning and control
- ◆ explain how budgets can be produced and how they may be used as a control mechanism
- ◆ outline the merits of operating a flexible, as opposed to a fixed, budgetary control system
- ◆ identify the reasons why variances may arise and suggest their possible causes
- ◆ identify the major stages in the capital investment decision
- ◆ explain the concept of the time value of money
- ◆ distinguish between the various techniques of investment appraisal
- ◆ compare and contrast the various techniques of investment appraisal in order to select the most appropriate for particular circumstances
- ◆ interpret an investment appraisal schedule
- ◆ identify how risk and uncertainty affect investment decisions.

## Managing Oneself

Most people find that they are short of time. You may find that you have conflicting priorities at work, or it may be that you tend to procrastinate or suffer from constant interruptions. Managing time efficiently can help to resolve these conflicts and problems; it can reduce stress and make you more effective in your work.

Time is one of the most crucial, scarce resources that a manager has and improving the management of time can have a disproportionately large impact on improving your effectiveness as a manager.

Although many managers know that they do not use their time as effectively as they could, they seem unable to do anything to change the situation. Ashkensas and Schaffer in their article 'Managers can avoid wasting time', suggest that many managers escape from the pressures of job induced anxiety by adopting a number of unproductive mechanisms that they call 'busyness'. They escape into time consuming activities that they find less threatening, though much less productive, than the tough aspects of their jobs. Of course, once this time has passed you cannot get it back; time is one of the aspects of our lives that many of us value only once it has slipped away.

There are only 168 hours in a week and the only way to do more than you do at present in those hours is to improve the way you use them. By eliminating those things which waste time and making better use of the time that becomes available, you acquire the potential to become a more effective manager.

A further aspect of not using time effectively is a feeling of stress. This can arise when you feel demands are being made on you from all directions and you do not have the time to meet all of them. You feel tense because there are so many things you have to do and not enough time in which to do them.

This area of management focuses on organising your time well and getting more done in the time available to you. Remember time is the element that flies past, the ineffective use of which reflects on your effectiveness as a manager.

### **To score high in this area you will need to be able to:**

- ◆ analyse how effectively you use your time at the moment
- ◆ describe strategies for using time more productively
- ◆ plan how you will improve your use of time
- ◆ assess your vulnerability to stress
- ◆ plan how to look after yourself better.

## Personal Development

The idea that education and training need to be lifelong processes is one that has gained widespread acceptance. We are all aware of how organisational structures and cultures are continually evolving in response to the scientific, technological and political changes taking place in the external environment. Management constantly demands fresh strategies to meet the changing needs of our customers (both internal and external) as they emerge. We have to develop new philosophies and different ways of working; we even have to learn a new language to describe the work in which we are involved.

Business changes are now so rapid that an initial period of professional training can only provide the foundation of knowledge and skills upon which further development can take place. Professional groups wishing to maintain their relevance, and avoid stagnation, have had to introduce systems of education and development that go far beyond establishing basic competence. It is especially important for managers, who have development and training at the heart of their role, to seek to extend their own knowledge base and skills.

Continuous professional development (CPD) is becoming more widespread lately, and will continue to do so thanks to a number of related movements:

- The growing support for attempts to create 'learning organisations', reflected in initiatives such as Investors in People
- The decision of the majority of professional bodies which requires evidence of continuous professional development before members are upgraded
- The National/Scottish Vocational Qualification (N/SVQ) system which requires people to produce evidence of their competence at work
- The growth of new technology which makes self-directed learning more feasible. Compact disk technology has increased the opportunities already offered by computer, video and text based self-study packages.

All this means that it has become particularly important that managers be concerned about self-development. This area of management focuses on the process of identifying needs, planning, implementing, reviewing and evaluating your personal development.

### **To score high in this area you will need to be able to:**

- ◆ assess your development needs in the light of your personal aspirations, organisational goals and external requirements
- ◆ devise a personal development plan to develop yourself to improve your performance
- ◆ continuously develop your own knowledge and skills in line with your goals and objectives
- ◆ monitor the implementation of your action plan and evaluate the outcomes.

## Getting the Best out of Others

How effective you are in your management role will depend not only on the results which you produce but also on the way in which you achieve these results through others. In your role, the way in which you manage and develop people is crucially important. Your ability to get things done through others will be dependent on how effectively you communicate, and more particularly, how motivated you make them feel. Whether you do this will ultimately depend on the quality of the working relationship which you offer, however transient or long term that relationship may be.

Getting the best out of others by creating and developing effective working relationships; in particular the relationships you develop with your colleagues, customers and staff is extremely important. Everyone has colleagues; they may be part of your own organisation or they may be part of networks to which you belong. Everyone has contact with customers, either directly or indirectly, and the quality of the relationships which you create will be vitally important to the success of your organisation. Staff are often abused, so this emphasis on staff being 'internal customers' is our way of reinforcing the approach necessary to get the best out of them.

The importance of getting the best out of others, building relationships and 'keeping the customer satisfied,' will be obvious. If you do not, then the impact you have on the customer, through your relationships with your staff and colleagues, may not be so obvious. Effective customer care starts with the way in which you care about your staff and colleagues and how you develop them. Your relationships with your staff and colleagues will reflect your attitudes and beliefs and will affect the performance culture of your organisation.

This area of management focuses on different strategies for building and maintaining effective relationships. It also takes account of different ways in which you can deal constructively with those difficult situations that will arise and with those awkward people whom you are bound to meet; whether these are customers, colleagues or staff - the people you are responsible for developing.

Developing your ability to manage relationships will enable you to improve the quality of your own working life and that of those with whom you come into contact. Hopefully, others will learn from you, and you may create a ripple effect, or perhaps a tidal wave, of good practice. Customer and colleague expectations will then be raised.

### **To score high in this area you will need to be able to:**

- ◆ establish productive, constructive relationships with team members, colleagues and customers
- ◆ identify who are your colleagues and customers
- ◆ develop relationships of trust with others
- ◆ offer advice and help to others within the organisation relating to performance against established policies and values
- ◆ minimise and manage conflict creatively
- ◆ behave constructively in awkward situations.

## Working with Others

As a manager it is important to review and develop your relationships with the people that you work with, whether these are members of your team, more senior managers or other colleagues. Good interpersonal skills help to promote good communication and more productive working relationships. Everyone uses these skills, to a greater or lesser extent, whenever they have a conversation or send messages to someone else. Everyone can learn to become a better communicator. It is quite possible, however, to be a very efficient communicator, to be highly skilled in all the techniques but still lack the ability to be 'human'. It is the ability to transform communication skills into good interpersonal skills that is important for an effective manager.

This area of management focuses on establishing constructive relationships with other people, including assertiveness and communication skills and how effective feedback can help you to create a healthy climate of communication. This can help individuals to learn about themselves, the effect their behaviour has on other people and how others perceive them.

Dealing with poor performance, conflict or other problems is also important as is developing counselling skills, implementing grievance and disciplinary procedures and making positive use of conflict.

### **To score high in this area you will need to be able to:**

- ◆ establish constructive relationships with others
- ◆ develop relationships of trust with colleagues and team members by informing and consulting them about problems and proposals
- ◆ provide praise and constructive feedback to others in order to improve performance
- ◆ offer appropriate counselling to staff
- ◆ implement a grievance or disciplinary procedure
- ◆ manage conflict creatively.

## Recruiting and Redeploying Staff

People are the most important resource in any organisation, but the role of human resources in different organisations varies widely.

In order to manage and maintain your human resources effectively it is important that overall staffing levels, the relevant skill and people mix are regularly reviewed against the requirements of the whole organisation or department, before any efforts are made to recruit or redeploy people. This requires a systematic approach if it is to be successful.

Your advanced planning regarding staffing levels will reveal that:

- your staffing levels are appropriate for the future, or
- you need to recruit additional people, or
- roles have become redundant and you need to release people from your unit.

This 'advance planning' may be forced on you through reorganisations, mergers or acquisitions that are taking place and outside of your control. It may also be due to some flawed staffing level planning in the past by yourself, your manager or previous post holders.

Whether you have created the situation or are a victim of it, it will be your responsibility as the manager of your unit or organisation to manage any change process professionally and sensitively.

This area of management focuses on how you as a manager contribute towards staffing decisions in terms of specifying, assessing and selecting candidates against team and organisational requirements as part of your management role.

### **To score high in this area you will need to be able to:**

- ◆ define future personnel requirements
- ◆ consider the main issues involved with the redeployment and redundancy of permanent staff
- ◆ determine specifications to secure quality people
- ◆ assess and select candidates against team and organisational requirements.

## Recognising and Valuing Differences

In today's world it is vital that managers working in public, private or voluntary sector organisations reflect on their knowledge and practical skills in the area of equal opportunities and diversity.

*Diversity: The mosaic of people who bring a variety of backgrounds, styles, perspectives, values, and beliefs as assets to the group and organisation with which they interact.*

*Tina Rasmussen 1996*

This is usually thought of in terms of obvious attributes: Age differences, Race, Gender, Physical Ability, Sexual Orientation, Religion, and Language.

Increasingly, it also embraces background, professional experience, skills and specialisation, values and culture, and social class.

*Equal Opportunities: Is the legal framework, which surrounds diversity and examines the related legislation surrounding diversity issues.*

This area of management focuses on how managers approach diversity from a view of treating people with dignity, allowing everyone to be able to perform to their level of ability and work towards achieving personal aspirations. It also gives meaning to effective equal opportunities policies and promotes the view of exploring the benefits of interacting with people without bias and insensitivity. In other words considering your role as a manager in accepting the differences between individuals and to manage diversity issues beyond a policing role.

### **To score high in this area you will need to be able to:**

- ◆ assess how effectively you promote equal opportunities at the moment
- ◆ explain equal opportunities legislation and its implications to you as a manager
- ◆ apply and encourage anti-discriminatory behaviour
- ◆ use appropriate language in promoting equality of opportunity
- ◆ plan how to make recruitment decisions without discrimination.

## Developing Individual Potential

One of the most important resources an organisation has is its employees. Their competence and commitment largely determine the objectives that an enterprise is able to set for itself and its success in achieving them. Market forces constantly force employers to pay particular attention to their personnel policies and practices. As a result, there is a growing need for more effective training and development of the human resource.

Effective training and development is achieved by creating the right conditions for them to take place. This area of management is not concerned with the actual teaching or instructing of people but rather, placing more emphasis on management's responsibility for the training and development of staff and on the individual's own responsibility for his or her own learning. It is also concerned with the mechanisms that the organisation can provide for the development of its employees.

### **To score high in this area you will need to be able to:**

- ◆ recognise the scope of your responsibility for self and staff development
- ◆ identify your own development needs and those of others
- ◆ recognise and make use of development opportunities
- ◆ identify individual learning styles
- ◆ negotiate individual development plans and learning contracts
- ◆ evaluate the effectiveness of self and staff development programmes.

## Handling Poor Performance

It would be an ideal world (and a naive expectation of managers) to have all employees arrive at work on time every day, with a positive attitude, a strong willingness to work, and a commitment to earn their keep.

Unfortunately, in the real world, there are always employees who are undisciplined, incompetent or committed to getting the most and giving the least. This happens despite our best efforts in selecting and training employees.

Hence, it is sometimes necessary for a manager to intervene when performance standards have not been met. The focus of this area of management is counselling and disciplining employees in a positive, constructive manner.

### **To score high in this area you will need to be able to:**

- ◆ recognise your strengths and weaknesses relating to counselling and disciplining others
- ◆ apply transactional analysis as a way of understanding and influencing communications
- ◆ apply questioning and listening skills to handle poor performance positively
- ◆ manage conflict and angry people
- ◆ communicate assertively
- ◆ describe the main issues and risks when initiating disciplinary and dismissal procedures.

## Developing Teams

Teamwork is an essential aspect of social existence. Whether we choose to be or not, we are members of many groups. We have to consider and co-operate with a wide variety of other people in the course of our daily lives.

The social contracts we have with, for example, colleagues at work, family members and friends, are in some instances successful and pleasurable and in others not.

This management area focuses on the development of effective teams within the workplace and what it is that makes some teams more effective than others.

The classic stages of group development and ways in which managers can facilitate the successful evolution of their teams is important as is the factors managers need to bear in mind when forming or leading workgroups.

### **To score high in this area you will need to be able to:**

- ◆ describe the characteristics of an effective team
- ◆ form and manage a work group or team
- ◆ identify the strengths and weaknesses of the team, measured against work requirements
- ◆ establish and agree objectives for team development
- ◆ encourage team involvement in the preparation and review of their own development plans.

## Managing Information and Systems

Communication has been defined as: 'the process of passing or exchanging information, ideas or beliefs'. Another definition is that it is: 'the transfer of an idea or of information from one party to another so that it is understood and can be acted upon'. Giving or receiving information is one thing. Doing so in a form that allows the information to be acted on is another. It requires clarity and fitness for purpose and is more difficult and complex than at first appears.

Everyone communicates all the time, every day. Because it is such a common activity there is the constant danger that misinterpretations and misunderstandings can happen, and you as a manager will know how frequently they do happen. One person believes that he or she is passing on a message or relaying some information with absolute clarity but the person who receives the message apparently gets it wrong.

Successful communication means getting other people to interpret the message in the way that the speaker or writer intended and when two or more people are engaged in communication the potential for error is massive.

However, from your own experience you will know that it is not only spoken communication that goes wrong. Written and other data can be misinterpreted and misused.

This area of management focuses on the process of communication and emphasises the need to collect and apply only relevant and appropriate information in your role as a manager. With information coming at you from every side, the way in which you review and analyse what is important and what is not, will make a fundamental difference to the decisions you take and the advice and help you provide.

### **To score high in this area you will need to be able to:**

- ◆ describe the key characteristics of effective communication and their importance in the workplace
- ◆ assess and evaluate information so as to identify trends and issues
- ◆ establish and maintain appropriate systems for collecting, reviewing and using information
- ◆ analyse information from a range of sources for use in the decision-making and problem solving process
- ◆ select and implement management and communication systems.

## Effective Communication

Communication plays a crucial part in organisational success. Without effective communication systems and practices no organisation will flourish and develop. At both the individual and the corporate level, there are complex issues to be explored.

Understanding what effective communication is and what happens when communication goes wrong is extremely important as is the underlying process - how communication works - and the individual skills that make it work.

Matching the message to the situation and making sure that the right means of communication is selected are some of the central steps in effective communication. Planning communication is also seen as an important element.

Oral, written, formal and informal communication, all play their part and as managers assume more seniority, so the need to make presentations to colleagues, senior managers and external individuals and bodies increases. The overall focus of this area of management is to enable the individual manager to contribute to organisational success by communicating effectively.

### **To score high in this area you will need to be able to:**

- ◆ describe the key characteristics, components and purposes of communication
- ◆ establish the aim, bias and climate for your communication
- ◆ identify a range of organisational communication systems from which to select appropriately
- ◆ prepare and deliver Team Briefing within your organisation
- ◆ differentiate the purposes and the contexts in which information and advice is provided
- ◆ structure information and advice to suit the audience, the situation and the purpose
- ◆ present information and advice in a format and in a medium appropriate to the situation.

## Win-Win Sales Negotiation

**'I'm not a sales negotiator, this area of management does not apply to me.'**

If that is what you are thinking - think again for a minute.

As a manager you will engage in some form of negotiation every day, yet this topic does not feature in most management programmes. Other areas of management will deal with customer relationships and communication skills. This area fills the gap and arms you with the skills to negotiate for 'Win-Win' outcomes in any situation.

The dictionary defines negotiation as 'Conferring with another with a view to compromise' or 'the bringing about of a desired objective'. It sounds simple enough and yet we know that negotiation seems sometimes to be a protracted affair, with those doing the negotiation around the world appearing, at times, to be immovable objects.

Some people see negotiation as moving from positions which are miles apart to a position where the two parties come together.

How would this work if your company had carefully worked out its pricing structure? Could you assume that the customer would move to your position? What if the customer's company policy was to buy goods at their price?

You can see the problem. So who moves, and what would happen if neither did?

This area of management focuses on preparation for negotiation, understanding the other person's view point and negotiation skills to achieve 'win win', if possible.

### **To score high in this area you will need to be able to:**

- ◆ recognise your normal negotiating style and apply remedial action to improve it if appropriate
- ◆ recognise the importance of preparation when negotiating
- ◆ understand the customer's objectives and deal with perceived competitors' threats
- ◆ calculate your negotiating options
- ◆ conduct a SWOT analysis of your negotiation position
- ◆ recognise the difference between assertive, aggressive, and passive behaviour in yourself and others
- ◆ aim for win-win
- ◆ be a better negotiator.

## Problem Solving and Decision Making

As a manager you are constantly making decisions. It is one of the key distinctions between managers and non-managers. Some are major decisions, with a fundamental impact on the organisation, while others are about the day-to-day matters that are part of working life.

‘Anyone who never made a wrong decision never made a right one’.

*Anon*

There is an element of risk in all decisions or they would not need to be taken. If an issue is 100% clear-cut and obvious there is no need to take a decision: it takes itself. However, most decisions are between balanced options, 60:40 balances, or even 51:49. This means that the skills of decision making are important to managers in all organisations, to achieve the outcome of getting more right than you get wrong.

Problems are different from decisions. Problems are historical. They have their roots in the past, even if it is the immediate past. Decisions, on the other hand, are about future action and, while problems need decisions, not all decisions are about problems. Imagine having to decide whether to go to the Seychelles or to Barbados for a month's holiday, for example.

So, not all decisions come from problems. There are clear links between the two, of course, but some decisions are a natural function of progress in the organisation. They come from the process of reviewing, so that the performance of the department and the organisation can be improved continuously. For example, setting next year's budget means taking decisions but it does not necessarily imply that there have been problems in the current year.

Problems need solutions and this means a decision that removes the effects of the problem. So, within every problem is the need for a decision based on an examination of the facts and the circumstances.

This area of management focuses on defining a problem, the stages in problem solving, the process of taking decisions and ways of 'hecking out' your solutions

### **To score high in this area you will need to be able to:**

- ◆ describe the differences and the relationship between the problem solving and the decision making processes
- ◆ identify and define problems in the context of your objectives
- ◆ identify the stages in the process
- ◆ structure information to aid decision making and problem solving
- ◆ describe the differences between convergent and divergent thinking, and their application through a range of techniques
- ◆ apply appropriate techniques at each stage.

## Effective Meetings

In any review that asks managers to list the major time-wasters in their working day, meetings virtually always come towards the top of the list. When a few more questions are asked to find out why this is, responses come back that most meetings are unnecessary, boring, achieve very little if anything and are 'talking shops'.

Two pieces of research show the scale of the question. One indicates that managers in the UK spend up to 60% of their time in meetings of one sort or another and if you work out the financial cost of the salaries alone, you get an idea of the importance of making them effective.

The other, carried out in America in the early 1980s amongst several hundred senior managers, indicates that over 70% of respondents claim that many meetings are a waste of time, with over 75% attributing this to a lack of training on how to get the most from them.

A few meetings, though, are admitted to be worthwhile. They are helpful, seem to run on time, have an atmosphere of constructive communication and they seem to achieve something.

You, as a manager, will attend some meetings as the leader of the meeting and probably chair it. There are special responsibilities on you to manage the process properly so that the meeting achieves its purpose and everyone makes a contribution and gets something from it.

Also, there are meetings that you attend as a contributor: other people's meetings. You have a responsibility here, as well, in carrying out your role effectively and making your contribution to the meeting positive and constructive.

This area of management is not just about making meetings more interesting and providing an entertaining time for those attending. Good meetings are worth going to because they help people in the organisation to solve problems, make decisions and understand what is happening around them. They are one of the important elements in your job as a manager.

### **To score high in this area you will need to be able to:**

- ◆ describe the characteristics of effective meetings
- ◆ identify the key contributory factors in setting up and preparing for meetings
- ◆ describe the key contributory factors in managing meetings so that they fulfil their purpose
- ◆ specify the role of an effective chairperson or leader at different types of meeting
- ◆ take appropriate action at the end of meetings to ensure that decisions are clarified and implemented.

## Presenting to Individuals and Groups

We spend most of our lives speaking to one another; it is our natural communication channel. However, something strange happens to many people when asked to do the same thing in front of a group. A mere mention of delivering a presentation brings the nervous system into full operation.

So why does this happen?

It is a mixture of things. It is fear of:

- falling flat on your face
- drying up
- losing your train of thought (mid-stream)
- what people will think of you
- being boring.

But most of all it's because you care about your audience and their perception of you.

Being nervous is natural, if you're not nervous and you don't care, the presentation could either bore or insult. The secret of a good presentation is to be confident even though you may be nervous. The secret of being confident is knowing that your presentation is well prepared and meticulously planned.

The focus of this area of management is to prepare, plan and execute a presentation to a high standard in a number of different circumstances, including:

- advising and informing others
- sharing ideas/information with your own team
- taking a proposal to another team/committee
- making a presentation to people outside your organisation, e.g. service users, liaison boards, etc.

### **To score high in this area you will need to be able to:**

- ◆ explain what is involved in making effective presentations to individuals and groups
- ◆ plan and prepare effective demonstrations and presentations
- ◆ appraise the use of training aids and methods
- ◆ use appropriate behaviours and techniques to deliver effective presentations to advise and inform others.
- ◆ utilise effective questioning and feedback skills.

Development plan

Where do I want to be by the end of this period? What do I want to be doing? (This may be evolutionary or "more of the same".)

What do I want/need to develop	What will I do to achieve this?	What resources or support will I need?	What will my success criteria be?	Target dates for review and completion

