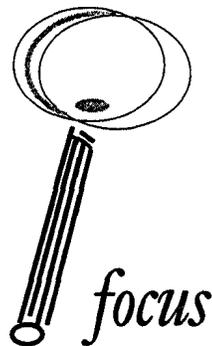


1

The Importance of Organizational Effectiveness



Learning Objectives

By the end of this chapter, you should be able to:

- List the five key components that determine one's organizational effectiveness.
- Define the potential impact of organizational effectiveness on your future.
- Identify your personal assets and your personal liabilities as they relate to organizational effectiveness.

THE MEANING OF ORGANIZATIONAL EFFECTIVENESS

Historically, organizational effectiveness has focused on how well organizations compete, how quickly they bring products to market, their status in the community, their attractiveness to potential employees, and their profitability. In other words, organizational effectiveness considers how well an organization performs business.

An Organizational Perspective

The concept of organizational effectiveness was an important innovation in business management. Instead of defining corporate success by a few short-term measures such as sales or profit, it fostered a holistic long-term perspective. For example, organizations were encouraged to couple profit with a concern for the environment, to combine the short-term benefit of sales with the long-term need for customer service. The expanded perspective that resulted from a focus on the overall effectiveness of an organization has become central to corporate survival and success in today's economy.

Similarly, the success of an individual in the workplace is determined by the person's ability to be effective within the organization. Just as companies can no longer focus predominantly on sales or profits if they are to be successful, individuals can no longer rely solely on things such as good attendance and punctuality to ensure job success and longevity.

A Workplace Basic Skill

A recent study funded by the U.S. Department of Labor identified a number of workplace basic skills that America's work force must have if the United States is to compete in the global economy. One of the workplace basic skills is organizational effectiveness, or one's ability to be effective within an organization.

You may know someone with good ideas who seems unable to develop these ideas beyond the original stage. The problem may be the person's lack of organizational effectiveness. For example, a person who is frequently tardy or has poor attendance may seem uncommitted and unreliable. The ideas of such a person may not be taken seriously. Similarly, a person who does not present an idea effectively, either verbally or in writing, may find it impossible to convince others of the value of the idea.

What Organizational Effectiveness Means to You

The purpose of this course is to enhance your effectiveness within your organization. This should increase your potential for success.

The first step toward increasing your effectiveness is to do a personal assessment. To do this, highlight the areas in which you are already very effective (your assets), identify the areas that can become assets with a little work, and assess areas that may hold you back (your liabilities).

Target areas for your assessment and growth include the following key components:

1. *Your basic work habits* Are you punctual? Do you have good attendance? Do you dress for success?
2. *Your position in the company* Where are you in the organizational structure? What is the chain of command? How do these structures impact you and your effectiveness?
3. *Your verbal communication skills* How effectively do you share ideas and information? How well do you handle questions and confrontation? Do you adapt to your audience?
4. *Your written communication skills* How clearly do you present and support ideas in writing? Is your style of writing appropriate for your organization? Does your writing represent your commitment to quality?
5. *Your ability to work with others* How well do you work with your boss? Do you cooperate effectively with co-workers? Are you a good team member?

After you have evaluated your assets and liabilities and focused on each of these key components of organizational effectiveness, the course takes

you through a goal-setting process. The purpose of this course is to help you develop your effectiveness. The course addresses the knowledge you need to understand the importance of each area and helps you begin the process of changing behaviors and implementing personal change.

EVALUATING YOUR PERSONAL ASSETS AND LIABILITIES

To become more effective, look objectively at your assets and liabilities. Your assets are areas in which you are strong. These are skills you can use to enhance your job success and career potential. For some, assets might include verbal communication, working hard, and accuracy. Others might list teamwork, excellent attendance, and good working relationships. Take advantage of your strengths and use them to your benefit.

Your liabilities are weaknesses that are likely to reduce your career potential. Examples of liabilities might be poor writing skills or verbal aggressiveness. Everyone has liabilities. However, the key is to correct your weaknesses before they become a problem for you.

Jane was Thomas's supervisor. Thomas was a fairly new employee who had begun to show a pattern of poor attendance. When Thomas was on the job, he worked hard; his work was good; and he got along well with others. However, none of his strengths mattered when he wasn't there. During a discussion with Thomas, Jane learned he had a pattern of testing limits. He said, "Now I know how far I can go here before getting into trouble." In previous positions, he had tested limits with tardiness, absenteeism, rudeness, and inappropriate dress. Unfortunately, Thomas believed that once his boss told him to shape up, and he did, his problems were over. What he didn't realize was that by forcing his boss to articulate this kind of problem, he potentially limited his future options. Jane had observed Thomas's irresponsibility, lack of commitment, and unreliability. He may not lose his job, but it may be a long time before Jane considers Thomas for a promotion.

Tools for Self-assessment

It only takes a few weaknesses to destroy the value of many strengths. Therefore, successful people frequently evaluate their own effectiveness. Are they making the best use of their strengths? Are they making improvements to eliminate or reduce their liabilities? Successful people take responsibility for changing themselves. Unlike Thomas, they try not to wait for someone such as their boss to mandate change.

Throughout this course, you will identify areas of strength and areas needing improvement. This is the process of self-assessment (see Exhibit 1-1). Learning to assess yourself and respond to your own assessment will be critical to your success. Thomas was not surprised when Jane spoke to him. He was just waiting for his warning. He knew well in advance of his meeting with Jane that he was inviting trouble, yet he chose to ignore his own assessment. To progress in a career, listen to your own assessments and make the necessary changes.



Exhibit 1-1 Self-assessment Chart

Rate yourself in each of the following areas:

	<i>Poor</i>				<i>Excellent</i>
Attendance	1	2	3	4	5
Punctuality	1	2	3	4	5
Dress	1	2	3	4	5
Hygiene	1	2	3	4	5
Grooming	1	2	3	4	5
Timely completion of tasks or projects	1	2	3	4	5
Accurate completion of tasks or projects	1	2	3	4	5
Working relationships with peers	1	2	3	4	5
Working relationship(s) with boss(es)	1	2	3	4	5
Working relationship(s) with subordinate(s)	1	2	3	4	5
Working relationship(s) with superior(s)	1	2	3	4	5
Verbal expression of ideas	1	2	3	4	5
Delivery of verbal presentations	1	2	3	4	5
Telephone skills	1	2	3	4	5
Written expression of ideas	1	2	3	4	5
Convincing written memos or proposals	1	2	3	4	5
Proofreading for accuracy	1	2	3	4	5
Teamwork	1	2	3	4	5
Handling conflict	1	2	3	4	5
Handling criticism	1	2	3	4	5
Accurate assessment of personal strengths and weaknesses	1	2	3	4	5

Verifying the Accuracy of Your Self-assessment

Before completing your personal assessment of your assets and liabilities, you may wish to seek the opinion of others who have seen you at work. For example, how would your boss evaluate your ability to express ideas in writing? How would your co-workers rate you on teamwork, your ability to give or handle criticism, or your ability to produce a quality product? If there is considerable disparity between your opinion and the opinions of those you work with, you may wish to modify your evaluation to get a more accurate picture. You might also want to adjust the last item on the evaluation (accurate assessment of personal strengths and weaknesses) and work toward being more observant of how others see you.

The Rating Scale

The items you rated as four or better are probably your assets. These are strengths you can use to ensure your organizational effectiveness. Those you rated as three are evolving strengths. They are items you need to continue working on to increase your effectiveness. The items you assessed to be a two or one are your liabilities. These need to be changed in order to enhance your potential for career growth and organizational effectiveness. All of these items will be addressed in this course, and you will be given tools for turning your liabilities into assets.

Keeping Your Assets from Becoming Liabilities

It may seem strange to think of one of your assets as a liability. When a strength is used to excess, it can become a weakness. Think about a person who is quite effectively assertive, yet when being criticized, the assertiveness changes to aggression. People who are verbally adept may find themselves talking too much and monopolizing a conversation or meeting. People who like working with others may place a higher priority on the working relationships than they do on getting the job done.

Marilyn was very effective at convincing people to do what she wanted them to do. In the sales field, this was a strength. Marilyn had become a top salesperson. However, Marilyn realized she was abusing her ability to sell when a good friend accused her of being manipulative in personal relationships. When Marilyn reviewed her actions, she knew her friend was right.



Think About It ...

- Review your assets.
- Are there any assets that you abuse at times? Do you need to exercise more control under certain situations?
- Mark with an asterisk the items you may overuse or abuse. Keep these items in mind and monitor your use of them to ensure that they remain assets.

Ongoing Assessment of Your Assets and Liabilities

It is easy to become complacent about your assets and to be oblivious when one actually becomes a liability. A challenge for many managers and other professionals is to continue assessing the use of one's assets to ensure that they are still being used effectively.

Likewise, you should periodically assess yourself. You may find it beneficial to use the self-assessment tool every few months. You may want to add new items to fit your needs. After you reassess yourself, compare your results to previous results. Notice which areas you have improved and acknowledge your improvement. As you will find, improving in some of these fundamental areas takes hard, focused work. The periodic reuse of the self-assessment tool may also help you to identify assets that you may be abusing before they become a problem for you.

MATCHING YOUR ASSETS TO YOUR EMPLOYER'S NEEDS

You have just completed the first step toward increasing your organizational effectiveness - a personal assessment. The second step is to ensure you fully understand your employer's standards for concerns such as attendance, punctuality, quality, and timely completion of tasks and projects.

Clarifying Your Employer's Expectations and Standards

Information about relevant expectations and standards usually is available through your boss or the human resources department. For example, companies often document the maximum number of sick days allowed without the loss of pay. Find out what the limits are; then set the standards for yourself much higher.

A person from the investment-banking industry recently presented guidelines for achieving success in her company to a group of young professionals. She described an environment in which most of the orders to invest or sell stock must be processed on the same day. A delay could cost the company considerable sums of money. She mentioned that her company allows each employee 6 sick days. However, if someone is out sick, everyone else is affected because the work cannot wait until the next day. The result is that several departments have refused to hire or promote anyone who took more than 2 sick days in the previous year. This restriction is not in writing, but it has seriously limited the futures of some of this company's otherwise promising employees.

Some organizations establish clear standards for teamwork, communication, quality, accuracy, timeliness, and conflict resolution. In other organizations, the standards may not be articulated clearly. However, it would be a mistake to assume this implies that these standards are unimportant to your organization. If you don't know the organizational standards in these areas, talk about them with your boss and other people whom you respect. Observe successful people in your company. What are their standards? If you hear your supervisor criticizing someone for inaccuracies or lateness in project completion, these are important clues about what your boss and employer value.

Other important sources of this information include talking to people who have been promoted, reading the company newsletter, and observing behaviors and performances that are rewarded or complimented. When someone has been promoted, analyze their performance in terms of the assessment tool provided earlier. If your company newsletter includes several articles that focus on quality, customer service, and teamwork, you can be sure these are important to your employer. Some organizations offer bonuses or awards for such things as money-saving ideas, perfect attendance, and increased sales. Awards and bonuses are seldom offered for things that don't matter to the employer.



Think About It ...

Identify two people you know fairly well who have been promoted in the past year.

List all the assets they have that you believe led to their promotions.

Review several copies of your company newsletter or memos recognizing excellent performance.

List the items that are addressed frequently in these documents (i.e., customer service, efficiency, and teamwork).

Reflect on times in the past year when you and your co-workers were either complimented or reprimanded.

List the assets or liabilities these compliments or reprimands address.

The information you obtain from the preceding exercise will be invaluable in helping you focus on the assets you need in your organization. It is your checklist for organizational effectiveness within your company. After you have completed your lists, you will be ready to look at your assets and liabilities in terms of your employer's priorities and standards.



Think About It ...

Compare your evaluation of your own assets and liabilities with the items that are obviously important to your employer.

List the items that are both important to your employer and are areas you have identified as needing improvement.

Next list the items that are valued by your employer and are your assets.

Are you taking the best advantage of your assets? If not, contemplate ways you can begin to use them more effectively to your advantage.

Identify the components of this course that will help you address the items you need to improve.

People who work effectively within organizations have honed the skill of looking at themselves from their employer's perspective. They identify what the employer wants, they evaluate their assets and liabilities in terms of those wants, and they make changes as needed.

Self-assessment: An Ongoing Process

The process of assessing yourself and your employer's standards and comparing the two is an ongoing process. Your assets and liabilities will change over time. The demand for certain assets will vary with the kind of position and boss you have. Today's work environment is constantly changing, and you need continuously to analyze these changes and their impact on your organizational effectiveness and future opportunities.



Organizational effectiveness is the ability to be effective within an organization. It includes (1) basic work habits, (2) fitting in the organization, (3) verbal communication, (4) written communication, and (5) working effectively with others. Today's employer places a high value on most or all of these areas. Employers will use them to measure

employees and identify those who are promotable. You can use them to enhance your potential for job success, promotion, and longevity.

An important aspect of increasing your organizational effectiveness is to evaluate honestly your assets and liabilities. You can use your assets to enhance your effectiveness while changing liabilities that could hold you back. As you go through the process, it is valuable to identify the assets that are most important to you in your current and future positions and to your employer. You can do this by itemizing the assets of those who are promoted, receive recognition or awards, and are assigned interesting projects.

As you assess yourself, you may wish to seek input from others about their perception of your strengths and weaknesses. Ultimately, it will benefit you to learn to see yourself as others (especially your boss) see you. Your organizational effectiveness will depend on your frequent reassessment of your assets and liabilities as they fit into your employer's and your boss's expectations.



Review Questions

INSTRUCTIONS: *Here is the first set of review questions in this course. Answering the questions following each chapter will give you a chance to check your comprehension of the concepts as they are presented and will reinforce your understanding of them.*

As you can see below, the answer to each numbered question is printed to the side of the question. Before beginning, you should conceal the answers in some way, either by folding the page vertically or by placing a sheet of paper over the answers. Then read and answer each question. Compare your answers with those given. For any questions you answer incorrectly, make an effort to understand why the answer given is the correct one. You may find it helpful to turn back to the appropriate section of the chapter and review the material of which you were unsure. At any rate, be sure you understand all the review questions before going on to the next chapter.

1. *Organizational effectiveness:* 1. (b)
 - (a) relates only to a company's financial success.
 - (b) relates to both the effectiveness of an organization in doing its business and to the effectiveness of each employee within the organization.
 - (c) is defined by organization charts that include all departments and all employees at least to the supervisory level.
 - (d) means a company's ability to compete successfully against newcomers in the industry and an ability to attract talented employees.

2. The U.S. Department of Labor identified organizational effectiveness as a: 2. (a)
 - (a) workplace basic skill.
 - (b) hard skill.
 - (c) commitment employers should make to the federal government.
 - (d) plan for efficiency.

3. The following are components of personal organizational effectiveness: 3. (d)
- (a) verbal, nonverbal, written, and bilingual communication.
 - (b) basic work skills such as reading, writing, mathematics, and the use of computers.
 - (c) making sure you keep your boss informed in writing of everything you accomplish.
 - (d) communication, working relationships, teamwork, quality, attendance, and punctuality.
4. Organizational effectiveness is important because: 4. (a)
- (a) it enhances the potential for job success, promotional opportunities, and longevity with the employer.
 - (b) it provides a structure for organizing one's work.
 - (c) it increases understanding of the way big organizations operate.
 - (d) it challenges the way organizations operate.
5. Assets and liabilities relate to organizational effectiveness in the following way: 5. (c)
- (a) Assets and liabilities appear in the balance sheet and annual report of each company and contribute directly to a person's willingness to invest in the company's stock.
 - (b) An asset is a strength you have that enables others to recognize your superiority and potential. A liability is found in people who make malicious public statements about others.
 - (c) Your assets are your strengths that are compatible with your job and your employer's expectations. Your liabilities are shortcomings that can stand in the way of your professional growth.
 - (d) Important assets for organizational effectiveness include one's ability to organize information, people, activities, and schedules. Liabilities include being disorganized, late in completing projects, and unable to find important papers.
6. An example of an asset becoming a liability is: 6. (b)
- (a) unknown—once an asset, always an asset.
 - (b) a person who speaks well but talks too much.
 - (c) saving money and paying bills on time.
 - (d) a quiet person talking too much.

7. Personal assessment means: 7. (d)
- (a) determining the value of personal property so one's property taxes can be calculated.
 - (b) taking a test and comparing your scores with others in your group.
 - (c) having your pay docked for excessive absenteeism.
 - (d) honestly evaluating your own strengths and weaknesses.
8. It is important to reassess your assets and liabilities periodically because: 8. (d)
- (a) you may be abusing an asset and turning it into a liability.
 - (b) your job or boss may have changed and, to be effective, you need to identify and eliminate new liabilities and enhance newly needed assets.
 - (c) your employer has begun to reward a new set of assets.
 - (d) all of these statements are correct.
9. To identify your employer's expectations for organizational effectiveness: 9. (a)
- (a) read the personnel manual, speak with your boss, and identify items rewarded or acknowledged by your employer.
 - (b) just ask your employer.
 - (c) list all of the liabilities your co-workers have and make sure to eliminate them from your own work habits.
 - (d) read a textbook on organizational effectiveness.
10. Personal employment liabilities should be converted to assets: 10. (c)
- (a) as soon as your boss has given you a verbal warning.
 - (b) as soon as you receive your first written warning.
 - (c) as soon as you become aware of the liability and can effect a change-preferably before your boss has to say anything.
 - (d) when your co-workers go to your boss to complain about you.