Unit: 341

Information Pack

Leading and Motivating a Team Effectively

INTRODUCTION

Leaders have a crucial role to play in motivating others to perform to the best of their abilities. Here we provide an overview of what you need to know about this complex subject, from key motivation models and theories to best practice advice for motivating others. We also look at the relationship between motivation and employee engagement, and consider how the psychological contract can help leaders to ensure their employees are motivated and engaged.

The role of the management team and the managers employed within an organisation are pivotal to the success or otherwise of the organisation. Within all organisations there are different levels of management, demanding managers possess or acquire different skills sets to be effective in the role, and, crucially, different organisational configurations which reflect either the culture of the organisation or the work being carried out. Understanding the management role and the roles middle managers are typically required to undertake will enable you to develop your capabilities as a manager to meet the demands of today and tomorrow.

It is important that you can differentiate between Leadership and Management. People do sometimes confuse Leadership and Management and understandably so. There are jobs and roles in organisations that carry the title of 'Manager' and, which also, in the person specification, identify the need for Leadership skills.

GUIDANCE

This document is prepared to break the unit material down into bite size chunks. You will see the learning outcomes above treated in their own sections. Therein you will encounter the following structures;

Purpose	Explains *why* you need to study the current section of material. Quite often learners are put off by material which does not initially seem to be relevant to a topic or profession. Once you understand the importance of new learning or theory you will embrace the concepts more readily.
Theory	Conveys new material to you in a straightforward fashion. To support the treatments in this section you are strongly advised to follow the given hyperlinks, which may be useful documents or applications on the web.
Example	The examples/worked examples are presented in a knowledge-building order. Make sure you follow them all through. If you are feeling confident then you might like to treat an example as a question, in which case cover it up and have a go yourself. Many of the examples given resemble assignment questions which will come your way, so follow them through diligently.
Question	Questions should not be avoided if you are determined to learn. Please do take the time to tackle each of the given questions, in the order in which they are presented. The order is important, as further knowledge and confidence is built upon previous knowledge and confidence. As an Online Learner it is important that the answers to questions are immediately available to you. Contact your Unit Tutor if you need help.
Challenge	You can really cement your new knowledge by undertaking the challenges. A challenge could be to download software and perform an exercise. An alternative challenge might involve a practical activity or other form of research.
Video	Videos on the web can be very useful supplements to your distance learning efforts. Wherever an online video(s) will help you then it will be hyperlinked at the appropriate point.

Contents

Organisations

An organisation can be defined as:

'A social unit of people, systematically structured and managed to meet a need or to pursue collective goals on a continuing basis. 'Business Dictionary'

Characteristics of Organisations

While there are many ways of defining what comprises an organisation, the Business Dictionary definition makes clear that there are 3 key characteristics or components of all organisations, namely, structure, purpose and people (as opposed to other resources). In simple terms, all organisations have a management structure that sets out defined relationships between the various internal functions and individual positions within the organisation, enabling the organisation to achieve its purpose. The purpose being a defined outcome, which is achieved through successful completion of one or more tasks; these tasks are delegated by management to individual members of staff (people) who have the authority, and who are responsible and accountable for completing the task or tasks. Organisations affect and are affected by the environment in which they operate - market forces, including competition - and by wider environmental considerations such as government legislation, and by local and global factors.

An organisation could be said, therefore, to comprise the following characteristics:

- Defined purpose
- Defined objectives and goals
- Defined structure to deliver the required output(s)
- Defined individual roles and responsibilities
- Defined levels of authority and accountability and
- Defined relationships between functions/departments and/or individuals.

While most organisations, and particularly large organisations and multi-national companies, emphasise the importance of systems and processes, the role of middle managers continues to evolve. Where once, middle managers were primarily concerned with 'getting the job done' - often seen as the people responsible for organising and controlling activity - many of today's organisations have, or are, moving to flatter structures. This may be simply as an expedient to reduce cost, it may be to improve the speed and quality of decision-making, or it might be to create a new culture, say, of innovation.

Whatever the reasons behind the changes in structure, there is more and more emphasis on how middle managers manage, support and enable the workforce to perform to its optimal level. There is a significant emphasis now on organisational values and how these reflect in the culture of the organisation. At the heart of this is the middle manager. Senior management sets the direction, through vision and mission statements, outlines its values and its strategy for delivery of results. Middle managers are expected to lead and inspire, as well as manage.

Goals and Objectives

Successful organisations will have clear **goals** and **objectives**, as they clarify their purpose and help identify necessary actions. Goals are general statements of desired achievement, while objectives are the specific steps or actions you take to reach your goal. Both goals and objectives should be specific and measurable. Goals can involve areas such as profitability, growth and customer service, with a range of objectives that can be used to meet those goals.

While recognising and understanding that organisations develop appropriate structures to meet the needs of their business, or, in the public sector, to deliver the required level of public services that are the responsibility of Government, most organisations have a vision and/or mission statement that defines its purpose.

Vision and Mission statements are the inspiring words chosen by successful leaders to clearly and concisely convey the strategic direction of the organisation, communicating the intentions of the organisation to those people who have an interest in the organisation. The term commonly used for people with an interest in an organisation is 'stakeholder'.

Both types of statement are slightly different in their intent, although both typically convey the direction of the organisation. Vision Statements define the organisation's purpose, reflecting the values of the organisation rather than bottom line measures of success. For employees, it gives direction about how they are expected to behave and inspires them to give their best. Shared with customers, it shapes customers' understanding of why they should work with the organisation.

Example

For example, look at the Vision Statement of the largest fast-food company in the World, MacDonald's:

'McDonald's vision is to be the world's best quick service restaurant experience. Being the best means providing outstanding quality, service, cleanliness, and value, so that we make every customer in every restaurant smile'

A Mission Statement typically defines the organisation's purpose and primary objectives. Its prime function is internal - to define the key measure or measures of the organisation's success - and its prime audience is the leadership team and stockholders. The Mission Statement therefore focuses on what constitutes success for the business.

Example

For example, consider the Mission Statement for The Walt Disney Company:

'The Walt Disney Company's objective is to be one of the world's leading producers and providers of entertainment and information, using its portfolio of brands to differentiate it's content, services and consumer products. The company's primary financial goals are to maximize earnings and cash flow, and to allocate capital profitability toward growth initiatives that will drive long-term shareholder value.'

A very popular way of setting objectives like this is the S.M.A.R.T model. Using this approach will help ensure that goals are clearly understood and successfully achieved:

- **Specific.** Objectives should specify exactly what the individual/organisation should be able to achieve. There should be no vague or ambiguous language.
- **Measurable.** It should be possible to measure objectively the extent to which objectives have been met.
- **Achievable.** People should be able to achieve their objectives. Setting unrealistic targets merely demotivates. However, this does not mean that they should be simple; they should be challenging and stimulating.
- **Relevant.** Objectives should have a clear purpose or benefit and should be relevant to the individual's work role or learning aims.
- **Time-bound.** People should know how long they have to complete their objectives.

A common business goal is to run a profitable operation, which typically means increasing revenue while limiting expenses. To reach this goal, objectives could consist of increasing annual sales by 10 percent or landing three new accounts each month. Expense objectives could involve finding a new operating facility that decreases your rent by £200 a month or cutting monthly utility bills by 15 percent.

Customer service goals could include reducing complaints by 50 percent over one year or to improve resolution times to customer complaints to a minimum of one business day. To meet customer service goals, objectives could include increasing your customer service staff from one to three workers by the end of the year or implementing a policy where customers are guaranteed to receive a return phone call before the end of the business day.

If you have experienced a problem with employee turnover, your overall goal could be to improve retention. To make this goal specific, you could measure the current turnover rate, like one employee in five leaves after three months, and decide to double this figure to six months. Objectives to meet this goal could include implementing a training program that details new-hire activities for the first 90 days on the job. You also