

A. DELEGATION

When an organisation structures its work into jobs which are undertaken by employees it formally assigns **responsibility** and delegates **authority**. The job holder is **accountable** for his or her actions and his or her results.

Sisk defines the **delegation of authority** as "an organisational process that permits the transfer of authority from superior to subordinate". Thus whilst managers can delegate authority (so subordinates can work with **derived authority**) they must assign responsibility.

Responsibility, authority and accountability

There are three generally agreed steps to the process of delegation, but note that there is considerable variation in the terms used by management theorists to describe each of the three steps. The three aspects of delegation, as used by Sisk, are:

- The assignment of responsibility
- The delegation of authority
- The creation of accountability

It is essential that delegation be carried out effectively, and we shall return to this in a moment.

(a) **Responsibility**

Koontz defines responsibility as "the obligation to accomplish assignments". "Responsibility" in management terms refers only to duties, or work, that is specifically assigned.

Once a person accepts responsibility for a task, or range of tasks, it is totally for him or her to achieve the task(s) in the way that appears most effective and efficient. (Given compliance with organisational policy and the law of the land.) It follows that responsibility should only be assigned to trusted members of staff, in line with their proven or believed capabilities. It is axiomatic that responsibility without authority is of no value since the "responsible" person will have no ability to initiate the actions necessary for task achievement.

(b) **Authority**

When a manager delegates authority to a person, he or she empowers that person to act for the delegator. In other words, to work with derived authority. It is therefore essential to ensure that those to whom one delegates have a clear understanding of what they are required to do, to achieve, and the limits of the authority that is delegated to them. If a manager does not, or cannot, delegate sufficient authority for the subordinate to carry through the task then accountability for the level of success rests with the delegator, not with the subordinate.

(c) **Accountability**

Accountability is created immediately responsibility and the necessary authority have been accepted. Acceptance of responsibility (assigned) and authority (delegated) means that an obligation is incurred. Thus no subordinate should accept responsibility without sufficient delegated authority.

The principles are quite clear, but the practice is not.

- It is unfortunately an everyday fact of real management life that responsibility is assigned, and subordinates held accountable, whilst the manager holds back the necessary authority. This is particularly true within Theory X organisations, and is normally a sign of a manager's lack of

self-confidence. Certainly it indicates a lack of trust in the subordinates, which will be noticed by them and which will affect their behaviour.

- It is not easy for a subordinate to insist on the delegation of sufficient authority, especially in the face of a direct order, and therefore many subordinates are frustrated, and many managers overworked.
- It can be extremely difficult to create and maintain a climate of trust within an organisation, yet without such a climate effective delegation is unlikely to take place.

Conditions for Effective Delegation

Virtually all organisations delegate, but not all delegate **effectively**. It is extremely difficult to achieve effective delegation – Sisk establishes three conditions that must be met:

- Parity of authority and responsibility
- Absoluteness of accountability
- Unity of command

(a) Parity of Authority and Responsibility

For effective delegation the authority granted to a subordinate must equal the assigned responsibility. Too little, and the subordinate must consult the manager too often, and in some cases a decision cannot be implemented until the manager signs the necessary authority. If a manager has several subordinates, all suffering from a lack of authority, he or she may find each day occupied by a queue of staff, all needing to secure the manager's approval. This can be very ego-satisfying, and a certain type of person will feel very secure in the knowledge that without him or her the place "would grind to a halt". They are also likely to use the phrases such as: "If I'm not there to hold their hands nothing gets done."

Robert Townsend, in "Up the Organisation", gives an example of how to delegate effectively. An important contract with a supplier is coming up for renewal. This is Townsend's recommendation:

1. Find the person in your organisation to whom a good contract will mean the most. (Can't be more than two levels below you – there's that organisation chart getting in the way.)
2. Take the pains to write on one sheet of paper the optimum and the minimum that you expect from each area of the contract.
3. Give your organisation (including Jean – the person you've picked to negotiate) a couple of days to discuss your outline, edit, subtract, add and modify. Then rewrite it, call Jean into the office (with her boss if there is one between you and her – I assume he's in favour of this, or forget it).
4. With Jean on an extension phone, with the top person involved at each supplier, you say: "This is Jean. I've asked her to negotiate the contract. Whatever she recommends we'll do. There is no appeal over her head. I want a signed contract in 30 days."

Now, I know that 99 out of 100 managers won't take the risk. But is it a risk? Jean is closer to the point of use. She will be most affected by a bad contract. She knows how much the company gains or loses by a concession in each area (and they know that she knows). And she'll spend full time on it for the next 30 days. Would you? I maintain the company will get a more favourable contract every time.

Note that you've given maximum authority and accountability to Jean. And you've been fair to (and put great pressure on) your suppliers by telling them the rules in advance."

Note the following points about this example.

- Nothing can be learned unless a junior is allowed to work alone. Not unaided, but without overt interference. Managers make mistakes, every one of them. They have to because they are working into an uncertain future, without perfect information. So it becomes a question of how many mistakes are reasonable, of what magnitude, and how fast the manager notices **and responds** with a revised decision.

In Townsend's example the situation was carefully prepared for the manager, and she would feel she could turn to her boss if she was in need of advice. She would not feel that she could shift the accountability off to somebody else. In taking the assignment she accepted the accountability. But she had been carefully chosen as the most suitable, and would be unlikely to fail. Townsend was taking a risk – but a carefully calculated one. When all goes well he gets a good contract and, more importantly, a high-motivated manager. The worst scenario would be a contract at minimum terms (Jean was not empowered to authorise except at minimum or above), and perhaps a manager who would require some TLC (tender-loving care) but who had learned a valuable lesson.

- Although full authority may be granted, it is not always possible for a manager to achieve the specified task(s). It is only reasonable to hold someone accountable for matters that are within his or her control. If interest rates are forced up by government, for example, a property developer is unlikely to be able to achieve the targets set whilst interest rates were low and forecast to remain so. (Witness Canary Wharf in London's Docklands, which is one of the biggest and most publicised developments – yet it came to a halt during the period of the UK recession of the early 1990s.)

(b) **Absoluteness of Accountability**

Although responsibility may be assigned to subordinates and authority may be delegated to them, accountability to a superior can neither be assigned nor delegated.

Within a typical organisation will be divisions, departments, sections, each dealing with matters that are successively more tactical. Nevertheless the chief executive is accountable to the shareholders for every action the organisation takes. Whilst he or she will assign responsibility for each function to a director, who will assign responsibility for parts of the function to managers, and whilst full authority will be delegated commensurate with responsibility, it is still a fact that the paint shop manager is accountable to the factory manager who is accountable to the production manager who is accountable to the production director, who is accountable to the chief executive, who is accountable to the shareholders. (And every shareholder will be accountable to someone for their choice of the organisation as an investment.)

(c) **Unity of Command**

Each subordinate should be accountable to one, and only one, superior. We all know that nobody can serve two masters well; and the converse is that each of two managers cannot take responsibility for half a subordinate. A clever junior, who wants an easy life, can easily play two bosses off against each other so that both think the junior is working hard for the other!

Of course there is need for flexibility – as within a matrix organisation – but flexibility should never be allowed to disguise or diminish the clear line of accountability for day-to-day activity that must be to one, defined, superior.

What is it that Superiors Delegate?

We have given a general definition of delegation within an organisational structure, where a superior delegates certain activities to a subordinate, but we need to look in closer detail at just what it is that is being delegated. We can identify three types of delegation:

- **Entrusting tasks to subordinates** – when a superior allocates a job they normally undertake themselves to a person at a lower level in the organisational structure. Such jobs will usually be of some importance as they have formed part of the superior's duties.
- **Allocating authority to issue orders** – trusting a subordinate to issue orders to those who would previously have received such orders directly from top management.
- **Allocating decision-making in defined areas** – a superior delegates decisions which previously she/he had made.

The Process of Delegation

The key steps in delegation are:

(a) Planning

There are number of aspects to this.

- deciding on the tasks and functions which could usefully be delegated;
- specifying the type of delegation – task, issuing orders and/or decision-making – and then making it more specific by listing the exact requirements and standards expected from the delegatee;
- selecting suitable delegates by an assessment and appraisal of their competence in the light of what is expected. Skill(s), experience, attitude, workload, all have to be taken into account.

As a general rule a superior should delegate whenever a subordinate shows the ability and enthusiasm to undertake a function being carried out by the superior. In practice delegation may be a “drip process”, i.e. the superior gives increments of authority to a subordinate. Once the subordinate shows him/herself capable of one part of a task or function, another part is fed to him/her. This incremental delegation allows potential to be developed in the delegatee.

(b) Action

Assign the duties and delegate commensurate authority. The delegatee will be informed of the above decisions and given exact details of objectives and standards expected, in writing. The process of accountability will also be explained.

The delegator must be ready to answer any queries and should stress his/her confidence in the delegatee.

(c) Control

Establish the necessary controls – delegation is not synonymous with abdication. It is essential that the delegator retains the right to recall responsibility and authority, and that periodic reports on progress are made by the junior.

The delegator does not wash his/her hands of the function when it is delegated (accountability demands that the delegator is him/herself accountable to superiors). However, the delegator does not want to give such close control that it undermines the confidence of the delegatee. A careful balance must be drawn between control, and freedom to get on with the job.

Well-constructed and thoughtful controls give assurance to the delegator that the job is being done properly and confidence to the delegatee that there is a fail-safe mechanism to prevent too much of a disaster if things go wrong.

(d) Feedback

The degree of success of delegation should be kept under review. The yardstick should be **results**. Has the delegatee achieved the objectives and standards set by the delegator? Not all delegation will be successful; if it fails, delegation should be rescinded.

Barriers to Effective Delegation

Problems can arise both in delegators and delegateses. Some managers may:

- Be reluctant to delegate – they may lack confidence in the subordinates or just wish to do everything themselves.
- Worry that subordinates may fail and that this will rebound onto them as they hold ultimate responsibility.
- Fear that subordinates will do the job better than they were doing it themselves, so showing them up in a bad light.

In the case of delegateses, they may find their new authority a cause for stress and worry. Delegated authority can sometimes cause confusion and bad feeling in the organisation.

Techniques of Delegation

There are a number of techniques which can be deployed to help achieve effective delegation. Important among these are:

(a) Coaching

The delegator helping and guiding the delegatee with the delegated function. Coaching can be intensive when the function is new and then gradually reduced as the delegatee grasps the situation.

(b) Management by exception

This technique aims to avoid an overload of functions on top management. MBE acts as a sieve; the manager establishes standards of performance and levels of decision-making and it is only when standards are **not** reached or decisions are of greater importance that the manager swings into action. So long as things are going along well and the decisions required are not of major importance, these functions are delegated to subordinates.

Computers can assist MBE by taking over many routine matters. The advantage of MBE is that it divides functions into the less important, which are delegated, and the more important, which have the attention of top management. The result is a smooth-running organisation. However, MBE requires careful planning and sensitive operation.

(c) Cost/benefit analysis of delegation

In order to decide on the level of delegation to be deployed, it is useful to analyse the costs, e.g. possible lowering of performance, against the benefits or advantages, which may include the following:

- Delegation allows top managers to be more productive because they can get subordinates to assist them in achieving the objectives of the organisation.

- The time gained by managers allows them to improve the quality of their work.
- Delegation and particularly MBE filters out the more trivial issues that arise in the organisation.
- Delegation develops potential, skills and abilities in subordinates and increases their morale by making their work more challenging.

Advantages and Disadvantages of Delegation

(a) Advantages

- Those who delegate well regard it as an opportunity to plan work systematically, at the same time as developing the team and individuals within it. Delegation helps each team member to realise his or her potential by gaining knowledge and developing skills. It is an essential part of the training process.
- Delegation provides the most significant test of manager versus leader. The traditional manager retains a high degree of control, requires the subordinate to report back on matters of detail. The leader maintains sufficient control for a particular subordinate at a particular time in order to help him or her through any difficulties. A leader does **not** take back control; he or she helps the subordinate and, between them, they solve the problem.
- As we saw in the study unit on motivation, building more responsibility into a job or giving employees greater autonomy or control of their work can be a powerful motivator, increasing both productivity and quality. People feel more involved in the job if they are given responsibility. Delegation helps to increase job satisfaction.
- By considering the nature of what is delegated, you can see that delegation develops the spread of authority in an organisation. Such a diffusion of task performance or issuing of orders and decision-making may be called for as an organisation decentralises.
- By delegating work it is possible to make use of individual and specialist skills that team members possess.
- Delegation is essential if managers are to be freed up to manage. Their time should be taken up by managerial responsibilities – planning, forecasting, controlling, organising and so on.

(b) Disadvantages

- It is sometimes tempting to retain those jobs which are varied and interesting, and to delegate those jobs which are less desirable.
- Delegation involves people, and all people are different. They respond differently when placed in positions of responsibility.
- To delegate properly, it is necessary to communicate clearly, but not always desirable to state exactly how the task has to be carried out. People need space to function.
- Delegation involves risk. The person asked to carry out the task will not normally be as technically proficient as the manager, so the standard of work may drop, or the work may take longer. The person carrying out the task may also have to refer back frequently for instructions, disrupting other tasks.