

QAI Innovation Series

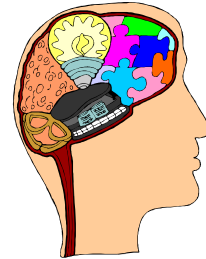
By Michael Pregmon, Jr., Ph.D.

Title: **How to Innovatively Improve Employee Morale and Retention**

This article has a specific focus on IT Innovation and improving the software development and control process. Many managers in organizations today fail to realize that maintaining employee morale, esprit de corp. and retention requires constant innovation. In fact in today's economy and business environment managers and supervisors must constantly stay on the leading-edge to attract and keep the best performers. This is particularly true in the IT industry where mobility is of constant concern in organizations. At the Quality Assurance Institute, we are continually reminded of this at our international quality assurance and software testing conferences. Each year, we are introduced to a host of new entrants into the profession who are seeking guidance on career growth. Why are we constantly training new people to assume new responsibilities?

The Challenge

Certainly we are working in an industry that has and will continue to experience enormous change. Technology changes dramatically from year to year. To be absolutely accurate, technology is changing dramatically from week to week! At the Quality Assurance Institute, we have witnessed this in that we have had to update our training courses, quite often, at least semi-annually or more frequently. The skill categories of the professional certifications' common bodies of knowledge have likewise had to be updated almost annually – as our certification boards have advised. Consequently, this leads to increased challenges. But, it also leads to increasing opportunities. Yet, we continue to lose good people as a result of some basic management failures.



One of the most frequently violated organizational concepts evident in many companies is the management principle of *span-of-control*. This is particularly evident in information technology functions. Planning and designing your IT organization within effective span-of-control parameters has many benefits. Most important among these is improved employee morale and retention. Keeping experienced people on your staff significantly improves productivity and “bottom-line” profitability. Let's take a brief look at this phenomenon.

Span-of-Control

Historically, IT functions have experienced much employee turnover. We often hear the reasons for this phenomena to be such responses as: “promotion,” “better opportunity,”

“broader experience position,” “more money,” “personal-burnout,” etc. But the true and leading cause for this is poor morale. Perhaps the single most reason for this is ineffective or poor communication between the manager and subordinate. Rest assured, IT functions are not the only targets for this malady. It is not uncommon in other business functions or units. Yet, it is a costly phenomenon, which affects other areas such as training, productivity, and quality.



Traditionally, the span-of-control principle rests upon the premise that a single individual can realistically and personally supervise only a certain number of individuals. Obviously, the size of the group is dependent upon the work to be accomplished. The more technical in nature the work, the fewer people in number the leader can effectively manage. In our quest to “flatten out” the organization’s structure, and reduce the number of staff people, this principle is repeatedly violated.

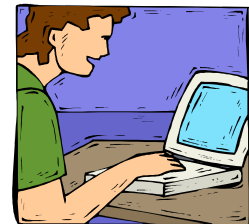
Technology the Culprit?

It is ironic with the tremendous strides in technology – especially so in IT operations – productivity has improved immensely. Fewer people can do more work. As a result, we tend to “push the envelope” to flatten the organization. We eliminate supervisory or leader slots to save money.

Consequently, this widens the span-of-control for many managers. Thus we fail to consider the humanistic element in organizational behavior. Productivity begins to fall again. We wonder why morale is down. For proper individual growth, nurturing, support, morale and employee retention, such proven principles, particularly those that affect human behavior usually prevail.



This is particularly a challenge since many companies, through improved technology, are shifting their workforce out of the office and into subordinate’s homes. While this can be a personal advantage for an individual to work out of his/her home, it becomes an increased supervisory, morale and control challenge for the manager. I recall years ago as a consultant working out of my home, I often had a feeling of “loneliness” and out of the loop of the day-to-day communication and activity. Communication is certainly challenged. Effectively managing people is a challenge in a confined workplace, let alone with a dispersed and decentralized work environment. Yet, some people thrive and experience increased productivity in these situations.



Electronic Surveillance

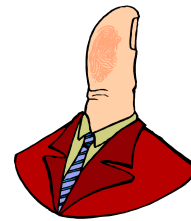
The relatively new developing philosophy in electronic *surveillance* (ES) is much easier to accomplish with the emerging network distributed processing systems. However, in our quest to flatten out the organization, and thus potentially



improve productivity, we are losing sight of a basic human behavioral trait. People like relationships. Most people do not like to work alone without contact – especially from the boss. As the span-of-control of supervisors and managers are stretched to the limit, because of the humanistic element, morale suffers and people leave organizations prematurely. This migration causes huge training strains within the enterprise. And, productivity naturally suffers in the interim as learning curves develop for individuals and the organization.

Rule of Thumb

There has been a simple standard or “rule of thumb” to follow to insure an effective span-of-control. That is: “no fewer than three, nor more than seven” people should report directly to any one person. In such reporting relationships, the leader or manager will then have sufficient time available to devote to each team player. When that level is exceeded, the manager finds that with each individual, time availability becomes limited and communication begins to break down. Thus, morale and retention suffer.



What is a reasonable span-of-control for a supervisor today with our new technology? Here again, there is not definite number. But, based on the human psyche, it may not be dramatically different than that stated above. That level, in number of people under direct supervision, should be only that number where the manager can effectively devote sufficient time each day as necessary to each individual under his/her supervision. Through the use of ES, that number may move up slightly. But not substantially!

Conclusion

How can we insure our organization or team does not fall prey to this malady? The simple answer is “measurement.” The manager or group leader should track the true reason for each departure. Even if, on the surface, the answer for an associate’s departure appears plausible, it should be confirmed. This is typically referred to as an “exit” interview. Oftentimes, obtaining this information after some time has passed following the departure date provides more realistic information. Metrics should be developed to categorize the responses so that improvement in operating activities can be initiated if warranted.

About the Author

Dr. Pregmon is currently Executive Vice President of the Quality Assurance Institute with over 40 years of experience in various business functions. His experience focuses on the user side of information systems such as customer/user satisfaction, systems modeling, defining system requirements, building and maintaining systems, and acceptance testing. He received his BS degree in Business Administration from Pennsylvania State University, a MBA from New York Institute of Technology and his Ph.D. from Madison University.

Over the years, he has been an author, consultant, senior corporate executive and adjunct professor in the Graduate School of Business at Nova Southeastern University in Florida. He currently is an adjunct professor at St Petersburg College also in Florida. Dr. Pregmon has presented seminars and training programs at over 65 colleges and universities in the United States and in other countries throughout the world. He is a former member of the editorial review board of *Software Development Magazine* and a current member of the Software Testing Advisory Board at the University of Washington. He also is an Advisory Board Member and Technical Expert with the World Business Review television program hosted by General Alexander M. Haig, Jr. This is aired on CNBC, BRAVO, ASIA TV, United Airlines, etc.

Mike was also awarded and honored as a Paul Harris Fellow, which is Rotary Club International's highest award for service to humanity worldwide. He is an active member of the Dr. Phillips Rotary Club in Orlando, Florida.