

How Can Board Members Be Empowered If They Are Spread Too Thin? 4

Recent corporate scandals have thrown a huge spotlight on boards of directors. Where were the governance and oversight stockholders have a right to expect? One problem may be multiple board memberships. A study using 1992 data (no recession, no bubble) from 228 fortune 500 companies found that multi-board memberships were associated with key indicators of weak corporate governance. Experts believe that a board member should expect to devote at least 25 working hours per year per board membership. Companies can take steps to make sure their board members are more effective, and one step may be forbidding multi-board participation.

Michael N. Young, Ann K. Buchholtz, and David Ahlstrom

Outsourcing Information Technology: Assessing Your Options 18

Outsourcing — hiring outside firms to provide goods or services a company used to provide for itself — has been around a long time. Outsourcing information technology (IT), however, is a relatively new ball game. IT may be a core function or support a core function. If it is outsourced, will the company lose control over an area that differentiates it in the marketplace? In other words, is IT used strategically, or does the company view IT as a commodity or utility? The answer to this and two other questions can help managers decide whether outsourcing IT will improve performance over time as well as help cut costs.

Amir Hormozi, Erin Hostetler, and Cynthia Middleton

Management Fads: Here Yesterday, Gone Today? 12

MBO, QC, TQM, SMT ... Whichever alphabet-soup management fad is being touted in academic and business journals, it seems organizations just have to have it. Managers don't want to be accused of being behind the times, and consultants have to make a living. Management fads are typically adopted with enthusiasm, but many dwindle and fade. Do they make a lasting impact? Surprisingly, a survey of 178 managers and non-managers suggests that they do. Many concepts, attitudes, and functions introduced as part of a management fad become embedded in the organizational culture even if their origins become cloudy or even forgotten.

Jane Whitney Gibson, Dana V Tesone, and Charles W. Blackwell

Trust in the Context of Management Relationships: An Empirical Study 24

The concept of "social capital" is attracting increasing interest among managers and academics interested in organizational dynamics. But exactly how it arises has not been explored in detail. What is the role of trust in relationships that yield social capital? Interviews with 30 senior managers were used to test various assumptions and hypotheses about two primary types of relationships, utility and personal. The role and derivation of trust in each of these was also explored. For instance, to what extent does trust derive from competence, and is it the same in both types of relationships? Empirical findings place trust at the center of most senior management relationships, especially those of a utility nature.

Sally Atkinson and David Butcher

An Empirical Investigation of CEO Leadership in Two Types of Small Firms 36

The extensive literature on small business leadership often overemphasizes the charismatic and visionary variety and slights the transactional, autocratic, and empowering leadership types. In addition, this research typically lacks a macro framework. To help overcome these limitations, a study of leaders in 94 small software and banking firms was categorized by each firm's structure (simple bureaucracy or entrepreneurial adhocracy). Contrary to expectations, the leadership profiles in the two configurations were similar, suggesting that leaders, regardless of their style, should be able to move successfully among different types of organizations.

James P. Grinnell

Leadership Networking and Active Transitions in the Workplace: Freedoms, Energy, and Transformative Relationships 42

In today's fast-paced world, managers must also be leaders. These leader-managers must build strong networks of sustainable relationships, they need a global perspective, and they must possess transformative energy. Leader-managers need an atmosphere of freedom in which to make effective choices for their organizations. These aspects of leading and managing are reviewed in the context of literature and studies on the subject as well as practices and experiences at several large organizations.

James R. Calvin

Bridge Over Troubled Water: Implementation of a Program Management Office 48

Businesses operate not only in the Information Age but also in the Age of Large Projects. Interdepartmental and cross-functional projects are increasingly necessary to meet competitive threats or obtain a competitive advantage. Managing such projects is challenging, however, and research shows only about 25% meet their goals on time and on budget. A professionally staffed program management office may facilitate large projects, especially when combined with the Capability Maturity Model (a body of best practices). The lengthy process of establishing a successful program management office is illustrated with a case study of NCCI Holdings.

Michael E. Thorn