

<http://www.gowerpublishing.com/isbn/9781409424321>

Effective Multi-Unit Leadership

Local Leadership in Multi-Site
Situations

CHRIS EDGER
Birmingham City University, UK

GOWER

Contents

<i>List of Figures</i>	<i>xiii</i>
<i>Abbreviations</i>	<i>xv</i>
<i>About the Author</i>	<i>xix</i>
<i>Acknowledgements</i>	<i>xxi</i>

CONTEXT OF THE MULTI-UNIT ENTERPRISE

Chapter 1	Introduction	5
	1.1 Why Multi-Unit Leaders?	6
	1.2 What is the Multi-Unit Enterprise?	7
	1.3 History of the Multi-Unit Enterprise	8
	1.4 Disruptive Forces	11
	1.4.1 <i>On-Line; Threat or Opportunity?</i>	11
	1.4.2 <i>Changing Consumer Expectations</i>	14
	1.4.3 <i>Economic Conditions</i>	15
	1.4.4 <i>Disruptive Effects</i>	16
	1.5 Challenges of the Multi-Unit Firm	18
	1.5.1 <i>Optimising Unit-Based Human Capital</i>	18
	1.5.2 <i>Consistency of Standards</i>	19
	1.5.3 <i>Standardisation versus Customisation</i>	19
	1.5.4 <i>Format and Channel Proliferation</i>	20
	1.5.5 <i>Centre versus Local Tensions</i>	20
	1.6 The Multi-Unit Leader (MUL)	21
	1.6.1 <i>History of the Role</i>	21
	1.6.2 <i>Previous Research</i>	22
	1.7 A Model of Effective Multi-Unit Leadership	28
	1.7.1 <i>Research and Methodology</i>	28
	1.7.1.1 <i>Data collection</i>	28
	1.7.1.2 <i>Data analysis</i>	30
	1.7.2 <i>Conceptual Model of Effective MUL</i>	32
	1.7.2.1 <i>Drivers and clusters</i>	32
	1.7.2.2 <i>Critical dependencies</i>	33
	1.7.2.3 <i>Theoretical underpinning</i>	33

	© Copyrighted Material	
	1.7.3 <i>Book Structure and Arguments</i>	35
Chapter 2	Strategic Responses to Disruption	39
	2.1 <i>Mediating Factors</i>	39
	2.1.1 <i>Ownership Type</i>	40
	2.1.2 <i>Service Firm Life Cycle</i>	41
	2.1.3 <i>Adaptive Expert Leadership</i>	42
	2.2 <i>Strategic Responses</i>	44
	2.2.1 <i>Cost Leadership</i>	44
	2.2.1.1 <i>Supply chain efficiencies</i>	45
	2.2.1.2 <i>Labour efficiencies</i>	46
	2.2.1.3 <i>Site, plant and building efficiencies</i>	48
	2.2.1.4 <i>Operational efficiencies</i>	50
	2.2.1.5 <i>Promotions and sales efficiency</i>	52
	2.2.2 <i>Differentiation</i>	53
	2.2.2.1 <i>Amenity and experience</i>	53
	2.2.2.2 <i>Product distinctiveness</i>	55
	2.2.2.3 <i>Customer promise and service</i>	56
	2.2.3 <i>Value</i>	58
	2.2.3.1 <i>Results-based solutions</i>	59
	2.2.3.2 <i>Process quality</i>	59
	2.2.3.3 <i>Price</i>	60
	2.2.3.4 <i>Customer access costs</i>	60
	2.3 <i>Organisational Design</i>	61
	2.3.1 <i>Best Practice Design Principles</i>	63
	2.3.1.1 <i>Alignment mechanisms</i>	63
	2.3.1.2 <i>Gates and 'filtration' processes</i>	64
	2.3.1.3 <i>Feedback and insight loops</i>	65
	2.3.1.4 <i>Re-set mechanisms</i>	65
	2.3.1.5 <i>Rapid decision forums</i>	66
	2.3.1.6 <i>Talent planning processes</i>	66
	2.3.2 <i>Operational Roles</i>	67
	2.3.2.1 <i>Unit managers</i>	68
	2.3.2.2 <i>Area/District/Regional managers (MULs)</i>	69
	2.3.2.3 <i>Regional/Zone director</i>	70
	2.3.2.4 <i>Divisional/Managing directors</i>	71
	2.4 <i>Internationalising Multi-Unit Enterprises</i>	72
	2.4.1 <i>Why Internationalise?</i>	72
	2.4.1.1 <i>Diversification and growth</i>	73
	2.4.1.2 <i>Developing markets</i>	73

© Copyrighted Material

2.4.1.3 Efficiency	73
2.4.1.4 Defence	73
2.4.2 <i>How do Multi-Unit Enterprises Internationalise?</i>	74
2.4.2.1 Web-based penetration	74
2.4.2.2 Franchising	74
2.4.2.3 Green site	74
2.4.2.4 Joint ventures	75
2.4.2.5 M&A	75
2.4.3 <i>Key Success Factors of M&A</i>	75
2.4.3.1 Financial analysis and strategic intent	76
2.4.3.2 Integration and socio-cultural compatibility	78
2.4.4 <i>International Multi-Unit Leaders</i>	80
2.5 Summary	81

ACTIVITIES

Chapter 3	Activities and Issues	85
	3.1 Core Activities	85
	3.1.1 <i>Operating Systems</i>	86
	i) Labour processes	87
	ii) Standard operating procedures	87
	iii) Availability, stock and waste processes	88
	iv) Sales and pricing monitoring	88
	v) Due diligence and essential maintenance processes	88
	vi) Ad hoc processes/change initiatives	89
	3.1.2 <i>Brand Standards and Environment</i>	89
	i) Merchandising and display	89
	ii) Internal environmental management	89
	iii) External environment	90
	3.1.3 <i>Service Execution</i>	90
	i) Unit-based HR	91
	ii) Service concept adherence	91
	iii) Customer survey follow-up	91
	iv) Service promise and complaints resolution	92
	3.2 Reports and Measurement	92
	3.2.1 <i>KPIs and Incentives</i>	92
	3.2.2 <i>Formal Appraisals</i>	93
	3.2.3 <i>League Tables</i>	94
	3.3 Planning and Organising	94

© Copyrighted Material

© Copyrighted Material

3.3.1 Administration, Action and Planning Days	94
3.3.2 Business Strategy Meetings	95
3.3.3 Operating Review Meetings	96
3.4 Issues	96
3.4.1 Compliance Focus	96
3.4.2 Enforcement and Punishment	98
3.4.3 Overload and Inaccuracy	99
3.4.4 Unintended Outcomes	100
3.4.4.1 'Busy fools'	101
3.4.4.2 Fear and loathing	101
3.4.4.3 Stress and paralysis	102
3.4.4.4 Infantilisation	102
3.4.4.5 'Going native'	103
3.4.4.6 Resistance and sabotage	104
3.4.5 Business Consequences	104
3.4.5.1 Less control	105
3.4.5.2 Worse performance	105
3.5 Summary	106

BEHAVIOURAL PRACTICES

Chapter 4	Generating Commitment	109
	4.1 Understanding Commitment	110
	4.1.1 Service Operations and Commitment	111
	4.1.1.1 Service management concept	111
	4.1.1.2 Service personality framework	112
	4.1.2 Leadership and Commitment	115
	4.1.2.1 Generic leadership theories	116
	4.1.2.2 Local leadership theories	120
	4.1.3 HRM and Commitment	122
	4.1.3.1 Best fit HRM	122
	4.1.3.2 Best practice HRM	125
	4.2 How do Effective MULs Generate Commitment?	126
	4.2.1 Portfolio Optimisation	127
	4.2.2 Commitment-based Practices	127
	4.2.2.1 Local vision	129
	4.2.2.2 Cross-portfolio involvement	132
	4.2.2.3 Portfolio 'talent matching'	136
	4.2.2.4 Tailored learning and development	140
	4.2.2.5 Recognition and positive reinforcement	145

© Copyrighted Material

	© Copyrighted Material	
	4.2.2.6 Openness, trust and promise fulfilment	148
	4.3 Summary	152
Chapter 5	Ensuring Control	155
	5.1 Understanding Control	156
	5.1.1 <i>Managerial Control Theory</i>	158
	5.1.2 <i>Managerial Literature</i>	159
	5.1.2.1 Role of managers	159
	5.1.2.2 Process and distributed delegation	159
	5.1.2.3 Paradoxes of management	162
	5.1.3 <i>Critical Management Theory</i>	162
	5.2 How do Effective MULs Exert Control?	166
	5.2.1 <i>Local Control Mechanisms</i>	167
	5.2.1.1 Pareto portfolio prioritisation	167
	5.2.1.2 Social network optimisation	170
	5.2.1.3 Distributed delegation	173
	5.2.1.4 Sanctioned autonomy	176
	5.2.1.5 Added value deviance	180
	5.3 Summary	182
Chapter 6	Implementing Change	183
	6.1 Understanding Change	184
	6.1.1 <i>Barriers to Change</i>	184
	6.1.2 <i>Creating the Climate for Change</i>	186
	6.1.3 <i>Transformational and Incremental Approaches</i>	187
	6.1.3.1 Transformational change	187
	6.1.3.2 Incremental approach	189
	6.2 How do Effective MULs Implement Change?	192
	6.2.1 <i>Change within Multi-Unit Enterprises</i>	192
	6.2.2 <i>Effective MULs and Change</i>	194
	6.2.2.1 Shaping mindsets	194
	6.2.2.2 Benefit 'upselling'	197
	6.2.2.3 Portfolio change champions	200
	6.2.2.4 'Patch ups' and 'workarounds'	203
	6.2.2.5 Continuous process improvement	206
	6.2.2.6 Portfolio best practice diffusion	210
	6.3 Summary	213

© Copyrighted Material

CHARACTERISTICS

Chapter 7	Personal Characteristics	217
	7.1 Expertise	219
	7.1.1 Knowledge	219
	7.1.2 Judgement	221
	7.1.3 Confidence and Adaptability	224
	7.2 Emotional Intelligence	230
	7.2.1 Self Awareness and Mental Toughness	230
	7.2.2 Social Awareness and Authenticity	232
	7.2.3 Relationship Management and Conflict Resolution	234
	7.3 Energy	238
	7.3.1 Stamina	238
	7.3.2 Executional Edge	240
	7.3.3 Passion	241
	7.4 Summary	245
Chapter 8	Conclusions	247
	8.1 Key Themes and Arguments	248
	8.1.1 Key Challenges; Customers and Service Quality	248
	8.1.2 Generic Responses; Cost-Leadership and Compliance	249
	8.1.3 MUL Dilemma; Commitment-Control Paradox!	250
	8.1.4 Effective MUL Solution; POSE	250
	8.1.4.2 Vertical social exchange	251
	i) Mutual Goal Attainment	251
	ii) Free market exchange	253
	iii) Compensated costs	256
	iv) Uncovering hidden value	259
	8.1.4.3 Horizontal social exchange	260
	8.1.5 Key Personal Characteristics of MULs	261
	8.2 Contributions	264
	8.2.1 Integrated Model of MUL	264
	8.2.2 Guiding Theory (POSE)	265
	8.3 Further Research	266
	8.4 Summary	267
	<i>Bibliography</i>	269
	<i>Index</i>	291

© Copyrighted Material