
Are you big enough for your job? Is your job big enough for you? Exploring Levels of Work in organisations

by Judith McMorland

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Jaques' Levels of Work model has practical application for managers seeking to understand and work with organisational complexities, especially in organisations undergoing change.



Michael Parekowhai, The Bosom of Abraham, Screen printed vinyl on Italian fluorescent light fitting. Michael Lett Gallery.

Achieving and maintaining a dynamic fit between organisational capacity and workforce capability is a challenge that every enterprise faces in a turbulent economic climate. This article shows how a long-established theoretical perspective – Jaques' Levels of Work model – has practical application for managers seeking to understand and work with organisational complexities, especially for organisations undergoing change. It outlines Jaques' theory of requisite organisation and illustrates how organisations can benefit from getting people working at the right level and in the right-sized job for them.

A cautionary tale

A small Australasian manufacturing firm which had traded successfully for a number of years fulfilling a particular local market collapsed recently, having overreached its capacity and capability.

Five years ago, the company employed 50 people, had a turn-over of \$10m and a secure but limited future. To improve prospects, the owner-manager of the firm secured a large order from a Japanese manufacturing company, to provide automotive components – an order which would represent 70% of the company's annual output. Expansion and the promise of high returns, however, came at a price: Japanese expectation was for secure high volume, high quality supply. New machines had to be specified and purchased, new staff employed (increasing the staff by 90%) and new work schedules introduced to cover the necessary 24/7 shifts required to keep output at required levels. The company had to confront major change.

New machines were delivered and installed without necessary systems in place to measure and control operating parameters. Staff increases covered machine operators only: no specialist technical or maintenance staff were employed and no regular maintenance plans or schedules set up. Initial start up difficulties with the machines resulted in delays in establishing operating routines. Later, the lack of regular maintenance caused further delays and degradation of quality.

No supervisory or middle management were engaged. No one, other than the owner had authority to make improvements. There was no delegation of financial authority, no production or project implementation planning, no balancing of former customers' needs against the new order. When quality of output dropped off because of the overall pressure on staff, former customers sought other providers. Suppliers who were not paid in a timely fashion took their own measures – lack of timely supply further exacerbated the firm's capacity to deliver appropriate volume and quality. After less than a year, the Japanese company withdrew its order and the company collapsed. Assets were sold. Scrap (an expensive by-product) was recycled. The company has stopped trading. The workforce has been let go. The owner has lost his entire investment: a community has lost valuable jobs.

If this were indeed a fictional tale, it would be hard to see how any formerly successful business could make so many mistakes. Unfortunately, not only is this based on real stories,¹ it is a story repeated all too often in small and large manufacturing firms. The change to be confronted in this story is not only a question of volume and capacity: the challenge of such change lies in its complexity. This firm failed because the owner-manager did not understand that the work required of him in the expansion phase was of a different order of complexity than before: he needed new skills in planning, forecasting, juggling supply chain issues, developing new relationships, holding the present whilst attending to the future, nurturing loyal customers, training and trusting staff, establishing new operating systems, fostering new employee relationships, building teams of shift workers, as well as sustaining his reputation as a quality producer. Above all he needed to recognise his own limited capability as a manager. As owner, he needed to recognise the need for sound principles of management relevant to this phase of expansion. He needed to see these as adding specific value, rather than cost, to production. The cost of limited thinking was ultimately the cost of his livelihood. He wasn't "big enough" for the task.

As an organisation development/change management consultant, I come across talented people of all ages and stages of their careers stressed because they no longer "fit" the jobs they are doing. Too much or too little is asked of them. Sometimes, it is the case that the work that needs to be done is itself changing, as organisations are challenged to respond to rapid environmental and sectorial change. Increasing levels of complexity in the world of work require different skills and new ways of learning.

One of the hardest tasks managers face is getting the right people in the right jobs at the right time. Employers often complain that they cannot find people of suitable capability to take up the challenge of work, especially at senior levels, despite expensive and supposedly rigorous recruitment and selection processes.

The directors of a large food-processing company are looking to expand the business internationally. As highly technically-capable entrepreneurs themselves, they want to foster their research and development interests rather than continue senior management responsibilities. They are frustrated that managers in the company show little interest, collectively or individually, in such expansion opportunities. Developing the next generation of industry specialists and anticipating major changes likely to happen in the industry as a whole are seen to be imperative for the survival of the company, as new markets open up, and new manufacturing capability develops overseas. Though they have advertised widely, they have been unable to appoint a CEO from the applicants already interviewed, though each came with high recommendations from the

recruiting agency. Candidates were technically strong, but none demonstrated the creativity and flexibility of thinking that the Directors deemed necessary for the next stage of organisational growth. The recruiting agency, without a clear theory of work, seem blind to the managerial imagination needed to take a growing, innovative business forward into a global marketplace.

The way work is structured affects the lives of all concerned. In the example above, the company is looking for a person big enough to fulfil the potential of the position, someone who can envision future opportunities, and start making them happen today. The recruiting agency in this case was doing a disservice to the company concerned because of their own limited thinking. The Directors recognised that their strengths were entrepreneurial and depended on complementary skills of managerial leadership to realise the potential of this company.

Two managers who share responsibility for co-ordinating the work of two units within a customer call centre express their anguish at working far too many hours a week in order to get their work done. Heavy demands are made on their time by subordinates. Scrutiny of their respective job descriptions reveals a muddle of expectations and lack of clear accountabilities. Further inquiry reveals that the managers in question are holding on to responsibilities that team leaders (the managerial level below) are eager to take up. Team leaders feel constrained by the tightness of managerial control exercised, even though "benevolent" intention is recognised. The managers themselves are eager to take up wider challenges, such as creating better integrative practices between the two units, meeting the external challenge of labour market shortages and the competition of new call-centres opening up in their city, and of finding new ways to value and retain industry knowledge, but they cannot see how this might be possible given their over-busy work lives. They feel unsupported by their current manager who is geographically and psychologically distant. Having recently come from a different industry, he does not recognise the value of the expert product and process knowledge these unit managers hold, nor the level of complexity their work actually demands. Their autonomy is undermined by micro-management, leading to frustration and felt injustice. The jobs the unit managers are now asked to do are no longer big enough for them. Job description confusion, ambiguous reporting relationships and lack of career development encouragement suggest that the unit managers will have little opportunity to develop their potential within the current organisational structures.

As individuals most of us know when our talents, interests and abilities match with expectations of our role because we feel "in sync" or in flow. When that happens, things go well for us. We have a sense of wellbeing and space to

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express our potential. There is space to explore, to push the boundaries out as far as we are comfortable to stretch. When we experience this sense of “flow”, work is no longer a chore but an intimate dimension of self expression.² Unfortunately, few of us experience being in flow throughout our careers. We become frustrated, anxious and resentful when the sense of wellbeing is broken. How does this come about? What explanation can we offer for this commonplace experience? The answer to all the issues raised in the examples above, lies, I suggest, in how we think about the organisation of work and about the levels of work within organisations, in particular.

Levels of Work – the theories of Elliott Jaques

One theorist who has addressed issues of organisational design is Elliott Jaques (1917-2003). Jaques’ work provides a credible, empirically based explanation for the tensions noted at the beginning of this article, namely, individuals working at the level of work commensurate with their abilities and developmental and aspirational needs and organisations’ needing to get work done at appropriate levels of complexity. My purpose in this article is to introduce the main tenets of Jaques’ theory of levels of work, to show how this theoretical base can inform management practice and improve organisational performance, in a range of organisational settings – large and small.

Jaques’ research and involvement in industry spanned more than 50 years. With qualifications in science, psychology, sociology, economics, medicine and psychoanalysis, he sought to develop a general theory of human behaviour and social institutions.³

His analysis of work complexity and capability calls for radical redefinition of concepts of managerial accountability, remuneration rationales, managerial hierarchy and workplace citizenship.⁴ His work is not without controversy. Jaques himself dismisses much contemporary management theory as not addressing fundamental issues in managerial accountability.⁵ In turn, his ideas have been the subject of strong academic criticism as well as running counter to management fads and fashions typical of the past thirty years.⁶ “Grand theory” these days is not readily accepted within academic circles, and people are often quick to dismiss his ideas as simply providing a rationale for the exercise of managerial prerogative.⁷ Countering this is a re-evaluation of Jaques’ work. An international conference run by the

Global Organization Design Society in Toronto in August 2005 brought together academics, managers and consultants for this purpose.

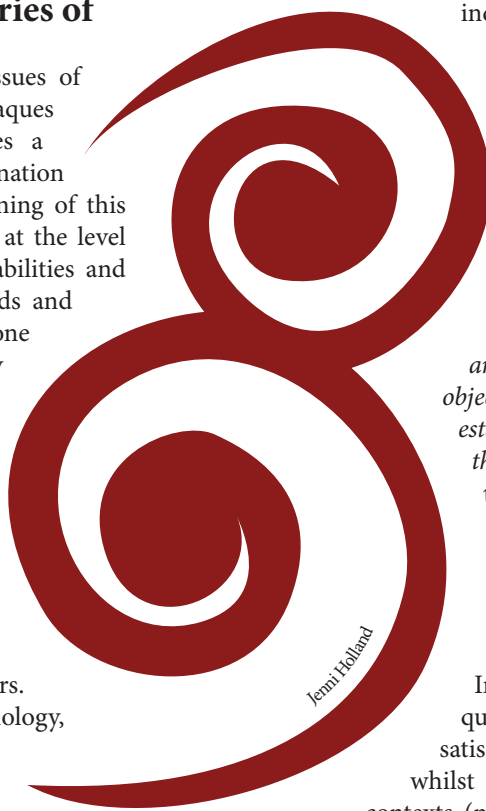
Jaques’ ideas are not easily accessed from his own writings,⁸ but increasing numbers of academics and practitioners are bringing his work to managers’ attention. At a practice level, Jaques’ model of Requisite Organisation (RO) has been widely applied, through a number of international consultancy practices (for example, BIOSS International, Stratified Systems Group, Capelle Associates, People Fit). The first RO conference in this region was held at Deakin University, Melbourne in December 2004. Craddock has compiled

a very considerable bibliography of research independently validating Jaques’ results, including 53 PhD theses.⁹ As a practical theory of workplace relationships and accountabilities, organisations I find Jaques’ ideas exciting and actionable. At the centre of Jaques’ work is the question of

“how to design organizations – or systems of roles – whose nature is such that they can be occupied by people who are enabled to collaborate in pursuing the objectives for which the organization has been established, and which provides a setting for those people to be able to relate to each other with mutual trust, personal dignity, and the opportunity to continue their life long working-through of paranoid anxieties in constructive working rather than acting them out.”¹⁰

In other words, he addresses specifically the question of how the individual-in-role can satisfy the expression of their own capability, whilst employed in the sorts of organisational contexts (managerial employment hierarchies) that typically dominate our everyday working lives. Jaques is careful to state that though his theories of levels of work in managerial employment hierarchies (“firms”) have universal application (and cross cultural barriers in every continent), they are not applicable to many others sorts of organisational arrangements, such as partnership, co-operatives, professional service firms, universities etc.¹¹

Jaques based his theory of **requisite organisation** (RO) on empirical discoveries made when he was a project officer for the Glacier Project – a development project between the Glacier Metal Company and the Tavistock Institute in the 1950s. Working with trade union leaders, the challenge was to define equitable and fair remuneration standards, which specified the value that differentiated layers of management actually added.¹² The complexity and time-span of tasks



and the realisation of the results of work were found to be a major differentiating factor – the greater the time-frame and complexity, the greater the justification of differentiated remuneration.¹³ The resulting theory of requisite organisation designated a seven-level model of managerial hierarchy, identifying time frames for responsibility from a matter of hours or days (Level 1) to 50 years and beyond (Level 7).

Figure 1: Levels of Work, Timeframes and Domains of Meaning¹⁴

Lvl	Time-span	Theme	Role	Contribution
7	20-50 years	Corporate Prescience	International President	VALUES
6	10 -20 years	Corporate Citizenship	Group CEO/ Vice President	
5	5 - 10 years	Strategic Intent	CEO/GM	ADDING VALUE FOR THE FUTURE
4	2 - 5 years	Development	Senior Executives /GMs	
3	1 - 2 years	Practice	Function Heads	SERVICE
2	3 - 12 months	Service	First line managers	
1	0 - 3 months	Quality	Front line staff / supervisors	

For Jaques, the concept of work has a specific and precise connotation. He defines it as “the exercise of judgement and discretion in making decisions in carrying out goal-directed activities.”¹⁵ Such goal-directed movement is a capability, he argues, shared by all living creatures. The difference between species, he argues, lies not in their stage of “development” but in the time-horizons within which they act.

Human activity, Jaques argues is essentially intentional and goal directed. Working towards a goal requires that the person has a concept of the future that is held in the present. All activity takes place in the here and now of the present, but the meaning of such activity is predicated on the intention of the actor. This is well illustrated by the fable of the three stone cutters. When asked what they were doing, one replied he was cutting stone, the second said he was working to buy bread for his children; the third said he was building a cathedral. The actions of the stonecutters may have been the same, but the imagination, creativity, intentionality and meaning can be seen to be quite different.

Jaques’ claim that the levels of work are a natural human phenomenon is controversial. Critics see this as authoritarianism and justifying managerial prerogative and arbitrariness. On the contrary, Jaques advocates a strongly ethical view of employment relations. He rejects the

perception of people as “human resources” claiming that the CEO has a “sacred responsibility” to provide philogenic, that is trust-inducing, rather than paranoiogenic (fear inducing) organisational accountabilities.¹⁶ RO is normative – it states requisite (i.e. required by the nature of things) conditions – stipulating how organisations should be designed to maximise organisational health, rather than offering imaginative, “hopeful inventions” as solutions to perceived organisational pathologies.¹⁷

In Jaques’ model, each layer of management makes a unique contribution to the total organisation – responsibilities and accountabilities are different, but all are interdependent. No level is any more important than the other – the difference lies in the time frame within which accountability is deliverable. The level of a role and its relative complexity, open-endedness and responsibilities are identified by the time-span of discretion afforded by the position – that is “the targeted completion time of the longest task or task sequence in a role.”¹⁸







“The time-span of discretion can be measured in hours, days, years and so on, but it is a different kind of time from the time of clocks. It is the time of intention, a kind of time that exists only in the present, that is a property of goal-directed behaviour, just as mass is a property of physical objects.”¹⁹

In English we do differentiate between different meanings of time, but need to borrow from Greek to make the difference explicit. “Chronos” from which we get chronological (clock) time locates us historically, but it is time as denoted by “Kairos” that gives us the other concept of time to which Jaques refers. Time to the attainment of intention differentiates between levels of work. Though given notionally time designations (see Figure1), kairos time is not measured by the passing of time. It encapsulates the holding together of intention *over* time. Jaques uses it to denote “the axis of intentional time which is organised in terms of past, present, and future, all in the present.”²⁰ As we see in the fable of the three stone masons, each has a different aspiration in mind: the one cutting stones has a very different goal for the work he is doing (and the sort of discretion he is exercising), and is located in the immediate tangible present. The second is buying bread for his family through the sale of his labour (there is distance between the present and the goal). The third stonemason is taking part in a dream (which he is unlikely ever to see fulfilled) building a cathedral. This story graphically captures Jaques’ notion of the time-span of discretion – the targeted completion time of the longest task or task sequence in a role.

Assigning managerial accountabilities in terms of differentiated time-spans of discretion/intention requires a radical paradigmatic shift in management thinking and organisational design. The work required of managers at each level carries the property of time, not, in this case, the individual. Complexity of work-role grows as the time-span extends. This is shown in Figure 2.

Few NZ companies extend across all seven of Jaques’

Figure 2: Levels of Work, Intention and Change Outcome²¹

Levels	Objectives	Outcomes
7	New forms of social, political and economic institutions	Prosperity
6	Vision, building strong national and world wide presence	Stakeholder Value 
5	Direction, purposeful, challenge and maximizing assets	ROI 
4	Innovation, change and continuity	Discontinuous change 
3	Effective work practices, systems and productivity	Breakthrough changes 
2	Effective coordination, collective improvement and efficiency	Increased efficiencies 
1	Excellence of Task	Continuous improvement 

levels. Fonterra, playing increasingly in a global market is one company that exemplifies the complexity of Level 6, challenged as it is with holding “developments that will position strategic units in a diversity of environments”²² Villa Maria recently opened a state of the art winery in Mangere “as part of an overall 50 year expansion blueprint”²³ but typically many of the Head Offices of large corporations/institutions (Levels 6 and 7) are located overseas. Here I discuss Levels 1-5 as most relevant to the New Zealand situation.

The first three levels of work (Figure 1) are operational. Level 1 is concerned with the day-to-day provision of services, or the manufacture of goods. Workplace collaboration in the form of teamwork and on-the-job training and the search for continuous improvement are characteristic of this level of work which is usually routine in nature and specified in advance in the form of standard operating procedures (manufacturing, document processing), or protocols (call-centre templates). Work outputs are monitored on an hourly, daily, weekly or quarterly basis. The first line of management occurs at Level 2. The value added by such managers is

their capacity to inform Level 1 on work requirements and purpose, to respond to events or circumstances not covered by operating rules, and to manage the effective co-ordination of work throughout the year. At Level 3, the level of functional or department head (e.g. Operations/Marketing), management adds value by defining best practice and establishing systems and structures that make this possible. Annual Business Plans and Capital Expenditure bids provide a time-frame for operations for 1-2 years, as well as requiring lateral collaborative relationships where budget priorities have to be negotiated. Level 2 managers are charged with increasing efficiency; Level 3 with attending to wider factors affecting productivity, including the search for breakthrough improvements. Difficulties arise in operational firms when there are too many layers of supervisors and managers and lines of accountability are unclear. In Jaques’ model it is important to differentiate between support and management roles: shift supervisors for example are support roles – accountability for outcome rests with the manager who carries responsibility for all the work of his/her department. Without this clarity, optimum co-ordination is impossible and shift workers can sabotage the outputs of other shifts. The work the manager is accountable for is not x number of widgets/services per day, but sustaining productivity of the department as a whole, including the building of individual capability, making the most of technological, people and financial opportunities to best meet local conditions.²⁴

Levels 4 and 5 are responsible for Adding Value for the Future.²⁵ Level 4, which is typical of the senior executive level in medium to large businesses, requires the holding together of business in the present whilst at the same time building for the future. In my experience, Level 4 is the most problematic level of work for New Zealand organisations, as it signals a shift away from central operational concerns (maintaining business as is) to managing both continuity and change, including the devising of new means to achieve new ends, and letting go of means and ends that no longer serve potential business. When managers are promoted from operational practice to strategic development (see Figure 1), they need to be made aware of the different complexities Level 4 entails and the inherent tensions of balancing continuity and change. CEOs who complain that their senior staff are not taking a sufficient “whole of business” perspective have to hold themselves responsible for tasking their executives appropriately. Promotion of candidates from senior operational to executive responsibilities without adequate re-definition of the new type of work required of them is a frequent cause of tension or misunderstanding at Level 4. Level 5 has an unequivocal focus on strategic intent. CEOs working at this level, need to let go of all operational concerns and look outward, building reputation, profit, culture and the long term (up to ten years) viability of the company/organisation.²⁶

Key to an understanding of the importance of these

differentiated levels of work is the notion of discretion – at each level of management, individual managers are expected to exercise judgement and discernment within the scope of discretion afforded their position. People feel the appropriateness of the scope of discretion afforded them in a given position, and are readily able to recognise when those to whom they account do or do not in fact add value. This supports Jaques’ requisite organization principle that there should only be one manager at each level within any given line of accountability. When the ‘spine’ of accountability is in place, the organisation as a whole can flourish. By mapping the managerial roles present within an organisation, a picture can be drawn of the extent to which the organisation meets Jaques’ requisite criteria and can help explain why individuals experience frustration when they do not have adequate scope to exercise discretion. Figure 3 illustrates typical problems when there are too few or too many roles within a particular level.

Figure 3: Managerial relationships ²⁷

LoW	Too distant	Too close	Optimal
5	○		○
4		○ ○	○
3	○	○	○
2		○	○

When relationships are too distant, operational and strategic initiatives are not easily aligned. Managers and CEOs in such a situation are working to quite different timeframes, and misunderstanding is likely: operations managers may well interpret CEO comments as requiring immediate action, when the intention was for consideration and implementation within a strategic context not yet disclosed. Micro-management occurs when the accountable manager is too close to the subordinates – insufficient discretion is given to subordinates to work effectively. When subordinates are not trusted to work within the requirements of their employment agreements, their very sense of self is violated. Gillian Stamp extends this notion of trust, and argues that appropriate tasking and tending are also essential to facilitate the appropriate exercise of discretion by all, throughout the organisation.²⁸ Exercising discretion is the capacity to “make the call” – to take action, within the scope of what we can handle, when we do not and cannot know what to do.²⁹ The lament of insufficient talent to fill key managerial roles may thus be an indicator that requisite role definitions are not in place for optimal effectiveness – an issue of organisational capacity – rather than solely one of individual capability. It may also be the result of looking for the wrong attributes in potential managers. Jaques and Clement are very clear on the qualities managerial leaders are required to have. These are,

Lessem paraphrases:

- The necessary level of cognitive complexity to carry the level of task complexity of the specific managerial role.
- A strong sense of value for the particular managerial work, and for strong leadership of others.
- The appropriate knowledge and skills, plus experienced practice in both.
- The necessary wisdom about people and things.
- The absence of abnormal temperamental or emotional characteristics that disrupt the ability to work with others.³⁰

Individual capability

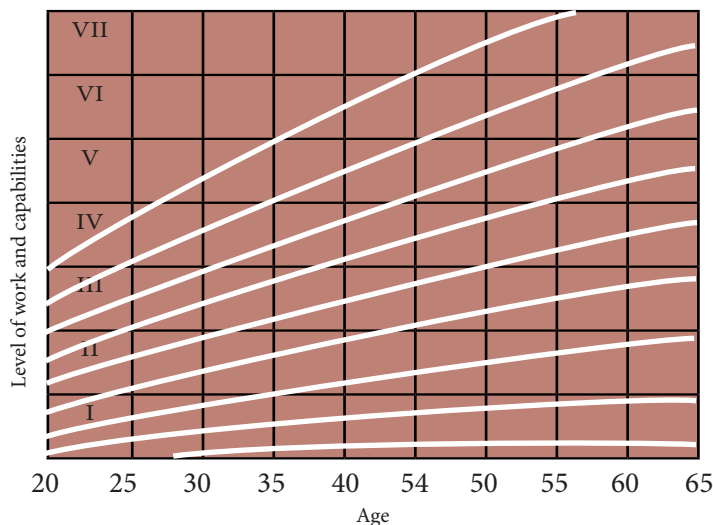
If we apply these qualities to our examples above, the owner-manager, in our Cautionary Tale, was unable to appreciate the challenges brought in by complexities of volume, staffing, quality, process engineering, supply and demand. Each of these dimensions brings increases of detail, but it is the (multi-level) interaction of these dimensions that generates the dynamic complexity that requires new ways of thinking.

The lack of ability to trust others (delegation and authority) disrupted his ability to let the workforce achieve the standards and timeliness of product required. Insufficient resourcing and the absence of systemic planning and overview indicate that this firm was unable to transition from its original Level 2 (Owner/Hands) capacity to a requisite Level 3 or Level 4 organisation, given the particular challenges of the industry. The directors in the food-processing organisation had a clear sense of the value that appropriate leadership and management would provide for this particular organisation, as it too transitioned – but from Level 4 to Level 5. Our Level 2 Call Centre managers are unlikely, within the structures of their particular organisation, to have sufficient experience to develop their skills further, whatever their cognitive potential.

Jaques and Cason discovered a close link between the extent of a person’s time-horizon (the length of time they can hold a work intention) and the type of mental processing people do in conceptualizing and solving problems.³¹ They hypothesised, from close observation of cognitive development patterns and employees’ sense of felt-fairness at different stages of career development, that the capacity in each individual to use their judgement to make decisions grows over time at broadly predictable rates.³² Stamp conducted a number of studies further validating this hypothesis and demonstrated that for people to reach their potential, their natural capability to exercise judgment must be paced with growth in responsibility. “To be prevented from working at full capacity by being asked to carry too much or too little responsibility is constricting, degrading and finally persecuting.”³³ Mant echoes Jaques when he says “the nucleus at the core of any effective organisation is sound judgement.”³⁴ A problem

arises, Mant suggests, if young managers arrive at positions of responsibility before gaining the necessary intellectual capability to handle the required level of complexity. Being over-stretched in highly demanding jobs they are unable to exercise the level of judgement that older, wiser heads might have discerned. Development of what Mant calls the “mental aspect of managing – the capacity to process complexity under situations of uncertainty or ambiguity” follows fairly predictable paths and can be depicted as in Figure 4.³⁵

Figure 4: Array of growth curves³⁶



We see, in Figure 4, that the projected angle of potential growth varies by level. Different types of work require different types of maturation too. The skilled craftsman or technical expert found in Levels 1 and 2 may take many years to accrue the wisdom of deep tacit knowledge required to assess quality of product, or solve difficult problems that arise infrequently. Young executives rising too quickly to levels beyond their ken may burn out under the strain of too much complexity. These observations have particular significance for recruitment and selection. Appropriate matching of capability with challenge gives the individual that sense of flow that Stamp identified.³⁷ As jobs change and responsibilities grow, so the identification of potential capability (what the individual will become in the future) becomes an important strategic consideration. As Jaques illustrates:

“When a newly appointed CEO has a time-horizon that is shorter than the time-span of the role, then he or she will contract the size of the business...Subordinates of the CEO, who may have levels of capability within the same stratum as the CEO, will find their innovative initiatives being constricted. This constriction will work down through the organization until, with loss of work, the organization settles out at its new level; namely, at the level of the CEO.”³⁸

The converse is also true: if the CEO has a time-horizon greater than the current role designation, s/he will seek to

grow the business and will want others around them that can work at newly appropriate levels of complexity.

Selecting the right person for work at the required level requires then the matching of a person’s current and potential capability (as measured by their time horizon and the complexity at which they can process information) to the level of the role (measured in time-span) as well as identification that they hold appropriate experience, skills and knowledge to fulfil the role effectively and the will to commit their full capability to it.

Applying the theory

Requisite organisation principles have been successfully applied in large hierarchical organisations across the world. Craddock documents this in his extensive bibliography, citing, for example, Jaques’ work in Australia, Argentina and Canada (mostly in the mining industry).³⁹ An Australian 60 Minutes documentary in 1991 documented a 33% increase in productivity in the Comalco Aluminium Smelter at Bluff, following RO implementation. A further 40% increase in productivity has occurred since then – showing the sustainability and true potential of the workplace changes.⁴⁰ BLOSS International, which consults globally, established early successes in Anglo-American in South Africa and Botswana.

Given that much of the application of requisite organisation has been in large organisations, one might ask if this model applies to the issues of capacity and capability typically found in New Zealand, i.e., in our predominantly SME business context? Certainly, participants in the author’s MBAs and Short Courses classes report finding lots of applications of the Levels of Work model in their New Zealand organisations of all sizes. One recent MBA graduate, working in a major consultancy firm, named the Levels of Work as “one of the more useful and applied learnings from my MBA study,” citing several examples where the model had been useful in clarifying role expectations in client organisations undergoing change. Work undertaken in an MBA class project using the levels of work model resulted in effective organisational redesign in Oxygen; a NZ SME. Another example saw the model applied within a regional transport planning project. Other students over the years have reflected on applications in their own work places, identifying in particular the success of using the model in appropriate recruitment, development and deployment of significant numbers of new staff in a tight global and local labour market. One MBA respondent (currently a Level 4 manager) recognises that opportunities for his development are limited within his present company within New Zealand. Progression to Levels 5-7 will require offshore transfer, if his full potential is to be realised. If his situation is indicative, given the structure and size of NZ companies, loss of this level of capability off-shore will impact adversely on our capacity to retain talented senior managers within New Zealand, with long term consequences

for business nation-wide.

Another application of the Levels of Work in New Zealand, within a division of a multi-million dollar charitable organisation, has clarified the specific contributions that the CEO and senior management must make to the work of the agency if it is to sustain its reputation and integrity internationally and transition successfully to a new level of complexity. This has required redefinition of management roles at level 4, devolution by the CEO of day-to-day responsibilities to the management team, and clarification of how strategic intentions can be enacted in partnership with the Board at Level 5. The CEO and senior managers have independently affirmed the positive impact reorganisation has had on personal satisfaction in their work roles, and the increased cohesion and productivity that has ensued.

Jaques' model can also be linked effectively into change management processes. A change management consultant working predominantly in public and not-for-profit (NFP) organisations describes the Levels of Work model as "an easily understood model that guides senior management, and assists managers to delegate, recruit etc. It provides clarification, and increases confidence, (as well as providing) a good rationale for some changes that staff can understand". The CEO of a large NFP service provider agency working with people and families affected by mental illness restructured the organisation along Levels of Work principles in order that the service would have the "capacity and capability to manage current operation, be able to respond to a changing environment, with new work opportunities and proactively plan for more and new service developments." Using the experience gained in this agency, he and I have been asked by a mental health purchaser-planner to develop a series of development workshops for agencies in the sector, so that they are better able to meet expectations for greater service provision in the future. In particular, this requires agencies to be aware of the increasing complexity emerging from development of new types of services, and the challenges they will face, not only of developing new services, but also recruiting the appropriate people and establishing channels of communication and work systems that will sustain their organisations long term. Increased capacity requires recruitment of appropriately skilled people. The challenge, as I have discussed through this article, is to manage the dynamic relationship between capacity and capability development, as organisational complexity grows.

It is impossible to give full justice to the totality of Jaques' Levels of Work model in the space of one article. However, I hope to have sufficiently introduced his ideas to some and to have encouraged others toward further exploration of these ideas. I also hope to have raised awareness of important questions that underlie organisational design and management practice. An increasing number of people at different levels within organisations are trying out these ideas for themselves as they grapple with either the work that

the organisation has to accomplish, or their own part in that, especially under conditions of change.

Is your job big enough for you? Are you big enough for the job? These are important questions. How we think about work and its expression will shape the sorts of answers we seek. Jaques has provided a much-needed framework with which to address the pressing questions of capacity and capability in organisations now and into the future. The challenge is how to bring that framework into practical application in a wide range of organisational settings so that people and the organisations within which they work can achieve their potential.

Suggested further reading:

Jaques, E.C. and Clement, S.D. (1994). *Executive Leadership: a practical guide to managing complexity*. Oxford, Blackwell Business.

Jaques, E. (2002). *Social Power and the CEO: Leadership and Trust in a sustainable free enterprise system*. Westport, Connecticut, Quorum Books.

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1. Details of this case, and subsequent examples, are taken from a number of situations. Any resemblance to specific companies is unintended.
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