

Tape Measure for a Job Fitting: Introduction to Stratified Systems Theory

When a suit doesn't fit, you can see that in the mirror. But to fix it, the tailor needs a tape measure. "To fit" means to be the same size as something else, and size is about something that can be measured. We talk a lot about job fit. Can we measure a human being, measure a job, and then say whether they are the same size? Let's look at what ought to have been two success stories.

- Jim had performed well as a plant manager. He always met his quotas. Accidents in his plant were rare and customer satisfaction, high. When top management said to cut costs ten percent, Jim did - without harming quality, delivery, or safety. Senior management appreciated Jim and found the perfect way to show it. When his boss, the head of North American operations, retired, Jim was given his job. He now oversaw 12 plants in five states.

Jim knew how to work hard and he knew he'd have the help of his team. But somehow running the whole division wasn't like running a factory. Policies that had worked at the plant just caused trouble when he applied them to the division. Furthermore, his team's help didn't seem to help. Plant managers kept feeding him information, bringing him problems, contradicting each other, and making him more confused than ever.

What went wrong? Why couldn't Jim handle the job?

- When the company's ownership changed hands, top management decided to cut fat - and not a moment too soon. The company was practically paralyzed by too many layers of middle management. The promising lower-level managers who had been kept on were now given great projects - opportunities they would have had to wait years for otherwise. But not all rose to the challenge. Some fumbled. Their superiors tried to help, but ended up having to walk their subordinates through much of the work.

Why couldn't some of these promising young managers grab the ball that was thrown to them? Why was their bosses' help of no avail?

To explain what went wrong in these cases, I'm going to introduce a set of ideas developed by social scientist Elliott Jaques. When we assess an individual, we utilize Jaques's theory to determine whether that individual has the cognitive capacity to perform the work of the role. Jaques spent 40 years investigating the nature of work and human capability. The result is his Stratified Systems Theory. He discovered that the level of responsibility in any organizational role - whether a manager's or an individual contributor's - can be objectively measured in terms of the target completion time of the longest task, project, or program assigned to that role. The more distant the target completion date of the longest task or program, the heavier the weight of responsibility is felt to be.

Jaques found that tasks fall into discrete categories, each characterized by the maximum amount of time the person is expected to carry on without direct supervision (the task's time span) and the degree to which the task requires the person to process a variety of information and come to conclusions about it (the task's complexity).

Measuring the Job: Time Span

Organizational roles then fall into discrete levels, each defined by the longest time span and the highest task complexity required to carry out that role. Jaques calls these levels “strata.” The time-span measure of a role corresponds to the length of the longest task or assignment, from point of inception to targeted completion date. This measure provides information pertaining to the level-of-work complexity for the role (Jaques, 1996).

For example, a supervisor whose principal job is to plan tomorrow’s production assignments and next week’s work schedule but who also has ongoing responsibility for uninterrupted production supplies for the month ahead has a responsibility time span of one month. A foreman who spends most of his time riding herd on this week’s production quotas but who must also develop a program to deal with the labor requirements of next year’s retooling has a time span of a year or a little more. The advertising vice president who stays late every night working on next week’s layouts but who also has to begin making contingency plans for the expected launch of two new local advertising media campaigns three years hence has a time span of three years.

Jacques also found that the boundaries between successive managerial layers occur at certain specific time-span increments, just as ice changes to water and water to steam at certain specific temperatures. In more than 100 studies in different organizations in many different countries over 35 years Jacques consistently found such discontinuities. Everyone saw those boundaries in the same places, which suggests that the boundaries reflect some truths about human capability for work. Real managerial and hierarchical boundaries occur at time spans of three months, one year, two years, five years, ten years, and twenty years.

These natural discontinuities in our perception of the time span create hierarchical strata that workers in different companies, countries, and circumstances all seem to regard as genuine and acceptable. The existence of such boundaries has important implications in nearly every sphere of management. One of these is performance appraisal. Another is the capacity of managers to add value to the work of their subordinates.

According to Jaques, effective value-adding managerial leadership of subordinates can only come from an individual one category higher in cognitive capacity, working one category higher in problem complexity. By contrast, wherever managers and subordinates are in the same layer – separated only by differential compensation – subordinates see the boss as too close, breathing down their necks, and they identify their “real” boss as the next manager at a genuinely higher level of cognitive and task complexity.

Say you are a middle manager. Some of your tasks, such as holding staff meetings, have a time span of only a week. But the task with the longest time span may turn out to be training your assistant, which takes 16-18 months. In that case yours is a Stratum III job.

The second and third columns of Table 1 show the time spans and task complexities for seven work strata, ranging from assembly line to corporate CEO. Part of what made Jaques’s theory revolutionary is the discovery that few meaningful variables exist in between.

Table 1. Stratified Systems Theory

Stratum	Time Span	Work Complexity	Cognitive Mechanism	Position
VII	20 years	Construct complex systems; construct versus predict future	Linear extrapolation; develop new theories	Board Chairman Corporate CEO
VI		Oversee complex systems; group of business units; plan long-term strategy	Reflective articulation between systems; higher conceptual approaches	COO Executive VP Group Executive VP
V	10 years	Command one complex system; connections to environment	Shape, reshape whole systems, boundaries; utilize theory	President VP Top Specialist
IV	5 years	Oversee operating subsystems; design new methods, policies	Develop alternative systems; abstract from data; parallel processing	General Manager Division Manager Chief Specialist
III	2 years	Direct one operating subsystem; predict needs 12-18 months out	Linear extrapolation; alternate pathways	Unit Manager Department Manager Director
II	1 year	Direct an aggregate of tasks; diagnose problems	Reflective articulation; formulate new ideas; handle ambiguity	First-line Manager Supervisor
I	3 months	Carry out one task at a time; daily, weekly, monthly quotas	Concrete shaping; concrete thinking; linear pathways	Operators and clerks Day workers
	1 day			

Reprinted with permission from Elliott Jaques (1989), *A General Theory of Bureaucracy*.
3 months

Characteristics of the Work Strata

Here are descriptions of the work strata, as Jaques described them in Chapter 3 of *Requisite Organization*.

Stratum I (time span: one day to three months). First-line manual and clerical work. A task is assigned in terms of a specific, concrete output. Examples: pack these crates into the truck; mail copies of this letter to the individuals on this mailing list; call up the prospect and get answers to this list of questions; produce 1,000 of these objects each month. The task requires the worker to move along a linear path toward the goal, either overcoming obstacles in ways she has been taught or else going to her supervisor for further instructions.

Stratum II (time span: three months to one year). First-line managerial work and specialist work by scientists and engineers below the chief or senior level. A task cannot be completely specified beforehand; the individual must gather information and refine the definition of the task as he proceeds. Examples: train this new subordinate, judging her progress and decide what to do next; design a logo; look into facilities for a marketing event and make a recommendation.

Stratum III (time span: one to two years). Managers of units small enough so that everyone recognizes everyone else; senior engineers and scientists; lawyers and physicians (those capable of working as independent practitioners). The task requires the person to think up, weigh, and prepare for several alternative paths to its solution, so that if events don't unfold as expected, he is ready to switch plans. Example: increase factory output by 10 percent over the next 16 months, without getting hopelessly behind on deliveries. The manager may try one method, knowing that if it disrupts deliveries too much he can switch to another plan with its particular drawbacks but will also reach the objective.

Stratum IV (time span: two to five years). General managers, senior project managers, and senior specialists. The task requires the manager to pursue several Stratum III tasks simultaneously, or to supervise several Stratum III managers so that their separate labors move the manager towards her goal. A change in any one of the paths usually requires changes in the others. Example: a project manager developing new products for commercial use must simultaneously develop a product design, develop market applications, analyze and perhaps develop international markets, make and test prototypes, and maintain an up-to-date analysis of the project's economic value to the organization. An unexpected breakthrough or bottleneck in the research, an action by a competitor, new regulatory decision by the government, or financial problems elsewhere in the organization will require all these tasks to be redefined.

Stratum V (time span: five to ten years). Presidents, vice presidents, top specialists. The task is to manage a business or unit that is complete in itself and operating in the world at large, and lead the business to a goal. The executive must judge the impact of events both inside and outside the business and forecast the likely second- and third-order effects of those events. Such effects include changes in customer attitude (often reflecting large-scale social changes); changes in the world competitive arena; new developments in science and technology; and the need to ensure succession when the executive himself is promoted or retires.

Stratum VI (time span: ten to twenty years). COO, executive vice president, group executive vice president. The task is to lead a number of business units toward a corporate goal, networking potentially worldwide to keep in touch with and influence events that may affect the organization.

Stratum VII (time span: twenty years and beyond). CEO, president, or board chairman of a large corporation. The task is to assess the needs of society, nationally and internationally, and then create business units that will meet those needs.

How Real Is Time Span?

Time span is an objective measurement, like temperature. It can be measured for any task by asking the person responsible for overseeing the work, "What do you want done by when?" Too

often, the target time of completion is left tacit or vague, creating anxiety and problems. But it can be measured precisely.

Jaques and his colleagues found that time span distinguishes jobs from each other. In a number of studies, they questioned workers about the felt weight of responsibility – the feeling workers have about how “big” a job is or how much of a burden it is. Jaques found that workers’ sense of how big a job is varies directly with the job’s maximum time span, even when workers are not clear about the time span of their tasks. The farther forward in time the goal and accountability, the heavier the individual feels her responsibility to be. This contrasts with the conventional wisdom that a job gets bigger because one supervises more individuals or handles a bigger budget.

Jaques and his colleagues also asked workers at all levels what they consider fair pay for the kind of work they do. The results consistently correspond to the time span of the work. Individuals apparently sense the time span of their job – even if it never occurs to them to think of it that way – and feel that it makes one job worthy of higher pay than another. This finding was first established in 1953 and has been repeated in 15 countries since that time.

Measuring the Individual: Time Horizon

As one goes higher in a managerial hierarchy, the most difficult problems that arise grow increasingly complex, and as the complexity of a task increases, so does the complexity of the mental work required to handle it. This complexity, like time span, also occurs in leaps or jumps. In other words, the most difficult tasks found within any given layer are all characterized by the same type or category of complexity, just as water remains in the same liquid state from 0 to 100 degrees Celsius, even though it ranges from very cold to very hot. (A few degrees cooler or hotter and water changes in state, to ice or steam.)

It is this suddenly increased level of necessary mental capacity, experience, knowledge, and mental stamina that allows managers to add value to the work of their subordinates. What they add is a new perspective, one that is broader, more experienced, and most important, one that extends further in time. It is also this sudden change in the quality, not just the quantity, of managerial work that subordinates accept as a natural and appropriate break in the continuum of hierarchy. It is why they accept the boss’s authority and not just the boss’s power.

An individual’s ability to work in any particular role is a function of several factors, including knowledge, skill, values, temperament, and cognitive power. Cognitive power is the power to process available information, draw conclusions, and decide on appropriate actions. In short, it is to perceive, think, and act. Jaques discovered that cognitive power can be measured by how far ahead a person is able to conceptualize and to plan her own and others’ actions. Jaques called this capability the person’s time horizon.

A manager might have a five-year time horizon. He sees that the invention of a new technology makes a product feasible. He imagines a two-year program to develop the product, including auxiliary research programs to solve problems that are likely to arise along the way. He foresees the different ways he will have to influence top management to commit resources to developing the product and that these strategies will require one to two years, depending on who succeeds an executive who will be retiring next year. He envisions a two-year program to bring the

approved product to market. He even has a few ideas of what else could be done with the technology if a competitor beats the company to the market or if the product is rendered obsolete by an unforeseen turn of events.

A member of his team has a two-year time horizon. When the technology was invented, he, too, could see the possible uses for it. But he could not develop a plan for how to bring it to market. Had it been up to him, he simply would have set about the next round of research needed to produce the invention. He could foresee and target this work as a two-year process. If a problem arose along the way, requiring a new line of research, he would initiate it. But he would not already have had the staff lined up to carry out that research, as the first manager would have.

The difference between these two managers' cognitive power – their abilities to perceive, think, and act – can be measured by how far into the future they are each able to conceptualize and plan – their time horizon. Each cognitive level is typified not only by its time horizon, but also by a distinct style of thinking. These cognitive mechanisms are summarized in the fourth column of Table 1. The cognitive mechanisms are discontinuous; each is different from the preceding and succeeding ones in terms of quality, not just quantity.

As an analogy, think of the phases of water. We can distinguish them by taking the temperature, or by observing if the water is ice, liquid, or steam. The temperature ranges and the observable states go together; an ice cube cannot have a temperature of 50-degrees Celsius. In the same way, a certain time horizon and a certain cognitive mechanism go together; a person cannot successfully take charge of a two-year project (Stratum III) by solving all problems one step after another (Cognitive Level I).

The complexity of the problems encountered in a particular task, project, or strategy is a function of the variables involved – their number, their clarity or ambiguity, the rate at which they change, and overall, the extent to which they are distinct or tangled. Obviously, as one moves higher in a managerial hierarchy, the most difficult problems to contend with become increasingly complex.

The biggest problems faced by the CEO of a large corporation are vastly more complex than those encountered on the shop floor. The CEO must cope not only with a huge array of often amorphous and constantly changing data but also with variables so tightly interwoven that they must be disentangled before they will yield useful information. Such variables might include the cost of capital, the interplay of corporate cash flow, the structure of the international competition, uncertainties in the Middle East, the future of development in China, social developments with respect to labor, political developments in Russia, and technological research and change.

That the CEO's and the machine operator's problems are different in quality as well as quantity will come as no surprise. The question is how do we measure an individual's ability to handle the complexity of the problems? Jacques's *Human Capability* (1994) is a good place to turn to learn how to assess an individual's level of complexity of cognitive capability.

Job Fit Is Precise

Now we have the tape measure with which to determine whether an individual and a job are the same "size." A person fits a job that requires the level of cognitive power the person has. If the job

requires a lower level of power, the person can certainly do it, but will be bored and demoralized. If the job requires a higher level, the person can't do it and will get more and more lost and behind, not because of the quantity of the work but because of the quality of it. A sixth grader and a seventh grader may both have an hour's homework to do, but the seventh grader could do the sixth grader's in half an hour. The sixth grader might get a little of the seventh grader's work done in two hours but would then bog down.

Maturation of Cognitive Capability

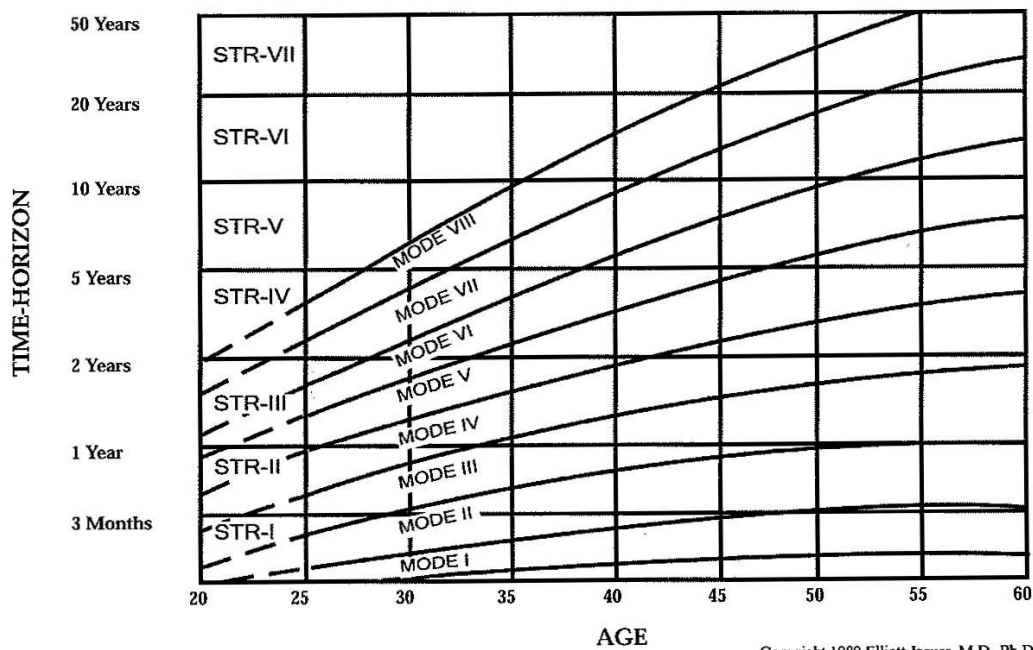
So far, we've described a static system. Individuals have a certain level of cognitive power. A job requires a person to have a certain level. Everybody is either at the right level, too high, or too low. But in fact, the system is not static. For one thing, jobs change. To be a CEO of Newco when it's a local company may be a Stratum V job. But if Newco grows and becomes international in its distribution, the job of CEO may become a Stratum VI or VII job.

More importantly, people change. Cognitive power changes over time. Obviously, the person who is able to run a division was not born with that ability. Jaques found that individual's paths of development follow trajectories within distinct bands, which he called modes. These developmental modes are illustrated in Figure 1. As Figure 1 shows, different modes rise at different rates.

This growth proceeds gradually, as physical growth does, but the passages from one cognitive level to the next occur in discontinuities or spurts. When they occur, the individual's time horizon increases so that he becomes capable of handling more responsibility in a job with a greater time span at a higher organizational stratum.

A person's developmental trajectory brings him or her to certain levels by certain ages. This is why we can't learn a higher cognitive mechanism by study or practice. As with puberty or old age, we have to reach it when the time comes.

FIGURE 1. TIME-HORIZON PROJECTION. REPRINTED WITH PERMISSION.



Using Jaques's description of these modes of development, it is possible to predict what a person's work capacity will be in the future by measuring where the person has been at certain ages. The predictability of individual cognitive development takes much of the guesswork out of managerial and executive development.

How Can This Theory Be Applied?

Let's go back and see if this information can help make sense of the problems described at the beginning. Bill's case is an easy one. He was comfortable in a Stratum IV position because he had reached a cognitive level four. But he had not reached cognitive level five when he was promoted to a Stratum V role. He wasn't able to compare the systems of one factory with that of another and articulate problems and solutions at that multi-factory level. That's also why he couldn't make sense of all the information and advice that his staff provided; it was too disparate, requiring a Stratum V ability to make comparisons, see relations, and articulate the results.

Could Bill have been better prepared for the job? No, because it wasn't a matter of increasing a skill or acquiring more information. It is possible he could grow into the role, depending on where he is on his lifelong mode of cognitive development and, therefore, what his potential is. If so, it would have been better not to promote him until he had reached Stratum V

What went wrong in the company that cut the fat? In cutting out middle managers, sometimes a manager was left supervising subordinates who were two cognitive levels below her own. That's why the subordinates couldn't carry out the projects she offered; Stratum III subordinates were being offered Stratum IV assignments by a Stratum V boss.

There are two major areas in which one can use Stratified Systems Theory to manage more effectively.

Diagnosing Problems. Jaques's concepts provide a valuable method for diagnosing many problems, as the examples above show, and as will be shown by subsequent examples.

Here are some of the problems that may involve the mismatch of individual cognitive power with work stratum:

1. Subordinates feel bored, overworked, burned out, or frustrated by organizational barriers.
2. Unacceptable employee turnover, especially of creative personnel.
3. Failure of previously successful managers in roles for which they were carefully selected.
4. Problems with delegation.
5. Subordinates who feel that their boss isn't really the boss and report instead to the boss's boss.
6. Proliferation of levels and positions and the problem of how to cut bureaucracy without killing the company.
7. Problems with reorganization, centralization, or decentralization.

Remember that cognitive power is only one component of work capacity. The above problems can also arise from organizational causes or from individuals' characterological behavior. But the role of cognitive power in job performance tends to be overlooked, so one needs to make special effort to take it into account.

Selection and Development. These tasks are united by a common factor: the need to determine job fit. By now we know that cognitive power and work stratum are keys to job fit. For selection, this is obvious. For development, determining what mode a person's cognitive development is following helps to map out a realistic career path for the person. It is also important to identify the limits of a person's potential and help him find the position where he can make his best contribution. That may sound patronizing but the alternative is to give someone a promotion he can't handle. Below is an example of how Stratified Systems Theory was applied in a task involving selection for promotion.

Succession Planning Application

The CEO of a medium-sized manufacturing company was preparing for the retirement of his executive vice president. He assembled a group of executives in the company who were potential successors to the EVP. All had been successful up to that point; they had made money for the company and had shown competence in their roles. But how could the CEO tell who would be able, not only to do the EVP's job, but also to succeed the CEO himself when he retired some five years down the road?

The CEO was operating successfully at Stratum VI. Stratum VI involves leading a number of separate business units or divisions toward a corporate goal and interacting widely to keep in touch with and influence events that affect the organization. The CEO's concerns were for the company's adaptation to increasing competition and globalization, the need for more effective marketing and expertise (and depth) within the organization, the need for a more sophisticated and flexible technical staff, and top management's ability to recognize and support appropriate new technologies. These are goals with a 10- 20-year time span. They are Stratum VI tasks.

The EVP had to carry out long-term policies that the CEO and the board decided. In this organization, this was a Stratum V role. So the CEO had to figure out which of his candidates could operate at Stratum V.

That wasn't the only criterion; the EVP had to have certain interpersonal skills and certain knowledge and experience. But those skills and knowledge would be to no avail without Level V cognitive power.

None of the candidates was in a Stratum V role, so the CEO needed to discover if one of the candidates was at cognitive level five with a level six potential, and therefore ready to assume a Stratum V role now and subsequently a Stratum VI role.

Using Table 1, let's see what he should look for. Stratum V work requires shaping or reshaping a whole business unit in response to threats and opportunities constantly impinging from the outside environment. So the CEO, during interviews, asked each of the candidates what threats and opportunities the candidate foresaw, and what he would do about them.

One candidate was 47 years old and currently managing the company's largest product line. He had been very successful shifting marketing efforts from one line to another as demand shifted, so as to keep a good market share for whatever product was selling best.

In answer to the CEO's question, this man foresaw new competitors, rising costs of materials, and the continuation of a five-year decline in the industry. He also mentioned the public's resentment of pollution, since an outspoken environmentalist had just been elected governor.

"What would he do about these threats?" Competing more effectively would mean heavy investment in new technology, although that would be hard with business shrinking. As for pollution, he would meet the appropriate heads of agencies and perhaps launch a public relations campaign.

"What about opportunities?" the CEO asked again. The candidate replied that tough times were shakeout times in any industry. He intended to be a survivor. How? By encouraging early attrition and if necessary by one major round of layoffs.

What did this interview tell the CEO? This candidate's approach to problems is generally to discern trends and match responses to them, such as a marketing blitz or a layoff. He can come up with ways to do what needs to be done, but he does not think of entirely new things to do. He does not respond to events outside the company until they directly affect the company by changing its sales figures.

Looking at Table 1, we see he is operating at level four. He can manage several activities at once, making the necessary trade-offs among resources. If put in a Stratum V role, he would deal well with the most immediate problems but would eventually find himself overtaken by the major changes in his industry. Tinkering with a car can never turn it into an airplane, and cars won't do when an airplane is needed.

The second candidate had made a name for himself early in his career by effecting an impressive increase in productivity at a small factory. He was then moved from factory to factory, improving productivity at each. Finally, he proposed that a new role be created in which he could improve productivity throughout all the company's factories, rather than doing so one by one. This was the role he held now, at age 45.

This man listed the same threats as the first candidate, but he summarized by saying that unless the industry became more innovative and creative it might in a few decades, render itself obsolete, like the old sawmill standing on a river near one of the company's plants.

As for opportunities, he saw the environmentalist governor as a golden opportunity for the company to clean up its act and get a lot of good publicity for it without having to blow its own horn, because the press would be focusing on the issue anyway. Bringing the company out of a defensive position and into a heroic one would bring a large boost in morale, which could then be directed into the modernization needed to compete more effectively. He saw the industry-wide slump as a chance to talk other companies into co-marketing projects, whose time, he felt, had come. Perhaps cooperating on some environmental measures would help the top managements of a few companies develop the personal and organizational bonds that would then make co-marketing workable.

This candidate's answers are just what the CEO should be looking for. This man sees threats to the company as part of a coherent pattern in a broader context. Therefore, they needn't be attacked piecemeal, but by means of an overall concept or theory, embracing a number of technological, political, and financial efforts. He would, in effect, change the company's mission and the way it relates to its competition. Reshaping a whole business system in that fashion is what Stratum V work is all about.

The third candidate was also a product manager and gave answers similar to the first man's indicating Stratum IV. But before passing him by for the job, let's look at Figure 1.

The first candidate is 47. He is in Mode V. In about five years, he will move up from Stratum IV to Stratum V, but he will never move up to Stratum VI. So he could be EVP in five years, but could not go on to succeed the CEO, which is what the CEO wants the next EVP to do.

The second candidate is 45; he is in Mode VI. He can handle the EVP role now and will be at level six in his early fifties, in time to succeed the present CEO according to plan.

The third candidate is only 42. He too is in Mode VI. He will move up to Stratum V at around age 47 and up to Stratum VI at around 57. This man is therefore a potential successor to the next EVP and should be developed by top management as such.

In sum, despite the fact that all three candidates have comparable records of success, the second is ready to be EVP, the third will be ready in about five years if properly prepared, the first never will be.

Circumventing the Boss

Now let's look at a situation in middle management. Jeff was his boss's star direct report. He generated useful ideas and his boss, Ken, didn't mind giving him credit for them. He was grooming Jeff to succeed him and hoped that Jeff's potential would encourage higher management to promote him. Then Ken's boss, Bill, the general manager of marketing, died suddenly and a new manager took over. Ken resolved to make a good impression on his new boss.

Ken's chance came when Bill decided to have each of his direct reports prepare a report on trends in the business and what the division should do about them. Ken turned the task over to Jeff, as Jeff had been his most creative subordinate. Jeff tried but found himself in over his head. Clever improvements he could make; analyzing trends was beyond him. Jeff spoke to Ken about his difficulty. Ken was satisfied with Jeff's results but Jeff wasn't. He knew that his report was still a mishmash of shallow observations.

Jeff occasionally worked with another manager, Simon, who was higher up than Ken. Jeff found a way to initiate a project with Simon and then tried to coax Simon's ideas about trends in the organization hoping that he could adapt some of Simon's ideas for his own report without its looking as though Ken had stolen them.

The problem was that Jeff, a Stratum IV person, had been given a Stratum V task. Ken was also a Stratum IV person, which is why he couldn't add value to Jeff's work and why he relied so

heavily on his ideas. Simon was a Stratum V. Although Jeff knew nothing of organizational strata, time horizons, or cognitive levels, he could tell the difference between Simon's ability to conceptualize and that of Ken.

If the organization were arranged according to Jaques's principles, Ken wouldn't be Jeff's boss. They would be peers. Furthermore, Bill wouldn't have given that assignment to Ken (or to Jeff) knowing that neither was at the proper cognitive level to carry it out.

Upward Trajectory Flattens Out

Henry came into a service firm at age 24 as a manager. The company's founder and CEO held out the promise of rapid advancement for his most talented employees. Henry did well and in his second year began to display such an interest in and grasp of his boss's work that when his boss was promoted at the end of the year, Henry got his job.

The new role worked out well. Henry was swamped at first, as he now had to handle several different work groups at once, and had to plan farther ahead. But after a year he got the hang of it and in his second and third years had affairs well under control. Meanwhile, he embarked on an evening MBA program.

The CEO soon rewarded Henry with another promotion to head a task force assigned to assimilate three acquisitions the company had made. Henry was to have all systems of the newly acquired firms unified within a single system within four years.

Two years into that assignment, Henry was in deep trouble. His reports were vague and he couldn't keep the pieces together. It seemed to him as though every time he had a plan, elements in it changed – new equipment became available or customers of the acquired businesses left. How could he plan four years ahead? He felt he was juggling too much. Despite being swamped, he refused to delegate to subordinates. Many of the tasks he should have assigned to subordinates so that he could spend his time drawing conclusions from the information they generated he tried to do himself. His subordinates complained they weren't given enough to challenge them.

What went wrong? Let's look at where Henry was in his second year with the organization. He was performing well as a first-line manager (Stratum II) and starting to think like a department manager (Stratum III). He was making the transition from Stratum II to Stratum III. At that point, he was given a Stratum III role. It was difficult initially but he could do it.

That transition in his career occurred when he was 25 years old. Figure 1 shows he is in Mode Five. That clarifies his problem: he did so well in a Stratum III job that he was promoted to a Stratum IV role at age 28, over a decade before reaching cognitive level four. No wonder he couldn't handle it.

He should have been given special projects at the Stratum III level, to broaden his expertise and increase his visibility and his connections to others in the organization. By about age 42, he would then have both the cognitive power and the experience to thrive in a Stratum IV role. He wouldn't delegate to protect himself from disgrace. If he assigned parts of the overall task to subordinates, they would expect him to tell them the results, which he knew he wasn't producing. He was paralyzed because he felt he didn't know the rules of the game any more.

Henry's delegation problem is a clue to a mismatch of an individual's cognitive power and the role he is trying to fill. But failure to delegate doesn't always indicate such a mismatch. Often the refusal to delegate is rooted in character: the manager has an unconscious need to prove to himself that he can do anything and everything. In such cases, he will often be overworked and get behind. The difference is that for the most part the work he does will be done competently, unlike Henry's vague progress reports.

Of course, Henry had a strong need to prove he could do everything and everything, or he would have asked for help. To know to what degree his failure to delegate was characterological, we would have to see how he responded to help were his boss to realize the need and offer to revise his responsibilities. But Henry's main problem remains the fact that he was promoted to a job beyond his current cognitive capacity.

Despite everyone's best intentions, Henry was guided into failure. One of the benefits of Stratified Systems Theory is to avoid the occurrence of such failures.

The capacity to function in a given role is the result of several factors. Cognitive capacity is a necessary but insufficient one. Just as important are temperament, skill, knowledge, values, experience, and motivation. Understanding complexity of information processing is an important dimension of assessing an individual's readiness for a given role.

For example, the managing general partner of a private equity firm was criticized by his partners as unwilling to share his strategy for the firm with them. The MGP's stated reason was he wanted them to stay focused on their respective areas. His partners attributed it to the MGP's characteristic of sowing divisiveness among his partners as a way of consolidating his own power. The fundamental reason was that the MGP was functioning at a lower level of cognitive complexity than his partners. He was incapable of pulling together the disparate kinds of information needed to articulate a coherent vision for the future of the firm, its strategy. Although his partners sensed he was not as bright as they, they assumed he had the capability to formulate strategy. He did not. Of course, individuals who depend for their success on the work of those who are much brighter than they find it difficult to add value to the work of the others. If the MGP is incapable of articulating strategy, he is unlikely to keep the partnership together for long (unless everyone is dysfunctional).

For more, read page 10-11 of "Understanding Executive Personality" on our website. Other references include Jaques, E., & Cason, K. (1994). *Human capability*. Arlington, VA: Cason Hall; and Jaques, E. (1996). *Requisite organization: The CEO's guide to creative structure and leadership*. Arlington, VA: Cason Hall.

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