The Devastating Cost of Undervaluing People

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Abstract

Extension professionals historically have had limited interest in the cost of doing business because funding sources have been stable. Today, this is changing. Seeking external funding through grants and fees for educational services appears to be a viable option to find new monies. Extension professionals often see opportunities to fund programmatic growth in a simplistic way. What starts as a few hours invested in writing and submitting a project proposal can become a resource nightmare once proposal is approved, the contract is signed, and the project begins. Poorly planned projects siphon off already committed resources, may lead to a decline in the quality of existing programs, and eventually cause the loss of on-going support. Extension professionals often lack experience with budgets and have little or no training to prepare them to calculate actual costs of a project. The sources and conditions of funding are changing and there is a growing need to integrate fixed costs of operation into individual projects, and are making it important to include individual programs and budgets as part of larger comprehensive budgets. With the addition of externally funded projects, Extension professionals are being forced to develop new managerial skills. The competencies that will be needed by the 21st century Extension professional are changing; Extension professionals must see themselves as program and resource managers rather than the direct deliverers of services; the kinds of professionals who are recruited, the training and re-training that is offered, and how performance is reviewed and rewarded must change.
Extension professionals historically have had little reason to pay attention to the cost of doing business because their funding sources -- county commissioners’ dollars, along with state and federal funds -- have been predictable, stable, and increasing. By having multiple major funding sources, there was generally a balance. When one funding source was tight, the others were more available. Extension professionals were encouraged to focus on teaching and programming, and leave concerns about support for their programs to the organization’s leadership. For many years, there was even some feeling that as federal employees, they should not engage in awareness activities that might be construed as “lobbying.” Because they were tax supported, they always thought of themselves as being “free” or “already paid for” by the people they serve. There was no need to make big “newspaper splashes” about program successes in most communities because Extension work was familiar and important to most people. Extension professionals worked quietly and cooperatively with and through local people. With their science-based orientation, they were reluctant to suppose they alone were responsible for successes, and they tended to share or give credit to others. The extension system itself was comfortable and secure with the notion that knowledge that funding would always continue…until the times changed and money became less of a sure thing (Astroth & Robbins, 1986).

Today, traditional funding sources are shifting and no longer keeping pace with organizational needs and opportunities. These shifts include: Changes in the distribution of federal and state dollars, shifts in populations and legislatures’ priorities, and the appearance of new organizations that offer programs similar to Extension’s, and readily compete for the dollars to do it. Competition is pushing Extension professionals to begin looking for grants and charging user fees for educational services as a viable way to maintain their budgets (Stiehl, Bessey, & Schmall, 1992). And indeed, monies from user fees, grants, and contracts have been the fastest growing source of funding since 1990 (Healy, 1997). OSU Extension’s efforts to secure funding beyond traditional sources have increased more than doubled in the past two years.

Why do Extension professionals hesitate to place a dollar value on their time and effort? Their history certainly has an influence. Individuals who find the loosely structured, people-oriented, self-managing nature of Extension so rewarding may find it difficult to differentiate between personal community service and work. They also may have weak budget development skills because they lack training and experience related to HR costs. Whatever the reason, it is agonizing for most Extension professionals to place dollar values on time and effort, and then include it in the project budget they are developing – they are reluctant to include them and sometimes adamantly refuse to even consider it.

Extension professionals often oversimplify opportunities to fund programs and use broad estimates as they develop the budget. Only when someone mentally “walks” through the program, from beginning to end, do the less obvious personnel costs emerge (Jackson & Johnson, 1999). Only when all the hours that will be needed to support a single unit of direct program delivery are considered and added to the delivery hours, will a more accurate human resource picture become apparent. For example, someone hired to teach 20 hours per week may be supported by a supervisor who assists with problem solving and conducts performance reviews, someone who takes registrations on the phone, someone who makes copies of handouts and worksheets, someone who orders supplies and food, and someone who maintains the computers. The teacher may have less obvious expenses, too, such as time spent developing or customizing lesson materials, problem solving with the supervisor, time spent training, traveling,
and answering questions before and after the lesson. A person who might be paid $13 an hour
can have $75 of support behind the scenes that need to be acknowledged as part of the project
costs. These are real tasks that will be done, and they have associated costs. By knowing what
they are, a professional can manage them and pro-actively decide what can be absorbed and will
need to be included in the proposal budget (Jackson & Johnson, 1999). If HR and other project
needs are not thoroughly examined as the budget is being developed, Extension professionals
may set into motion events that will eventually dilute, stretch, and perhaps compromise existing
programs. Repeatedly siphoning resources from existing programs and people will almost
certainly erode morale, along with the quality and quantity of existing programs and perhaps lead
to a loss of on-going support.

Extension professionals may submit project budgets that are faulty in another way, too. In
their haste to finish the budget, they may incorrectly guess at the pay level of the people who will
be hired to do the work. Pay levels are tied to the amounts of independent work and independent
judgment the new hire will be expected to use. A low pay level may make it difficult to find
someone qualified to hire. If the pay level must be increased to fit the position description after
the funder has approved the project budget, there will be fewer hours available to achieve the
goals. Because accurate HR requirements of the project were overlooked or hastily calculated,
the Extension professional will be forced to draw from other organizational and personal
resources to keep the promises made.

Extension professionals may face another kind of challenge if they successfully
secure outside funding that results in new personnel who must be supervised and trained --
they need to become managers of others. This can be disturbing and frustrating to Extension
professionals because they tend to see themselves as teachers rather than as managers
(Buford, Bedeian, Lindner, 1995). They may be comfortable with an assistant who works
closely with them, but that is very different from delegating work to an individual who will
work independently and away from immediate supervision.

Most studies of Extension professionals’ competencies and training needs can be
traced back to competencies identified in 1959, and they tend to be similar in the tasks
identified and the way the tasks are grouped. Management duties and tasks have been
embedded within administrative categories or ignored all together (Gonzalez, 1982; Holzer,
1995; Leidheiser, 1970; McCormick, 1959; Price, 1960; Soobitsky, 1970). These
competencies established more than 40 years ago, continue to influence the way Extension
considers the work of county program professionals. When asked to identify their training
needs, the people in theses studies they ranked the need for specific communication and
planning skills high, but ranked the need for overall management training very low (Jones,
1977). Further, acceptable levels of performance in categories that included management
competencies were lower than the levels of acceptable performance of the other categories
(Jones, 1977).

Most Extension professionals see themselves as educators. They chose career paths
that would not require them to manage the work of others. When Wolford (1999) studied the
assimilation into the Extension organization of professionals who had been employed three
years or less, she reported new employees thought they would be teaching, but instead are
expected to coordinate the work of others. She also reported that new and experienced agents
resist the organization’s encouragement to secure soft funding because they view additional
program personnel as complications that take time and make their work more difficult.
These comments are not without foundation. Extension professionals do not perceive management competencies as being very important for their work or for the work of their unit directors (Cooper & Graham, 2001). This conforms to Bandura’s (1986) theory that the importance people place on certain competencies associated with their roles, influences their likelihood of developing or maintaining those competencies, and influences the type of training they self-select. Ford & Noe (1987) noted that if people do not perceive a type of training as very important or that they need the training, they will tend not to seek it. Perhaps, because county program professionals are not viewed as managers by the organization (Buford, Bedeian, & Lindner, 1995), they are rarely encouraged by the organization to participate in management training that may be offered externally.

The need for Extension professionals to become managers can be subtle and slowly overtake them as they expand their educational programs utilizing external funding. Professionals with these new responsibilities often first notice a disturbing incongruence between the real and familiar work they have been doing and the new unfamiliar work that they must now start doing (Norton, 1997). Some people adjust to their new managerial responsibilities and easily blend them with their on-going duties. Most, however, struggle to minimally perform these managerial duties and often resent the new work they must do. Employees with weak management competencies are more likely to waste the organization’s resources because they tend to spend their time on unimportant issues, often spending a lot of time doing the wrong things (Douglass, 1992; Mintzberg, 1995). Even formally trained managers often flounder until they have had some first-hand experience as managers in a particular job (Whitehead, 1929).

How individuals meet the demands of specific situations relates to their self-efficacy or personal beliefs in their capabilities to do the required work at certain levels (Wood & Bandura, 1989). Self-efficacy is concerned with the perceptions and judgments of what one can do with the skills one possesses rather than with the particular skills one has (Bandura, 1986; Wood & Bandura, 1989). Employees perform better when they believe they have the skills necessary to succeed (Barling & Beattie, 1983), and when they are motivated (Gagne & Fleishman, 1959; Viteles, 1953). Also relevant is whether a person believes these abilities and strategies are inborn and fixed, or that needed abilities and strategies can be acquired and improved through additional training and experience (Vroom, 1995; Wood & Bandura, 1989). Experts tend to believe that management skills can be learned (Drucker, 1964; Van Fleet, 1991), and that managers are developed and not just born (Drucker, 1974).

Ironically, Extension, like many other organizations, struggles to employ people who will succeed as managers and agonizes to provide meaningful training for existing managers. This is because the knowledge and skills needed to be successful managers have not been part of the basis of developing the pool of interview candidates or the expertise of those who design a training program (Norton, 1998). When organizations fail to accurately analyze a job that is changing, they may not realize how critically important strong management competencies have become. Management competencies often will be omitted from a position description and the development of management competencies rarely will be part of early employee training (Norton, 1998).

Organizations that encourage their professionals to build larger programs through external funding must understand that performance expectations need to be clear and discernable people for people to perform effectively. When ambiguity exists between the work employees thought they would do and the work they are expected to do, they perform
poorly and tend to be dissatisfied with their employment (Bandura, 1986; Wood & Bandura, 1989). Role clarity increases perceived purposefulness of job behavior, and increases job satisfaction (Organ and Greene, 1974). Employees, who believe they possess the specific skills and knowledge needed to complete their work, tend to think more positively about themselves and be more satisfied and their jobs (Rowe, 1996; Terrier, 1990; Vroom, 1962).

Effective managers are those managers who tend to do the right things in the right way at the right times and operate in such a way that resources are not wasted (Drucker, 1964; Van Fleet, 1991). Managers are effective and more satisfied with their jobs when they desire to be managers (Champion, 1993; Koontz, O’Donnell, & Weihrich, 1988), and when the duties and tasks of their job accurately match their competencies, which combines skills, knowledge, individual behaviors, and attitudes (Gael, 1983; Norton, 1997).

In conclusion, as Extension professionals begin to see themselves as program and resource managers, they will begin to give the same attention to developing the related skills and competencies that they have historically given to being effective teachers. These skills and competencies will include recognizing, accepting, and including the human resource and other costs of on-going and new programs.

References


