

## 17 span of control: Facts you need to remember all the time

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The larger an organization, the more management layers it has, and ultimately this influences *span of control*. This results in a hierarchy being born. Several people in a department dealing with a single superior. Some departments might only have ten people, while others consist of over a hundred employees. In both cases, the *span of control* is present to properly manage all layers of the organization (Mulder, 2017). All organizations have layers. The number of layers an organization has will depend on the size of the organization and also the *span of control* of the average manager within that organization (EPM, 2018).

### What is the *Span of Control*?

The concept of "*span of control*", also known as management ratio, refers to the number of subordinates controlled directly by a superior. *Span of Control* is simply the number of subordinates that report to a manager (EPM, 2018). The [\*Span of Control\*](#) is the number of employees a manager can supervise as effectively as possible. The addition of new hierarchical layers makes the organizational structure steeper (Mulder, 2017).

According to research, a large *Span of Control* leads to a flatter organizational structure, which results in lower costs (Mulder, 2017). A small span of control creates a steeper organizational structure, which requires more managers and which will consequently be more expensive for the organization (Meier & Bohte, 2000). It is therefore useful for an organization if its managers have a *large span of control* (Meier & Bohte, 2000).

### FACT#1. The Ideal Span of Control (*Research Findings*)

Sometimes organizations in an attempt to be highly effective will define their ideal *span of control*. This is the number of direct reports that managers within the organization should ideally have. If a manager has less than the ideal number then the organization may consider that the manager is not being exploited to the best of their ability.

There is no right or wrong answer as to whether a *large or small span* should be used within an organization. It will depend on doing what best suits the organization in question, and there are advantages and disadvantages to each. According to EPM (2018), here are some factors both managers and organizations should consider:

- The experience and people skills of the manager in question.
- The skill level of employees. Highly skilled and qualified professional employees often prefer to operate within a large span of control, whilst less-skilled employees often prefer closer supervision.

- The type of organization in question. If managers are required to closely supervise their subordinates then a smaller span of control may be more appropriate.
- The organizational culture. Organizations with an autocratic leadership style and highly supervised employees will be more suited to a smaller span of control, whereas those with a democratic leadership style where employees have lots of autonomy will be more suited to a wide span of control.

### **FACT#2. *The average span of control***

Ideally in an organization, according to modern organizational experts is approximately 15 to 20 subordinates per supervisor or manager. This forms the basis for a *manageable span of control*. However, some experts with a more traditional focus believe that 5-6 subordinates per supervisor or manager are ideal.

The *average span of control* is measured using a ratio of the number of managerial nodes and the total population.

However, over decades of supporting the world's leading organizations in their redesign experiences, McKinsey has found that there is no single magic number that fits all types of managers and the work that they do. Chasing one single number can reduce effectiveness (EPM, 2018).

Some practitioners have attempted to identify the "right" number by industry or segment, using benchmark or peer comparison methods. Research analytical evidence and experience indicate that while a peer-benchmark approach may seem appealing, it often causes new problems, heavy-handedly applying structures that work for the strategy of other organizations (Acharya, Lieber, Seem & Welchman, 2020). The top-down assignment of the managerial *span of control*, based on external comparisons, misses the specificity critical to designing something right for each company's context and strategy. It does not take into

account how each department and team should perform their work to accomplish their collective performance and health goals (Acharya, Lieber, Seem & Welchman, 2020).

### **TWO DIMENSIONS**

The *Span of Control* always involves two dimensions:

#### **FACT#3. Horizontal dimension**

This is the number of direct subordinates a manager supervises. This is also referred to as the *Span of Control* (Mulder, 2017).

#### **FACT#4. Vertical dimension**

This is the number of levels that are (in)directly managed. It refers to the extent to which the manager's

wishes trickle down to the lowest levels of the organization. This is also known as the *Depth of Control*. It is mainly aimed at the extent of communication between a manager and his subordinates in the levels he is responsible for. Without a good leader, downward communication can be impaired (Mulder, 2017).

### **How To Determine How Many Direct Reports A Manager Should Have?**

Some key factors to review when determining the appropriate *span of control* within an organization include the following:

**FACT#5. Organizational size.** Large organizations tend to have a *narrow span of control*, whereas smaller organizations often have a *wider span of control*. This difference is usually due to the costs involved with more managers and the financial resources available to an organization. Communication may be slower with *narrow spans* if it must pass through several levels of management.

**FACT#6. Workforce skill level.** The complexity or simplicity of the tasks performed by the employees will affect the number of desirable direct reports. Generally, routine tasks involving repetition will require less supervisory control of a manager, allowing a *wider span of control*, whereas complex tasks or dynamic workplace conditions may be best suited for a *narrower span of control*, where managers can provide more individualized attention.

**FACT#7. Organizational culture.** Organizations need to determine the desired culture when designing their *span of control*. Flexible workplaces usually have a *wider span of control* because employees are given more autonomy and flexibility in the production of their work.

**FACT#8. Manager's responsibilities.** Review whether the organizational expectations allow the managers to be effective with the number of direct reports they have, especially related to individual responsibilities, departmental planning, and training. For instance, executives often have fewer direct reports than other managers in the organization.

### **FACT#9. Harmony**

*Span of Control* is indicative of the quality of leadership. It is also a well-known fact that a manager with a large *Span of Control* has a lot of people under him. The smaller a manager's *Span of Control*, the fewer subordinates he can lead (Kreitner & Cassidy, 2008).

It is therefore very important for *Span of Control* and scope of control to be in harmony with each other. When one is larger or smaller than the other, problems arise in the leadership method, employee instruction, and teamwork (Kreitner & Cassidy, 2008).

### **FACT#10. Increasing Span of Control**

When a manager supervises a large number of employees, he often has little time to align activities and monitor the quality of how activities are executed (Kreitner & Cassidy, 2008).

Every situation needs to be assessed individually based on factors that determine *the span of control*. If a situation arises in which a supervisor manages too many employees, there are several ways of finding a solution to increase the *Span of Control*:

- Training the manager, teaching him management skills such as delegating and clear communication.
- Training employees, teaching them to work independently and make better use of their time.
- Delegation by the manager, decreasing his workload and improving the division of labor.
- Improving procedures and systems; when procedures take up a lot of time, it is a good idea to find efficient solutions with the help of the management team.
- Involving HR, who will unburden the manager by taking over certain specialist tasks such as the department's HR policy.
- Assigning a personal assistant, who can take over routine activities, reducing the manager's workload.
- Appointing an assistant-manager who reports to the manager, but in the perception of the subordinates is fully qualified in terms of executive and policy tasks and can act as manager when needed.

#### **FACT#11. Factors That May Affect the Span of Control**

While early discussions of the *span of control* often centered on pinpointing the optimal number of subordinates, several factors may influence the *span of control* most appropriate for a given management position (RfB, 2020). Assuming that all other aspects of a manager's job are the same, these factors would likely alter the *span of management* as follows:

1. **Job complexity.** Subordinate jobs that are complex, ambiguous, dynamic, or otherwise complicated will likely require more management involvement and a narrower span of management.
2. **The similarity of subordinate jobs.** The more similar and routine the tasks that subordinates are performing, the easier it is for a manager to supervise employees and the wider the span of management that will likely be effective.
3. **The physical proximity of subordinates.** The more geographically dispersed a group of subordinates the more difficult it is for a manager to be in regular contact with them and the fewer employees a manager could reasonably oversee, resulting in a narrower span of management.
4. **Abilities of employees.** Managers who supervise employees that lack ability, motivation, or confidence will have to spend more time with each employee. The result will be that the manager cannot supervise as many employees and would be most effective with a narrower span of management.
5. **Abilities of the manager.** Some managers are better organized, better at explaining things to subordinates, and more efficient in performing their jobs. Such managers can function effectively with a wider span of management than a less skilled manager.
6. **Technology.** Cell phones, email, and other forms of technology that facilitate communication and the exchange of information make it possible for managers to increase their spans of

management over managers who do not have access to or who are unable to use the technology.

The trend in recent years has been to move toward *wider spans of control* to reduce costs, speed decision making, increase flexibility, and empower employees (RfB, 2020). However, to avoid potential problems of *wide spans of control*, organizations are having to invest in training managers and employees and technology enabling the sharing of information and enhancing communication between and among managers and employees (RfB, 2020).

#### **FACT#12. Advantages of a Large Span of Control**

**Faster Decision Making:** with fewer layers within the organization decisions can be made more quickly.

**Lower Costs:** relative to organizations with a small span of control because fewer managers are needed relative to the number of employees.

**Improved Communications:** between managers and employees, with employees more likely to be able to interact with senior managers, and managers more likely to understand the issues at the coalface of the organization.

**More Freedom:** typically employees will feel freer and less under a microscope than when the span is smaller.

#### **FACT#13. Disadvantages of a Large Span of Control**

**Fewer Opportunities for Employees:** with fewer layers within the organization there is less opportunity for employees to be promoted.

**Poor Discipline:** with so much autonomy given to employees these organizations can suffer from poor discipline.

**Poor Relationships:** with so many employees to manage it may be difficult for the manager to form a strong and close relationship with each of their subordinates.

**Poor performance:** with so little supervision of employees' performance, the overall performance of the organization may be poor.

#### **FACT#14. Advantages of a Small Span of Control**

**Easy Access to Superior:** the subordinate can quickly and easily speak to their superior whenever they need it. This can create a sense for the employee that communication is better than with a wider span of control.

**Better Opportunities:** for employees to get promoted.

**Closer supervision:** and greater attention to the needs of the employee from the manager.

**Less Skill Required:** than if a manager is trying to control a much larger group of direct reports, each with more autonomy.

#### **FACT#15. Disadvantages of a *Small Span of Control***

**Motivation:** employees can feel under constant and close supervision which can be demotivating.

**Slower Decision Making:** the increased layers within the organization can make decision making slower.

**Decreased Communication:** with more layers communication will be not only slower, but it will be much more difficult for senior management to understand the issues being faced at the coalface of the organization.

#### **FACT#16. *Span of Control* and Virtual Teams**

A virtual team (also known as a Geographically Dispersed Team (GDT)) is one where team members are located offsite, and work either individually or as part of a small team. With the recent pandemic, technology is used to keep team members connected and on the same page. The rise of virtual brings a fresh perspective to our understanding of the span of control.

In such instances, information defines the rules subordinates must obey, but they can be completely autonomous within these rules. This rule-based approach provides the potential for *large spans of control*. According to McKinsey (2019), this trend towards an increasing number of direct reports mirrors the trend that has been in place over the last 100 years, whereby in the early 20th century spans of control were small but by the late 20th century they were much wider, resulting in much flatter organizations.

**FACT#17. *Ultimately, there is no right or wrong control period and each company has to find the right balance for itself.***

#### **CONCLUSION**

*Span of Control* is very simply defined as the number of subordinates a manager within an organization has reported to him or her. Taller organizational structures within an organization, due to the increased number of managers needed, are comparatively more costly than flatter and simpler organizational structures. A smaller period of control does, however, allow much more power over subordinates' jobs.

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