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The Nature of Managerial Work in Small Growth-Orientated Businesses

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ABSTRACT. In this study we explore the daily managerial behaviour of managers of small growth-orientated businesses and contrast it to previous research of managers in large organisations. We also investigate if one background characteristic, the owner–managers functional experience, is related to daily managerial activity. More specifically, we seek to strengthen the 'managerial work' tradition through a replication of Mintzberg's work (The Nature of Managerial Work, New York: Harper and Row 1973) and an extension of the 'managerial work' tradition to another contingency, that of small growth-oriented businesses. The study is based on direct observations of ten CEOs of small growth-orientated businesses. The research provides evidence that organisational size is an important determinant of the nature of managerial work. However, in exploring the variability that may occur in managerial work within a given size context, we failed to establish a relationship between the owner–manager's functional experiences and daily functional work orientation. The article concludes by speculating why the nature of managerial work in small growth-orientated businesses may provide a template for management in larger (more bureaucratic) organisations.

KEY WORDS: Ireland, managerial work, observational method, small business growth.

JEL CLASSIFICATION: M13, L20.

1. Introduction

In this study we seek to contribute to the understanding of small business performance by exploring the managerial behaviour of owner–managers. Within the literature on small businesses an extensive research effort has sought to categorise and codify the personalities and background characteristics of owner–managers and to relate such variables to outcomes such as organisational success (e.g., Duchesneau and Gartner, 1990; Entrialgo, 2002); the growth expectations of owner–managers (e.g., Gartner and Bhut, 2000; Moran, 1998); organisational strategy making processes (e.g., Kisfalvi, 2002); and to the organisation's strategic orientation (e.g., Kotey and Meredith, 1997). In this research stream there is an (implicit) assumption that one consequence of the owner–manager's background characteristics is poor managerial skills, and this in turn impedes the organisational and strategic development of the small business (e.g., Kets de Vries, 1985; Kets de Vries and Miller, 1984; Miller and Toulouse, 1986; Orser et al., 2000). It is commonly suggested that the owner–manager must achieve some minimum threshold in managerial and administrative skill if the business is to grow (e.g., Greiner, 1972; Penrose, 1957), and there is a widely held, though largely unfounded, assumption that owner–managers of small businesses need to 'professionalise' by adopting the

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managerial styles and techniques of larger businesses.

We believe that the study of daily managerial behaviour is a missing field of research within the small business literature. Studies of the daily managerial behaviour of owner–managers can make two important contributions to the small business literature. First, small business researchers and policy-makers face a difficulty in exalting owner–managers to develop their managerial skills. The difficulty is that there is little evidence that the managerial skills and the managerial behaviours of owner–managers of small businesses do differ in systematic and significant ways from those of larger businesses (Stewart et al., 1999). We believe that studies of the managerial behaviour of owner–managers will provide evidence of such differences. Second, daily managerial behaviour may represent a key process by which the owner–manager's experiences, visions and beliefs, personality traits, and strategic preferences are translated into actual organisational performance. The decisions and commitments of the owner–manager, and hence the emergence of the organisation's strategy, are to be found in the daily managerial work of the owner–manager. Therefore studies of daily managerial behaviour may allow researchers to relate the extensive literature on background characteristics of owner–managers and entrepreneurs to organisational performance.

In this article we explore the daily managerial behaviour of managers of small growth-orientated businesses and contrast it to previous research of managers in large organisations. We also investigate if one background characteristic, the owner-managers functional experience, is related to daily managerial activity. More specifically, we seek to strengthen the 'managerial work' tradition through a replication of Mintzberg's work (1973) and an extension of the 'managerial work' tradition to another contingency, that of small growth-oriented businesses. By replicating Mintzberg's work, using his structured observational method and his classification schema, we provide a further test of his work. By choosing a new context, that of small growth-orientated businesses, we extend his work.

The choice of the small business context is important for two reasons. First, the impact of organisation size on the nature of organisational work is not fully understood. Empirical work has suggested that the nature of managerial work in small organisations does not differ significantly from managerial work in large organisations, despite assumed differences in managerial roles and organisational structures between the two different size categories. Second, small growth-orientated businesses are an important context because of the contribution these businesses reportedly make to the Schumpeterian process of 'creative destruction' (1934). For example, Bygrave reports that a National Venture Capital Association sponsored study concluded that the relatively small number of venture capital-backed companies accounted for 3.3% of the total jobs in the United States and 7.4% of GDP (Reynolds et al., 2001).

The article is structured as follows. First we review the literature on managerial work, concentrating on the many criticisms of this approach. Second, we outline our research propositions and methods. Third, we report our findings, outlining, for CEOs of small growth-orientated business, the characteristics, the content, and the functional nature of managerial work. We conclude by outlining our contribution and by speculating that the managerial behaviour of owner–managers of small growth-orientated businesses may provide a template for managers of large (and often bureaucratic) organisations.

2. The study of managerial work

The study of managerial work grew out of a sense of dissatisfaction with the way the work of the manager was presented in the traditional management literature. The principal contribution of this work has been to challenge the rational and systematic image of management found in mainstream management literature. Studies of managerial work introduced empirics into a field that was dominated by normative and prescriptive material. Studies of managerial work represent a distinct research approach that is both empirical and inductive (Noordegraaf and Stewart, 2000). Observational studies of managerial work have provided empirical evidence of the actual nature of work in organisations, that is they have identified 'what managers *actually* do', and in doing so have replaced managerial 'folklore' with 'fact', 'rhetoric' with 'reality' (Mintzberg, 1975; Noordegraaf and Stewart, 2000).

In contrast, the traditional or classical view of managerial work described managerial work in terms of the functions performed, for example, in his pioneering work Fayol (1916) identified five principle managerial functions: planning, coordinating, organising, commanding and controlling. Much of the literature on small businesses has continued to (implicitly) use Fayol's managerial functions as a template for judging the efficiency and effectiveness of entrepreneurs and owner–managers. However, in general, these studies have failed to find consistent results between planning, organising and controlling variables and organisational performance (Merz and Sauber, 1995).

The body of empirical work on managerial work has provided an insight into the nature of managerial work (see Table I for a summary description of the main empirical studies of managerial work). Authors from within the managerial work tradition have argued that while they have described a managerial process that appears highly inefficient, such behaviour is, in fact, highly effective. Overall, these studies present a picture of the manager's day as chaotic, unstructured, and unpredictable. Managers work at an unrelenting pace, their work is characterised by brevity, fragmentation and variety and managerial work is largely an interpersonal process. Managers appear to favour verbal to written communication and appear to react opportunistically to situations around them through their internal and external networks. In addition, studies of managerial work have also categorised managerial behaviour based upon the roles, functions and work patterns of managers. The most familiar of which are Mintzberg's interpersonal roles (figurehead, leader, liaison), informational roles (monitor, disseminator and spokesman) and decisional roles (entrepreneur, resource allocation. disturbance handling and negotiation) (1973).

Despite making important empirical contributions, studies of managerial work have been criticized on a number of fronts. Two principal deficiencies in the field are the lack of attention to the context in which management work occurs (Hales and Tamnagani, 1996; Noordegraaf and Stewart, 2000) and the lack of theoretical contribution to the study of managerial behaviour (Hales and Tamnagani, 1996; Stewart, 1989). Specifically the criticisms centre around three main issues: the emphasis on description, the lack of consistent systematic research, and the validity of research findings (for more detailed discussions see, Hales, 1986; Noordegraaf and Stewart, 2000; Stewart, 1989). Interestingly, the critiques of studies of managerial work have received strong support from those within the field itself.

2.1. *Emphasis on description*

Hales (1986) in his comprehensive review of observational studies highlighted the lack of theory development in the area of studies of managerial work. He suggests that in these studies the emphasis has been on describing rather than explaining managerial work. However, Hales notes that the studies to date have 'shed light on five major areas and provide answers to five implicit questions about managerial work' (1986, p. 90): (i) the substantive elements of managerial work (what do managers do?); (ii) the distribution of manager's time between work elements (how do managers work?); (iii) the interactions (with whom do managers work?); (iv) the informal element of managerial work (what else do managers do?); and (v) the themes that pervade managerial work (what qualities does managerial work have?). Hales suggests that the answers to these questions have described the nature of the work performed by managers but little theory has emerged to explain why managers perform the work that they do in organisations. The studies have described what managerial work is like not what it is. Furthermore, Stewart and Fondas (1994) highlight that researchers have often documented the frequency and duration of different managers interpersonal contacts without explaining such activities in terms of theories such as social influence or theories of power and exchange. Mintzberg himself has noted that studies of managerial work have failed to result in the emergence of a model of managerial work (1994).

2.2. *Lack of consistent, systematic research*

A related problem to the emphasis on description rather than explanation is that researchers have

TABLE I
Selected Studies of managerial work

Author (year)	Method	Focus of study	Unit of analysis	Results
Burns (1954, 1957)	Diary method	Communication patterns	4 middle managers (1954) 76 senior and middle managers (1957)	Managers tend to spend a high proportion of time in conversation, with much lateral and horizontal communication Managers tend to spend considerable periods of time with select groups of people
Sayles (1964)		Describing different aspects of managerial work	75 lower and middle managers in a large US corporation	Managerial work is characterised by informality, adaptability and bargaining and system balance He identified and described three aspects of managerial work: the manager as a participant in external work flows; the manager as leader; and the manager as a monitor Seven basic relationships with those outside of a manager's responsibility: trading, work flow, services, advisory, auditing, stabilising and innovative relationships Types of leadership: (1) Leadership as direction; (2) Leadership as response; and (3) Leadership as representing or intervening for subordinates
Mintzberg (1968, 1973)*	Structured observation (1 week period)	The content and characteristics of managerial work	5 CEOs of large US companies	Managerial work: managers work at an unrelenting pace managers work at an unrelenting pace work characterised by brevity, fragmentation and variety Categorised the observed content of managerial work into ten roles: Interpersonal (figurehead, leader, liaison) Informational (monitor, disseminator and spokesman) Decisional roles (entrepreneur, resource allocation, disturbance handling and negotiation) Eight managerial job types: contact man, political manager, entrepreneur, insider, real-time manager, team manager, expert manager and new manager
Stewart (1967)	Diary method (4 week period)	To explain why managerial work varies	160 senior and middle managers	Managerial jobs characterized by contacts and fragmented working day Five types of managers: (1) the emissaries; (2) the writers; (3) the discussers; (4) the trouble shooters; and (5) the committeemen
Choran (1969)	Structured observation	Replicate Mintzberg's work in small organisations. Account for the variations in managerial roles performed and the communication pattern of managers	3 CEOs in small US organisations	Factors that account for the variations in managerial roles performed and the communication pattern of managers: the environment: the organisation and industry in which the manager operates the job: level in the organisation and function supervised the person: personality and characteristics the situations: seasonal and temporary threats faced by management

Stewart (1982)	Interviews, observation and self recorded diaries	To understand managerial jobs and the complexities of managerial behaviour		Three categories of behaviour were developed: demands constraints choices
Kotter (1982)	Structured observation (2 days) and interviews	Behaviour of general managers in larger US organisations	15 managers in large US corporations	(1) General managers prefer verbal to written communication and work at an unrelenting pace (2) The *'efficiency of seemingly inefficient behaviour'*. Managers react in an opportunistic way to the flow of events around them (3) General managers have certain specialist skills, knowledge and interests- these specialised 'personal assets' allow them to behave in ways that fit the demands of specific situations (4) Effective managers approach their jobs by *agenda setting* and *network building* (5) Effective general managers usually develop a large network of relationships both internal and external to the organisation
Luthans et al. (1985)	Structured observation	The managerial activities of successful managers. Success measured in terms of a promotion index	52 managers in three different organisations – a state revenue department, a medium-sized manufacturing plant, and a campus police department	Managerial success related to interaction with outsiders and socialising/politicking Successful managers exhibit more behaviours relating to conflict management Successful top-level managers exhibit more behaviours related to decision-making and planning/coordinating
Noel (1989)	Structured observation (1 month)	The relationship between managerial action and managerial intent	3 CEOs, one of a private non-profit institute, one from a medium sized advertising agency, and one in a manufacturing company	'Magnificent Obsessions' play an important role in strategic management in that they establish causality between intention and action Managerial action can be understood in the context of a manger's overriding obsession
Martinko and Gardner (1990)	Structured observation	The relationship between managerial behaviour, performance, and environmental and demographic conditions	41 school principals	Supports previous work with regard to the brief, varied, fragmented, and interpersonal nature of managerial work Supports the notion that there are many similarities among managerial work
Luthans et al. (1993)	Structured observation, supplemented with questionnaires	What do successful Russian manager's do?	66 managers and 132 subordinates in a large textile factory in Russia	Russian managerial activities similar to those of US managers Key managerial work activities are traditional management, communication, human resources and networking activities Networking activities are generally associated with success

TABLE I
(continued)

Author (year)	Method	Focus of study	Unit of analysis	Results
Stewart et al. (1994)		The relationship between managerial work and organisational structure	Middle managers in Germany and Britain	Interactions between national culture and organisational structure account for differences in role expectations and managerial activities Outlines the differences between managerial jobs in Germany and the UK
Hales and Tamnagani (1996)	Structured observation (1 week) and interviews (in-depth semi-structured and focus)	Extend Mintzberg's work by testing for relationship between organisation structure, managerial roles, and managers' work activities	Managers in 4 Zimbabwean organisations in the hotel and retail sectors	Limits to the extent that organisational structure, in particular the degree of centralization, influences managerial work

* Other replications of Mintzberg's work have been done by: Snyder and Glueck (1980); Kurke and Aldich (1983); and Pitner (1979).

used different categories and concepts for describing managerial work. Researchers have developed their own concepts and have not connected them to those of other researchers in the field. Hales believes that the independent nature of research in the area and the failure to reconcile and integrate concepts has been a common feature of studies of managerial work to date (1986). He noted that 'the absence of both a common focus for the research and comparable categories to guide collection and presentations of evidence renders the studies to be reviewed resistant to the search for generalities through processes of contrast and combination' (Hales, 1986, p. 90). He argues that the differing research approaches of researchers has led to a situation where the findings of studies are difficult to compare and contrast, and consequently 'anyone seeking to build a consistent body of knowledge from different research studies by the process of contrast and comparison finds the task difficult' (1986).

Similarly, Martinko and Gardner (1985) argue that studies of managerial work have attempted to describe what managers 'really do' without the benefit of an initial theory or model to guide data collection, to suggest hypotheses, or to structure observational systems. Hales also noted that there are considerable ambiguities in what it is that is being studied (1986). He questions if it is managerial work, managerial jobs or managerial behaviour, or all of them together that is being studied- posing the question: 'is it what the particular managers who have been studied do?' In this context Hales asks should 'do' be understood in terms of the categorizations used by the researcher and is it contingent on the character of the job studied and the cultural setting in which the activity occurs? Or is managerial work nothing more than the work done by those in managerial jobs? The problem with the later definition is that some of the work may not be 'managerial' (Hales, 1986).

2.3. *Managerial work and efficiency and effectiveness*

Another limitation of studies of managerial work is the lack of attention to effectiveness, that is, the relation between what managers do and what they achieve. A related limitation of studies of managerial work is the failure among researchers to consider the inherent variability in managerial behaviour in different environments. Martinko and Gardner point out it is difficult to ascertain which, if any, of the behaviours described by structured observation studies are critical for effective performance, noting that 'although studies give one a better idea of how managers spend their time, current designs provide no way of evaluating the effectiveness and efficiency of these activities' (1985, p. 688).

The study of managerial work grew out of a sense of dissatisfaction with the manner in which managerial work was being presented in the literature in terms of the functions that managers perform. However, the classical theories of management were not hypotheses about individual management behaviour, but theories of general management functions and responsibilities in the work process. As Hales notes, Fayol wrote 'all *undertakings* requires planning, organising command, co-ordination and control in order to function properly...' and 'in every case, the *organisation* has to carry out managerial duties' (1986, p. 113). Fayol makes it clear that it is management (or administration) in general of which he writes, not the behaviour of individual managers (Hales, 1986). It can be argued that managerial work studies complement rather than contradict the 'traditional' view of managerial work. Studies of managerial work described the work of the individual manager whereas Fayol's functional view outlines the functions performed by managers within organisation, or put another way, the traditional functional view is a macro view of managerial work whereas studies of managerial work have tended to present a micro view of the individual manager at work.

Despite these criticisms we believe that in the field of organisational studies, empirical work on the nature of managerial work will continue to be a useful tool in the researcher's repertoire. Specifically, we believe that the tradition offers a useful method for exploring the differences and similarities between managerial work in small and large organisations, and for exploring how background characteristics impact on organisational performance.

3. Research hypotheses

Studies of managerial work have described 'what' managerial work is like. Prior studies by Kotter (1982) and Mintzberg (1973) have suggested that a number of factors may account for variations in managerial work. As Hales (1986) suggests 'there is now general agreement among researchers that managerial work is contingent upon, *inter alia*: function, level, organisation (type, structure and size) and environment' (Hales, 1986, p. 100). Despite this, the existing literature on managerial work has argued that there are many similarities in the nature of managerial work irrespective of the organisation context in which the manager operates. We therefore expect broad similarities in the nature of managerial work of CEOs in small businesses. Previous empirical work has suggested that similarities in the nature of managerial work that are independent of organisation context (size) are as follows: (i) that managerial work is characterised by brevity, fragmentation, and variety; (ii) that there is a preference for, and a predominance of, verbal communication in managerial work; and (iii) that managerial work is unrelenting in pace (Carlson, 1951; Choran, 1969, unpublished; Hales and Tamangani, 1996; Kotter, 1982; Mintzberg, 1973; Stewart, 1967). Our first hypothesis is:

> *H1: Managerial work in small growth-orientated businesses exhibits many of the characteristics of managerial work in large organisations. Specifically managerial work in small growth-orientated businesses is characterised by brevity, fragmentation, and variety; by the predominance of verbal communication; and is unrelenting in pace.*

However, we also expect differences in managerial work in small growth-orientated businesses. There are two theoretical reasons for expecting managerial work in small growth-orientated businesses to differ from managerial work in large organisations. First, small size is generally associated with greater interpersonal contact among groups, and greater informality in communication patterns. It is widely assumed that compared to large businesses, small businesses have less formal organisational supports, systems, processes and procedures (Churchill and Lewis, 1983; Greiner, 1972). Therefore it is expected that the daily managerial activities of the owner–manager will reflect more informality as measured in the nature of the communication activities of the owner–manager.

Second, differences may occur because of the centrality of the entrepreneur/owner–manager in small business organisations (Miller, 1986). Typically the managerial responsibility of owner–managers in small businesses extends beyond the CEO function to include many direct line management responsibilities (for example, direct involvement in the sales process through meetings with customers). The owner–manager is strategist, general manager and line manger. Therefore, in contrast to the CEOs of larger organisations, the owner–managers of small businesses will be expected to exhibit direct involvement in line functional activity during the working day – that is the daily work pattern of the owner–manager of the small business will still exhibit an entrepreneurial 'doer' component. Therefore, our second hypothesis is as follows:

> *H2.1: The communication patterns of owner–managers in small growth-orientated businesses will be less formal than those of managers in larger organisations.*

> *H2.2: Owner–managers of small growth-orientated businesses engage in more operating work of the organisation than do managers in large organisations.*

While these hypotheses argue that there is broad uniformity of managerial work across CEOs of small growth-orientated businesses, it can also be argued that the daily managerial work of CEOs will reflect other factors, such as background characteristics, and therefore that there will be heterogeneity in the nature of managerial work among owner–managers of small growth-orientated businesses. One such variable that is considered important is the owner–manager's functional education and experiences. Specifically it has been argued that when managers have discretion, the choice of where to focus attention will be influenced by the manager's background characteristics (Stewart, 1982); that the 'life histories' (Kisfalvi, 2002) and the 'magnificent obsessions' (Noel, 1989) of entrepreneurs and owner–managers impact on the organisation's strategy making process and it's business strategy; and that manager's functional experiences, as represented by the functional nature of education and prior work experience, influence the organisation's strategy (Hambrick and Mason, 1984). We expect that the influence of the owner–manager's functional background experience will be evident in the manager's daily managerial behaviour. Therefore, we expect that managers will spend a greater proportion of their day focussed on activities that reflect their functional background. Our third hypothesis is:

> *H3: Owner–managers of small growth-orientated businesses will spend the greatest portion of their time performing functions that reflect their functional background.*

4. Methodology

In this study we replicate Mintzberg's structured observational method, but apply it in a new context, that of small growth-orientated businesses. As our interest is specifically one context we used a purposive sampling procedure to ensure that the firm's studied represented this context. By choosing to study the managerial behaviour of owner–managers in small growth-orientated businesses we sought to identify firms where there were similarities in the function and level of the manager and in the organisation context, as measured by size.

The sample group of 10 owner–managers for the study was selected from owner–managers of small, high-growth manufacturing companies who participated in growth seminars run by the Department of Business Studies, Trinity College, Dublin, Ireland (Table II). The 10 companies represent 10 of the 45–50 small, high-growth manufacturing companies in Ireland at the time of study (the Irish Industrial Development Authority produced this list of small high growth manufacturing companies). To participate on this programme these businesses had to meet certain criteria – employ less than 250 employees, have a turnover of less than 20 million euros, and have a balance sheet total of less that 10 million euros. The managers were all male; were either sole owners of the business or had a significant shareholding; had either founded the business or had acted as CEO for at least four years (two of the CEOs had taken over their family business and two had acquired the business); and they performed the CEO function. The businesses operated in different manufacturing sectors, four were in the print industry, three were in construction, and one each in agri-food, chemicals and pharmaceuticals.

For each case, two days were spent with the CEO, during the spring and summer of 1992 (Note 1). Using a chronological record, based on the data-recording format used by Mintzberg, the daily activities of each CEO were recorded. Overall there were few problems recording the daily activities of the CEO. However, the incoming and outgoing mail of the CEO was not recorded. Across all the observations access was denied to only three meetings. Apart from replicating Mintzberg's data, two additional sets of information were added. The first, a category 'business/social' reflected the CEOs attendance at social functions. The second addition was to use Snow and Hrebiniak's (1980) classification scheme to record for each activity, the functional duty being performed by the CEO. Snow and Hrebiniak's (1980) 10 functions are: production, research and development, sales and marketing, market research, finance, engineering, legal affairs, distribution, personnel and general management.

5. Analysis and results

5.1. *Similarities in the nature of managerial work*

Hypothesis 1 argued that managerial work in small growth-orientated businesses exhibits many of the characteristics of managerial work in large organisations. The study supports the proposition that managerial work in small growth-orientated businesses is characterised by brevity, fragmentation and variety; that managers have a preference for verbal rather than written communication; and that manager's work at an unrelenting pace.

The brevity, fragmentation and variety of the CEOs days were reflected in the fact that over an average eight-hour day, the CEOs performed, on average, 35 activities. Of these activities, the mean duration was 13 minutes. The CEOs spent 72% of their day in verbal communication (25% in Scheduled Meetings; 25% in Unscheduled Meetings; 3% in Phone-Internal; 10% Phone-External; and 9% in Tour) and 28% in non-verbal work (Desk). Half of their days were in meetings. Scheduled meeting, on average two per day, were significantly longer (55 min on average) than unscheduled meetings, on average 22 per day (11 minutes duration on average). Brevity of contact was a feature of the CEOs' telephone calls (6 minutes on average for all phone calls). Telephone calls and unscheduled meetings together accounted for 82% of all CEO contacts, suggesting that CEOs prefer more informal means of communication. The majority of the CEOs time was spent in contact with their Subordinates, on average about two-thirds (67%) of their time. The remaining time was spent in contact with Customers (11%), Suppliers (11%), Independent (8%) and Peers (3%). There was no general pattern in the external contacts of the CEOs. Communication occurred primarily in the CEOs office (84% of the time) (Subordinates Office (9%); Plant (5%); Outside the Organisation (2%); and Board (0%)).

Interestingly, although there was wide variation in the number of daily activities performed, the CEOs of small growth-orientated businesses perform, on average, more activities per day than do CEOs of larger organisations. The CEOs in our study performed a mean of 35 daily activities (with a range of 29–49) and those in Noel's study (1989) performed a mean of 68 (range of 44–103). In contrast those in Mintzberg's study (i.e. large organisations) performed only a mean of 22 daily activities (range of 16–28) (1973). This may be because the CEOs of larger organisations tend to have a more scheduled day with less unscheduled interruptions by subordinates. However there is little difference in the proportion of time managers spent in verbal communication (in studies of large organisations, Mintzberg (1973) reported 78% and Kotter (1982) reported 75%; while in studies of small organisations Choran (1969) reported 65%, Noel (1989) reported 80%,

TABLE II
The 10 case companies and the functional experience of the 10 CEOs

	Business Idea	Year of owner–manager founding business	Functional education/training	Functional work experience	Turnover/ employment (1992)
CEO A	Manufacturer, distributor and retailer of veterinary products and dermatological creams.	1973	Pharmacy degree	R & D	
CEO B	Chemical manufacturer (high performance liquid chromatography).	1983	Chemical Engineering degree	Product manager in US chemical business. Irish Export Board	
CEO C	Management buy-out of small printing company – business forms and security printing.	1979 (Became CEO and shareholder)	Qualified accountant	Finance and General Management in shipping business	13 m euros/150 persons
CEO D	Specialised printing- lottery tickets.	1986 (Became CEO of family business)	Apprenticed as printer	Production in printing business	5 m euros
CEO E	Mushroom distributor (using satellite growers).	1980	Agricultural degree	Production in food business Production in mushroom business	17 m euros
CEO F	Manufacturer of architectural pre-cast concrete.	1985		Consulting engineer	
CEO G	Manufacturer of door and window systems.	1975	Engineering degree	Aluminium window business	12 m euros/80 persons
CEO H	Manufacturer of steel rule dies for print and packaging industry.	1980 (Acquired from founder)	Engineering degree MBA degree	Production and Process Engineering Consultant (Irish Productivity Centre)	2 m euros/80 persons
CEO I	Construction of specialist sterile rooms.	1978		Sales manager in a multinational	50 persons
CEO J	Print business and comic colouring business.	1987 (Became CEO of family business)	Business Studies degree	Sales and marketing in US and in Ireland (for family business)	

and this study reported 72%) (see Table I for a description of these studies). Not surprisingly, the mean duration of each activity (in minutes) was longer for CEOs in larger organisations: for example, a mean of 22 minutes (range 16–28) for Mintzberg's (1973) CEOs; a mean of 8 minutes (range 5–12) for Noel's (1989) CEOs; and a mean of 13 minutes (range 9–21) for the CEOs we studied.

Another feature of the CEOs' days was the constantly changing roles and functions performed by the CEOs. The purpose of CEO contact varied considerably over the two-day period; one minute a CEO might be reviewing financial results, the next minute he could be negotiating price changes with a customer. The CEOs frequently switched and redirected the focus of their attention. They tended to react to live information and act immediately on information received. Except for a small number of scheduled meetings their days seemed relatively unplanned with constant interruption being the principle activator of CEO actions. They were constantly receiving, reviewing and giving information.

5.2. *Differences in the nature of managerial work*

Extant theory suggests that as an organisation grows communication patterns become more structured and therefore it is expected that the pattern of CEO daily work will becomes more structured (with meetings typically becoming more scheduled rather than unscheduled). Therefore, hypothesis 2.1 suggested that the communication patterns of managers in small growth-orientated businesses are less formal than those of managers in larger organisations. This study suggests that the CEOs of small organisations use informal means of communication in that they tend to use the telephone (12% of their time) and unscheduled meetings (25% of their time) as their primary means of communication. Furthermore there appears to be substantial differences in the nature of verbal contacts used by the CEOs of large and small organisations, with the CEOs in this study spending 25% of their time in scheduled meetings compared to Mintzberg's finding for large organisations of over 59% of CEO time. The more formal nature of the job of CEOs of large organisations is also reflected in the amount of time they spent scheduling future meetings and appointments with others. Mintzberg (1973) found that such activity accounted for a small portion of CEO time (3%) but for a high portion of all CEO daily contacts (15%). On the other hand, the CEOs in this study, as a group, spent relatively little time scheduling their activities, spending less than 2% of their time scheduling activities, and scheduling activities also accounted for a small proportion of their daily contacts, on average less than 4%.

Hypothesis 2.2 suggested that the CEOs of small growth-orientated business are more concerned with the operating work of the organisation. In classifying the purpose of each CEO's daily verbal contact, Mintzberg included non-managerial work. It is expected that the CEOs of small growth-orientated organisations would spend less time doing non-managerial work. However, the CEOs of the small growth-orientated businesses spent 8% of their time in non-managerial activities, compared to three percent for the managers in Mintzberg's study.

Another way of testing hypothesis 2.2 is to explore the nature of managerial activity. Mintzberg discussed the nature of managerial activity in terms of managerial roles, suggesting that the activity of the mangers he studied could be understood in terms of the role being performed by the manager. However no comparison can be made between this study and Mintzberg's study, as Mintzberg (1973) did not present a percentage distribution of managerial activities by roles. In terms of Mintzberg's (1973) 10 roles, the content of the CEOs daily work in this study reflected their active involvement in the running of their organisations. The three roles Leader (26%), Monitor (19%), and Entrepreneurial (17%) accounted for 62% of the managerial work observed across the ten CEOs we studied. If two further roles, Liaison and Resource Allocator (9% each) are included, we can account for 80% of the CEOs time.

If, as Mintzberg argues, these roles represent a theory of what managers do, it is interesting to note what our managers do less frequently. The five roles Figurehead (1%), Spokesman (4%), Disturbance Handler (4%), Negotiation (5%) and Disseminating (6%) accounted for only 20% of the owner–managers' time. It may be that the smallness of their organisations reduces the need for the owner–managers to engage in roles that deal with managing information flows in the organisation (Disseminating, Figurehead); that smallness lessens the imperative to seek to interact with the external environment (Spokesman, Negotiation); and that the centrality of the owner–manager reduces the need for the owner-manager to take charge when the organisation is threatened (Disturbance Handler).

Another test of hypothesis 2.2 would be to explore the functional nature of managerial activity, though as Mintzberg (1973) did not use such a classification, no comparison can be made. Using Snow and Hrebiniak's (1980) classifications, the CEOs in this study spent 31% of their time performing activities that were classified as General Management (30.9%). They spent, in total, 55% of their time performing three key functional activities – Sales/Marketing (25.2%), Production (20.9%), and Finance (9.2%). Again, it is interesting to note which functional activities the CEOs engaged in less frequently. Of the 10 functions, six functions accounted for, in total, only 14% of managerial activity (R&D (4.5%); Applied Engineering (4.0%); Market Research (3.6%); Distribution (1.2%); Personnel (0.9%); and Legal (0.1%)).

5.3. *Variability in managerial work within small businesses*

Extant literature suggests that functional background education and experience influences the choice of business strategy. Therefore, it was expected that the allocation of managerial time would reflect the owner–managers functional experiences. Specifically, hypothesis 3 suggested that CEOs of small growth-orientated businesses spend the greatest portion of their time performing functions that reflect their functional background. Using Snow and Hrebiniak's (1980) functional classification, the three most dominant daily functions performed by each CEO were identified (Table III). The research findings did not support the view that CEO functional background determines the focus of CEO activity – in only two of the 10 cases was there a 'match' found between CEO functional background experiences and the dominant daily function performed by the CEO; with this figure raising to five and seven of the 10 cases, respectively, if the second and third dominant functions are included.

6. Discussion

This research has provided a replication and extension of the 'managerial work' tradition. In the literature review we outlined a number of criticisms that have been levied against the managerial work tradition. Two key criticisms were a failure to consider the variability in managerial work and a failure to relate managerial work with managerial and organisational efficiency and effectiveness. We sought to overcome this first weakness by (i) exploring if organisation size would account for variability in managerial behaviour; and (ii) by exploring if one background characteristic, functional education and experience, would explain variability in managerial behaviour among CEOs of small growth-orientated businesses.

This research provides evidence that the nature of managerial work in small growth-orientated businesses is both similar and different to manageial work in large organisations. Specifically this research suggests that there is greater brevity and fragmentation in the nature of managerial work in small growth-orientated businesses; and that managers in small growth-orientated businesses rely on more informal communication channels. Organisational size may result in variability in the nature of managerial work because of the centrality of the owner–manager in owner–managed businesses and because of the absence of formal systems and procedures in small organisations. In terms of the functional nature of managerial work the research suggests that owner–managers do in fact spend a large proportion of their time dealing with operational issues, though given the differences in classifications we were unable to compare our observations with those of Mintzberg's larger organisations.

We also explored the variability that may occur in managerial work within a given size context, by relating one background characteristic, managerial functional experiences, with the nature of managerial work. While exiting litera-

TABLE III
Dominant focus of CEO time and functional background experience of CEO

CEO Name	Applied engineering	Finance	General manage-ment	Market research	Production	R&D	Sales/ marketing	CEO functional background	'Match?' (with 1st /2nd/3rd)
	%	%	%	%	%	%	%		
CEO A					25	23	32	R & D	No/Yes/No
CEO B			32		20		28	Applied engineering	No/No/No
CEO C			22		15		50	Finance	No/No/No
CEO D			34		42		14	Production	Yes/No/No
CEO E			36		30		13	Production	No/Yes/No
CEO F	20		27				33	Applied engineering	No/No/Yes
CEO G	20		50		10			Applied engineering	No/Yes/No
CEO H		17	44	19				Applied engineering	No/No/No
CEO I		26	31				23	Sales/marketing	No/No/Yes
CEO J			19		20		42	Sales/marketing	Yes/No/No

ture on entrepreneurial experience asserts that the entrepreneur's experience influences organisational performance, there is little concrete evidence to support such assertions (Reuber and Fischer, 1994). Interestingly we failed to establish a relationship between the owner–manager's functional experiences and daily functional work orientation, though it should be noted that our measure of functional experience failed to capture the extent/depth of each owner–manager's experience or the extent of the collective functional experience in each organisation.

A further criticism of the managerial work tradition is a failure to relate managerial work to organisational effectiveness. In the context of this study an important, though unanswered, question is as follows: does the unrelenting pace and the informal means of communication we identified reflect effective managerial behaviour (our sample has an inbuilt success bias), or alternatively does it reflect the assertion of existing theory that owner–managers in small businesses lack managerial capabilities? While the data in this study cannot establish if the behaviours we observed are associated with success, it does raise an interesting theoretical question – if the managers we observed represent effective behaviour, could the context we studied provide a template for managers in larger (more bureaucratic) organisations?

Why might this be the case? Organisations theorists suggest that organisations are experiencing significant discontinuities in terms of how they are managed and structured (Child and McGrath, 2001). Boisot provides a persuasive argument that suggests that information technologies will increase the capacity of organisations to capture, process, transmit and store data, while simultaneously allowing CEOs increase their reliance on richer and potentially more valuable, qualitative data (1998). He presents these as contradictory effects, with the former potentially eroding one advantage of largeness (the ability to capture and analyse information), and the latter accentuating the typical advantage of smallness (the use of qualitative data and 'intuitive' decision making). Therefore managers in large organisations may need to adopt the more informal and 'hands-on' managerial approach we observed in small growth-orientated businesses. Much more research is needed before we could make more definitive statements on this matter.

7. Conclusions

Before concluding we note some of the limitations of this study. The nature of this study, a replication, albeit an extension to a new context, limited this study in three important ways. First, the limitations that are associated with the 'observational' method apply equally to this study (for example, selection bias in terms of the days studied). Also, given the timing of the empirical work, the impact of e-mail and other information technologies were not recorded. Second, while we extended the scope of Mintzberg's original study, by exploring variability in behaviour within a size context, we restricted our analysis to the consideration of only one background variable (functional experiences). For the 'observational' methodology to make a contribution to theory development in the field of small business, it will be necessary to include a much broader and richer array of variables that capture the background characteristics of owner–managers. Third, in seeking to relate background functional experiences to managerial behaviour we limited our attention to 'counting' the amount of the managers' attention devoted to a particular activity. Clearly the amount of time devoted to an activity is only a proxy for the importance/impact of that activity. Future research will need to pay more attention to the impact of managerial behaviours – explaining how managerial behaviours impact on, for example, the emergence of the organisation's strategy and it's competitive advantage, and therefore ultimately to the organisation's performance.

However, given these limitations, we believe that by studying managerial work in small businesses, through observational methods, small business researchers can make a distinctive contribution to the understanding of how organisations are managed and structured. For example, studies of managerial work should aid theorists seeking to answer such questions as: how will changing information technologies impact on the nature of work within businesses; how small organisations are responding to emerging information technologies; whether, and how, managerial work has changed in new 'flatter' and 'dispersed' organisational forms; how managers, through their daily activities, build and protect organisational competences and intellectual capital; and how managerial experiences impact on managerial work and therefore on the emergence of competitive advantage. From this research it may transpire, paradoxically, that the CEOs of small growth-orientated businesses may be the role model for the CEO of larger organisations- rather than the reverse, the assumption of much of the literature on small business growth. Whether this is the case requires further investigation.

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Note

[1] Sarah Bourke conducted the field research.

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