

INTRODUCTION TO MANAGEMENT

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Objectives of the chapter

- Understanding management concepts
- Characteristics of management
- Functions of management

MANAGEMENT

- Management is the attainment of organizational goals in an effective and efficient manner through planning, organizing, staffing, directing and controlling organizational resources.
- Organizational resources include men(human beings), money, machines and materials.

Definitions

- Louis E Boone & David L Kurtz- The use of people and other resources to accomplish objectives.
- Mary Parker Follet- the act of getting things done through people.
- Frederick Taylor defines Management as the art of knowing what you want to do in the best and cheapest way.

Characteristics

- Management is a distinct process.
- Management is an organized activity
- Management aims at the accomplishment of predetermined objectives.
- Management is both a science and an art.
- Management is a group activity
- Management principles are universal in nature
- Management integrates human and other resources.

Concept of management -by Raymond G. Leon

- Management by Communication
- Management by Systems
- Management by Results
- Management by Participation
- Management by Motivation
- Management by Exception
- Management by Objectives

Steps in MBO

- To establish long-term and short-term organizational goals
- To establish long-term and short-term objectives for each manager, clarifying the key performance standards
- Periodic review of performance
- Encouraging managers to accept responsibility

Benefits of MBO

- The need for planning will be recognized
- It provides for objectives and accountability for performance
- It encourages participative management
- It helps in job enrichment
- It provides for a good feedback system

FEATURES

- Management involves five functions
- These functions are organised to achieve organisational goals.
- Management involves effective and efficient use of resources

FUNCTIONS OF MANAGEMENT



FUNCTIONS OF MANAGEMENT

- PLANNING
- ORGANIZING
- STAFFING
- DIRECTING
- CONTROLLING

PLANNING

- Planning is determining the objectives and formulating the methods to achieve them. It is more simply said than done. A job well planned is half done. During planning one needs to ask oneself the following:
- What am I trying to accomplish i.e. what is my objective?
- What resources do I have and do I need to accomplish the same?
- What are the methods and means to achieve the objectives?
- Is this the optimal path?

Types of Planning

- **Purposes or missions,**
- **Objectives**-It is the ultimate goal towards which the activities of the organization are directed
- **Strategies**-general program of action and deployment of resources
- **Policies**-general statement or understanding which guide or channel thinking in decision making
- **Procedures**-states a series of related steps or tasks to be performed in a sequential way
- **Rules**-prescribes a course of action and explicitly states what is to be done
- **Programs**-comprehensive plan that includes future use of different resources
- **Budgets**-statement of expected results expressed in numerical terms

Principles of Planning

- Take Time to Plan
- Planning can be Top to Down or Bottom to Top
- Involve and Communicate with all those Concerned
- Plans must be Flexible and Dynamic
- Evaluate and Revise

Steps in Planning

1. Determining the goals or objectives for the entire organization.
2. Making assumptions on various elements of the environment.
3. To decide the planning period.
4. Examine alternative courses of actions.
5. Evaluating the alternatives.
6. Real point of decision making
7. To make derivative plans.

Types of Managerial Decisions:

- Programmed
- Non programmed.
- Mechanistic-It is one that is routine and repetitive in nature
- Analytical-It involves a problem with a larger number of decision variables
- Judgmental-It involves a problem with a limited number of decision variables, but the outcomes of decision alternatives are unknown
- Adaptive-It involves a problem with a large number of decision variables, where outcomes are not predictable

STAFFING

Definition 1

- Selecting and training individuals for specific job functions, and charging them with the associated responsibilities.

Definition 2

- Number of employed personnel in an organization or program. Also called workforce.

Process of Organizing

- Determine what is to be done/ Division of Work:
- Assign Tasks: Departmentalization:
- Link Departments: Hierarchy Development:
- Decide how much Authority to Designate/ Authority, Responsibility and Delegation:
- Decide the Levels at which Decisions are to be made / Centralization vs. Decentralization:
- Decide how to Achieve Coordination:

Techniques for achieving coordination.

- Coordination by Rules or Procedures
- Coordination by Targets or Goals:
- Coordination through the Hierarchy
- Coordination through Departmentalization
- Using a Staff Assistant for Coordination:
- Using a Liaison for Coordination:
- Using a Committee for Coordination
- Using Independent Integrators for Coordination:
- Coordination through Mutual Adjustment:

DIRECTING/LEADING

- Provides positive and dynamic leadership
- Provides maximum opportunities
- Provides proper motivation of personnel
- Ability to command people

CONTROLLING CONCEPTS

- **Feed Forward Control**-Control that attempts to identify and prevent deviations before they occur is called feed forward control, sometimes called preliminary or preventive control.
- **Concurrent Control**-Control that monitors ongoing employee activities during their progress, to ensure they are consistent with quality standards, is called concurrent control.
- **Feedback Control**-In this case, the control takes place after the action. Sometimes called post-action or output control

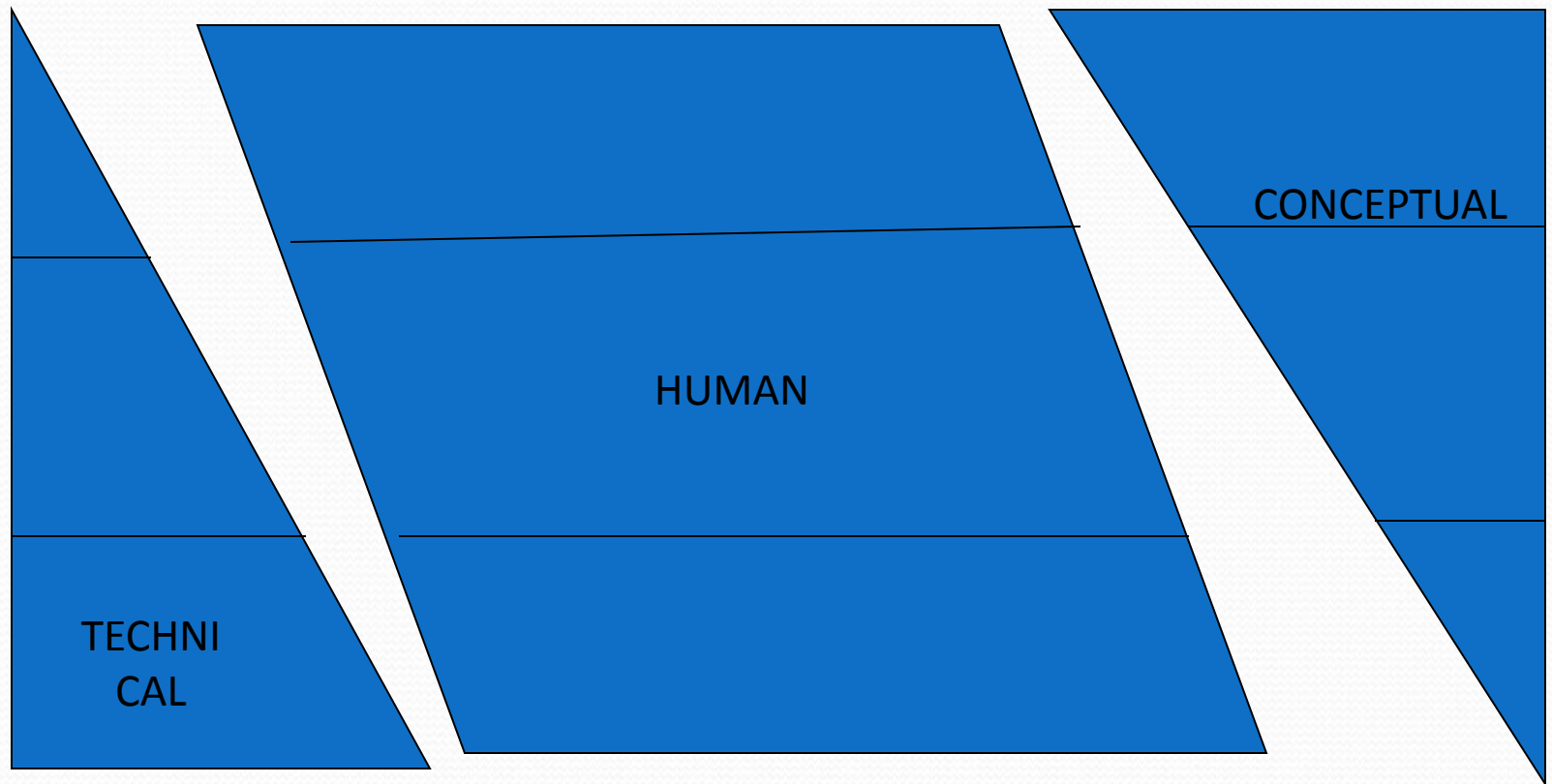
Steps in the Control Process

- Establish Standards of Performance
- Measure Actual Performance
- Compare Performance to Standards:
- Take Corrective Action

Principles of Effective Control

- Effective controls are timely.
- Control standards should encourage compliance.
- Setting effective standards is important
- Use management by exception.
- Employees should get fast feedback on performance.
- Do not over rely on control reports.
- Fit the amount of control to the task.

MANAGERIAL SKILLS



TECHNICAL SKILLS

A persons' knowledge and ability to make effective use of any process or technique constitutes his technical skills.

For eg: Engineer, accountant, data entry operator, lawyer, doctor etc.



HUMAN SKILLS

An individuals' ability to cooperate with other members of the organization and work effectively in teams.

For eg: Interpersonal relationships, solving people's problem and acceptance of other employees.



CONCEPTUAL SKILLS

Ability of an individual to analyze complex situations and to rationally process and interpret available information.

For eg: Idea generation and analytical process of information.



Introductory Concepts: What Are Managerial Competencies?



- **Competency** – a combination of knowledge, skills, behaviors, and attitudes that contribute to personal effectiveness



- **Managerial Competencies** – sets of knowledge, skill, behaviors, and attitudes that a person needs to be effective in a wide range of positions and various types of organizations



Why are Managerial Competencies Important?

- **You need to use your strengths to do your best**
- **You need to know your weaknesses**
- **You need developmental experiences at work to become successful leaders and address your weakness**
- **You probably like to be challenged with new learning opportunities**
- **Organizations do not want to waste human resources**
- **Globalization deregulation, restructuring, and new competitors add to the complexity of running a business**

A Model of Managerial Competencies

(adapted from Figure 1.1)

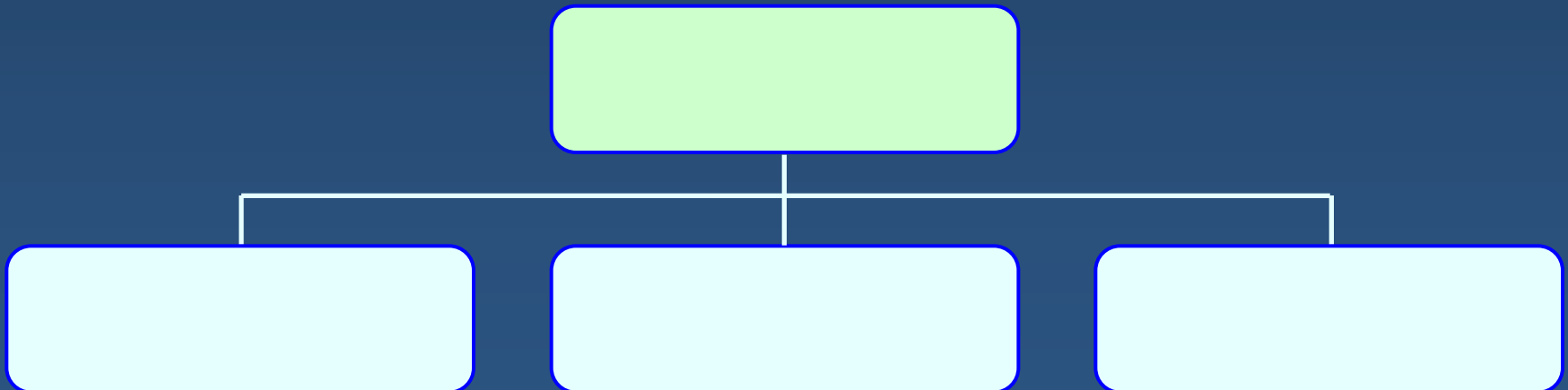


A Model of Managerial Competencies



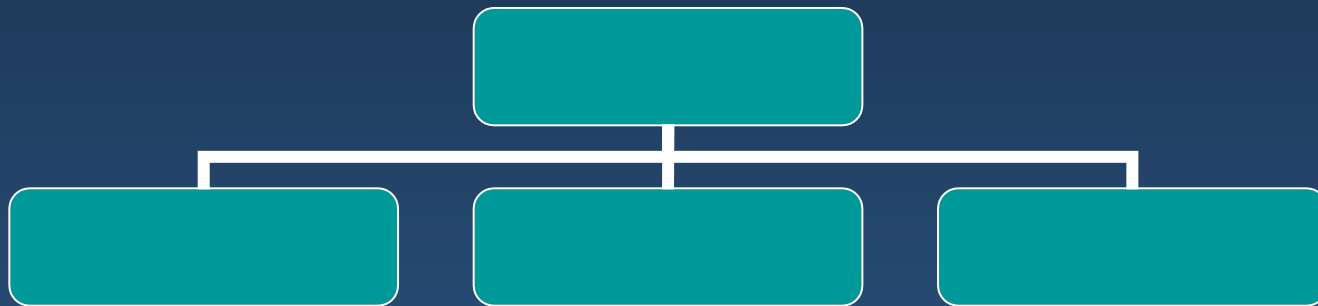
What Is An Organization?

- ❑ A formal and coordinated group of people who function to achieve particular goals
- ❑ These goals cannot be achieved by individuals acting alone
- ❑ An organization has a structure, discussed in depth in Chapter 11



Characteristics of an Organization

- An organization has a structure.



- An organization consists of a group of people striving to reach goals that individuals acting alone could not achieve.

Management

Organization

Two or more people who work together in a structured way to achieve a specific goal or set of goals.

Goals

Purpose that an organization strives to achieve; organizations often have more than one goals, goals are fundamental elements of organization.

The Role of Management

To guide the organizations towards goal accomplishment

Manager



- Person responsible for
- Projects aimed
- Operations

- A person who plans,
organizes, directs and
controls the allocation of
human, material, financial,
and information resources
in pursuit of the
organization's goals.

Management

- *Management* refers to the tasks and activities involved in directing an organization or one of its units: planning, organizing, leading, and controlling.
- The process of reaching organizational goals by working with and through people and other organizational resources.



MANAGER'S ROLES

- Interpersonal role
- Informational role
- Decisional role

INTERPERSONAL ROLE

- **Figurehead**- ethical guidelines and the principles of behavior employees are to follow in their dealings with customers and suppliers
- **Leader**- give direct commands and orders to subordinates and make decisions
- **Liaison**-coordinate between different departments and establish alliances between different organizations

INFORMATIONAL ROLE

- **Monitor**- evaluate the performance of managers in different functions
- **Disseminator**-communicate to employees the organization's vision and purpose
- **Spokesperson**- give a speech to inform the local community about the organization's future intentions

DECISIONAL ROLE

- **Entrepreneur-** commit organization resources to develop innovative goods and services
- **Disturbance handler-** to take corrective action to deal with unexpected problems facing the organization from the external as well as internal environment
- **Resource allocator-** allocate existing resources among different functions and departments
- **Negotiator-** work with suppliers, distributors and labor unions

TYPES OF MANAGERS

- **FIRST-LINE MANAGERS-** often called supervisors stand at the base of the managerial hierarchy
- **MIDDLE MANAGERS-** heads of various departments and organise human and other resources to achieve organizational goals
- **TOP MANAGERS-** set organizational goals, strategies to implement them and make decisions



WHAT MAKE MANAGERS SUCCESSFUL?

- Hard work
- Smart work
- Patience
- Out of box thinking
- Reading and acquiring knowledge
- Ethical consciousness
- Collaborative relationship
- Perseverance



Thank you for Your Attention