

Introduction to Management

Introduction to Managers, Management and Organisations

What is an Organisation?

An **Organisation** has a deliberate structure of people with a specific purpose.

Changing Organisations

| Traditional | New Contemporary |
|--------------------------|-------------------------------|
| Stable | Dynamic |
| Inflexible | Flexible |
| Individual oriented | Team oriented |
| Top-down decision making | Participative decision making |
| Less diverse workforce | Diverse workforce |

Levels of Managers

- Top Managers (Chief Executive/Chairman)
 - Define objectives and develop plans
- Middle managers (Department Managers/Store Managers)
 - Manage first-line managers
- First-line Managers (Supervisors/Team Leaders)
 - Manage non-managerial employees

What is Management?

Management involves coordinating and supervising employees so their activities are completed efficiently and effectively.

- **Efficiency** is maximising output using the least amount of inputs
- **Effectiveness** is completing activities so objectives are achieved

Management Functions: Fayol

- Planning
 - Defining objectives, establishing strategies and developing plans to coordinate activities
- Organising
 - Arranging and structuring work
- Leading
 - Motivating and influencing others
 - **Importance increases for lower levels**
- Controlling
 - Evaluating, comparing and correcting performance

Management Roles: Mintzberg

- Interpersonal (Leader)
 - Interacting with people
- Informational (Spokesperson)
 - Transmitting information
- Decisional (Negotiator)
 - Making decisions

Management Skills: Katz

- Human
 - Ability to work well with individuals and groups
 - Important for all levels of management
- Technical
 - Knowledge in a specialised field
 - Importance increases as management level decreases because employees use tools and techniques to produce output
- Conceptual
 - Ability to think about complex situations
 - Importance increases as management level increases as upper level managers deal with abstract ideas

Is the Manager's Job Universal?

- Organisational Level
 - Content of functions are different
- Organisational Area/Field
 - Activities performed are different
- Organisational Size
 - Structures are different

All managers perform similar functions but their nature of managing and the amount of time spent on each function differs.

Universality of Management

Management is needed in all types and sizes of organisations, at all levels, in all areas and in all countries.

Evolution of Management Thought

Why Study Management History?

- Understand where theories have evolved from
- Develop better understandings of management
- Learn from past mistakes

Development of Management Theories

Scientific Management involves using scientific methods to define the “one best way” to do a job.

- Taylor’s Principles
 - Develop a method for each element of work
 - Select, train and develop workers
 - Cooperation between workers and management
 - Equal division of responsibility between workers and management

General Administrative Theory refers to what managers do and what good management practice is.

- Fayol’s Functions and Principles of Management
 - Discipline
 - Direction
 - Equity

Organisational Behaviour is the study of the actions of people at work.

- Hawthorne Studies
 - Managers need good interpersonal skills
 - Importance of social relationships

The Systems Approach is set of separate parts arranged in a unified manner.

- Decisions taken in one organisational area will affect others
- All parts must complement each other

Closed Systems do not interact with their environment.

Open Systems interact with their environment.

The Contingency Approach refers to how organisations are different, face different situations and must be managed differently.

Contingency Variables

- Size
- Objectives
- Individuals

Foundations of Planning

Planning involves defining objectives, establishing strategies and developing plans to coordinate activities.

- Provides direction towards goals
- Reduces uncertainty
- Minimises waste

Types of Planning

- Informal
 - General and lacks continuity
- Formal
 - Defined objectives are shared with members

Elements of Planning

Goals

- Desired outcomes for individuals, groups and organisations
- Provide evaluation criteria
- Types of Goals:
 - **Multiple** goals
 - **Stated** goals are official statements and what stakeholders demand
 - **Real** goals are what organisations actually pursue as defined by members' actions

Plans

- Documents outlining how goals will be achieved
- Allocate resources
- Types of Plans:
 - **Breadth:** Strategic/Operational
 - **Time Frame:** Long-term/Short-term
 - **Frequency of Use:** Single-use/Ongoing

Setting Goals

Traditional Goal Setting

- Goals are set at top level and then broken down into sub-goals
- Goals must be specific as they flow down through organisation
- Can be difficult