

## Management

## VUCA environment

- Volatile
- Uncertain
- Complex
- Ambiguous

## Challenges faced by [REDACTED] manager

- Combining the two for a common
- Ethics: society in its expectation
- Increasing ethical duty, expectation management
- Lived reality of understanding

## Theories of m

### Scientific management

- Fredrick Winslow Taylor
  - Studied the work of coal miners
  - Observed how they were loading iron ore into carts
  - 4 principles of management
    - 1. Science, not experience for each element of work
    - 2. Select the best workers

### Behavioural studies

- Hawthorn studies
  - Focus on individuals and their behaviour in work
  - Key findings
    - Social norms in co-workers
    - Impact of behaviour on work
    - Work teams

### Contemporary approach

- Systems approach
  - Attempts to decompose a system into parts with classical and hierarchical relationships
  - A theoretical representation of a system as a set of interrelated and interdependent parts
  - Effectiveness of the system is a function of the work dependent on the performance of the system
- Contingency approach
  - Recognizes that a good structure for one situation may not work well for another
  - No universal formula for management

## Managing in a global environment

### The environment

- **Economic context** – the state of the economy
- **Sociocultural context** – the state of prevailing social norms & values
- **Political** – legal environment laws and regulations
- **Technological context** – the environment and available technology
- **Natural environment** – this includes the physical environment & conditions of the natural environment

### The competitive advantage

- Allows an organisation to be better than its competitors
- Capabilities
  - **Strategic** – those that are difficult to imitate & add value to the customer
  - **Dynamic** – the ability to adapt to change (e.g. outstanding sales performance, expertise in a specialisation)

## Planning, Organising, Controlling

### Planning; to set direction

- **plan** is a statement of means for accomplishing an objective
- **Planning**; process of setting objectives and determining how to achieve them
- **Objectives**; specific goals expressed in measurable terms that someone wishes to achieve
- **Five step process**
  1. Define the objective
  2. Determine the scope and in relation to the objective
  3. Develop alternative conditions
  4. Analyse the alternatives
  5. Implement and evaluate the results
- **Operational plan** (short-term, 1-3 years)
- **Tactical plan** (medium-term, 3-5 years)
- **Strategic plan** (long-term, 5+ years)

### Organising; process of putting together resources to achieve a common goal

- Organising involves **implementation** of the plan
- **Organising structure**
  - The way an organisation is structured
  - Allocation of resources, through division of labour
  - Coordination of efforts to achieve results

- **What organisations defines**

- Designing supporting relationships within hierarchy
- Structuring managers superior
- Structure of individuals in the total organisation
- Structure ensure effective coordination and support across departments
- **Organisational structures** the arrangement within organisations of job titles, line of communication between.
- **Organisational structure** organisation made working relationships organisational m

- **Organisation**

- Product structures that best serve mission and objectives
- Create supporting structures for contingencies
- No of
- Adapt empowerment
- Organ power rules and pro control and more pe
- Learn changes and improv
- Virtu of strategic alliance technology, with very little structure, that are en

- **Organisation**

- Different different organ
- Upsi top, served by w and managers and tom
- Chain with successively better more horizo petitive advantage

Leading

- Arousing enthusiasm and energizing efforts towards achieving the organization's purpose
- Draws upon personal and social resources to influence others
- Communicates vision and strategy
- Transformational leadership
  - Transforms the individual to become a more effective member of the organization
- Authentic leadership
  - Authenticity
- Ethical leadership
  - Thinking about the implications of leadership actions
- Servant leadership
  - Serving the needs of their employees

Controlling

- Establishing standards
  - Performance standards – present results that are expected
  - Output standards – the performance results that are expected
  - Input standards – work efforts
- Measure actual performance
  - Comparison of actual performance with standards – unwillingness to measure people's performance
- Compare the actual performance with standards
  - Historical standards – past performance for comparison or evaluation
  - Relative standards – the performance of others for standard
  - Engineered standards – sets standards that are based on scientific principles
- Take corrective action
  - An action that formally examines the reasons for deviations from standards for improvement
- Internal control
  - Self-control, relies on motivation
- External control
  - Through formal or administrative control systems & procedures
  - Bureaucratic control – authority, policies, procedures
  - Clan control – expectations
  - Market control – competition

Managing information for decision making

Data: any quantifiable observations or statements that, when collated, become useful for decision making

Information systems: use of technology to collect, process, and distribute data for the use in decision making

Essential characteristics of information

1. Timeless
2. Completeness
3. Accuracy
4. Timeliness
5. Understandability

**Big data – the new competitive advantage****5 ways to leverage big data**

1. Make information more accessible – unlocks significant business insights
2. Creation of new products and functional data – enables businesses to boost performance
3. Narrower focus on customers – tailored products and services
4. Improved decision making process, minimising risk and increasing insights
5. Using data to improve existing products & services

**Knowledge for management – Intellectual capital**

- Knowledge refers to the information through which organisations create intellectual capital for competitive advantage
- Intellectual capital is the sum of all intellectual property rights, including special processes and methods
- Explicit knowledge is knowledge that can be shared with others through demonstration or media
- Learning organisation is an organisation that constantly challenges and improves itself

**Organisational ambidexterity – Exploitation vs Exploration**

- Exploitation: focusing on using current resources to improve existing capabilities
- Exploration: focusing on learning and developing new capabilities
- Ambidextrous organisation: a balance between exploitation and exploration to meet demand and changes within the environment over time

**Decision making**

- Rationality
- Bounded rationality
- Intuition
- Six steps in decision making
  1. Problem identification for a decision
  2. Goal setting
  3. Alternative identification
  4. Evaluation of alternatives
  5. Selection of chosen alternative
  6. Implementation and feedback

**Managing for diversity**

Diversity: presence of differences in gender, age, ethnicity, religion, culture and sexual orientation

Inclusivity: degree to which an organisation is open to any employee, regardless of their diverse attributes

### Why diversity

- Correlation between diversity and benchmarks and business performance
- Diversity is not an end in itself, but an organisational strategy

### Business case of diversity

- Diversity business case: opportunity recognition
- Promoting employee business sense
  - Reflection
  - Communication
  - Attraction
  - Reduction of costs

### Social identity theory

- A person has multiple identities that correspond to different group membership
- Social identity: who they are based on group membership
- Personal identity: what make you, you (appearance, etc)
- Social psychology attempts to explain group behaviour with the help of group processes
- Groups give us a sense of identity; a sense of belonging in the social world
- Divides us into in-groups and out-groups

### Three cognitive processes

1. Social categorisation
2. Social identification
3. Social comparison with groups

## Motivation

Motivation: forces within us that account for the persistence of effort expended at work

Productivity: often a result of motivational success

Reward: work outcomes that go to an individual

### 4 drives that underlie

- Drive to acquire
  - Acquire to master our sense of competence
  - Both intrinsic and extrinsic experiences
  - Social comparison to acquire more
- Drive to bond
  - Tendency to connect with parents, kids, friends
  - In order to experience a sense of belonging, bonding, connection

- Drive to comprehend
  - Make sense of what is around us
  - Desires to make a meaningful contribution
  - Motivation to do jobs that enable them to learn
- Drive to defend
  - Root cause of negative response to external change
  - Resistance to change

**Content theories:** how human needs

#### Alderfer's ERG theory

- Existence; needs for physiological and safety
- Relatedness; need for satisfying interpersonal relationships
- Growth; need for continued psychological development

**Process theories:** of motivation into how power of rewards

#### Vroom's expectancy theory

- Expectancy; the belief that hard work will result in high performance being achieved
- Instrumentality; the belief that successful performance will result in rewards (performance-reward relationship)
- Valence; the attractiveness to the possible rewards work-related outcomes
- $M = E \times I \times V$

**Reinforcement theories:** focus on the environmental source of rewards

#### Skinner's reinforcement theory

- Law of effect; behaviour that results in pleasant consequences is likely to be repeated, behaviour that results in unpleasant consequences is likely to be repeated
- Operant conditioning; the control of behaviour through its consequences (learning by consequences)
- Organisational behaviour modification (OB mod); the application of operant condition to influence human behaviour at work

### Critical perspectives

#### Unspoken ideologies

- Individualism
  - Societies that emphasises that the needs of the individual are more important than the needs of the whole society
- Managerialism
  - The belief that professional management concepts of the methods they use are the best way to run an organisation

- Capitalism
  - Economic system where trade is controlled by private owners
- Neo – liberal
  - Transfers economics factors to the private sector from the public sector

### Perspectives of mainstream management

- Functionalist: view of organisational behaviour as a rational process
- Interpretive: viewing process to be an individual behaviour
- Radical humanist: constraints that limit individual behaviour often anti-organisational
- Radical structuralist: structural conflict requires constant change

### Changing careers

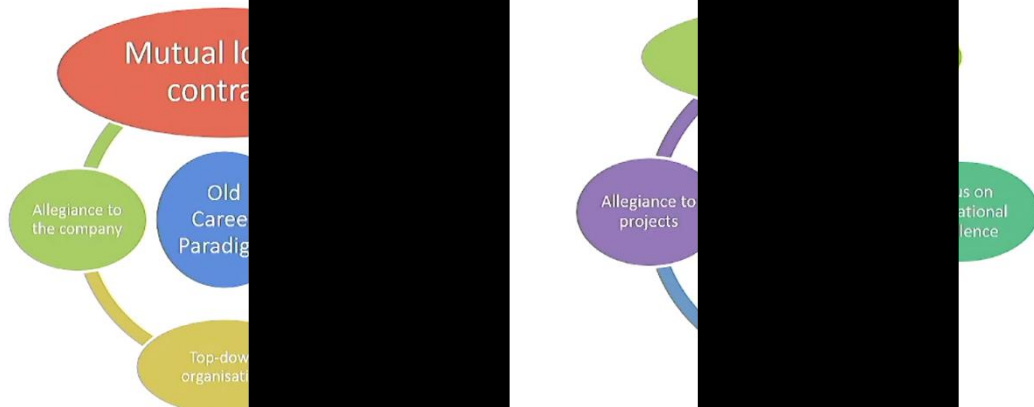
Career: the pattern of experiences that span a person's life

Career management: learning about self and setting career goals

### Occupational choice

- Conventional: routine tasks, working in a structured environment
  - Accountant
- Realistic: concrete problems, working with machines and tool
  - Civil engineer
- Investigative: research, analyse
  - Surgeon
- Artistic: unstructured tasks that call for creativity
  - Architect
- Social: helping others use personal skills
  - Nurse
- Enterprising: influence others
  - Chief executive officer

### Paradigm shift in our





### Five career anchors

1. Managerial competence
2. Technical/functional competence
3. Security/stability
4. Autonomy and independence
5. Creative autonomy

### Employee Well-being and Rights

**Quality of life:** overall quality of experiences in the workplace. People spend so much time at work that 'quality of life' is an important component of well-being.

- Poor management can result in lower quality of life
- Contemporary management is expected to create positive work environments

**Emotional labour:** emotional control needing to be displayed to achieve desired emotions during interpersonal interactions.

- Emotional labour
  - Face-to-face service contact jobs
  - Role requires employees to produce an emotional display
  - Enable employees to have a sense of control over their emotions
- Thought to limit autonomy of employees
- Difficulty displaying appropriate, and hide negative emotions

**Emotional dissonance:** project one emotion while consciously feeling another

- Can lead to burnout

### Generating positive emotions

- The emotion regulation model illustrates how emotions are shaped by ongoing emotional experiences
- Thus, successful organisations may create more positive emotional episodes

### Positive organisational

1. **Self-efficacy** (confidence) in being able to execute a specific task in a given context
2. **Hope:** the belief in one's ability to set, plan, and achieve goals
3. **Optimism:** inclination to expect positive events, and not pessimism for negative events
4. **Happiness / Life satisfaction:** how people cognitively evaluate their lives, the satisfaction with their lives
5. **Emotional intelligence:** monitor and disclose one's own emotions, and use the information to guide thought and action