

MGMT 1001 Notes

Week 1, 25/7/18

Management and the exceptional manager

Management

Overview of management

- **Management** is the pursuit of organisational goals efficiently and effectively by integrating work of people through planning, organising, leading and controlling
 - **Efficiently:** using resources wisely and cost-effectively
 - **Effectively:** achieving results, making the right decisions and successfully carrying them out to achieve the organisation's goals
 - **Functional manager:** responsible for one activity
 - **General manager:** responsible for several activities
- Management plays a key role within society and in the success of organisations
 - Effective managers need to adopt numerous roles/skills to master complex and evolving challenges
- It varies across different types of organisations
 - **For-profit organisations:** organisations formed to make money by offering products or services, e.g. Coles
 - **Non-for-profit organisations:** organisations created to offer services to some, without making a profit, e.g. Salvation Army
 - **Mutual-benefit organisations:** voluntary collections of members created to advance members' interests, e.g. labour unions

Principal management functions

- **Planning:** setting goals and deciding how to achieve them
- **Organising:** arranging tasks, people and other resources to accomplish work
- **Leading:** motivating and influencing people to work hard to achieve organisational goals
- **Controlling:** monitoring performance, comparing it with goals and taking corrective actions as needed

Levels of management

- **Top managers:** make long-term decisions about an organisation's overall direction
 - Managers will establish the organisation's objectives, policies and strategies accordingly
- **Middle managers:** implement policies and supervise/coordinate activities of first-line managers
- **First-line managers:** make short-term operating decisions and direct daily tasks of non-managerial staff

Managers

Challenges for an exceptional manager

- **Managing for competitive advantage:** organisations need to stay ahead in four key areas
 - Being responsive to customers
 - Innovating new products or services
 - Offering better quality
 - Being more efficient
- **Managing for diversity:** organisations need to have diversity across different genders, ages, races and ethnicities
- **Managing for globalisation:** organisations need to account for the expanding world and changing nature of society and business
- **Managing for computers and telecommunications:** organisations need to adapt to the growing role of information technology
- **Managing for ethical standards:** organisations need to discern between right and wrong
- **Managing for sustainability:** environmental sustainability is critical in a world of shrinking resources
- **Managing for personal happiness and goals:** business success should not come at the expense of personal fulfilment

Key managerial roles and skills

- Mintzberg showed that managers:
 - Rely on verbal over written communication
 - Work long hours at an intense pace
 - Have their work characterised by fragmentation, brevity and variety
- **Key managerial roles (Mintzberg)**
 - **Interpersonal**
 - **Figurehead:** ceremonial representative of the organisation
 - **Leader:** provides vision and sense making
 - **Liaison:** manages key external relationships
 - **Informational**
 - **Monitor:** accesses valid/reliable information
 - **Disseminator:** spreads info to those who rely on information
 - **Spokesperson:** advocates internally/externally
 - **Decisional**
 - **Entrepreneur:** exploits new opportunities and brings change
 - Involves taking risks to try to create a new enterprise
 - An entrepreneur (like a manager) typically has a high need for achievement, high energy level, action orientation, tolerance for ambiguity/risk and self-confidence
 - **Entrepreneur:** sees opportunity for a product/service, launches businesses to try to realise it
 - **Intrapreneur:** sees opportunity within one's organisation, mobilises resources to try to realise it