



# **MGF1010: Introduction to Management**

**Lecture notes and  
exam study material**

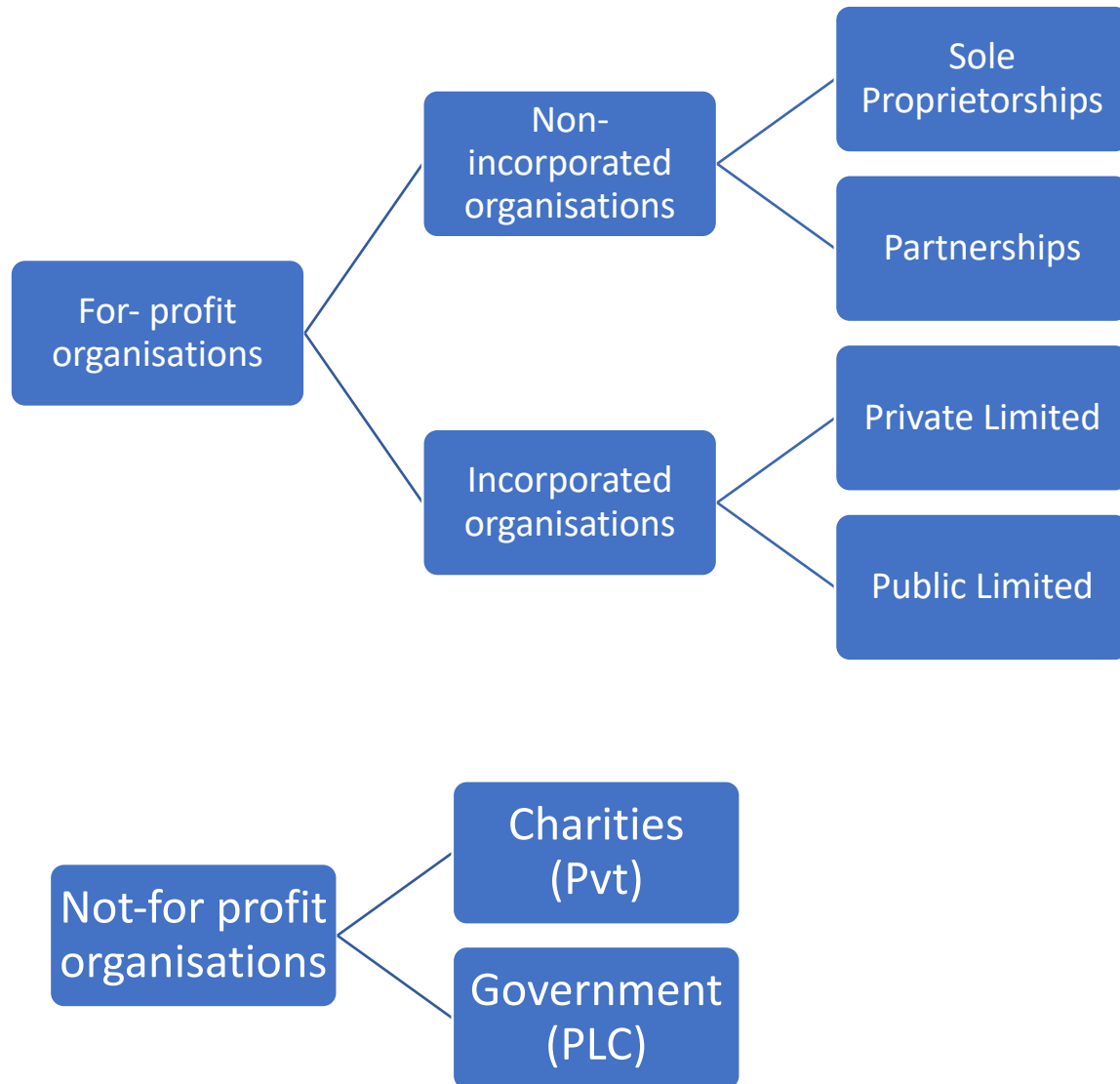
**Semester 1: 2020**

## Table of Contents

WEEK 1 – MANAGEMENT IN CONTEXT .....	2
WEEK 2 – THEORIES IN MANAGEMENT .....	5
WEEK 3 – MANAGEMENT IN AND BEYOND CORPORATIONS .....	8
WEEK 4 – INTERNAL MANAGEMENT: FOCUS ON ASIA .....	14
WEEK 5 – INTRODUCTION TO MANAGEMENT.....	17
WEEK 6 – INTRODUCTION TO MANAGEMENT CONTD. ....	21
WEEK 7 – WORKPLACE DIVERSITY AND THE NEED TO MANAGE IT .....	26
WEEK 8 – EMOTIONAL INTELLIGENCE .....	29
WEEK 9 – CRITICAL PERSPECTIVES ON MANAGEMENT AND ORGANISATION .....	31
WEEK 10 – EMPLOYEE WELLBEING.....	34
WEEK 11 – EMPLOYEE VOICE .....	37
WEEK 12– CHANGING CONCEPT OF CAREER .....	39
EXAM MATERIAL: SUMMARY FOR READINGS AND COVID-19 EXAMPLES.....	41
WEEK 5 .....	41
WEEK 6 .....	47
WEEK 7 .....	48
WEEK 8 .....	51

## Week 3 – Management in and beyond corporations

### L01: Non incorporated organisations



#### ⇒ ***Non-Incorporated organisations***

- Organisations that are not recognised on their own as a 'legal entity'.
- Two types:
  1. Sole proprietor – sole person carrying out the business for the purpose of profit maximization
  2. Partnership – Business relationship between two or more persons for the purpose of profit maximisation.

<b><i>Sole Proprietors</i></b>	<b><i>Partnerships</i></b>
<b>Advantages</b>	
Low cost	Greater capital, breadth of skills and abilities
100% access to profits	100% access to profits and losses shared by partners
Exclusive decision-making authority, total autonomy and independence	Tasks can be divided between partners
Limited need for formal documentation	Limited need for formal documentation
<b>Disadvantages</b>	
Sole responsibility for tasks	Decisions by consultation
Skills limited to owner – labour intensive	Limited independence
Poor economies of scale	Risks associated with exit of partners

- Depending on the organisational mission, vision and the goals the advantages need to be leveraged to offset disadvantages.
- Unlimited liability is a disadvantage of both. Because liability is not limited to business assets alone.

#### ⇒ ***Incorporated organisations***

- Organisations that are recognised on their own as a 'legal entity' with limited liability.
- Why the need for limited liability?
  1. To grow greater investment if needed.
  2. To entice investors – because the personal liability must be limited to the value of the business.
- How does limited liability work?
  1. Value of business is broken into shares.
  2. Agents manage shareholder interests.
  3. Liability limited to organisational assets -no private assets can be implicated.
- Type of incorporated organisations:
  - **Private**  
 Shares owned by private individuals.  
 Not available to the public.  
 To purchase these shares, you need to directly approach an existing shareholder which often requires consent from other existing shareholders.

## *Exam Material: Summary for readings and COVID-19 examples*

### Week 5

#### *Reading: STOP MAKING PLANS START MAKING DECISIONS*

*By Micheal C Mankins and Richard Steele*

- Despite all the time and energy most companies put into strategic planning, the process is most often a barrier to good decision making, our research indicates. As a result, strategic planning doesn't really influence most companies' strategy.
- The failure of most strategic planning is due to two factors:
  1. It is typically an annual process
  2. It is most often focused on individual business units.
- Senior executives routinely sidestep the planning process. They make the decisions that really shape their company's strategy and determine its future-decisions about mergers and acquisitions, product launches, corporate restructurings, and the like - outside the planning process, typically in an ad hoc fashion, without rigorous analysis or productive debate.
- But companies can fix the process if they attack its root problems. A small number of forward-looking companies have thrown out their calendar-driven, business-unit-focused planning processes and replaced them with continuous, issues-focused decision making.
- By changing the timing and focus of strategic planning, they've also changed the nature of top management's discussions about strategy-from "review and approve" to "debate and decide," meaning that senior executives seriously think through every major decision and its implications for the company's performance and value.

#### *Where planning goes wrong*

- Survey conducted in 2005 of 156 large companies worldwide, all with sales of \$1 billion or more. Asked executives how their companies developed long-range plans and how effectively they thought their planning processes drove strategic decisions.
- Results:
  - The timing and structure of strategic planning are obstacles to good decision making.
  - companies with standard planning processes and practices make only 2.5 major strategic decisions each year, on average
  - The companies that broke most completely with the past made more than twice as many strategic decisions each year as companies wedded to tradition.

Linking strategic planning to these other management processes is often cited as a best practice. But forcing strategic planning into an annual cycle risks making it

### *Real life examples -COVID 19*

- Effects post COVID-19
  - Risk that inclusion and diversity (I&D) may now recede as a strategic priority for organisations.
  - This may be unintentional – companies will focus on their most pressing basic needs such as urgent measures to adapt to new ways of working; consolidate workforce capacity; and maintain productivity, a sense of connection, and the physical and mental health of their employees.
  - **Representation at risk** – As the crisis makes jobs vulnerable, diverse talent may be most at risk.

**Example:** We may see an uptick in the number of jobs and possibly, in pay for some rendered occupations such as healthcare providers on the front line of public service. But these effects are likely to be offset by job losses in the private sector, where low-skill, low-paying jobs in retailing, leisure and hospitality may be hard hit.

- **Eroding inclusion:** Risk that remote-working conditions may erode inclusion. Sending staff home to work, in a bid to stem the spread of COVID 19, risks reinforcing existing exclusive behaviour biases and undermining inclusive workplace cultures.
  - **Example:** Lessons of remote working in China – Found that teams or whole business units working remotely can quickly become confused and lose clarity. Isolation leads to uncertainty about whom to talk with on specific issues and how and when to approach colleagues, leading to hold-ups and delays. In such a climate there is a risk of amplifying non- inclusive dynamics.
  - Remote working norms, particularly video conferencing could make it more difficult for some personnel such as LGBTQ+ employees to avoid publicly sharing aspects of their home lives they might not be comfortable with revealing to their colleagues.
  - May also put women and minorities at a disadvantage, given challenges such as broadband access, the availability (or lack) of home-office space, and childcare and home-schooling duties.
- Disadvantages of reducing I&D
    - Face backlash from customers and talent
    - Fail to better position themselves for growth and renewal.
    - Some of the qualities that characterise diverse and inclusive companies – notably innovation and resilience will be much needed as companies recover from the crisis.