

Chapter 1: Organisations and Management

Managers:

General Notes:

- **Manager:** An individual who coordinates and oversees the work of other people to ensure organisational goals are being accomplished.
- **First - Line Manager:** Managers at the lowest level of the organisation who manage the work of non-managerial employees who are directly involved with the production of the organisation's products.
- **Middle Manager:** Managers who manage the work of first - line managers.
- **Top Manager:** Managers at the top of the organisation responsible for making organisation-wide decisions and establishing organisational plans and goals.
- Managers help employees better themselves both professionally and personally.
- Managers can coordinate the work activities of a team and have their own duties.
- Non-managerial jobs enable cross-training which leads to multi-skilled employees.

Importance of Managers to Organisations:

- Organisations rely on managers to identify critical issues and craft responses to overcome associated challenges; managers guide organisations through challenging times by retaining engagement and motivation in staff.
- Organisations rely on managers to coordinate plans with conditions to ensure their purpose is being met; managers require ability to effectively communicate their vision to achieve their purpose.
- Organisations rely on managers as research by "The Gallup Organisation" demonstrates that employee productivity and loyalty depend on their relationship with their supervisors; managers can have both a positive or negative effect.

Evolution of Manager's Roles:

- The changes that impact a manager's roles includes changing technology (Digitisation), increased threats to security, increased emphasis on ethical and environmental concerns as well as an increased competitiveness.
- Managers are dealing with more complex and demanding activities which has made it more difficult to adapt to change.

- **Factors Impacting Managerial Roles:**
 - **Increasing Importance of Customer Service:**
 - ❖ Managers must create a customer-responsive organisation where employees are prompt in responding to customer needs in a friendly and knowledgeable manner.
 - **Increasing Importance of Social Media:**
 - ❖ **Social Media:** Forms of electronic communication through which users create online communities to share a variety of content.
 - ❖ Managers use social media to connect with their customers and to manage their human resources.
 - ❖ Managers are required to monitor social media posts by employees that may harm the company's reputation.
 - **Increasing Importance of Innovation:**
 - ❖ Managers should encourage their employees to be aware of emerging ideas and approaches by changing the business culture in order to improve effectiveness and efficiency.
 - **Increasing Importance of Sustainability:**
 - ❖ **Sustainability:** A company's ability to achieve its goals and increase long-term shareholder value by integrating economic, environmental and social opportunities into its strategies.
 - ❖ Managers must respond strategically to a variety of environmental and societal challenges.

Management:

General Notes:

- **Management:** The process of coordinating and overseeing the work activities of others to ensure they are being completed effectively and efficiently.
- **Efficiency (Resource Usage):** Deriving the most output from the least amount of inputs; it involves minimising wasting resources.
- **Effectiveness (Goal Accomplishment):** Completing activities to ensure that organisational goals are achieved.

Management Functions:

- Henry Fayol proposed that all managers perform five functions; planning, organising, commanding, coordinating and controlling.
- **Modern Management Functions:**
 - **Planning:** It involves setting goals and establishing strategies for achieving those goals as well as developing plans to integrate and coordinate activities.
 - **Organising:** It involves arranging and structuring work to accomplish the organisation's goals.
 - **Leading:** It involves working with and through people to accomplish the organisation's goals.
 - **Controlling:** It involves monitoring, comparing and correcting work performance.

Management Roles:

- **Management Roles:** Specific categories of managerial behaviour expected of an exhibited by a manager.
- **Henry Mintzberg's Management Roles:**
 - **Interpersonal Roles:** Managerial roles that involve people and other duties that are ceremonial and symbolic in nature. It includes the following roles;
 - ❖ **Figurehead:** Obligated to perform a number of routine duties of a legal or social nature.
 - ❖ **Leader:** Responsible for the motivation of subordinates, staffing, training and associated duties.
 - ❖ **Liaison:** Maintains a self-developed network of external contacts and informers who provide information.

- **Informational Roles:** Managerial roles that involve receiving, collecting and disseminating information. It includes the following roles:
 - ❖ **Monitor:** Seeks and receives a wide variety of information to develop a thorough understanding of the organisation and its environment.
 - ❖ **Disseminator:** Transmits information from external sources to the organisation.
 - ❖ **Spokesperson:** Transmits information from the organisation to external sources.

- **Decisional Roles:** Managerial roles that revolve around making decisions. It includes the following roles;
 - ❖ **Entrepreneur:** Searches the organisation and its environment for opportunities to improve the organisation's performance.
 - ❖ **Disturbance Handler:** Responsible for corrective action when an organisation faces significant, unanticipated disturbances.
 - ❖ **Resource Allocator:** Responsible for the allocation of human, physical and monetary resources.
 - ❖ **Negotiator:** Responsible for representing the organisations at major negotiations to benefit their own unit.

- Mintzberg explained that managers influence action by managing actions directly, managing the people who take action and managing the information that propels people to take action.
- Mintzberg concluded that as managers perform these roles, their activities include reflection (Thoughtful Thinking) and action (Practical Doing).

Management Skills:

- Robert L. Katz observed that managers require the following competencies;
 - **Technical Skills:** Knowledge of and proficiency in a certain specialised field. Katz proposed that technical skills become less important as a manager progresses into higher levels of management.
 - **Human Skills:** The ability to work well with other people individually and in a group; managers need to be aware of their own attitudes and beliefs whilst being sensitive to their subordinates' attitudes and beliefs.

- **Conceptual Skills:** The ability to think and to conceptualise about abstract and complex situations whilst considering the organisation as a whole (“Helicopter Perspective”). Katz proposed that conceptual skills become more important as a manager progresses into higher levels of management.
- Other important managerial skills involve effective communication, flexibility to change, using purposeful networking, etc.

Significance of Studying Management:

- **Universality of Management:**
 - The notion that management is required in all organisations on a global scale despite their differences.
 - The ability to recognise good and bad management can improve the organisation.
- **Reality of Work:**
 - During our careers we will either manage or be managed.
 - It provides an insight into the supervisor’s behaviour and the internal workings of the organisation.
- **Managing Our Own Lives:**
 - Recent changes in organisational life has placed increased emphasis individual control and responsibility as well as the developing ideas of working from home or in self-managed work groups due to flatter and more decentralised organisational structures.
- **Challenges and Rewards of Being a Manager:**
 - The challenges involve undergoing hard work, dealing with various personalities, using limited resources, motivating workers through difficult situations as well as blending the knowledge, skills and experiences of a diverse team to ensure success.
 - The rewards include the creation of a work environment favourable to employees, receiving recognition and status in the organisation, influencing organisational outcomes, assisting others in finding fulfilment in their work as well as receiving appropriate compensation in the form of salaries and bonuses.

Organisations:

General Notes:

- **Organisation:** A deliberate arrangement of people to accomplish a specific purpose.
- The nature of organisations is shifting towards a flatter, networked structure to improve efficiency and effectivity. The changing nature is influenced by globalisation, improvements in technology and changing employee expectations.

Characteristics of Organisations:

- The distinct purpose is expressed in terms of a goal or set of goals.
- The human resources are vital to the functioning of an organisation.
- The deliberate structure includes the employees' duties and clarified work relationships.

Organisational Level:

- Managers of different functional areas perform similar functions but the roles involved may vary in the degree and emphasis of these functions.
- As managers progress into higher levels of management they do more planning and less direct supervising.

Organisational Area:

- Managers of different functional areas perform similar functions but the roles involved may vary in the degree and emphasis of these functions. For instance, production managers perform more of the decisional roles whilst marketing managers perform more of the interpersonal roles.

Organisational Type:

- Managers of different types of organisations perform similar roles but they differ in their measurement of performance. For instance, profit is a measure of performance for a business organisation whilst public relations is a measure of performance for a not-for-profit organisation.

Organisational Size:

- **Small Business:** An independently owned and operated, profit-seeking enterprise with fewer than 20 employees.
- In a small firm the most important role is the spokesperson whilst the least important role is the disseminator.
- In a large firm the most important role is the resource allocator whilst the least important role is the entrepreneur.

- Managers of different sizes of organisation perform similar functions but the roles involved may vary in the degree and emphasis of these functions.

Cross-National Transferability:

- Management concepts are transferable over national borders but they are modified to suit the country's economic, social, political and cultural environment.
- The trend of an increasingly globalised world of business will support the universality of management concepts.