

Overview of Management 2

Lecture 2

MGM111
Principle of Management

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- ☐ Who is the manager and his needed skills
- ☐ Difference between Manager and Leader
- ☐ Explain the Managers and their types
- ☐ Summarize the essential Management Roles
- ☐ Understand organization and its performance
- ☐ The organization functions and process



Learning Outcomes of the Lecture

Who is the Manager

❑ The people responsible for supervising the use of an organization's resources to meet its goals.

(Stoner, Freeman and Gilbert, 2008)

❑ Someone who coordinates and oversees the work of other people so that organizational goals can be accomplished.

(Robbins and Coulter, 2012)

❑ Someone whose primary responsibility is to carry out the management process.

(Griffin, 2012) 12/26/14 16Contemporary Management

Some benefits of being a manager

- Get to be involved in making important decisions at work
- Enjoy some control over what work they do and when and how they work on it
- Spend a good deal of time in collaboration with other people and working with teams
- Enjoy opportunities for job-related learning and development
- Have many options for career advancement within or outside of the workplace
- Receive a good salary and benefits

Managerial Skills Definition

It is a term that refers to the required skills of the manager.
or in another way;

It is the ability to make business decisions and lead the underlying within a company.

Therefore, we can say that no one will make it in the business world without these skills.

Manager Skills

General skills:

- Interpersonal skills
- Technical skills
- Conceptual skills

Specific skills:

- Job knowledge
- Oral communication
- Problem analysis
- Cooperativeness
- Negotiation
- Initiative

Managerial Skills

Technical skills

Human skills

Conceptual skills

Interpersonal Skills

Decision-making Skills



Managerial Skills

FIVE MANAGERIAL SKILL



TECHNICAL SKILL

Knowledge of and proficiency in activities involving methods, processes, and procedures.



CONCEPTUAL SKILL

The ability to coordinate and integrates all of an organization's interests and activities.



INTERPERSONAL AND COMMUNICATION SKILLS

Convey ideas and information to others and receive information and ideas from others effectively.



DECISION-MAKING SKILL

Make decisions that will lead the organization to the attainment of its goals.



DIAGNOSTIC AND ANALYTICAL SKILLS

Ability to visualize the best response to a situation.

iEduNote

What Resources does a Manager use?

- **Human Resources**-the people. Your most valuable resource!
- **Financial Resources**-the money, the budget
- **Physical Resources**-the buildings, the equipment, supplies
- **Information**-computers, reports

Manager's Roles

**1. Interpersonal
role**

**2. Informational
role**

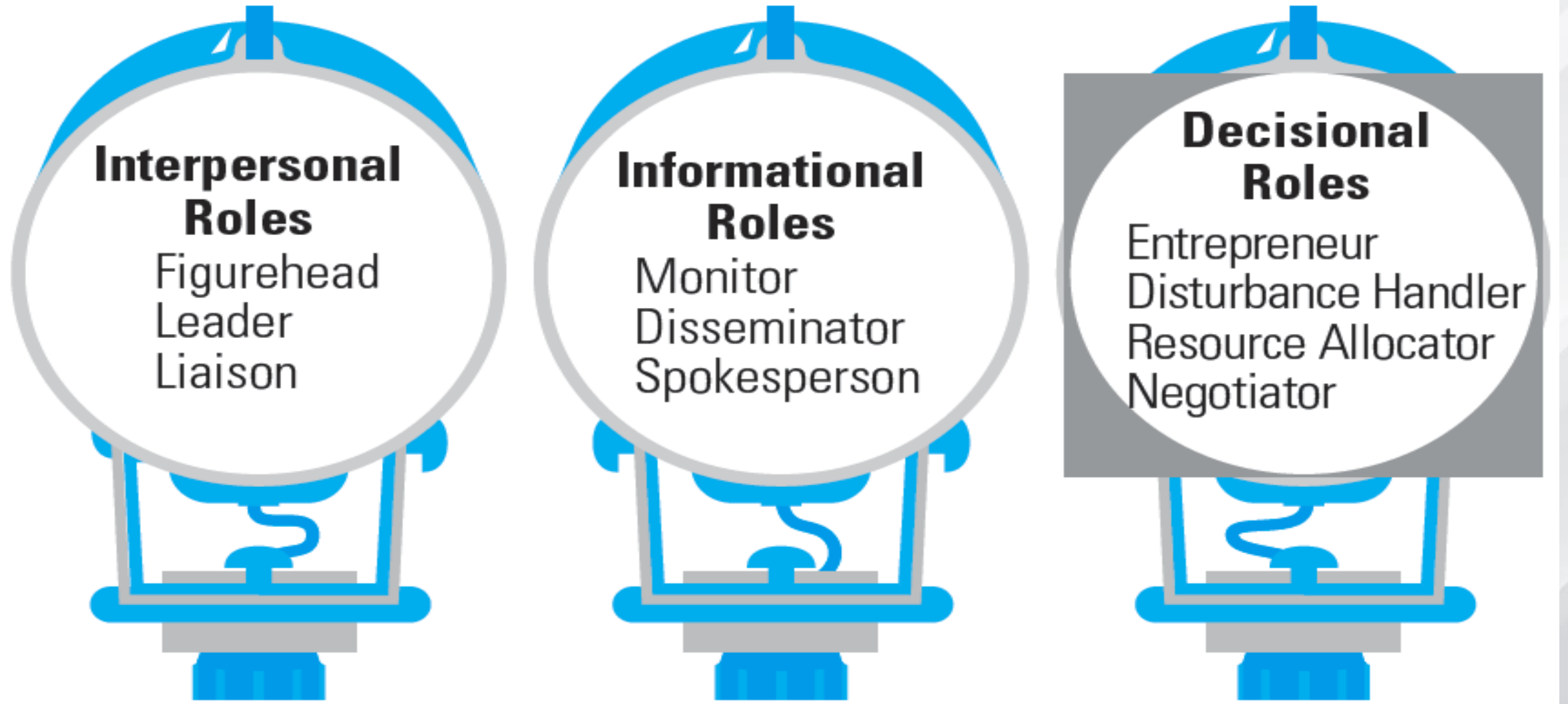
**3. Decisional
role**

Management Roles

- Henry Mintzberg described **ten specific management roles** that can be placed into three broad categories:
 - **Interpersonal roles** involve interaction with others who are external or internal to the organization, at the same level as the manager, or at higher or lower levels.
 - **Informational roles** focus on obtaining data that are important for the decisions the manager makes.
 - **Decisional roles** deal primarily with the allocation of resources to reach organizational objectives.



Ten Roles Managers Play



Interpersonal role

- ❑ Roles that managers assume to provide direction and supervision to both employees and the organization as a whole
- I. **Figurehead**—symbolizing the organization's mission and what it is seeking to achieve.
- II. **Leader**—training, counseling, and mentoring high employee performance.
- III. **Liaison**—linking and coordinating the activities of people and groups both inside and outside the organization.

Informational role

- ☐ Roles associated with the tasks needed to obtain and transmit information in the process of managing the organization.
- I. Monitor—analyzing information from both the internal and external environment.
- II. Disseminator—transmitting information to influence the attitudes and behavior of employees.
- III. Spokesperson—using information to positively influence the way people in and out of the organization respond to it.



Decisional role

- ☐ **Roles associated with methods managers use in planning strategy and utilizing resources**
 - I. Entrepreneur—deciding which new projects or programs to initiate and to invest resources in.**
 - II. Disturbance handler—managing an unexpected event or crisis**
 - III. Resource allocator—assigning resources between functions and divisions, setting the budgets of lower managers.**
 - IV. Negotiator—reaching agreements between other managers, unions, customers, or shareholders.**



What is an Organization?





The Organization Definition

- A group of people who work together in a structured way for a shared purpose
- is a two or more people who work together in a structured way to achieve a specific goal or set of goals
- can be any structured body such as department, business, company in private or public sector or nonprofit association.

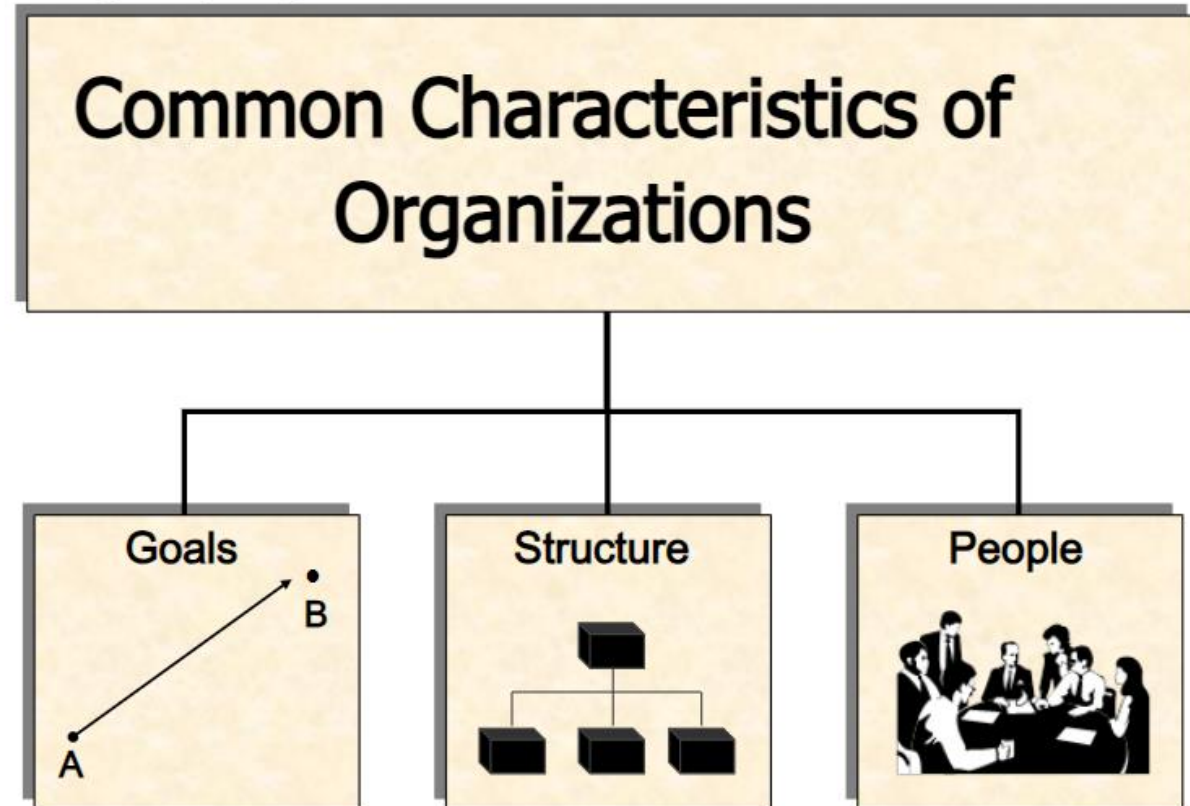
Other definition

is an arrangement of people and resources to accomplish some specific purpose



Common Characteristics of Organizations

- Have a distinct purpose (goal)
- Composed of people
- Have a deliberate structure



Organizational Performance

- A measure of how efficiently and effectively managers use available resources to satisfy customers and achieve organizational goals
- ✓ **Efficiency** – A measure of how well or how productively resources are used to achieve a goal
- ✓ **Effectiveness** – A measure of the appropriateness of the goals an organization is pursuing and the degree to which they are achieved

Organizational Performance

Efficiency and Effectiveness

Efficiency (Means)

Resource
Usage

Low Waste



Effectiveness (Ends)

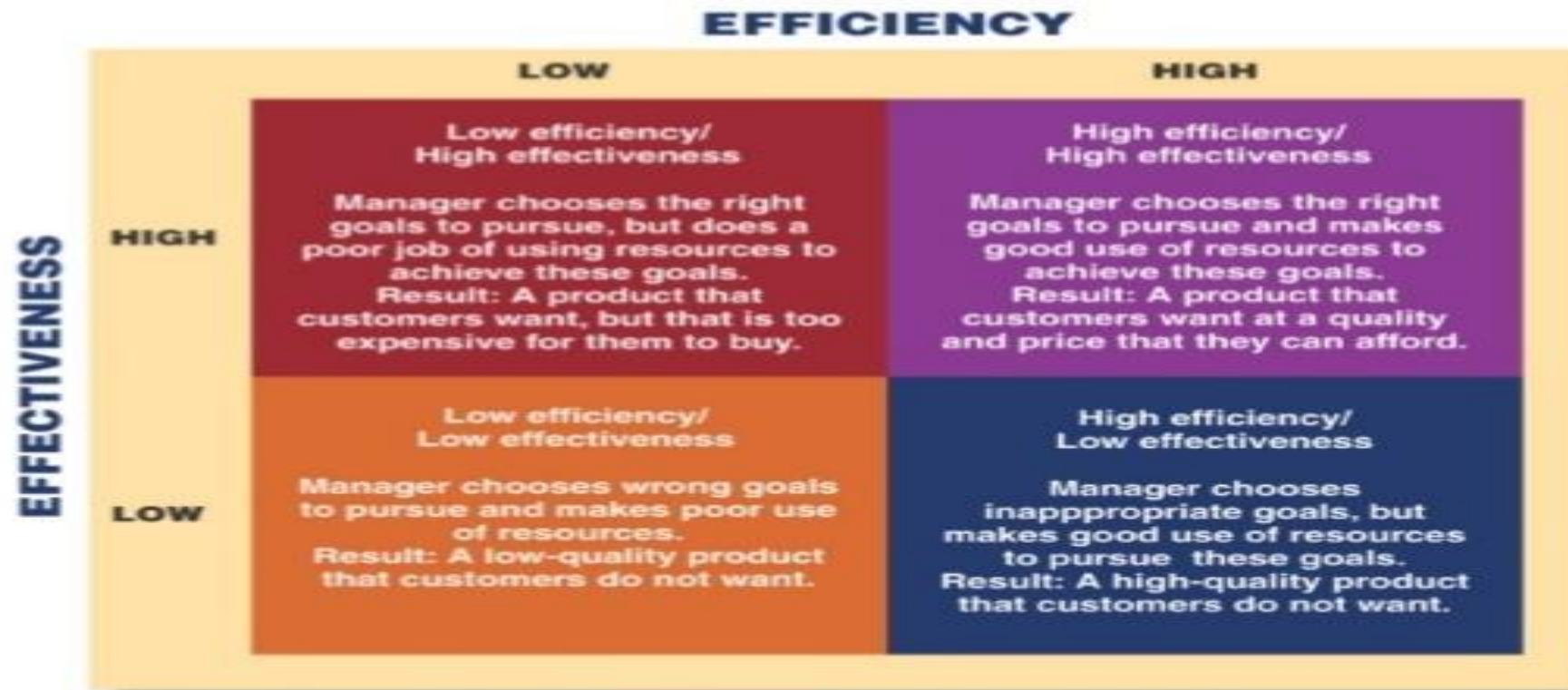
Goal
Attainment

High Attainment



Management Strives for:
Low Resource Waste (high efficiency)
High Goal Attainment (high effectiveness)

Efficiency Vs. Effectiveness



Management Functions



Planning

Defining goals, establishing strategy, and developing plans to coordinate activities

Organizing

Determining what needs to be done, how it will be done, and who is to do it

Leading

Motivating, leading, and any other actions involved in dealing with people

Controlling

Monitoring activities to ensure that they are accomplished as planned

Lead to

Achieving the organization's stated purposes

1. Planning

- **Planning is setting objectives**
- **Process of identifying and selecting appropriate organizational goals and courses of action.**
- **Planning is determining the objectives and formulating the methods to achieve them. It is more simply said than done**
- **Determining how they'll be met**

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A job well planned is half done

2. Organizing

- **Organizing is assembling and coordinating the human, financial, physical, informational, and other resources needed to achieve goals**
- **Delegating and coordinating tasks**
- **Managers lay out lines of authority and responsibility**
- **Allocating resources**

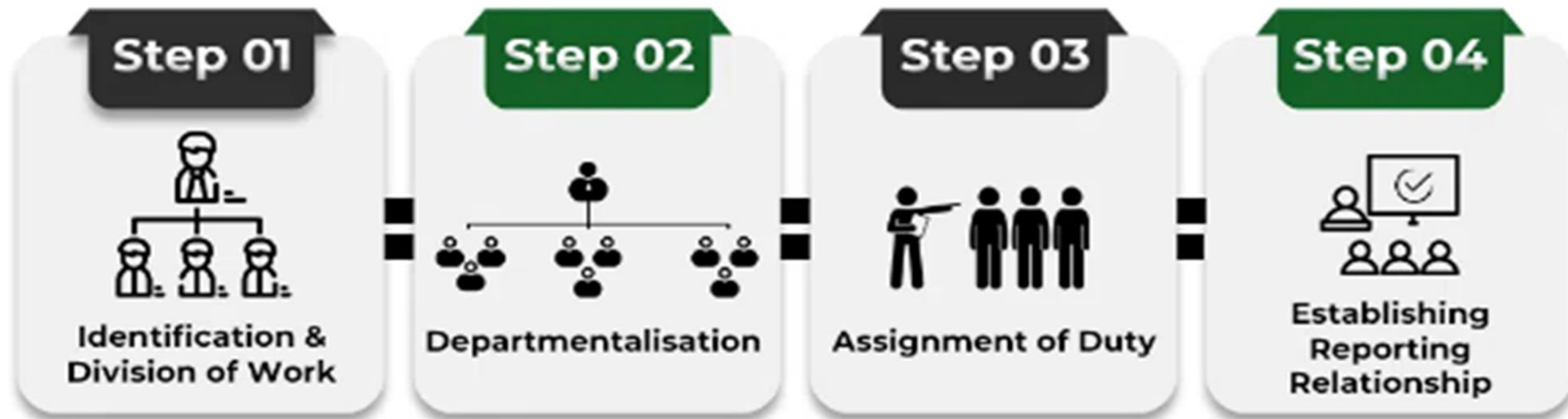
Organizing Process

- Determine what is to be done/ Division of Work
- Assign Tasks: Departmentalization
- Link Departments: Hierarchy Development
- Decide how much Authority to Designate/ Authority, Responsibility and Delegation
- Decide the Levels at which Decisions are to be made / Centralization vs. Decentralization
- Decide how to Achieve Coordination



Organizing Process

Process of Organising:-



Organizing Process

1. Identification and Division of Work:

The function of organizing starts with the identification of the total work which is to be done to achieve the organizational goal. The work is divided systematically so that each person gets a separate task to perform. This helps to avoid unnecessary duplication and wastage of efforts and facilitates the specialization of efforts and skills.

2. Departmentalization:

Once the identification and division of work are done. The next step is to combine group-related activities into units and departments. This process of grouping similar and related activities into groups of large independent units or departments is known as departmentalization. The grouping may be done on the basis of function, product, customer, etc.

Organizing Process

3. Assignment of Duty:

After grouping various activities into departments, the next step is necessary to allocate the work of different employees. Duty should be assigned based on the knowledge, qualification, experience, and capability of the individual. There should be a proper match between job requirements and the capabilities of employees.

4. Establishing Reporting Relationship:

After assigning duty, the next step is to clearly define the authority and responsibility of the employees. If two or more person is working together for a common goal, then it is necessary to define the relationship between them in clear terms. There is a need to create a hierarchical structure and help in coordination among various departments.

3. Leading

- **Leading is stimulating people to be high performers. It is directing, motivating and communicating with employees.**
- **Articulating a clear organizational vision for its members to accomplish, and energize and enable employees so that everyone understands the part they play in achieving organizational goals**
- **Influencing employees to achieve objectives**

Management Vs. Leadership



Management



is the ability to organize resources and coordinate the execution of tasks necessary to reach a goal in a timely and cost effective manner



Leadership



is the process of influencing people and providing an environment for them to achieve team or organizational objectives

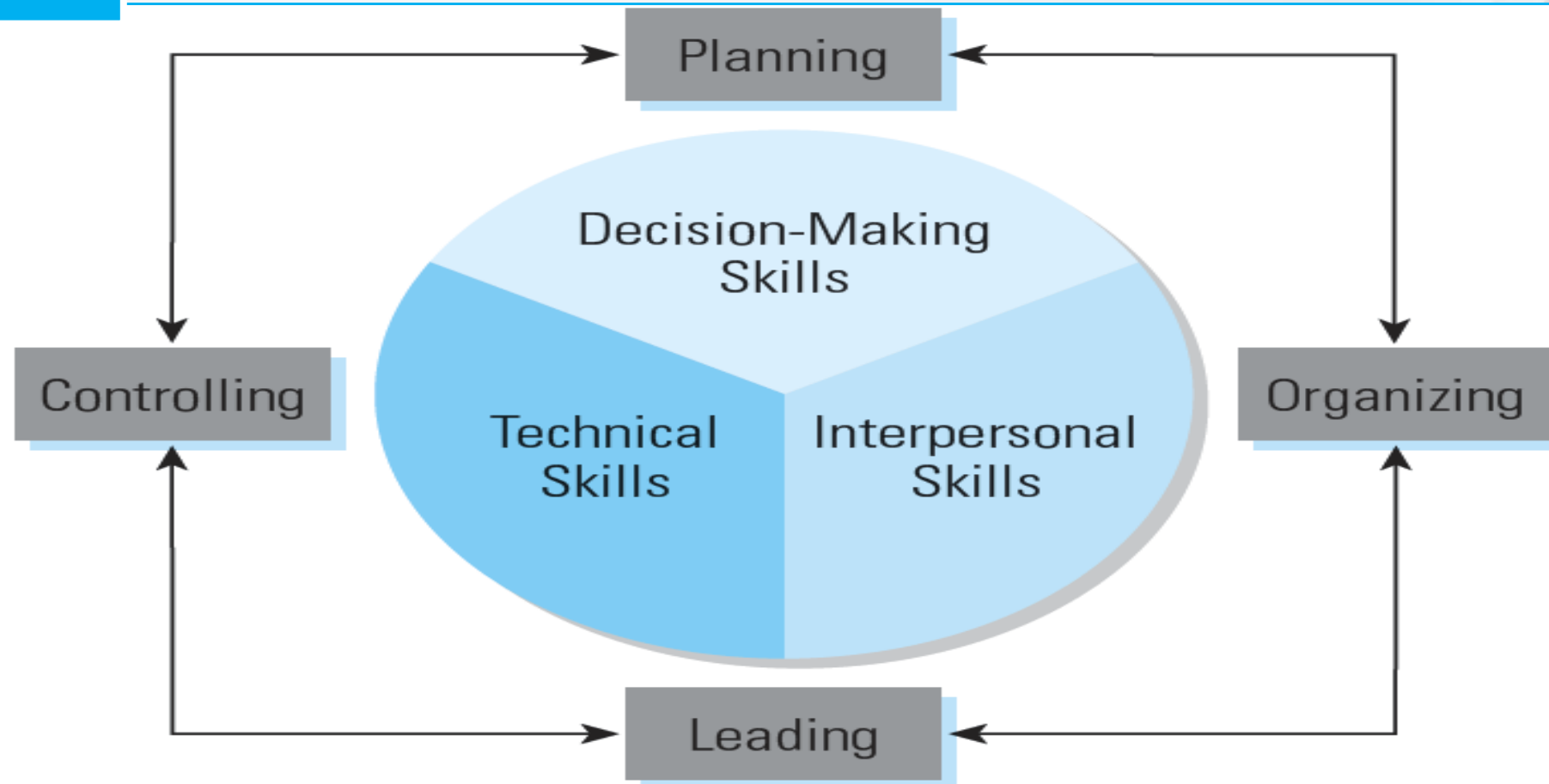
4. Controlling

- **Is the management function of monitoring progress and making changes.**
- **Establishing mechanisms to make sure objectives are met**
- **Implementing mechanisms to make sure objectives are met**

Steps in the Control Process

1. **Establish Standards of Performance**
2. **Measure Actual Performance**
3. **Compare Performance to Standard**
4. **Take Corrective Action**

Management Skills and Functions



Chapter

02

Functional Area of Business



Functional Area of Business

Production

Idea generation

Processing (changing and improving the form of another product)

Manufacturing (combines raw materials and processes goods into finished products)

Functional Area of Business, Con't

Marketing

Planning and executing the conception, product ,pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives

Functional Area of Business, Con't

Finance

Revenue, expenses, budget, financial records and financial statements

Functional Area of Business, Con't

Human Resources = HR

People who work for a business/organization

Involves in planning & staffing, performance management, compensation & benefits, and employee relations

Emerging Trends in Management

- **Three major trends are impacting businesses today:**
 - **Electronic business (e-business):** Achieving management goals through the use of the Internet
 - **Global organizations:** Expanding business activities beyond national boundaries
 - **Ethics and social responsibility:** Leadership in promoting ethical and socially responsible business decisions



Thank You