

## **TOPIC ONE**

### **Defining Management**

It is a set of activities that involves Planning, organizing, leading, and controlling, directed at the efficient and effective utilization of organizational resources i.e. human, financial, physical, and information, to achieve stated organizational goals (Griffin, 2002)

The last phrase in our definition is especially important because it highlights the basic purpose of management i.e. to ensure that an organization's goals are achieved in an efficient and effective manner.

Efficiency means using resources wisely and in a cost-effective way. Effectiveness means the appropriateness of the goals chosen and the degree to which they are achieved. For example, a firm could produce black-and-white televisions very efficiently but still not succeed because black-and-white televisions are no longer popular. A firm that produces products that no one wants (or a firm that cannot sell its product) is therefore not effective.

Management can also be defined as an art of getting things done through people in order to attain stated organizational objectives. Thus managers need to ensure there is coordination of employees through effective team work (Gareth et al, 2004).

Generally, successful organizations are both efficient and effective.

A manager is one who performs the basic functions of planning, organizing, leading and controlling organization resources.

### **The Management Process**

Dear learner as noted earlier management involves the four basic functions of planning, organizing, leading, and controlling. These are the functions that are inherent in most managers jobs (Cole, 1999).

#### **(a) Planning**

It is the process of setting organization goals and deciding how best to achieve them. Decision making which is part of the planning process, involves selecting a course of action from a set of alternatives to achieve organizational goals: Planning and decision making help maintain

managerial effectiveness by serving as guides for future activities. The outcome of planning is a strategy which shows how organizations go about attaining specific goals. Thus planning is both a decision making and strategy making process.

### **(b) Organizing**

It involves determining how activities and resources are to be grouped i.e. the jobs to be done, who is to do them, how the jobs are to be grouped or departmentalized, determining authority and responsibility relationships and determining how many employees a manager can effectively supervise. It involves arranging organizational resources in a logical way through developing the organizational chart for a firm. The outcome of organizing is the structure of an organization which coordinates and motivates employees to work together to achieve organizational goals.

### **(c) Leading**

It is a set of processes used to influence, motivate and communicate to employees so that they work together to advance the interests of the organization. Leadership involves a manager using power, influence, vision, persuasion and communication skill.

### **(d) Controlling**

It involves monitoring the organization's progress towards its goal. As the organization moves toward its goals, managers must monitor progress to ensure that it is performing in such a way as to make sure the plans do not deviate.

## **Types of Managers**

There are many kinds of managers. Managers within an organization can be differentiated by level and area.

### **(a) Managers at Different Levels of the Organization:**

Managers can be differentiated according to their levels in the organization. Although large organizations typically have a number of levels of management, the traditional view considers three basic levels: top, middle, and first-line managers.

#### **(i) Top Managers:**

Top managers make up a relatively small group of executives who manage the overall organization. Titles include president, vice president, and chief executive officer (CEO). An organization's top managers establish its goals, overall strategy, and operating policies. They also officially represent the organization to the external environment by meeting with government officials, executives of other organizations. The job of a top manager is likely to be complex and varied. Top managers make decisions about such activities as acquiring other companies, investing in research and development, entering or abandoning various markets, and building new plants and office facilities.

**(ii) Middle Managers:**

Middle management is probably the largest group of managers in most organizations. Common titles include plant managers, operations manager, and division managers. They are primarily responsible for implementing the policies and plans developed by top managers and for supervising and coordinating the activities of lower-level managers. Plant managers, for example, handle inventory management, quality control, equipment failures, and minor union problems. They also coordinate the work of supervisors within the plant.

**(iii) First-line Managers:**

First line managers supervise and coordinate the activities of operating employees. Common titles are supervisors, coordinators, and office managers. In contrast to top and middle managers, first-line managers typically spend a large proportion of their time supervising subordinates.

**(b) Managers in Different Areas of the Organization**

Regardless of their level, managers may work in various functional areas within an organization. In any given firm, for example, areas of management may include marketing, financial, operations, human resource, administrative, and other areas.

**Marketing Managers**

Marketing managers work in areas related to the marketing function i.e. getting consumers and clients to buy the organization's products or services. Areas include new product development, promotion and distribution.

**Financial Managers**

Financial managers deal primarily with an organization's financial resources. They are responsible for activities such as accounting, cash management, and investments.

### **Operations Managers**

Operations managers are concerned with creating and managing the systems that create an organizations products and services. Typical responsibilities of operations managers include production control, quality control, plant layout, and site selection.

### **Human Resource Managers**

Human resource managers are responsible for hiring, developing and maintaining employees. They are typically involved in human resource planning, recruiting and selecting employees, training and development, designing compensation and benefit systems, formulating performance appraisal systems, and discharging low-performing and problem employees.

### **Administrative Managers**

Administrative, or general, managers are not associated with any particular management specialty. Probably the best example of an administrative management position is that of a hospital or clinic administrator. Administrative managers tend to be generalists; they have some basic familiarity with all functional areas of management rather than specialized training in any one area.

### **Other Kinds of Managers**

Many organizations have specialized management positions in addition to those already described. Public relations managers, for example, deal with the public through the media, and firms like Kenya Breweries, and Kenya Airways use these managers to protect and enhance the image of their organizations. Research and development (R&D) managers coordinate the activities of scientists and engineers working on scientific projects in organizations. The number, nature and importance of these specialized managers vary tremendously from one organization to another.

As modern day organizations continue to grow in complexity and size, the number and importance of such managers are also likely to increase (Griffin, 2002).

### **Basic Managerial Roles and Skills**

Regardless of their level or area within an organization, all managers must play certain roles and exhibit certain skills if they are to be successful. According to Koontz (2000) for managers

to perform the basic functions of management effectively they need to play certain management roles and possess certain skills.

### **(I) MANAGERIAL ROLES:**

Henry Mintzberg offers a number of insights into the nature of managerial roles. He closely observed the day-to-day activities of a group of CEOs by literally following them around and taking notes on what they did. From his observations, he concluded that managers play ten different roles and that these roles fall into three basic categories: interpersonal, informational, and decisional.

#### **(a) Interpersonal Roles.**

There are three interpersonal roles inherent in the manager's job. Managers assume these roles in order to coordinate and interact with organizational members and provide direction and supervision for both employees and the organization as a whole. First, the manager is often asked to serve as a figure head - The person who symbolizes an organization or a department. He has to determine direction or mission of the organization and informs employees and other interested parties about what the organization is seeking to achieve. They thus need to behave like role models to the workers, and visitors.

These activities are typically more ceremonial and symbolic than substantive. The manager is also asked to serve as a leader – By hiring, training, and motivating employees. A manager who formally or informally shows subordinates how to do things and how to perform under pressure is leading. Finally, managers have to play a liaison role. This role often involves serving as a coordinator or link between people, groups, or organizations. For example dealing with suppliers, clients, and fellow managers in order to coordinate and gain accessibility to the scarce resources.

#### **(b) Informational Roles.**

These roles are closely associated with the tasks necessary to obtain and transmit information. The three informational roles identified by Mintzberg flow naturally from the interpersonal roles just discussed. The process of carrying out these roles places the manager at a strategic point so as to disseminate information. The first informational role is that of a monitor, one who actively seeks information that may be of value to the organization. The manager questions

subordinates, is receptive to unsolicited information, and attempts to be as well informed as possible. The manager is also a disseminator of information, transmitting relevant information back to others in the workplace.

When the roles of monitor and disseminator are viewed together, the manager emerges as a vital link in the organization's chain of communication. The third informational role focuses on external communication. The spokesperson formally relays information to people inside the unit or outside the organization. Although the roles of spokesperson and figurehead are similar, there is one basic difference between them. When a manager acts as a figurehead, the manager's presence as a symbol of the organization is what is of interest. In the spokesperson role, however, the manager carries information and communicates it to others in a formal sense so as to enhance the firm's corporate image.

### **(c) Decisional Roles.**

They are closely associated with the methods managers use to plan, strategize and utilize resources. The manager's informational role typically leads to the decisional roles. The information acquired by the manager as a result of performing the informational roles has a major bearing on important decisions that he or she makes.

Mintzberg identified four decisional roles. First, the manager has the role of entrepreneur by looking for profitable investments for firm. Secondly the manager responds to her role as disturbance handler by handling unexpected problems as strikes, copyright infringements, and energy shortages. The third decisional role is that of resource allocator. As resource allocator, the manager decides how resources are distributed, and with whom he or she will work most closely. For example, a manager typically allocates the funds to the members and projects. A fourth decisional role is that of negotiator. In this role the manager enters into negotiations with other groups or organizations as a representative of the company. For example, managers may negotiate a union contract, an agreement with a consultant, or a long-term relationship with a supplier. Negotiations may also be internal to the organization. The manager may, for instance, mediate a dispute between two subordinates or negotiate with another department for additional support.

## **(II) MANAGERIAL SKILLS**

In addition to fulfilling numerous roles, managers also need a number of specific skills to succeed. There are five important types of managerial skills: technical, interpersonal, and conceptual. Diagnostic and Political skills are also prerequisites to managerial success.

**(a) Technical Skills.**

They are the skills necessary to accomplish or understand the specific kind of work being done in an organization. Project engineers, physicians, and accountants all have the technical skills necessary for their respective professions. They each develop basic technical skills by completing recognized programs of study at colleges and universities. They gain experience in actual work situations, developing their skills before actually becoming Research and development managers, chief of surgery, or a partner in a certified public accounting firm. Technical skills are especially important for first-line managers. These managers spend much of their time training subordinates and answering questions about work-related problems. They must know how to perform the tasks assigned to those they supervise if they are to be effective managers.

**(b) Interpersonal Skills:**

Managers spend considerable time interacting with people both inside and outside the organization. For obvious reasons, manager also needs interpersonal skills, as it gives him the ability to communicate with, understand and motivate individuals and groups. As a manager climbs the organizational ladder, she must be able to get along with subordinates, peers and those at higher levels of the organization. Because of the multitude of roles managers must fulfill, a manager must be able to work with suppliers, customers, investors, and others outside of the organization. A manager who has good interpersonal skills is likely to be successful. These skills are required by all managers though first line managers would tend to require more as a result of their daily interactions with the operating employees.

**(c) Conceptual Skills:**

Conceptual skills depend on the managers ability to think in the abstract. Managers need the mental capacity to understand the overall workings of the organization and its environment, to grasp how all the parts of the organization fit together, and to view the organization in a wider perspective. This allows them to think strategically, to see the "big picture," and to make broad-based decisions that serve the overall organization. These skills are highly associated with Top

managers since they are the ones who have to look out for the overall opportunities in the environment.

**(d) Diagnostic Skills:**

Successful managers also possess diagnostic skills, or skills that enable a manager to visualize the most appropriate response to a situation. A physician diagnoses a patient's illness by analyzing symptoms and determining their probable cause. Similarly, a manager can diagnose and analyze a problem in the organization by studying its symptoms and then developing a solution.

**(e) Political Skills:**

They relate to the manager's ability to enhance one's position, to build a power base and establish the right connections. Organizations are political arenas in which people compete for resources. Managers with good political skills tend to be better at getting resources for their group and they also receive higher evaluations and get more promotions.

**Take Note**

Not every manager has equal measure of these five basic types of skills since the optimal mix tends to vary with the managerial levels. First line managers generally require technical and interpersonal skills and less on their conceptual and diagnostic skills. Top managers tend to have a greater emphasis on conceptual, diagnostic and political skills and to a lesser dependence on technical and interpersonal skills. Middle managers require a more even distribution of all the skills. It should be noted that both education and experience enable one to recognize and develop the skills they need to put organizational resources to their best use.