

Introduction to Management

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**Management
course material-
Chapter 1.-
page 5.-12.**

Materials



- <http://edu.gtk.bme.hu>
 - [MANAGEMENT AND BUSINESS ECONOMICS - BMEGT20A001](#)
 - **SlideShows (Management)**
 - **PADA**

Why to learn management?

- Career path to choose

Why to learn management?

Engineer – till death (?)

Typical career

TYPICAL CAREER



IT developer



Senior IT developer



Manager

**Quantitative → qualitative
way of thinking**

$2 + 2 = 4$ in math

$2 + 2 = ?$ in

management

**Quantitative → qualitative
way of thinking**
**It is a profession, but
I cannot always tell
you the ultimate
truth.**

**Nothing is more dangerous than an idea
when it is the only one you have.**

Emil Chartier

**The whole problem with the world is
that fools and fanatics are always so
certain of themselves,
and wiser people so full of doubts.**

Bertrand Russell

**If you see a debate, try to understand
both sides!**

XYZ

**If you wish to converse with me, define
your terms!**

Voltaire

What comes to our mind first when we think of the manager himself/herself as a key player in a company or other organization, and what tasks do we associate with this person?



Why should we become managers?

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- **See the whole picture**
- **Dealing with people**

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- **The job is more interesting and richer**
- **See the whole picture**
- **Dealing with people**
- **...?**

It is all about communication!

**COMMUNICATIO
N**

The purpose of learning management

- **To know what a company is based on**
- **To know what a manager really is**
- **To be able to identify the main characteristics of the company you work at**
- **To acquire management skills to see the whole picture about the functioning of the company**
- **Professional vs managerial carrier**

What are we going to talk about today?

- ❑ **Where do managers work?**
- ❑ **The definition of management**
- ❑ **Management Functions**
- ❑ **Managerial levels**
- ❑ **Managerial roles**



What do we call an Organisation?



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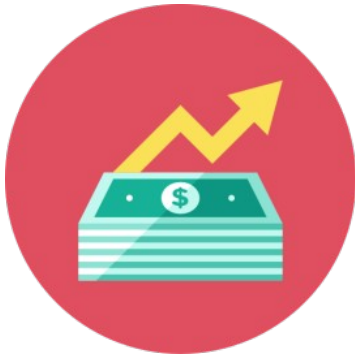
*Societal formation **based on common activity** of a specific group of individuals.*

A system that is determined by human actions.

Basic characteristics:

- has **specific purpose, distinct goals**
- creates **deliberate structure** for either a **limited or a long term existence**
- **targets efficient functioning** by choosing the right employees, technologies, etc

Resources



Definition of Management

Management is about

- planning,
 - organizing,
 - controlling, and
 - leading
-
- the **financial**-, **physical**-, **informational**-, and **human** resources
 - in an **effective** and **efficient** way.



Efficiency and Effectiveness

Efficiency measures the economy in achieving of our production results. In this case an organization is efficient when it generates the most amount of output from the least input. This means that we have an **efficient company when we perform our production from as few resources as**

effectiveness focuses on our goals. It measures whether we truly achieve our planned objectives, fitting to our purposes. This means that **an organization is effective if it has actually achieved the result, that have been predefined for it** by analysis of the market and the information

Efficiency (Means)

Resource
Usage

Low Waste



Effectiveness (Ends)

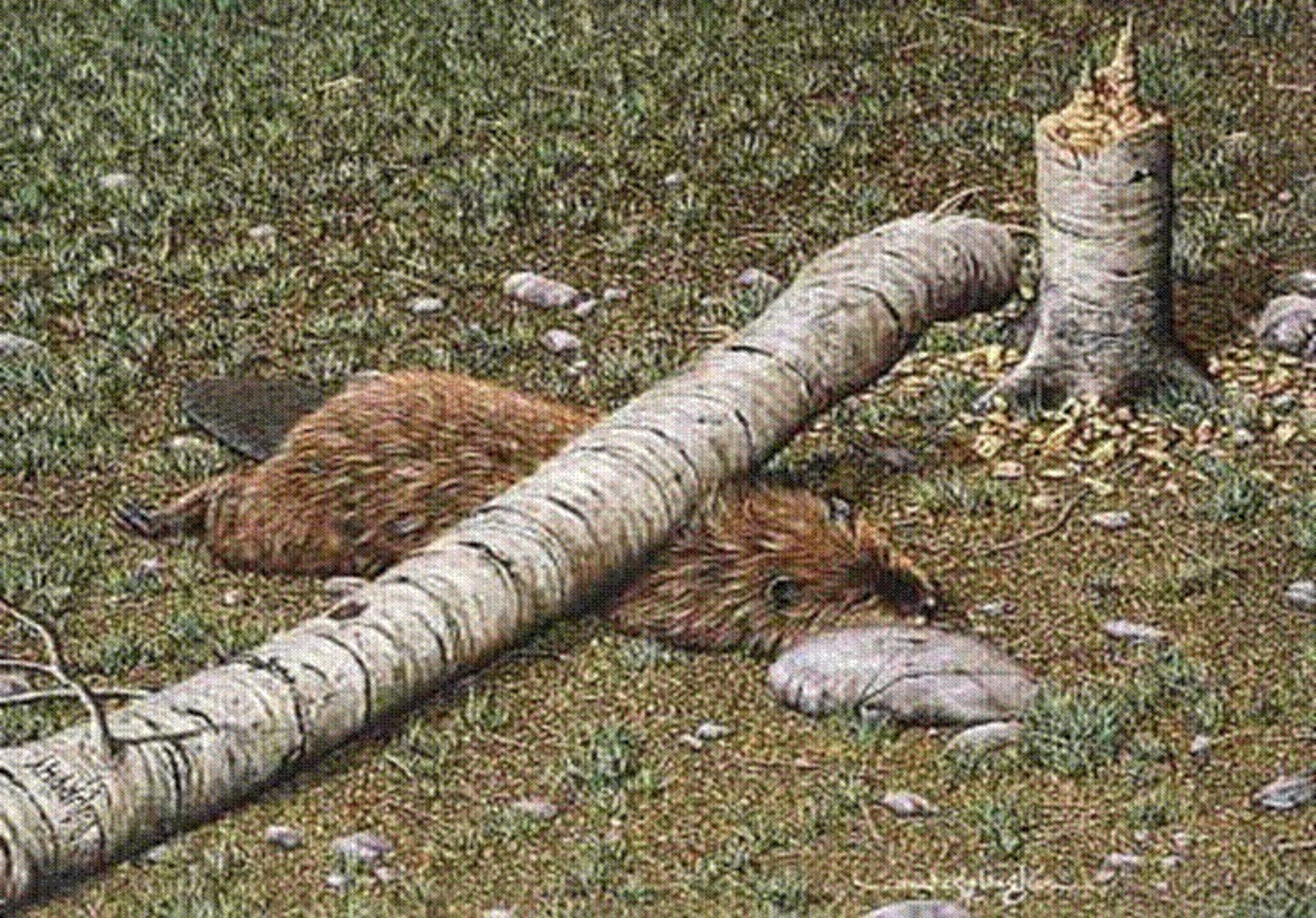
Goal
Attainment

High Attainment



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





Fundamental questions of management

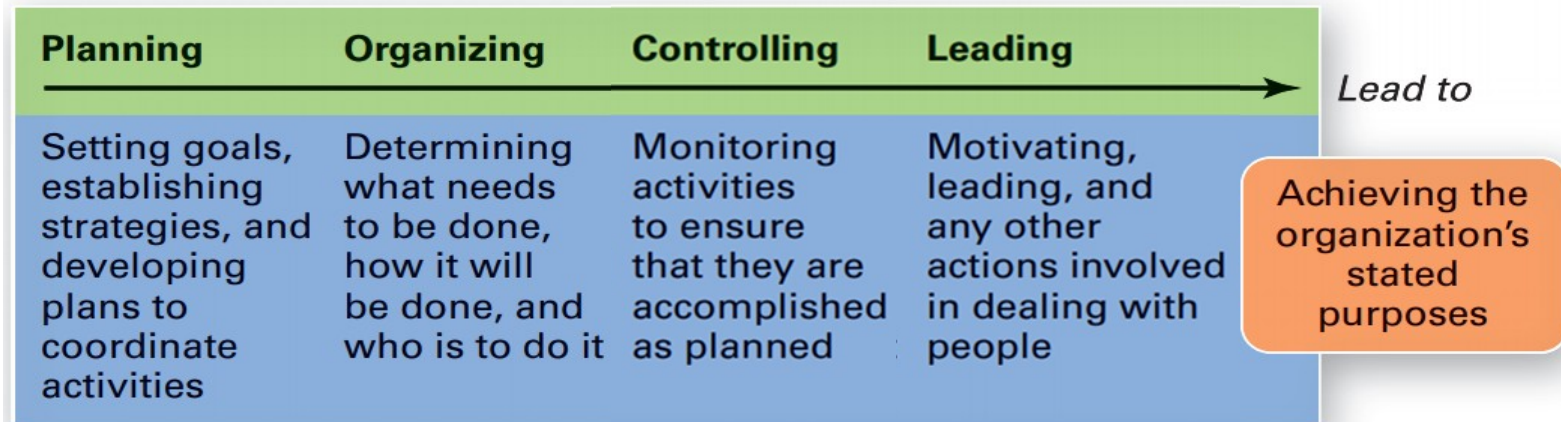
How to increase the organizational performance, effectiveness and efficiency?

How to motivate the members of the organization to increase their performance?

Management Functions



Management Functions



Management Functions

Planning

- What are the organization's long-term objectives?
- What strategies will best achieve those objectives?
- What should the organization's short-term objectives be?
- How difficult should individual goals be?

Organizing

- How many employees should I have report directly to me?
- How much centralization should there be in an organization?
- How should jobs be designed?
- When should the organization implement a different structure?

Controlling

- What activities in the organization need to be controlled?
- How should those activities be controlled?
- When is a performance deviation significant?
- What type of management information system should the organization have?

Leading

- How do I handle employees who appear to be unmotivated?
- What is the most effective leadership style in a given situation?
- How will a specific change affect worker productivity?
- When is the right time to stimulate conflict?

Goal vs objective

Goal: we want to go to the Moon / Mars / etc

Objective: we want to go to the Mars by the end of 2035, with the cost of 100 billion dollars

**But! Is every manager
similar in a company?**

Managerial levels

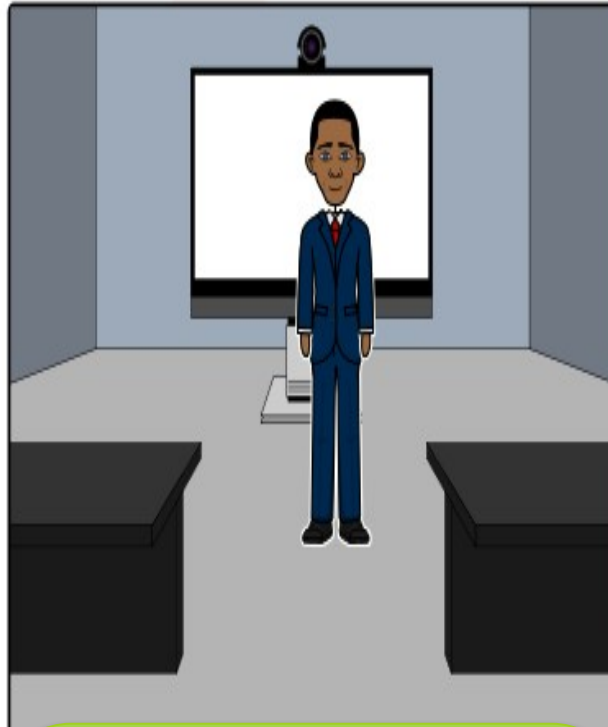


Top Level Manager



responsible for making organization-wide decisions and establishing the plans and goals that affect the entire organization
(eg. executive vice president, president, managing director, chief operating officer, or chief executive officer)

Middle Level Manager



manage the work of first-line managers, they are mainly responsible for turning company strategy into action (eg. *regional manager, project leader, store manager, or division manager*)

First Line Manager



manage the work of nonmanagerial employees who typically are involved with producing the organization's products or services (eg. *shift managers, district managers, department managers, or office managers*)

The difference between the manager and the leader

If someone is called formally a **leader**, then we emphasize that the individual **has followers, over whom he/she exercises power**. A leader can be informal as well, who can influence the activity and behaviour of others based on informal powers, like expertise or prestige.

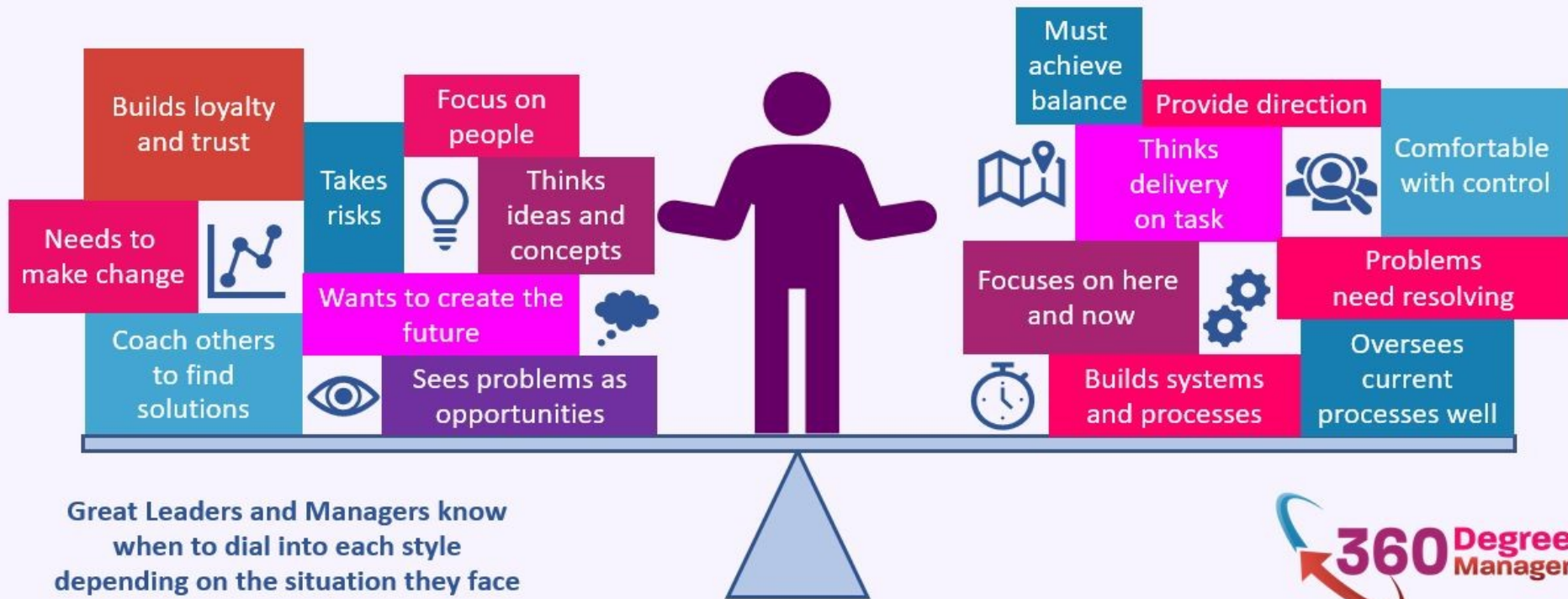
A **manager** though, **plans, organises and also controls besides leading**, possessing formal power tools in the organisation, and legitimate to influence the activity of others. So if someone is called a manager, we **highlight the whole of his/her activity, not just that part he/she uses to influence others**

The difference between the manager and the

Leader

VS

Manager



Managers- Managerial Roles



Interpersonal Roles

Managerial roles that involve people and other duties that are ceremonial and symbolic in nature

Informational Roles

Managerial roles that involve collecting, receiving, and disseminating information

Decisional Roles

Managerial roles that revolve around making choices

Managers- Managerial Roles

Managers- Managerial Roles

What do they do?

Managers- Managerial Roles

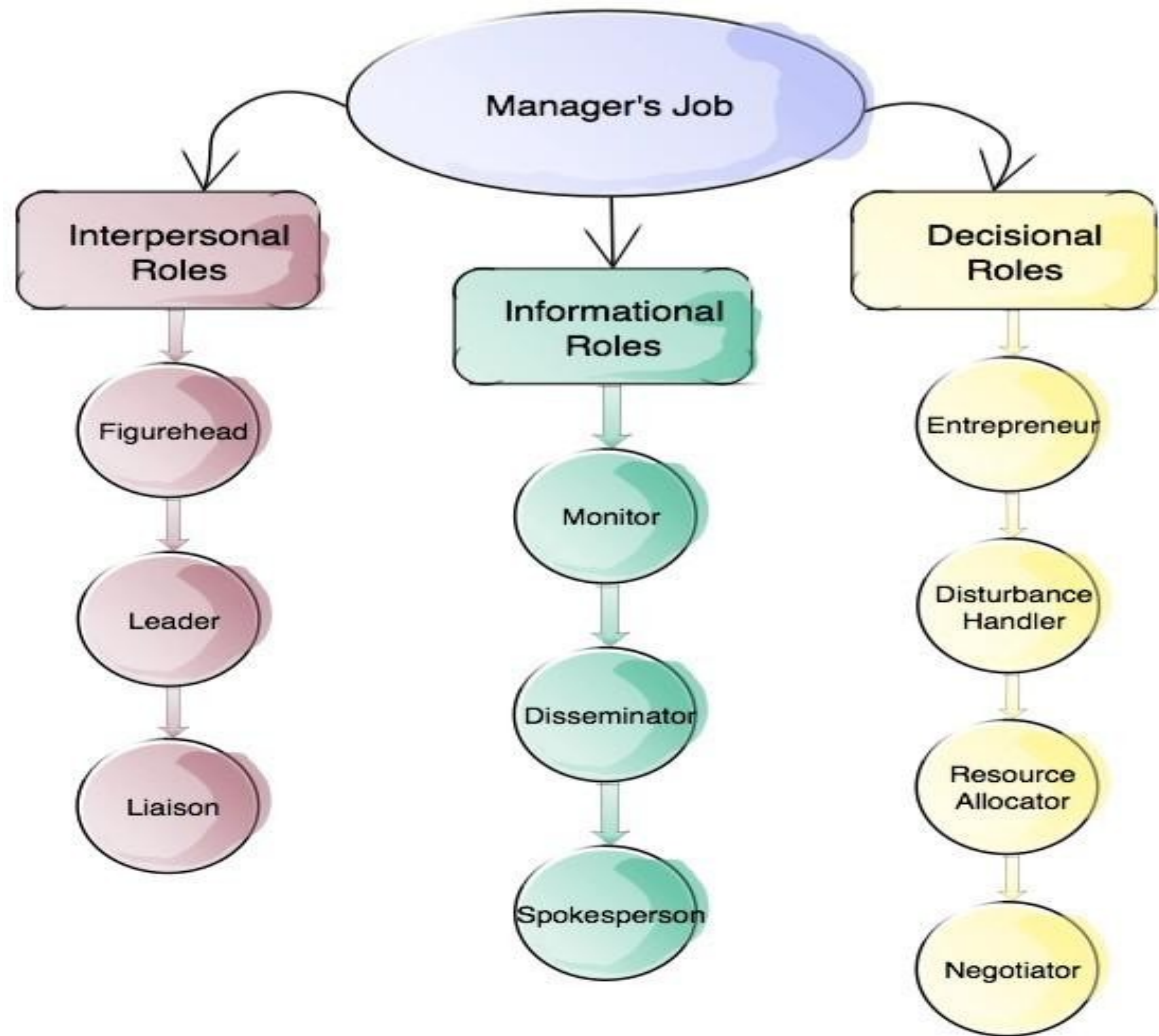
What do they do?



Managers- Managerial Roles



Henry Mintzberg



The term managerial roles refers to specific actions or behaviors expected of and exhibited by a manager

Managerial Grid

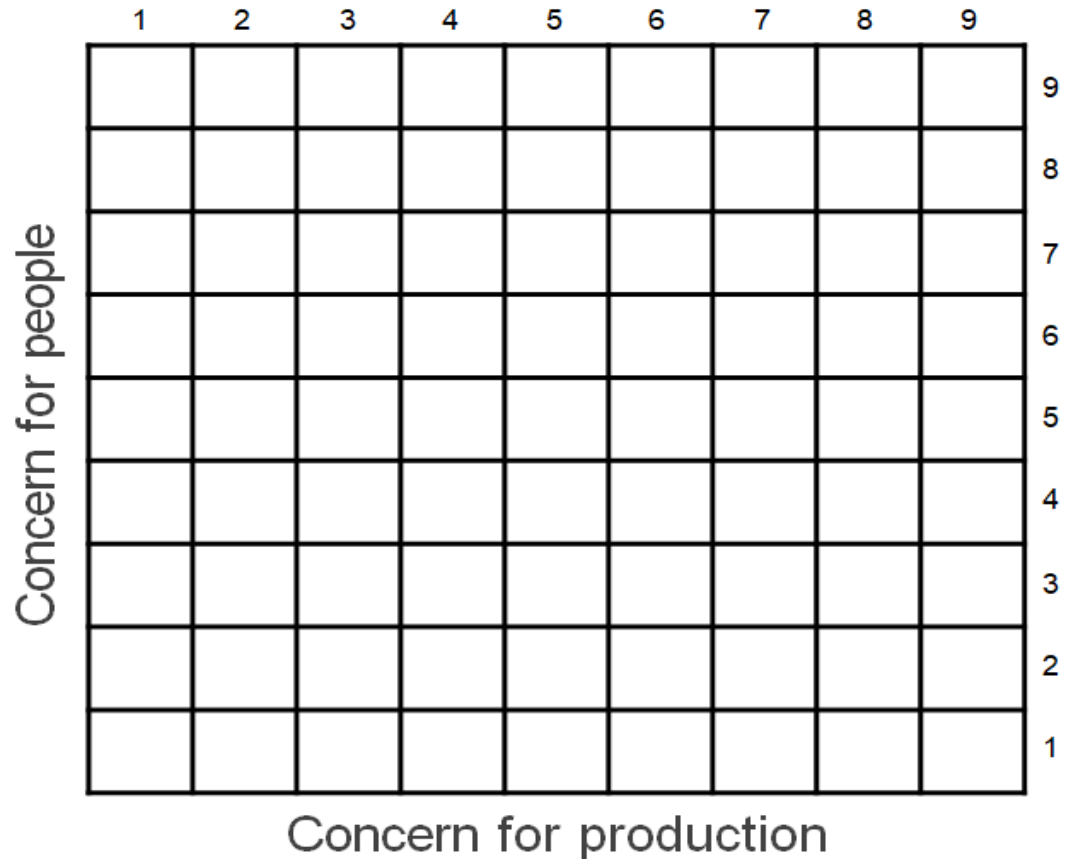
(Blake & Mouton)

Plots management styles
on a 2D grid

-> gives great framework
to diagnose a manager's
style

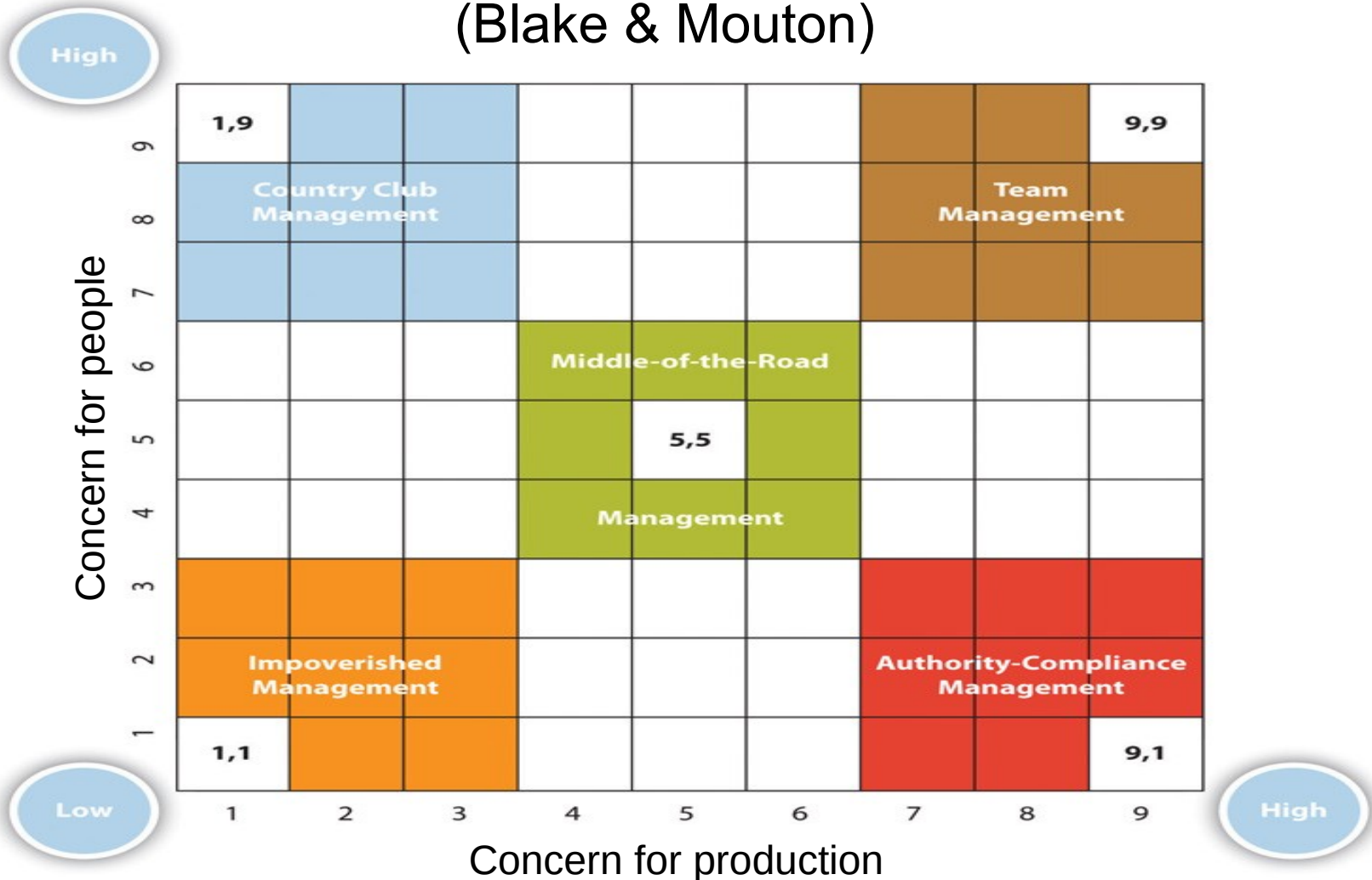
-> the manager's
movement towards the
ideal style can be tracked

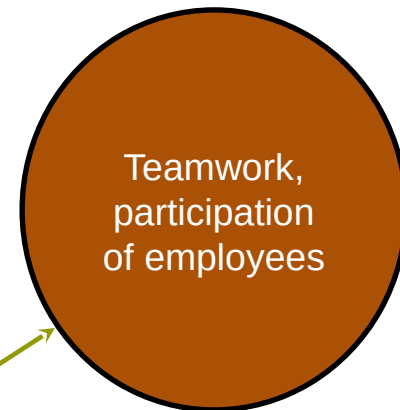
Focus on 5 core styles



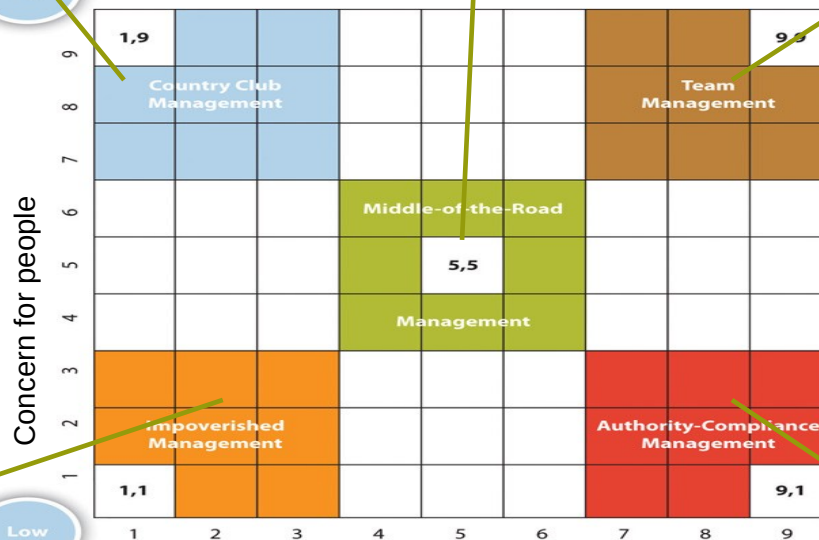
Managerial Grid

(Blake & Mouton)



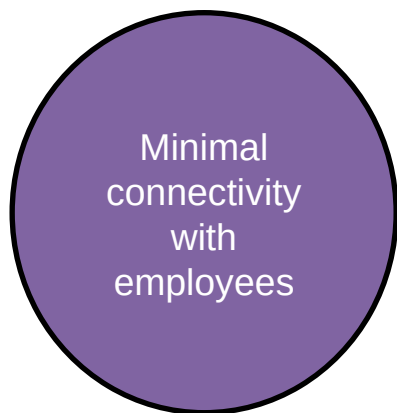


High



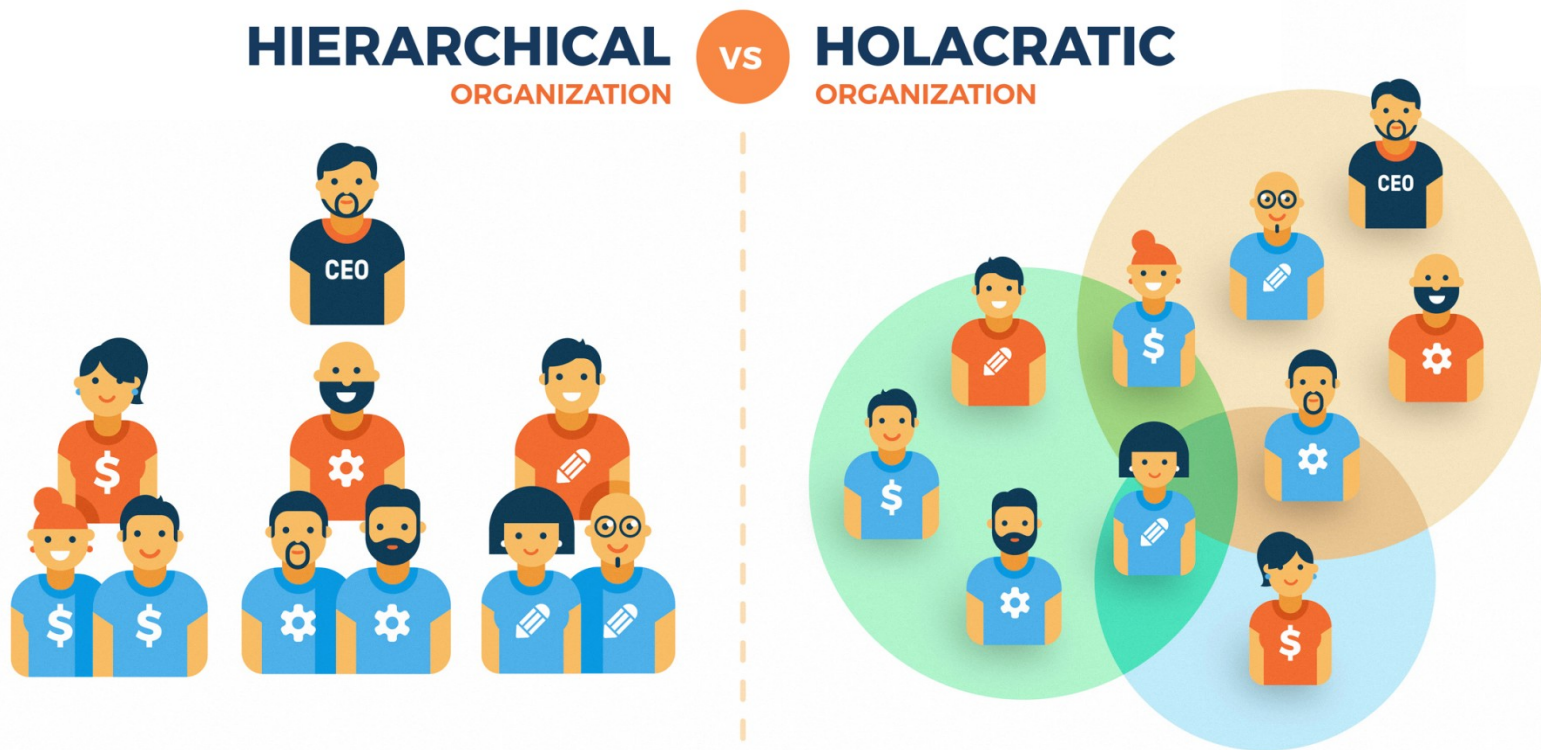
Low

High



Case Study

„Who Needs a Boss?”



https://www.youtube.com/watch?v=0FmKsDf_CnI

Re-structuring in every 5-7 years

- Companies are being restructured in every 5-7 years
- To shake up the employees, shake up the system, get to know new colleagues, create new departments

Employees OR group of people who are willing to take the responsibility for themselves?

Freelancers

Everybody has a boss, it's called: TIME

**THANK YOU FOR YOUR
ATTENTION!**
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