

# UNIT 3

## Introduction to management

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### Learning objectives

In this chapter you will learn about:

- 1 Characteristics of good managers
- 2 Examples of management in different situations

### Management

Management is a process by which plans are made and resources are organised and controlled in order to achieve objectives.

### Management skills

- Planning
- Organising
- Controlling

### Management activities

- Leading
- Motivating
- Communicating

### Characteristics of good managers

- Adaptable
- Analytical
- Decisive
- Future focused
- Hard-working
- Holders of high standards
- Leaders
- Motivated
- Good with people
- Charismatic



### Top Tip!

Ensure you can list several characteristics of good managers and explain why these characteristics are important.

## Management in action

### Management in the home

- Preparing and operating a household budget (**controlling**)
- **Planning** a family holiday abroad
- Discussing problems that need to be resolved (**communication**)

### Management in school

- **Planning** teacher and student timetables
- **Organising** rooms, equipment and materials for classes
- Teachers encouraging students to work hard (**motivation**)

### Management in the local community

- A person setting up a meeting to raise funds for charity (**leadership**)
- Volunteers **organising** the activities of a youth club
- A residents' association newsletter delivered to all homes in the area (**communication**)

### Management in business

- Bonus payment scheme to **motivate** staff to work harder
- Meeting between management and workers to discuss changes in work practices (**communication**)
- Introduction of a stock control system (**controlling**)

### Management in government

- **Planning** the construction of new motorways
- Introduction of a no-smoking law in the workplace (**leadership**)
- Charging for waste disposal to encourage waste reduction (**motivation**)

### Top Tip!

You should be able to illustrate management in action in various areas of life.

## Comparing management with enterprise

Enterprise	Management
High risk of time and money	Low risk (job security)
Develops new opportunities	Day-to-day running
Deals with new product start-ups	Deals with existing product range
Deals with long-term finance	Short- and medium-term finance
Strategic planning, long-term	Detailed plans, tactical and operational
Communicates with key stakeholders	Communicates with all staff
Leads stakeholders and top management	Leads managers and staff
Motivates top managers	Motivates all employees
Requires more creativity, confidence, initiative, risk-taking, persuasiveness	Requires a hard-working, analytical, organised individual

### Remember

You should be able to explain the similarities and differences between entrepreneurs and managers.

## Exam question

- 1 Illustrate the importance of management skills in any one of the following areas: (a) the home (b) the local community (c) government department (d) a business start-up. (2002, 20 marks)

## Sample answer

### The importance of management skills in the home

#### Leadership

It is very important for parents to take on a strong leadership role in the home so that the children will have a clear sense of direction in their daily lives.

Sometimes leadership is given through good example or by being a good role model. The parents work hard and take care of the people around them on a daily basis and expect that their children will do the same by working hard in school and helping out at home. This will lead to the children doing well in school and to the workload of the household being shared by all the family.



As children get older, a more democratic form of leadership may work better where children get to have a say in the decisions that are made. This will result in the children being happier to co-operate with the rules and willing to take responsibility for seeing that the rules are obeyed by everyone.

#### **Motivating**

Motivation can be very important in getting the members of the family to do their best at what they have to do. If the children work hard at their schoolwork and are praised by their parents, then the children will be motivated to keep making the effort to do well. Likewise, if one parent prepares a meal for the family and everyone enjoys it and praises them and thanks the parent, they also will be encouraged to keep up the same high standard in the future.

Parents can motivate their children to make their best effort by offering them rewards when they perform well or by imposing a penalty of some kind if they don't make a good enough effort. This form of motivation can work very well and is used in many households. Parents can apply Maslow's Hierarchy of Needs to successfully motivate their children by knowing the need level they are at and then meeting this need as a way of motivating them. For example, parents may offer to have a party at the house for the friends of the child as a way of meeting the social acceptance needs of the child. This may motivate the child much more than other methods that are not at their need level.

#### **Communicating**

The members of a family have to be able to work together and co-operate with each other, and to do that there must be good communication between them. Each person in the family must have good communication skills and use them so that the household can be managed efficiently. Each member of the family must keep the others informed about their plans. For example, if one person will not be home for dinner, they should inform the others so that food is not cooked for them and wasted as a result.

It is also important that there is communication about big decisions in the household so that everyone's opinion is taken into account. This will help to avoid disagreements at a later stage. Some families have regular family meetings where anyone can say what they want to the rest of the family and plans for the future can be discussed and agreed.

Having and using good communication methods can also ensure that messages are sent and received in an effective way, such as a notice board, home phone, mobile phones, email, etc.

Clearly the use of management skills in the home can be very important, as illustrated above.

#### **Marking scheme**

- Three management skills: 7 marks + 7 marks + 6 marks
  - 3 marks for naming and explaining the skill
  - 4/3 marks for illustrating importance/giving examples

## **Questions**

### **Higher Level long questions**

- 1 Describe five characteristics of good managers and evaluate the importance of each one.
- 2 Select a manager who you know from any area of life and identify the management characteristics they show in their management role. Support your answer with examples.
- 3 Illustrate why the role of management is important in the home, in school, in the community and in business.
- 4 'Entrepreneurs and managers share many characteristics, but their roles are essentially very different.' Discuss.

### **Key-points!**

- Characteristics of managers
- Examples of management in action
- Comparing management with enterprise

### **Key-definition!**

**delegation:** When a manager gives a subordinate the authority to carry out certain tasks and makes them responsible for the completion of those tasks.