

Genius World



UGBS 104

Principles of Management

Lecture 1-12



UNIVERSITY OF GHANA

ANTHONY

The Tony we know

A complete compilation of all the
lecture slides

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Course Delivery Schedule

Week No.	Date	Lecture Contents
1. Management: Nature and Purpose	February 4, 2020	<ul style="list-style-type: none"> • The Term Management • Management as a Process • Management and Organisation • The Need for Management • Managerial Performance • Management as a Universal Process
2. Management Forms	February 11, 2020	<ul style="list-style-type: none"> • Functions of Management • Types of Managers • Management Levels and Skills • Managerial Roles • Differences among hierarchical levels • Management as a Science • Management as an Art
3. Evolution of Management Theory	February 18, 2020	<p>Management – Historical Perspectives</p> <p>Classical viewpoint:</p> <p>Scientific management approach</p> <p>Bureaucratic management</p> <p>Administrative management</p>
4. Evolution of Management Theory	February 25, 2020	<p>Behavioural Viewpoint:</p> <p>Early behaviourists</p> <p>Hawthorne Studies</p> <p>Human relations movement:</p> <p>Maslow's theory of needs</p> <p>Quantitative management</p> <p>Viewpoint:</p>

		<ul style="list-style-type: none"> • Operations management • Management science • Management information systems
5. Evolution of Management Theory	March 3, 2020	<ul style="list-style-type: none"> • Contemporary viewpoints: • Systems Theory • Contingency theory • Theory Z <p>Total Quality Management (TQM)</p>
6. Managerial Environment	March 10, 2020	<ul style="list-style-type: none"> • External environment • Internal environment • Managing environmental elements
7. Planning	March 17, 2020	<ul style="list-style-type: none"> • Nature and purpose of Planning • The Formal planning Process • Types of planning • Benefits of planning • Planning and Decision-making in
8. Organizing	March 24, 2020	<ul style="list-style-type: none"> • Organisational Structures • Elements in the organization Design • Types of organizational designs • Organisational Designs Factors
9. Leading and leadership	March 31, 2020	<ul style="list-style-type: none"> • Approaches to leadership: • Trait Approach • Behavioural Approach • Contingency Approach

10. Leading and leadership	April 7, 2020	<ul style="list-style-type: none"> • Management and delegation • Definition and Process of delegation • Why some managers fail to delegate Principles of delegation
11. Control	April 14, 2020	<ul style="list-style-type: none"> • Nature and Purpose of Control • The control Process • Types and Methods of Control • Designing Control Systems
12. Corporate Social Responsibility and Ethics	April 21, 2020	<ul style="list-style-type: none"> • Definitions of social responsibility and ethics • Areas of social responsibility • Perspectives on Corporate social responsibility • Types of managerial Ethics • Alternative views of ethics • Ethical Dilemmas at work • Maintaining high Ethical Standards
13. Revision	April 28, 2020	Exam Preparation

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Lecture

1

Introduction

Definition -Management

•A set of activities directed at an organisation's resources with the aim of achieving organisational goals in an efficient and effective manner (Griffen, 2002).

What then is a goal?

•An end that management desires to reach. (Bateman & Snell, 2002)

Goals

- Altruistic -further the welfare of others
- Economic
- Survival
- Profitability
- Growth

NB

the activity of planning involves gathering relevant information about the task and its context, establishing **goals** (or **objectives**), specifying how to achieve them, implementing the plan and evaluating the results. A goal (or objective) is a desired future state for an activity or organisational unit. **Goals** (objectives) are desired outcomes or targets. They guide management decisions and form the criterion

against which work results are measured. That's why they're often described as the essential elements of planning

What is an organization?

Organisation?

Two or more persons engaged in a systematic effort to produce products (**Bartol and Martin, 1998**).

a group of individuals who agree to share their effort in the realisation of common goals (**William, 2008**)

•A deliberate arrangement of people assembled to accomplish some specific purpose (**Pearce and Coulter, 2012**)

Types Of Organisation

- Not-for profit
- Profit making
- Formal
- Informal
- Small
- Large

Characteristics of organisations

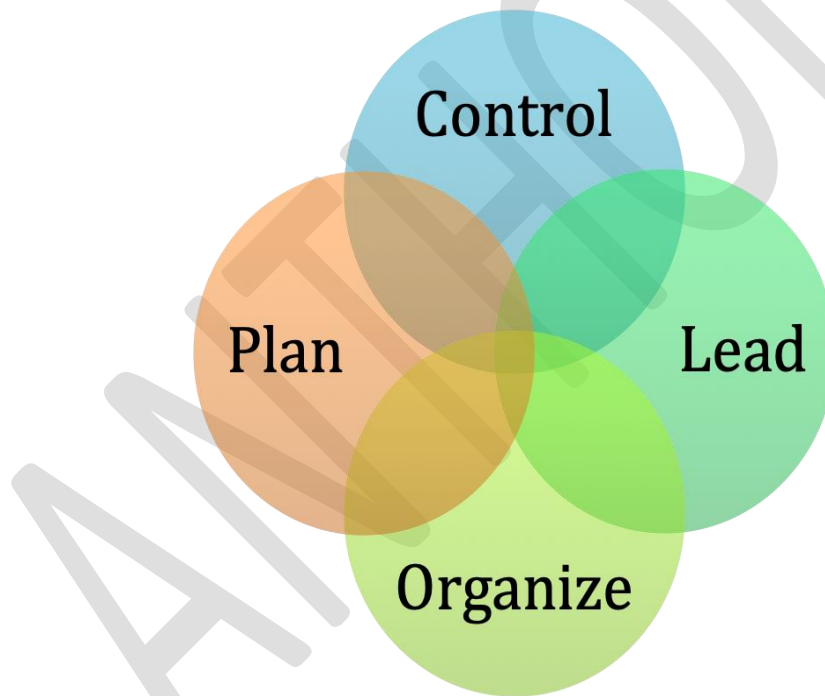
- Made up of people (social unit)
- Managers
- Common goal
- Substitution of personnel
- Structure
- Rules and regulations

–Division of labour

NB

First, an organization has a distinct purpose. This purpose is typically expressed through goals that the organization hopes to accomplish. Second, each organization is composed of people. It takes people to perform the work that's necessary for the organization to achieve its goals. Third, all organizations develop some deliberate structure within which members do their work. That structure may be open and flexible, with no specific job duties or strict adherence to explicit job arrangements.

Management process



❖ Planning

Process of setting performance objectives and determining what actions should be taken to accomplish them ([Schermehorn, 2008](#); [Kinicki, 2016](#)).

objective

- Eg. To increase sales by 20% next year

- What actions to take:

Understanding customers so that good and quality products can be produced.

❖ **Organizing**

The process of allocating and arranging resources so that plans can be carried out successfully.

Putting it into action

How?

- ✓ Determine what tasks are to be done
- ✓ How jobs will be grouped
- ✓ Staffing jobs with individuals who can successfully carry out plans
- ✓ Providing the needed resources,
- ✓ Giving personnels what to do etc

❖ **Leading**

The process of influencing others to engage in the work behaviour necessary to reach organisational goals

❖ **Controlling**

The management function of monitoring progress so that actual performance conforms to expected goals and making needed changes.

The process of measuring performance and taking action to ensure desired results.

Managerial performance

- main purpose of management:
 - **performance**
 -

Effectiveness

Doing the right things.

Attaining organizational goals

Efficiency

Doing things right

Getting the most output for the least inputs

Management: A Science or an Art

Management is a science because management problems and issues can be approached in ways that are rational, logical, objective and systematic.

Management: Science

Management is therefore a science because it consists of a body of knowledge that indicates the procedures that may be followed to provide an unambiguous demonstration of its theory.

Management: an Art

Managers also often make decisions and solve problems on the basis of intuition, experience, instinct and personal insights

Why management?

Universality of management

- The principles underlying management are universal.

Applicable

To all types of organisations

At all levels of organisations

In different organisations

Lecture

2

Management Forms

Who are managers?

- someone who coordinates and oversees the work of other people so that organisational goals can be accomplished. (**Robbins & Coutler, 2016**)

Levels of managers

Top managers:

- Make decisions that affect the entire organisation
- Provide strategic direction

NB

At the upper levels of the organization are the top managers, who are responsible for making organization-wide decisions and establishing the plans and goals that affect the entire organization. These individuals typically have titles such as executive vice president, president, managing director, chief operating officer, or chief executive officer.

Middle line managers

- Responsible for implementing the overall strategies and policies defined by the top manager.

NB

Middle managers manage the work of first-line managers and can be found between the lowest and top levels of the organization. They may have titles such as regional manager, project leader, store manager, or division manager

Middle managers are expected to ensure that first-line managers work in line with company policies. This requires them to translate strategy into operational tasks, mediating between senior management vision and operational reality. Some help to develop strategy by presenting information about customer expectations to senior managers (Floyd and Wooldridge, 2000; Currie and Proctor, 2005), and provide a communication link – telling first-line managers what they expect, and briefing senior managers about current issues.

First line managers

- Responsible for the work of operating employees

NB

First-line managers manage the work of nonmanagerial employees who typically are involved with producing the organization's products or servicing the organization's customers. First-line managers may be called supervisors or even shift managers, district managers, department managers, or office managers

Types of managers

Functional managers:

They are responsible for departments that perform a single functional task and have employees with similar training and skills.

Line Managers

Responsible for work that makes a direct contribution to the organisation's outputs.

Staff managers

They can advice, recommend and counsel line managers

General Managers

They are responsible for activities covering many functional areas.

Administrator

An administrator is typically a manager who works in a public (government) or non profit organization rather than in a business firm.

NB

Staff managers are in charge of activities like finance, personnel, purchasing or legal affairs which support the line managers, who are their customers. Staff in support departments are not usually in direct contact with external customers, and so do not earn income directly for the organisation.

Project managers are responsible for a temporary team created to plan and implement a change, such as a new product or system.

Managerial Roles (Mintzberg's 10 roles)

- An organised set of behaviours associated with a particular position.

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

Types of roles

❖ Informational Role:

- ✓ Monitor
- ✓ Disseminator
- ✓ Spokesperson

NB

Managing depends on obtaining **information** about external and internal events, and passing it to others

The **monitor** seeks, receives and screens information to understand the organisation and its context, using websites, reports and chance conversations – such as with customers or new contacts at an exhibition. Much of this information is oral (gossip as well as formal meetings), building on personal contacts

In the **disseminator** role the manager shares information by forwarding reports, passing on rumours or briefing staff.

As a **spokesperson** the manager transmits information to people outside the organisation – speaking at a conference, briefing the media or presenting views at a company meeting

❖ Interpersonal Roles

Interacting with people inside and outside the work unit.

- ✓ **Figurehead:** performing routine duties of a legal or social nature.
- ✓ **Leader:**
- ✓ **Liaison:** It involves serving as a coordinator or between people, groups or organisations.

NB

As a **figurehead** the manager is a symbol, representing the unit in legal and ceremonial duties such as greeting a visitor, signing legal documents, presenting retirement gifts or receiving a quality award.

The **leader role** defines the manager's relationship with other people (not just subordinates), including motivating, communicating and developing their skills and confidence – as one commented:

Liaison refers to maintaining contact with people outside the immediate unit. Managers maintain networks in which they trade information and favours for mutual benefit with clients, officials, customers and suppliers.

❖ Decisional Role

- ✓ Entrepreneur

- ✓ Disturbance handler
- ✓ Resource allocator
- ✓ Negotiator: Representing the organisation at major negotiations.

NB

In the **entrepreneurial** role managers see opportunities and create projects to deal with them

Disturbance handling includes addressing unanticipated problems as they arise and resolving them expeditiously

The **resource allocator** chooses among competing demands for money, equipment, personnel and other resources

They **negotiate** with suppliers for better delivery, lower prices, and higher-quality inputs. They negotiate with customers over the pricing, delivery, and design of products and services. They negotiate with peers in their own organization over shared resources and cooperative efforts. They negotiate with their superiors for access to scarce resources, including capital, personnel, and facilities

Key skills

Skill

A skill is the ability to translate knowledge into action that results in desired performance.

Diagnostic

Communication

Decision making

Time-management

Interpersonal

Conceptual

Technical

Technical Skill

The manager's ability to use the tools, procedures and techniques of a specialized field.

Human skills

The ability to work with and through other people and to work effectively as a group member.

Conceptual Skills

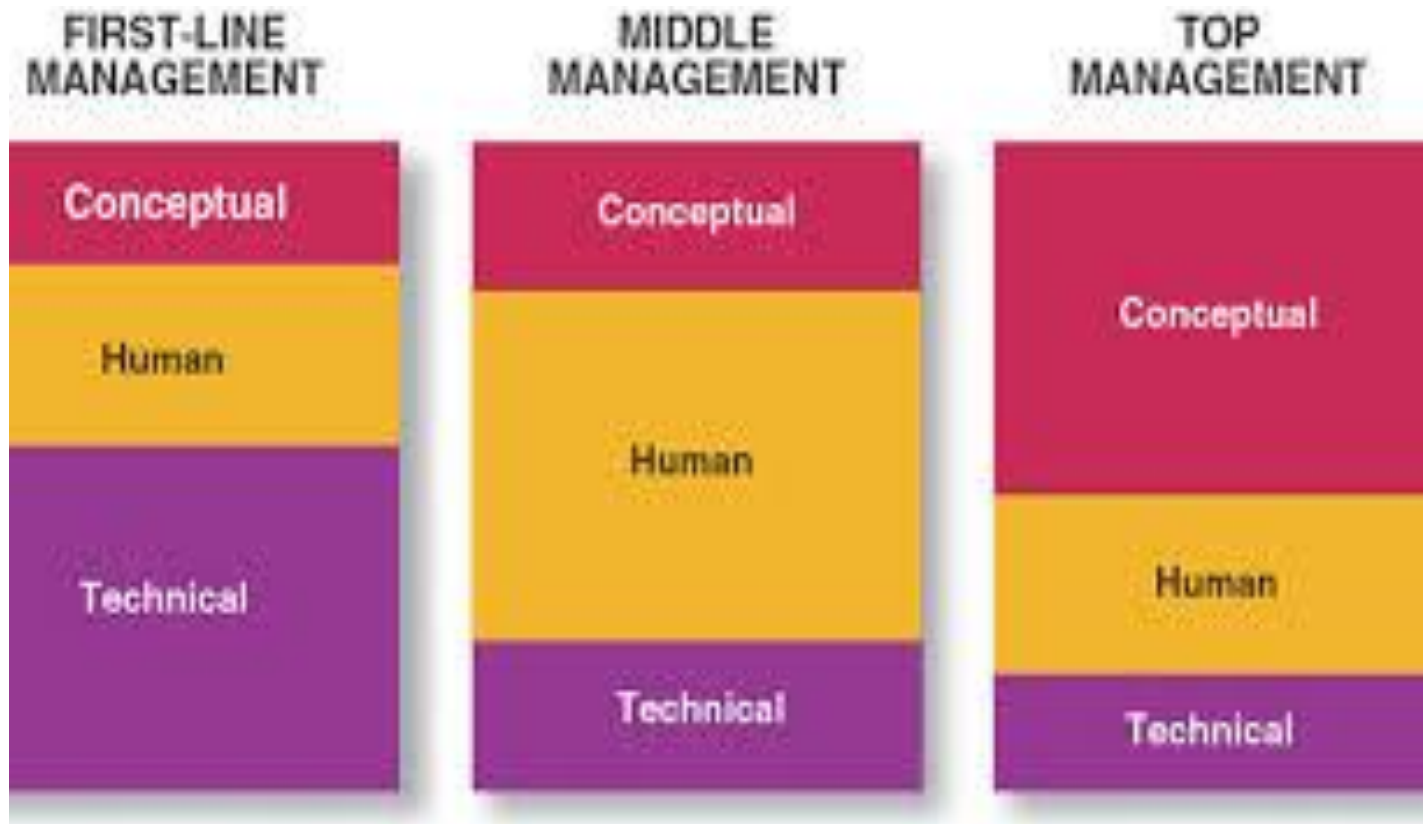
It is the cognitive ability to see the organisation as a whole and the relationship among its parts

Differences in the use of management skills

Technical skills is very important for lower level managers because they are responsible for managing employees using tools and technique to produce the organisations product.

Because managers deal directly with people, these skills are essential and equally important at all levels of management (**Human skills**)

Conceptual skills are needed by all managers but are especially important for managers at the **top**.



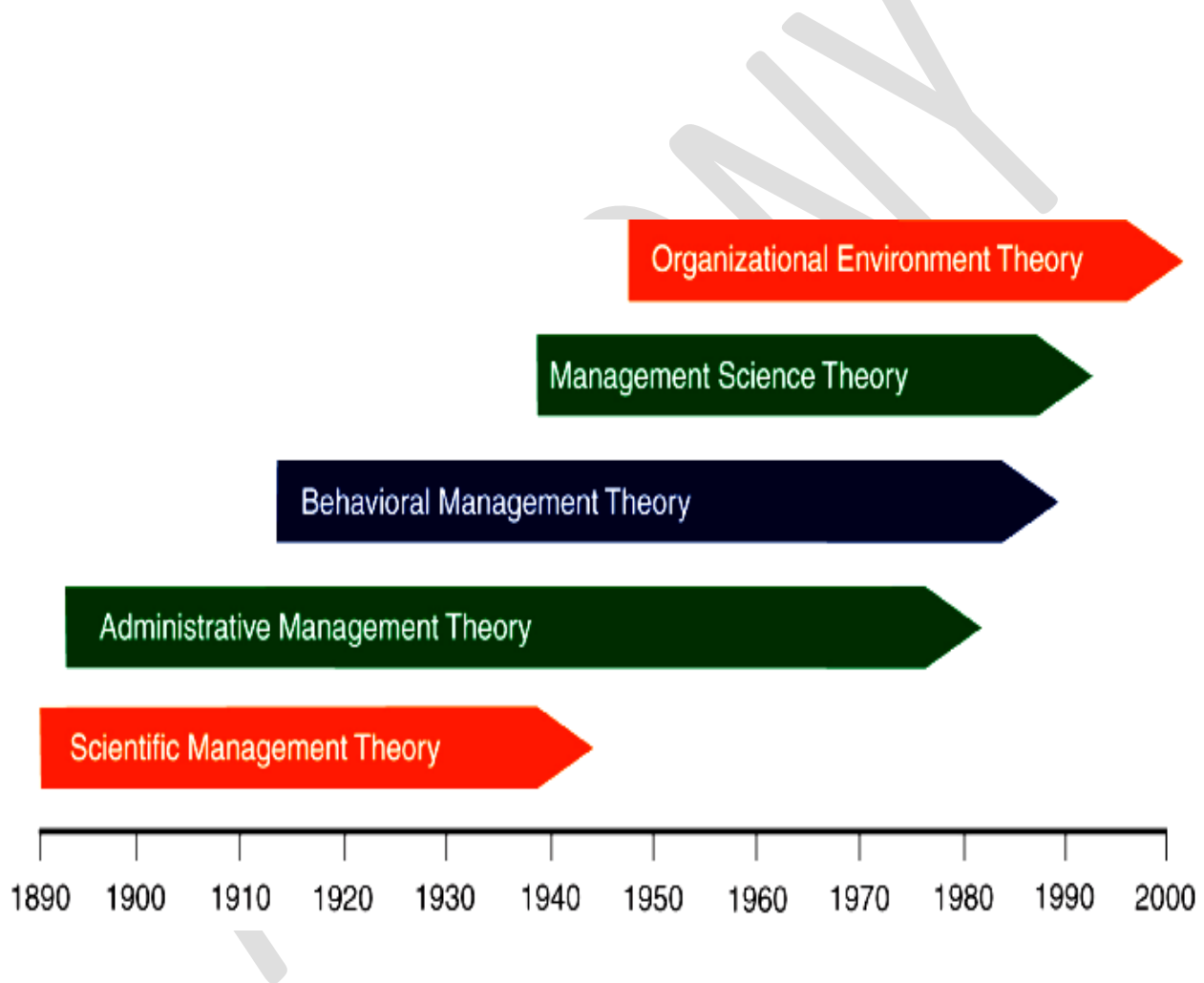
Challenges of managers

- Responsiveness to customers
- Responsiveness to diversity
- Globalisation
- Technology

Lecture

3

The Evolution of Management Theory



Classical Viewpoint

emphasizes finding ways to manage work and organisations more **efficiently**.

Approaches of Classical Perspective

- ✓ Scientific Management
- ✓ Administrative management
- ✓ Bureaucratic Management

Scientific Management

- **Proponents:**
 - Frederick Taylor
 - Frank and Lillian Gilbreth
 - Henry Gantt

This approach emphasizes the scientific study of work methods in order to improve worker efficiency.

Was aimed at solving the soldiering problem

Solutions to soldiering problem

He believed that for organisations to become efficient:

Workers should not be allowed to work their own way without clear and uniform specification as that caused inefficiencies.

Principles to increase efficiency

- ✓ Scientifically study each part of a task and develop the best method for performing the task
- ✓ Scientifically select and train workers to perform the task
- ✓ Cooperate fully with workers to ensure that they use the proper method.
- ✓ Divide work and responsibility

Challenges with SM

- Specialized jobs became very boring and monotonous

- How do we manage the challenges?

Summary

In getting a job completed;

- Put the right person on the job
- With the correct tools and equipment
- Make workers follow instructions exactly
- Use economic incentive to motivate them.
- Hiring the right person
- Incentive based on output

Bureaucratic Management

Proponent: **Max Weber**

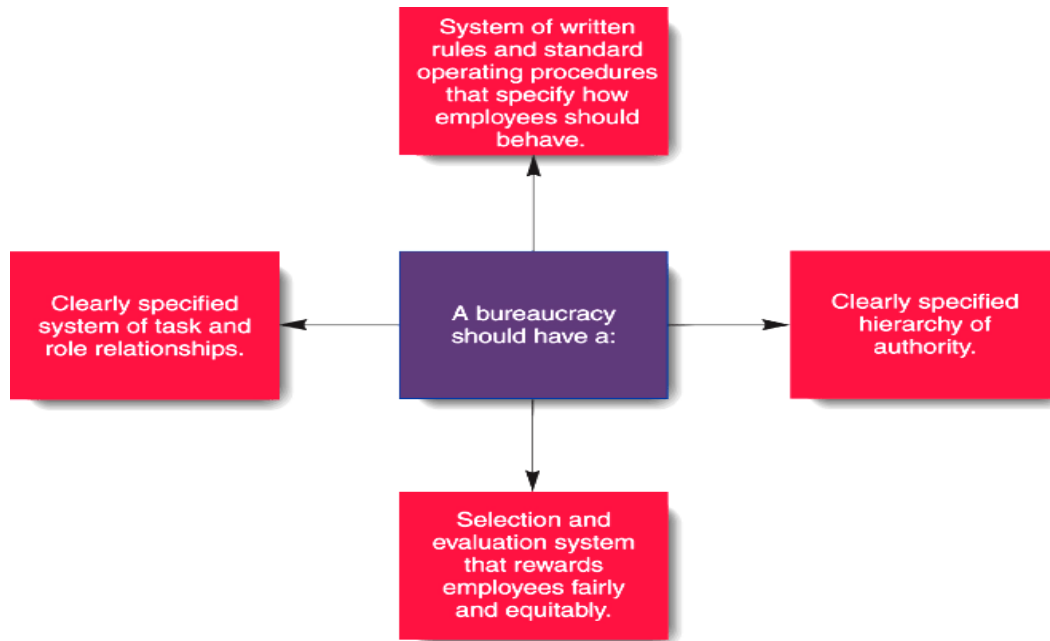
- A bureaucracy is a rational and efficient form of organisation founded on logic, order and legitimate authority.

A few issues pertaining then

- Class consciousness
- Nepotism
- Whom one knows instead of what one knows

Characteristics of Ideal bureaucracy

- Specialization of labour
- Well defined hierarchy
- Formal rules and procedures
- Impersonality
- Career advancement based on merit



Downsides

- Excessive paper work or red tape
- Slowness in handling problems
- Rigidity in the face of shifting customer needs
- These could pose problems for organisations that must be flexible and quick in adapting to changing circumstances

Administrative Management

Main proponents:

- Henri Fayol
- Chester Barnard

Emphasizes the principles that can be used by managers to coordinate the internal activities of organisations.

Contributions

Management was a profession

Identified the **functional approach** to management.

- Planning
- Organising
- Commanding
- Coordinating
- Controlling

14 principles of management

1. Division of work
2. Authority and responsibilities
3. Discipline
4. Unity of command
5. Equity
6. Stability of personnel tenure
7. Subordination of individual interests to the common interest
8. Remuneration
9. Initiative
10. Esprit de Corps
11. Unity of direction (Singleness of purpose that makes possible the creation of one plan of action to guide managers and workers as they use organizational resources)
12. Order
13. Scalar chain/line of authority
14. Centralization
 - Decentralization and centralization depends on the situation

NB

1 Division of work: If people specialise, they improve their skill and accuracy, which increases output. However, 'it has its limits which experience teaches us may not be exceeded.'

2 Authority and responsibility: The right to give orders derived from a manager's official authority or their personal authority. 'Wherever authority is exercised, responsibility arises.'

3 Discipline: 'Essential for the smooth running of business ... without discipline no enterprise could prosper.'

4 Unity of command: 'For any action whatsoever, an employee should receive orders from one superior only' – to avoid conflicting instructions and resulting confusion.

5 Unity of direction: 'One head and one plan for a group of activities having the same objective ... essential to unity of action, co-ordination of strength and focussing of effort.'

6 Subordination of individual interest to general interest: 'The interests of one employee or group of employees should not prevail over that of the concern.'

7 Remuneration of personnel: 'Should be fair and, as far as possible, afford satisfaction both to personnel and firm.'

8 Centralisation: 'The question of centralisation or decentralisation is a simple question of proportion ... [the] share of initiative to be left to [subordinates] depends on the character of the manager, the reliability of the subordinates and the condition of the business. The degree of centralisation must vary according to different cases.'

9 Scalar chain: 'The chain of superiors from the ultimate authority to the lowest ranks ... is at times disastrously lengthy in large concerns, especially governmental ones.' If a speedy decision was needed people at the same level of the chain should communicate directly. 'It provides for the usual exercise of some measure of initiative at all levels of authority.'

10 Order: Materials should be in the right place to avoid loss, and the posts essential for the smooth running of the business filled by capable people. 11 Equity: Managers should be both friendly and fair to their subordinates – 'equity requires much good sense, experience and good nature'.

12 Stability of tenure of personnel: A high employee turnover is not efficient – ‘Instability of tenure is at one and the same time cause and effect of bad running.’

13 Initiative: ‘The initiative of all represents a great source of strength for businesses ... and ... it is essential to encourage and develop this capacity to the full. The manager must ... sacrifice some personal vanity to grant this satisfaction to subordinates ... a manager able to do so is infinitely superior to one who cannot.’

14 Esprit de corps: ‘Harmony, union among the personnel of a concern is a great strength in that concern. Effort, then, should be made to establish it.’ Fayol suggested doing so by avoiding unnecessary conflict, and using verbal rather than written communication when appropriate

Lecture

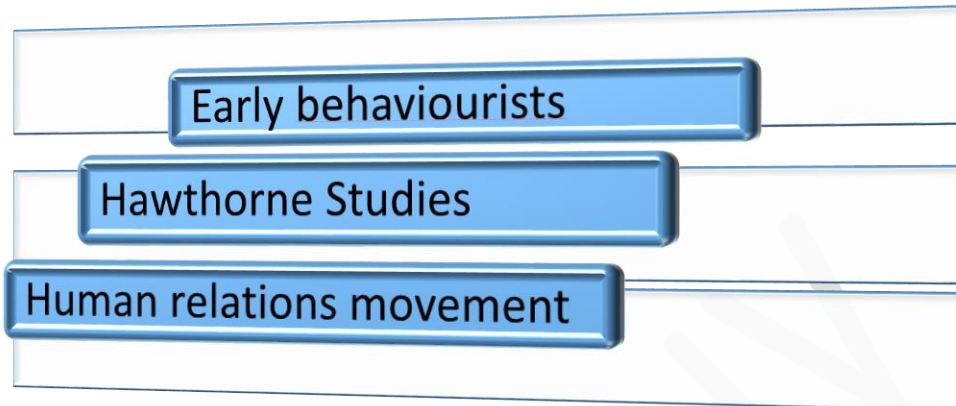
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Behavioural Viewpoint

Behavioural Viewpoint

- emphasizes the importance to attempting to understand the various factors that affect human behaviour in organisations.

Approaches



- **Maslow's theory of needs**
- **Mc Gregor's Theory X and Y**

Early Behaviourists

- **Mary Parker Follett**

Contributions:

Power with rather than power over

Essence of groups in organization

Conflict resolution should be based on integration i.e solution should satisfy both parties

Hawthorne Studies

A series of studies conducted to know the relationship between physical working condition and worker productivity.

Researchers lowered the level of lighting expecting productivity to decrease but productivity rather increased.

♣ psychological and social conditions at work influenced behaviours.

— Informal group pressures

- Individual recognition
- Participation in decision making
- Attention shown to employees
- Effective supervision

Main Contributions

- **Hawthorne Effect:**

The tendency of persons singled out for special attention to perform as expected.

They encouraged managers to focus on the social and human concerns as they are keys to productivity

NB

The Hawthorne Study was led by Elton Mayo And Fritz Roethlisberger

And Hawthorne Effect by Henry A. Landsberge

Human relations movement

Suggested that managers using good human relations achieve productivity.

Showing greater concern for workers so that they would feel more satisfied with their jobs and be willing to produce more.

Believe that happy workers are productive

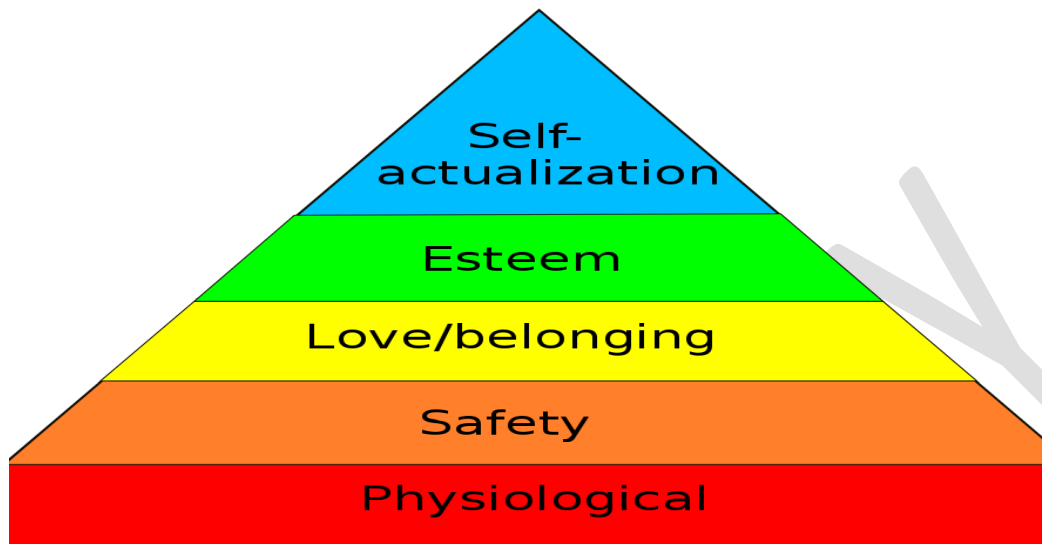
Maslow's theory of needs

McGregor's theory X and

Maslow's theory of needs

A need is a physiological or psychological deficiency that a person feels the compulsion to satisfy.

These needs create tensions that can influence a person's work attitudes and behaviour.



Principles:

Deficit principle- a satisfied need is not a motivator of behaviour.

Progression principle – the five needs exist in a hierarchy

McGregor's Theory X and Y

- This approach focuses on how assumptions about workers' attitude and behaviour affect managers' behaviour.
- He believed that managers should shift their view of human nature away from a set of assumptions he called "Theory X" and towards ones he called "Theory Y".

Theory X

- The average workers is lazy, dislikes work and will try to avoid it
- The average person needs to be coerced, controlled, directed and threatened with punishment to get them to work toward organisational goals

Theory Y

- Most employees do not inherently dislike work
- People will exercise self-direction and self-control to reach goals to which they are committed
- External control and threats of punishment are not the only means for ensuring effort toward

Theory Y

When conditions are favourable, the average person learns not only to accept but also to seek responsibility.

Many people have the capacity to exercise a high degree of creativity and innovation in solving organisational problems

Theory X

Managers who hold this perspective assume people dislike work, lack ambition, are irresponsible and prefer to be led

He believed that having either assumption creates **self-fulfilling prophecies (SFP)**

For instance managers with theory x assumption act in a directive, command and control fashion that gives employees little personal say over their work.

This creates passive, dependent and reluctant subordinates who tend to do only what they are told to or required to do.

behave in “participative” ways that allow subordinates more job involvement, freedom and responsibility.

Workers therefore act with initiative, get self actualised and hence improve performance.

Quantitative management Viewpoint

- It focuses on the use of mathematical, statistics and information aids to support managerial decision making and organisational effectiveness.

Approaches

- Management Science
- Operations Management
- Management Information Systems

Lecture 5

Quantitative management Viewpoint

✓ Management Science/operations research

An approach aimed at increasing decision effectiveness through the use of sophisticated mathematical models and statistical methods

- ❖ **Queuing theory** - helps allocate service personnel to minimize customer waiting time and service cost
- ❖ **Breakeven analysis** – calculates the point at which revenues cover cost under different what if conditions.

✓ **Operations Management**

Is concerned with helping the organisation produce its products more efficiently and effectively.

- ❖ **Inventory management** –enables organisationsto know the optimal order
- ❖ **quantity to save resources.** – Economic order quantity –involves ordering a fixed number of items every time an inventory falls to a predetermined point
- ❖ **Just -in -time –(JIT)**
JIT reduces costs and improve workflow by scheduling materials to arrive at a workstation or facility 'just in time' to be used.

✓ **Management Information System**

- The field of management that focuses on designing and implementing computer-based information systems for use by management.
- Systems are used to process data into information to help managers in making daily decisions.

➤ **Contemporary viewpoint**

♣ **Systems Approach**

♣ **Contingency Approach**

Other Approaches:

- **Theory Z**
- **Total Quality Management (TQM)**

♣ **Systems Approach**

- This approach goes beyond the internal organization by looking at the external environment

A system –a set of interrelated parts that operate as a whole in pursuit of common goals.

- Inputs
- Transformation Processes
- Outputs
- Feedback

Types of systems

- ✓ Closed (focuses on internal efficiency)
- ✓ Open

an open system is one that interacts with its environment. An open system imports resources such as energy and materials which are transformed within the system, and leave as goods and services. The open systems view emphasises that organisations depend on their environment for resources. Open systems are influenced by and do interact with their environment

Closed systems are not influenced by and do not interact with their environment

Contingency Theory

- suggests that universal theories cannot be applied to organisations because each organisation is unique
- The idea that the organisational structures and control systems managers choose depend on are contingent on characteristics of the external environment in which the organisation operates.

Theory Z

- A combination of Japanese and American principles.
- Propounded by William Ouchi

Involves:

- Long-term employment (A – short t, J – Life time)
- Consensual decision-making (A – individual DM)
- Emphasizing group responsibility
- Establishing gradual-advancement policies (A - rapid)
- More informal control
- Broader career paths
- Showing greater concern for employees work and non- work well-being

Results

- Lower turnover
- Increased job commitment
- Higher productivity

Total Quality Management

- Is managing with an organisationwide commitment to continuous improvement to product quality and customer needs.
- TQM applies to all in the organisation from resource acquisition through production and into the distribution of finished product

Focus is on customer satisfaction which ultimately leads to customer loyalty.

- It requires top management commitment
- Quality improvement teams
- groups responsible for solving quality and productivity issues
- Benchmarking
- identifying best practices within and outside ones industry to enable one to compare standards

ISO 9000, 9001 and ISO 1400 – refers to a set of quality standards created by the international organisation for standardization

Lecture 6

Managerial Environment

External environment

the major forces outside an organization's boundaries that have the potential to significantly influence the likely success

Internal environment

- The conditions and forces within an organization

Components of the external environment

- Mega/Macro
- Task/microCompetitive

NB

competitive environment (or context), sometimes known as the microenvironment. This is the industry-specific environment of customers, suppliers, competitors and potential substitute products

Macro/Mega environment includes political, economic, social, technological, (natural) environmental and legal factors that affect all organisations.

General Environment

The broad conditions and trends in the societies in which an organisation operates that affects its performance.

NB

PEStEL analysis is a technique for identifying and listing the political, economic, social, technological, environmental and legal factors in the general environment most relevant to an organisation.

❖ Political/Legal Environment

Define the legal and regulatory parameters within which firms must operate. – Government stability –Issues of governance –Extent of private versus state control

NB

Political systems shape what managers can and cannot do. Most governments regulate industries such as power supply, telecommunications, postal services and transport by specifying, amongst other things, who can offer services, the conditions they must meet, and what they can charge. These influence managers' investment decisions. Managers aim to influence these political decisions by employing professional lobbyists, especially at international institutions

❖ ECONOMIC FORCES

The economic forces of the general environment are the general economic conditions and trends that may be factors in an organization's activities.

Critical economic forces include wages, government fiscal policies, inflation, economic growth, interest rates, and unemployment.

Interest rates, for example, are important because they determine how much it will cost the organization to borrow money and how readily customers can borrow money to buy goods and services.

❖ TECHNOLOGICAL FORCES

Technological forces are also an important part of the general environment. They include new developments in products or process, and advances in science that may affect an organization's activities

The introduction of the automated teller machines (ATMs) in the banking sector in Ghana today has brought about significant changes in the provision of banking services.

»E.g. internet

»ICT »Smart phones

»Artificial intelligence

»Robots

»E-commerce

»Search engine

❖ **Socio-cultural conditions •**

As social attitudes change, so too does the demand for various types of products.

–Beliefs

–Lifestyles

–Attitudes

–opinions

–Taste and preferences

– Demographic changes

–e.g women

Life policie

❖ **Ecological element**

- the relationship among human beings and other living things (animals, birds etc) and the air, soil and water that supports them.

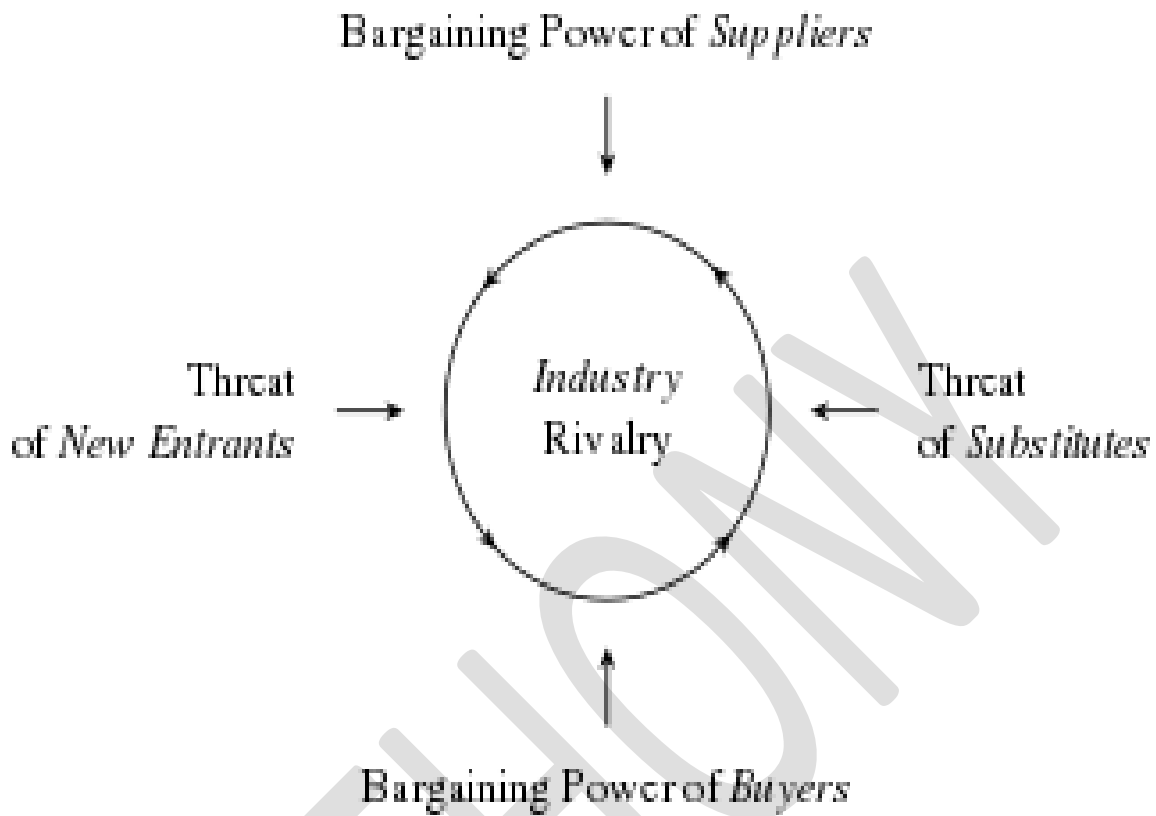
– E.g. global warming

pollution

❖ **International dimension**

- Includes the developments in countries outside an organization's home country that have the potential to influence the organisation.

– Credit crunch



Task environment

The specific outside elements with which an organisation interfaces in the course of conducting its business.

- Customers and clients
- Competitors
- Supplier

Regulators

- A unit that has the potential to control, legislate or influence an organisation's policies and practices.

Managing environmental elements

- Adaptation

- Favourability influence
- Domain shifts

Adaptation •

Involves changing internal operations and activities to make the organisation more compatible with its environment.

Buffering – Creating supplies of excess resources in case of unpredictable needs.

Favourability influence

- Altering the elements in order to make them more compatible with the needs of the organization.

Examples of Favourability Influence

- Public relations and Advertising
- Trade association

Domain shift

- Changing the environment the organisation is in.
- Diversification – Acquisition

Organisational Culture

- The shared beliefs, expectations, and core values of people in the organization

NB

Culture is a pattern of shared basic assumptions learnt by a group as it solved its problems of external adaptation and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems

Schein's Three Levels of Culture:

Level 1: Observable artefacts

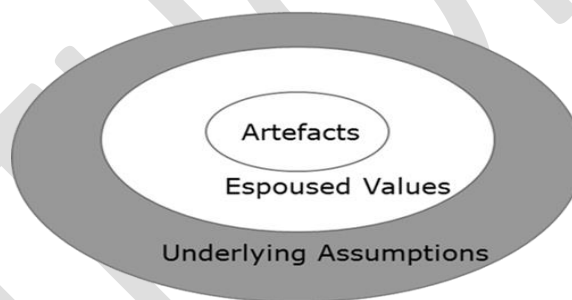
Physical manifestations such as manner of dress, awards, furniture, myths and stories about the company, rituals and ceremonies, slogans, symbols and decorations as well as behaviour exhibited by managers and employees.

Level 2: Espoused value and beliefs

The explicitly stated values and norms preferred by an organization.

Level 3: Basic assumptions – core values of the organisation.

The core beliefs that employees have about their organization which are not observable.



dggjh

Organisational Culture

How Employees Learn Culture

Symbols

Objects, acts, qualities or events that convey meaning to others

Stories

Stories based on true events which are repeated and sometimes embellished to emphasize a particular value

Heroes

People whose accomplishments embody the values of the organization.

Rites and Rituals

The activities and ceremonies, planned and unplanned, that celebrate important occasions in the organization's life

Jargons and statements of principle

ANTHONY

Lecture

7

PLANNING

- Planning is the process of determining the organisation's objectives and deciding how to accomplish them.
- Planning is the process of setting organisational goals and deciding how best to achieve them (plans)
- It is the process that managers use to identify and select appropriate goals and causes of action for an organisation, Chandler (1962).
- A **mission** is a statement of an organisation's fundamental process and basic philosophy. ?
- A **goal** is a target or end that management desires to reach.
- **Plan/Strategy** – outlines how goals are to be met

Types of Goals

Financial Goals Are related to the expected internal financial performance of the organization.

Strategic Goals Are related to the performance of the firm relative to factors in its external environment (e.g., competitors).

Stated Goals versus Real Goals Broadly-worded official statements of the organization (intended for public consumption) that may be irrelevant to its real goals (what actually goes on in the organization).

IMPORTANCE OF PLANNING

- Provides a basis for the other major functions of management
- Clarify expectations of members
- Provides direction to members
- Helps organisations cope with uncertainty.
- Minimizes waste and redundancy
- Sets the standards for controlling



PLANNING ELEMENTS

Objective: it is a general statement of measurable results to be achieved. Objectives specify the end points of an organisation's purpose and results sought through the on-going long-run operation of the organisation.

Goal: the goals of an organisation is the intermediate quantitative and qualitative performance target which management seeks to attain in moving toward organisational objective.

Policies: policies define the boundaries within which decisions can be made, and they direct decisions towards the accomplishment of objectives.

Strategy: it is a comprehensive description of an organisation's plan for achieving its goals, objectives and purpose. Thus strategy indicates how the organisation plans to get to where it wants to go.

Procedures: procedures turn to be applied to departmental or interdepartmental activities. The need for procedures arises when the organisation wishes to achieve high degree of regularity in a frequent recurring event.

Schedule: a schedule is a single plan that commits resources (worker-hours and machine-hours) to a given activity.

Rules: rules are specific statements of what may or may not be desired. The only discretion left to the manager is whether or not to apply the rule.

Programme: a programme is a composite of policies, procedures, rules and task assignment necessary to carry out capital and operating budgets

CHARACTERISTICS OF A GOOD PLAN

Planning must start at the Top: logically, basic goals, from which other goals stem, must be company-wide.

Flexibility: some elements of flexibility must be introduced in planning because modern business operates in an environment which keeps on changing.

Dynamic Managers: the persons concerned with the task of planning should be dynamic in outlook.

Careful Premising: the planning premises constitute a framework within which planning is done. They are the assumptions regarding what is likely to happen in future.

Quantitative Plans: there are occasions where plans are expressed in terms of certain quantitative factors. Numerical presentation of plans makes them definite and avoids ambiguity.

Availability of Resources: determination and evaluation of alternatives should be done in the light of the resources available to management.

STEPS TO MAKE PLANNING EFFECTIVE

Koontz and O' Donnel have suggested the following steps

Planning must not be left to change;

Planning must start at the top;

Planning must be properly organised;

Planning should be definite;

Goals, premises and policies of planning must be communicated;

Long range planning must be integrated with short range planning; and

Planning must include awareness and acceptance of change.

CLASSIFICATION OF PLANS

Plans can be classified on the following basis: levels of management, time horizon and function.

Generally, there are three types of plans in relation to the levels of management. These are: strategic planning takes place at the corporate level, tactical planning at the business level and operational planning at the functional level.

When plans are classified on the basis of time span covered, we have long-range, intermediate term and short-range plans.

Finally, plans can be done for the functional areas within an organization.

TYPES OF PLANS IN RELATION TO THE LEVELS OF MANAGEMENT

Strategic Planning A strategic plan indicates to management's decision pertaining to the organisation's mission and goals. Strategic plans also shows the overall strategy or course of action by which the firm fulfils its mission. They are long term plans.

Tactical Planning They are short range plans designed to implement the activities and objectives specified in the strategic plans. They are decisions taken by divisional managers pertaining to the division's long term goals, overall strategy and structure.

Operational Planning A tactical plan provides the framework for setting operational plans. They are normally set by functional level managers.

Operational plans are very short term plans that specify what actions, individual, work groups or departments need to accomplish in order to achieve the tactical plan and ultimately the strategic plan.

Operational plans can be classified according to frequency of use. Standing plans and single – use plans

Standing plans Because organisational objectives are slow to change, they rise over time, to become organisational policies. These serves as guidelines to assist and provide direction for managers in goal accomplishment and are classified as standing plans.

In addition, organisations employ standing operational procedures, which serves as guides for carrying out specific tasks. Finally, organisations usually have various rules that require or prohibit specifications. The major types are policies, procedures and rules.

TYPES OF OPERATIONAL PLANS

Single-use plans: Single-use plans are designed for a specific purpose or period. When the goal is accomplished or the period has elapsed, the plan ceases to exist or is updated. The major types of single-use plans are programmes, projects and budgets.

Programmes: These are broad activities that include many different functions and interactions.

Projects: projects are single use plans that are much narrower and complex than programmes.

Budgets: a budget is a plan for allocating certain financial resources to organisational activities and units in a given period of time

TIME SPAN COVERED (TIME FRAME)

Long-Range Plans: strategic plans are the long range of organisations. Long range plans are those that deal with decisions about the broad competitive resources over an extended period of time.

Intermediate term Plans: these generally have a planning horizon of between two and five years. This types of plan usually concerns goals that require a longer period for accomplishment than do the year-to-year objectives.

Short-Range Plans: short range plans provide the guidelines to day-to-day operations of the organisation and propose the procedures by which they are to be accomplished.

Characteristics of Well-Designed Goals

Written In terms of outcomes, not actions Focuses on the ends, not the means. Focuses on the ends, not the means.

Measurable and quantifiable Specifically defines how the outcome is to be measured and how much is expected

Clear as to time frame How long before measuring accomplishment.

- **Challenging yet attainable**

Low goals do not motivate.

High goals motivate if they can be achieved.

- **Written down**

Focuses, defines, and makes goals visible.

- **Communicated to all necessary organizational members**

Puts everybody “on the same page.”

Types of Goals/objectives

Financial objectives

Examples:

- 90% increase in annual revenue
- Improved cash flow by a percentage
- Higher dividends
- Greater return on investments

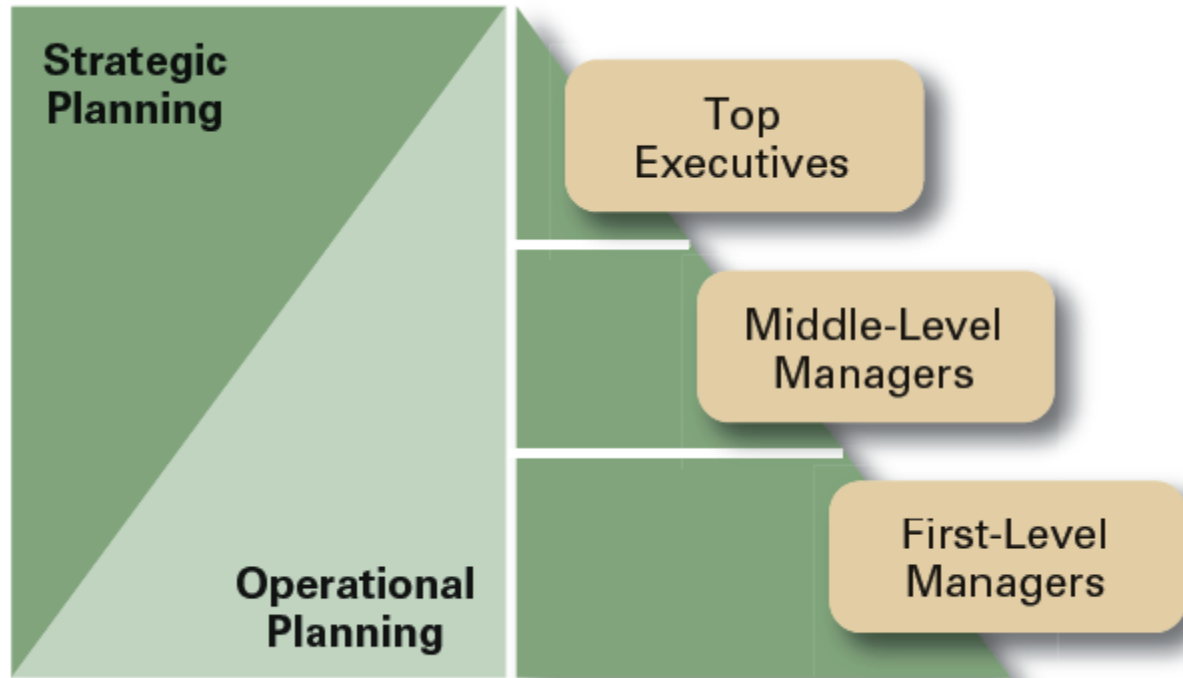
Strategic objectives

- These objectives are related to other areas of an organisation's performance.
- Examples
 - Employment development
 - Innovation
 - Public responsibility
 - Competitive position

Forms of planning

- **Formal**
 - specific goals covering a period of years are defined.
 - shared
 - Written
- **Informal**

Planning in the Hierarchy of Organizations



Decision making in organisations

Decision making is the process of choosing from among various alternatives by following various steps

Management By Objectives (MBO)

- Specific performance goals are jointly determined by employees and managers.
- Progress toward accomplishing goals is periodically reviewed.
- Rewards are allocated on the basis of progress towards the goals.
- Key elements of MBO:
- Goal specificity, participative decision making, an explicit performance/evaluation period, feedback

Steps in the MBO process

1. The organization's overall objectives and strategies are formulated.
2. Major objectives are allocated among divisional and departmental units.
3. Unit managers collaboratively set specific objectives for their units with their managers.
4. Specific objectives are collaboratively set with all department members.
5. Action plans, defining how objectives are to be achieved, are specified and agreed upon by managers and employees.
6. The action plans are implemented.
7. Progress toward objectives is periodically reviewed, and feedback is provided.
8. Successful achievement of objectives is reinforced by performance-based rewards

Contemporary Issues in Planning

- Effective Planning in Dynamic Environments
 - Develop plans that are specific but flexible.
 - Understand that planning is an ongoing process.
 - Change plans when conditions warrant.
 - Persistence in planning eventually pay off.
 - Flatten the organizational hierarchy to foster the development of planning skills at all organizational levels.

Decision making processes

- **Recognising the need** for a decision.
- **Diagnose the situation**
- Establish decision criteria (**determines factors** that are relevant in making the decision)

- **Allocating weights to the criteria** (determining the factors that are very or most important)
- Generating alternatives
- Evaluate alternatives
- Choice (the actual selection of a course of action)
- Implementation

DECISION TYPES

Programmed decisions

- are **repetitive and routine decisions**
- E.g policies

Unprogrammed decision

- It is **nonrecurring, unique, and takes a long time in arriving at the decision** hence require custom made solution.

Group decision making

- Decisions can be made in a group or by individuals.

Pros of group decision making

- Increased commitment: increased in acceptance of and commitment to the decision because of the diffusion of responsibility across the members of the group.
- More complete information: groups tend to generate more ideas than individuals

Group decision making

Cons

- Time consumption
- Minority domination
- Group think

NB

Groupthink is a mentality among members of a decision making team to suppress their own beliefs in order to show solidarity and maintain agreement at any cost. Members suspend their critical judgments which could lead to better decision. Some members withhold different views in order to appear to be in agreement with the group

Minority Dominance :This is when few members of a decision making team dominate in the decision making process. This may be due to ranks in the organization, experience, knowledge about the problem, influence on other members verbal skill assertiveness etc. This imbalance creates opportunity for one or few members to dominate others in the group. A minority that dominates in a group frequently has an undue influence on the final decision.

Enhancing Group decision making

- A devil's advocate is necessary
- Change of leadership style

NB

The devil's advocate is a technique where an individual(s) in the group is allowed to become the critic in the proposed decision. This helps to prevent Groupthink and increase the chance of a high-quality decision.

TRIAL QUESTIONS

1. The main importance of studying management is

- C. A process
 - D. None of the above
3. Management refers todirected at.....with the aim of achieving.....in an
- A. set of activities organisation responsibilities organisation goals productivity
 - B. Set of activities organisation resources efficiency and effectiveness productivity
 - C. Set of activities organisation resources organisation goal efficiency and effectiveness
 - D. Set of activities organisation resources efficiency and effectiveness organisation goal
4. The end result of what an organisation would want to achieve is..
- A. Objective
 - B. Goal
 - C. Efficiency
 - D. Effectiveness
5. Objectives must be
- A. Measurable
 - B. Time bound
 - C. Realistic
 - D. All the above
6. Management as an art means.....while management as a science means.....
7. Lower level management are also known as.....and
8. A goal of an organisation must always be.....and have.....
9. For a goal to be altruistic means..
10. The management function include...e.....e....and....

11. All the management functions are....though...to achieve organisational goals
 A. interrelated and distinct B. Separated and different
 C. Disjoint and distinct D. None of the above
12. What is the main aim of the management functions
 A. ensure unity B. Ensure efficiency
 C. ensure performance D. none of the above
13. Managers responsible for performing a single functional task are
 A. Line managers B. Production managers
 C. Functional managers D. General Managers
14. Managers who are directly involved in the production of products or services are...
 A. Line managers B. Production managers
 C. Functional managers D. General managers
15. Managers who offer advice and counseling to line managers are
 A. Staff managers B. Employees managers
 C. Production managers D. Industry managers
16. Managers who work in public organisations are....
17. Mintzberg's managerial roles are classified intoand.....
18.serves as coordinator or connects or network with outsiders for the organisation
 A. Disseminator B. Liaison
 C. Spokesperson D. Figurehead
19.communicates potential information to employees from employers
 A. Disseminator B. Liaison
 C. Spokesperson D. Figurehead

20.....represent and speaks for organisation to outsiders

- A. Disseminator
- B. Liaison
- C. Spokesperson
- D. Figurehead

21. The technical skill is used at which level of management

- A. Top level
- B. Middle level
- C. Lower level
- D. None of the above

22. Ability to think analytically is a

- A. Diagnostic skill
- B. Conceptual skill
- C. Technical skill
- D. All the above

23. A district manager is a

- A. Top level
- B. Middle level
- C. Lower level
- D. None of the above

24. Which approach focused on use of skill to achieve work efficiency and effectiveness

- A. Classical approach
- B. Behavioural approach
- C. Contemporary approach
- D. Quantitative approach

25. The scientific management was propounded by

- A. Frederick Winslow Taylor
- B. William Smith
- C. Maximilian Karl Emil Weber
- D. Adam Smith

26. Who is the father of management

- A. Adam Smith
- B. William Smith
- C. Max. Weber
- D. Frederick Taylor

27. Who brought about employees working efficiently within a specified period of time..

- A. Franklin and Lily
- B. Frank and Lillian

C. Fred and Louisa

D. None of the above

28. The 14 principles of management was propounded by

A. Chester Barnard

B. Henry Fayol

C. Adam Smith

D. Mary Parker

29. One challenge of the scientific management was....

30. Authority goes with commensurate..

A. Action

B. Responsibility

C. Goal

D. All the above

31. Esprit de corps means.....

32. All relates work activities that have one objective is in connection to...

A. Scalar chain

B. Unity of direction

C. Unity of command

D. Initiative

33. Who discovered the identification of skill and personality of an employee and matching work to that skill

A. Elton Mayo

B. George Mayo

C. Hugo Munsterberg

D. Mary Parker

34. Who contributed to organisations performing a power with rather than a power over

A. Elton Mayo

B. George Mayo

C. Mary Parker

D. Hugo Munsterberg

35. Who assisted Elton Mayo in the experiment of the Hawthorne studies

A. Mary Parker

B. Fritz Roethlisberger

C. Max Weber

D. Frank and Lillian Gilbreth

36. Which is in correct order

A. Illumination Relay Assembly interview process bank wiring

B. Bank wiring illuminator relay Assembly interview process

C. illuminator relay Assembly bank wiring interview process

.illuminator interview process bank wiring relay Assembly

37. An employee performing efficiently due to observation and supervision is attributed to the

A. Hawthorne studies

B. Hawthorne effect

C. All the above

D. None of the above

38. Theory X says.....while theory Y says.....

39. The theory X and Y was propounded by

A. Kim Young

B. McGregor.

C. Abraham Maslow

D. Henry Landsberg

40. Which theory ensures loyalty of employees through employment for life

A. Theory A

B. Theory Z

C. Theory Z and X

D. Theory A and Z

41. Which analysis help business know whether they will make profits in the long run

A. Break even analysis

B. Queuing analysis

C. Management analysis

D. None of the above

42. An example of the management science approach is the

A. Operations management

B. Queuing theory

C. JIT

D. All the above

43. JIT means

44. Which system allow input from external environment to interact with the internal process...

A. Closed system

B. Medium system

- C. Long system D. Open system
45. The universal approach under the contingency approach emphasize on
- A. Two ways doing things(solving a problem)
- B. One way of doing things(solving a problem)
- C. Three ways of doing things(solving a problem)
- D. None of the above
46. The contingency view states that....
47. Pick the odd one out
- A. Management science B. Scientific management
- C. Operation management D. Management information system
48. The use of mathematical methods to study waiting lines is
- A. Queuing theory B. Theory Z
- C. JIT D. Theory A
49. In the behavioral approach conflicts should be solved through....
50. The scientific management theory evolved within the year.....to....

SUGGESTED ANSWERS

1.C, 2.B,

3. A set of activities directed at an organization's resources with the aim of achieving organisational goals in an efficient and effective manner

4.B, 5.D,

6 Management as an art means Managers often make decisions and solve problems on the basis of intuition, experience, instinct and personal insights

Management as a science means management problems and issues can be approached in ways that are rational, logical, objective and systematic.

7 First-line managers and supervisors

8 Economic Survival

9further the wellbeing of others

10 planning, controlling, leading and organizing

11 A, 12 B, 13 C, 14 A, 15 A,

16 Administrators

17 Informational Role, Interpersonal Role and Decisional role

18 B, 19 C, 20 C, 21 C, 22 B, 23 C, 24 A, 25 A 26 D, 27 B, 28 B,

29 Specialized jobs became very boring and monotonous

30 B,

31 Esprit de core means promoting team spirit will build harmony and unity within the organization

32 B, 33 C, 34 C, 35 B, 36 A, 37 B,

- **38** Theory X says the average workers is lazy, dislikes work and will try to avoid it while theory Y says Most employees do not inherently dislike work

39 B, 40 B, 41 A, 42 B,

43 Just In Time (JIT) is an inventory management method whereby materials , goods and labours are scheduled to arrive or replenished exactly when needed I the production process

44 D, 45 D,

46 The contingency view suggests that universal theories cannot be applied to organisations because each organisation is unique

47 B, 48 A,

49 conflicts should be solved through integration i.e. solution should satisfy both parties

50 1880S AND 1890S

ANTHONY

Lecture

8

Organizing

Allocating and arranging people and non-human resources so that plans can be carried out successfully to achieve goals (**Schermerhorn, 2008; Bartol and Martin, 1998**)

Activities of organising

- Defining work to be done
- Determine how the activities are to be grouped
- Assigning work to people
- Determine reporting relationships
- Allocating and deploying organisational resources

Organization structure

- A system of tasks, reporting relationships and communication linkages (**Schermerhorn, 2008**)
- The arrangement of people and tasks to accomplish organizational goals.
- A formal system of task and reporting relationships that coordinate and motivates an organization's members so that they can work together to achieve the organization's goals (**Kinicki and Williams, 2010**).

Formal and informal structure

NB

Organisation structure describes how managers divide, supervise and co-ordinate work. It gives someone taking a job a reasonably clear idea of what they should do – the marketing assistant should deal with marketing, not finance. The topic relates closely to culture and to human resource management, since the more coherence there is between these three elements the more, they will support the strategy

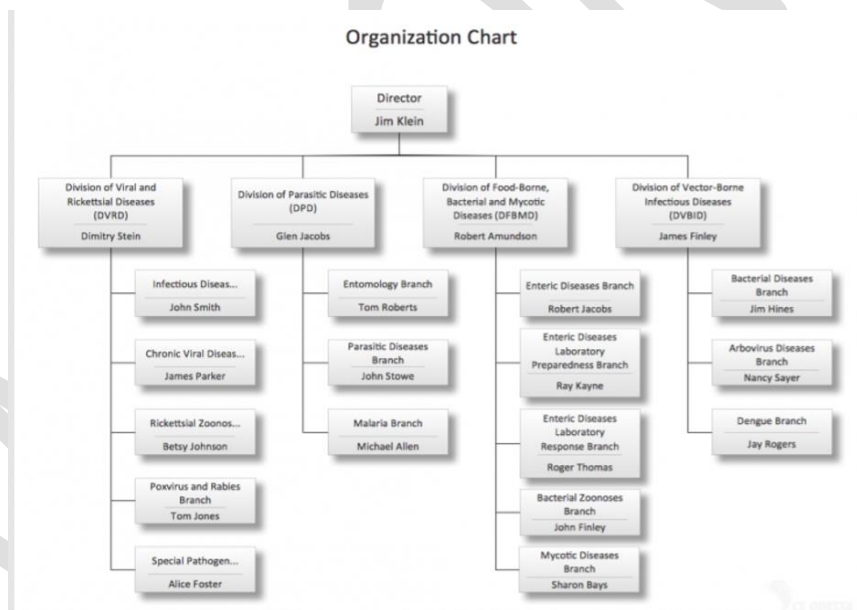
Organization chart

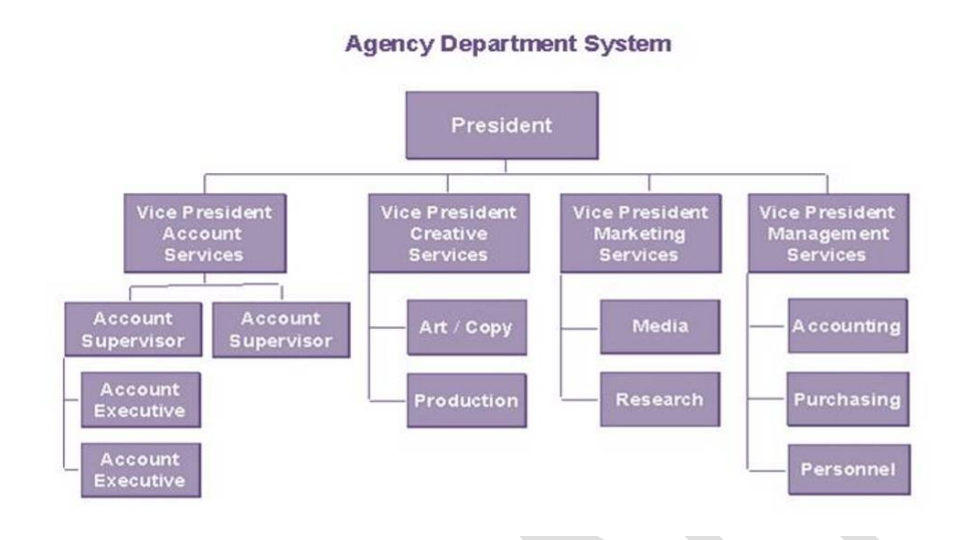
A box-and-lines illustration showing the formal lines of authority and the organization's official positions or work specializations (Kinicki and Williams, 2010)

- ❖ Vertical hierarchy of authority
- ❖ Horizontal work specialization

NB

The organisation chart shows departments and job titles, with lines linking senior executives to the departments or people for whose work they are responsible. It shows who people report to, and clarifies four features of the formal structure:





Elements in organisational structure

Work Specialization/Division of labour

Refers to the degree to which the overall task of the organisation is broken down and divided into smaller component parts

Departmentation

Departmentation is the grouping of jobs in a way that most effectively serves the needs of the organization Putting jobs into departments either by functions, products, customers and geographic location

Centralization and decentralization

❖ **Centralization** is the degree to which decision making is concentrated at upper levels of the organisation

❖ Decentralization

The extent to which decisions are taken by the managers who are closest to the action

❖ Employee empowerment

Giving employees more authority to make decisions or make an input

❖ Span of control or management

The number of subordinates reporting directly to a manager.

Wide or narrow

Affects an organization's efficiency and effectiveness

Factors influencing span of management

- Competence of supervisor
- Competence of subordinates
- Similarity of tasks being supervised
- Proximity or dispersed
- Extent of standardized procedures Complexity of job

Chain of Command

The line of authority extending from upper organisational levels to the lowest levels, which clarifies who reports to whom (**Robbins and Coutler, 2012**).

Formalisation

Refers to the degree to which written policies, rules, procedures, job description and other documents specify what actions are or are not to be taken under a given circumstances

Highly formalised organisations have:

- Explicit job descriptions
- Numerous organisational rules
- Clearly defined procedure

Mechanistic Models

- Based on enhancing efficiency
- An organizational structure characterized by:

♣ close adherence to the established chain of command,

- ♣ highly specialized jobs,
 - ♣ high centralization
 - ♣ high formalisation and
 - ♣ vertical communication
 - ♣ Departmentation is usually functional
- e.g. bureaucracy

Organic Model

Based on enhancing speed

An organisational structure characterised by:

- ♣ by flexible lines of authority,
- ♣ less specialised jobs
- ♣ decentralised decision
- ♣ Both vertical and lateral
- ♣ Departmentation is usually divisional

E.g. flat structure

NB

Mechanistic Structure A mechanistic structure, also known as a bureaucratic structure, describes an organizational structure that is based on a formal, centralized network. The mechanistic structure is best suited for companies that operate in a stable and certain environment. In general, a mechanistic structure is easy to maintain and rarely needs to be changed when an organization operates in a stable environment.

Organic structures are used in organizations that face unstable and dynamic environments and need to quickly adapt to change. When an environment changes, an organization must be able to gather, process, and disseminate information very quickly. Failure to do so can directly affect an organization's ability to maintain its competitive advantage. Communication is lateral and rapid in these complex environments. To achieve this, organizations that use an organic structure will integrate functional areas and departments together so that information can flow seamlessly between them. This fast distribution of knowledge results in an increased ability to respond to changes in the internal and external environments.

Determinants of organizational structure

- ♣ Strategy
- ♣ Size
- ♣ Environment
- ♣ Techonolgy

NB

Determinant of Organizational Structure



Technology:

The organisation structure of an enterprise depends upon the type and nature of technological process adopted for the production. Therefore, technology is a factor for consideration in determining the structure of an organisation.

Nature of the Objectives:

The objectives of an enterprise govern the selection of persons with appropriate skills and equipment capable of delivering the goods. The objectives, thus, determine the basis of the organisation structure. For example, an organisation structure of an industrial concern cannot be the same as that of a religious or governmental institution

Size and Scope:

The smaller the firm, the more informal and loose becomes the interpersonal contacts and relationships. But they will be otherwise in the case of big concerns. So, the size of the enterprise and its scope of performance have an effective influence on the organisation structure.

Environmental constraints

Environmental constraints include legislation, government regulation, court orders, market characteristics, social issues, and societal norms etc. Laws concerning entry into or exclusion from certain businesses, the imposition or removal of regulations, and such court-ordered actions as the breakup of American Telephone and Telegraph Company affect the structure of organizations

Types of organizational structure

♣ Simple structure

Has authority centralized in one person

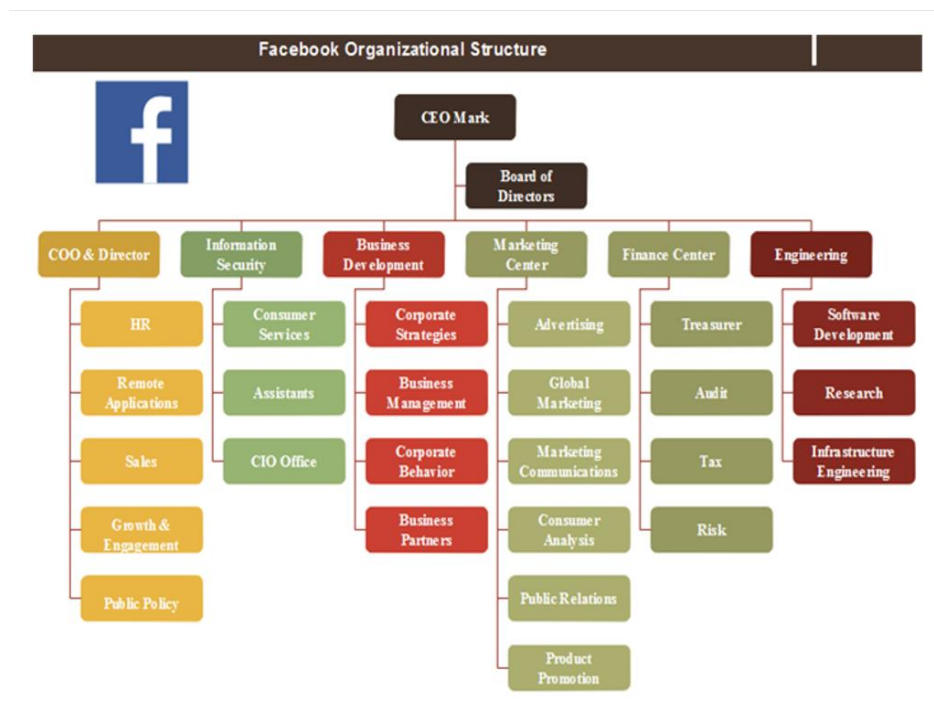
Flat structure

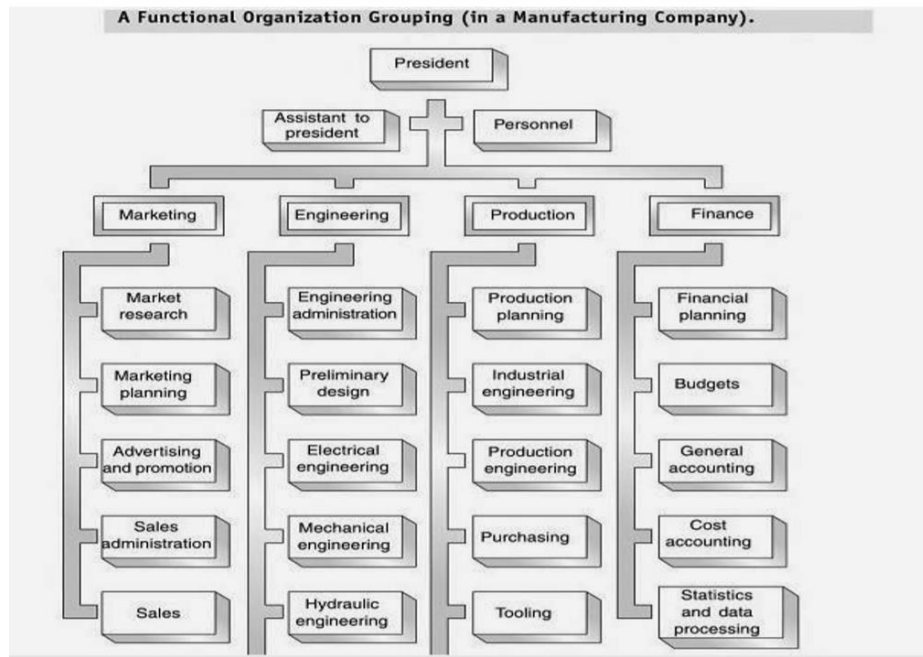
Few rules

Low work specialization

♣ Functional structure:

People with similar specialties are put together in a formal groups





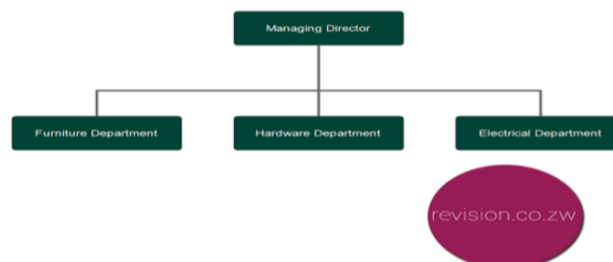
♣ Divisional structure:

grouping by similarity of purpose

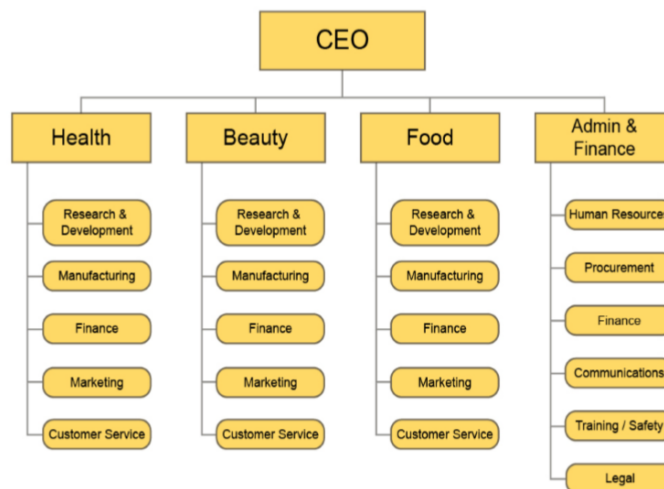
- ✓ Product
- ✓ Customer
- ✓ Process
- ✓ Location Product

Product Division

Grouping is by the type of product the organisation produces

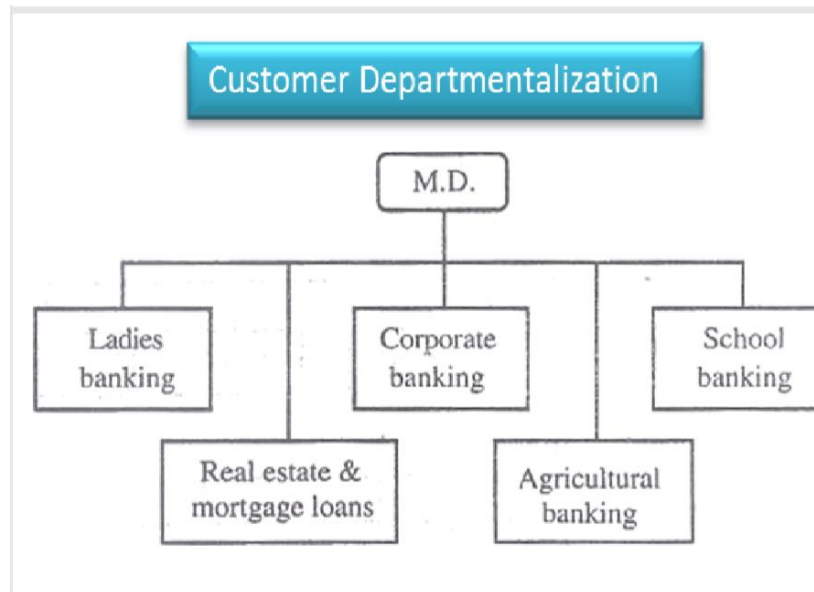


Product Divisional Organizational Structure



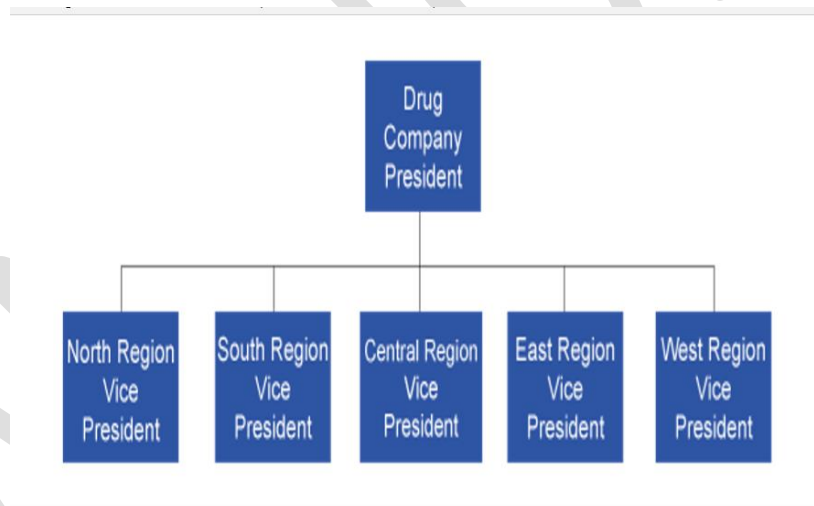
Customer division

- It groups together people who work on serving similar customers.



Geographic division

- It is the arrangement of departments according to the geographic area served.



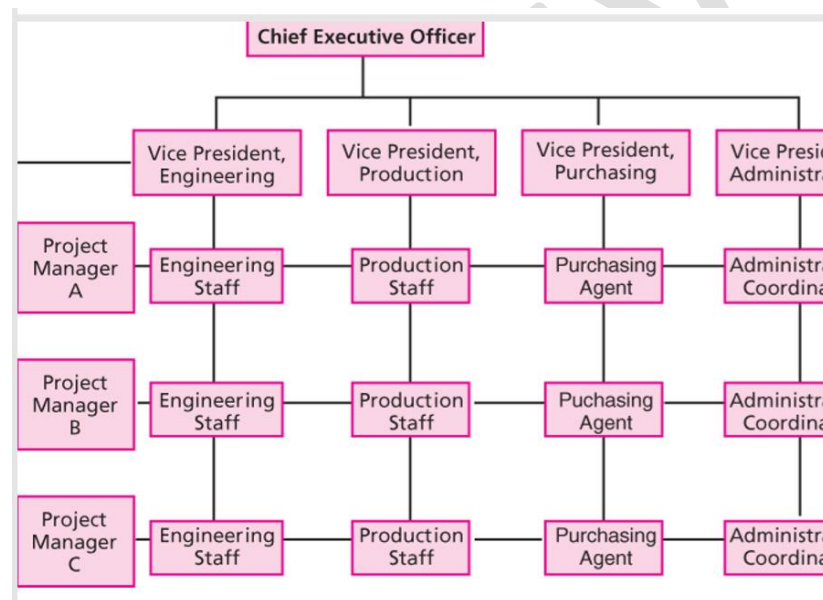
Matrix Structure

one in which functional and staff personnel are assigned to both a basic functional area and to a project or product manager

- ✓ Violates unity of command principle
- ✓ Dual authority
- ✓ Functional resources are shared instead of duplicating them

NB**Matrix structure**

The matrix structure groups employees by both the function and product. This structure can combine the best of both separate structures. A matrix organization frequently uses teams of employees to accomplish task, in order to take advantage of the strengths, as well as make up for weaknesses, of functional and decentralized forms

**Team structure/self-managed teams**

A structure in which the entire organization is made up of work teams.

- ✓ These teams set parameters of their work,
- ✓ make decisions about work-related matters
- ✓ perform most of the managerial functions previously
- ✓ done by their direct supervisor E.g. cross-functional team

Network structure

provides products using different, self-contained specialists or companies brought together—outsourced—to contribute their primary or support activity to result in a successful outcome

Retains core processes but all other processes are outsourced

Thrives on information technology

Modular structure

- A firm assembles product chunks, or modules provided by outside contractors

Benefits of organising

- ✓ More effective and efficient use of resources.
- ✓ Establishes lines of authority
- ✓ Improves communication

NB

Benefits of Organisational Structure

Ease Strategic Planning

Using a strong organizational structure allows a company to better focus on a single set of goals instead of each group working toward its own agenda. This is the result of the flow of communication that an organizational structure offers, as well as the establishment of responsibility and respect for the company hierarchy that comes from strong structure. It helps the company to use resources wisely in the pursuit of company goals as opposed to doubling efforts or experimenting with options perhaps not in the company's best interests.

Improve Employee Training

A good organizational structure makes employee training easier to administer. And it allows training to remain flexible based on the changes within the organization. When organizational structure regulates the flow of information, then changes in information are easier to monitor and update in a company-wide training program.

Refine the Decision Making Process

Regardless of the type of organizational structure you choose, there will always be a reporting channel that ends with a final decision maker. For example, in a flat structure

in which employees are given wide latitude to make suggestions and take ownership of their work process, decisions are made based on the consensus of employees working in a team. In a top-down structure, decision-making occurs at the senior management level and is then clearly communicated to the rank-and-file to implement. When a defined hierarchy is in place, your company is better equipped to make important decisions and adjust practices to meet the demands of competition

Lecture 9 & 10 Leadership

- **Leadership** - The process of influencing people to follow ones guidance towards the attainment of organisational goals.

- **Leader** - Someone who can influence others and who has managerial authority.
- Ideally, all managers *should be* leaders.

Power:

- The ability to affect the behaviour of others.

Sources of Power and Influence

Organizational Power

- Position power
- Reward power
- Information power
- Punitive power

Personal Influence

- Expert influence
- Referent influence
- Peer influence

Position Power:

- It is the power accorded people occupying particular positions as defined by the organisation.

Reward Power

- Power based on the capacity to control and provide valued rewards to others.

Punitive/Coercive power

- Depends on the ability to punish others when they do not engage in desired behaviours.

Information Power

- The ability to influence others based on your access to information and your control of dissemination of information that is important to subordinates and others.

Expert power

Based on the possession of expertise, skills, or knowledge or information that is valued by others

Referent Power:

- This power results from being admired, personally identified with or liked by others.

Peer Influence

- The ability to influence individual behavior among members of a group

Theories of Leadership

- Trait theories
- Behavioural theories
- Contingency theories

Early Leadership Theories

Trait Theories (1920s -1930s)

- Research focused on identifying personal characteristics that differentiated leaders from non-leaders was unsuccessful.

- Later research on the leadership process identified seven traits associated with successful leadership:
 - Drive, the desire to lead, honesty and integrity, self-confidence, intelligence, job-relevant knowledge, and extraversion
- **Behavioral Theories**
 - **University of Iowa Studies** (Kurt Lewin)
 - Identified three leadership styles:
 - **Autocratic style:** centralized authority, low participation
 - **Democratic style:** involvement, high participation, feedback
 - **Laissez faire style:** hands-off management

Research findings: mixed results

- No specific style was consistently better for producing better performance.
- Employees were more satisfied under a democratic leader than under an autocratic leader.

Ohio State Studies

- Identified two dimensions of leader behavior:
 - **Initiating structure:** the role of the leader in defining his or her role and the roles of group members.
 - **Consideration:** the leader's mutual trust and respect for group members' ideas and feelings.

Mixed Results of Ohio State Studies

- High consideration/high structure leaders generally, but not always, achieved high scores on group task performance and satisfaction.
- Evidence indicated that situational factors appeared to strongly influence leadership effectiveness.

University of Michigan Studies

- Identified two dimensions of leader behavior:
 - **Employee oriented:** emphasizing personal relationships
 - **Production oriented:** emphasizing task accomplishment
- Research findings:
 - Leaders who are employee oriented are strongly associated with high group productivity and high job satisfaction.

The Managerial Grid

- **Appraises leadership styles using two dimensions:**
 - Concern for people
 - Concern for production
- **Places managerial styles in five categories:**
 - Impoverished management
 - Task management
 - Middle-of-the-road management
 - Country club management
 - Team management

Behavioral Theories of Leadership

	Behavioral Dimension	Conclusion
University of Iowa	<p><i>Democratic style:</i> involving subordinates, delegating authority, and encouraging participation</p> <p><i>Autocratic style:</i> dictating work methods, centralizing decision making, and limiting participation</p> <p><i>Laissez-faire style:</i> giving group freedom to make decisions and complete work</p>	Democratic style of leadership was most effective, although later studies showed mixed results.
Ohio State	<p><i>Consideration:</i> being considerate of followers' ideas and feelings</p> <p><i>Initiating structure:</i> structuring work and work relationships to meet job goals</p>	High-high leader (high in consideration and high in initiating structure) achieved high subordinate performance and satisfaction, but not in all situations

Behavioral Theories of Leadership (cont.)

	Behavioral Dimension	Conclusion
University of Michigan	<p><i>Employee oriented:</i> emphasized interpersonal relationships and taking care of employees' needs</p> <p><i>Production oriented:</i> emphasized technical or task aspects of job</p>	Employee-oriented leaders were associated with high group productivity and higher job satisfaction.
Managerial Grid	<p><i>Concern for people:</i> measured leader's concern for subordinates on a scale of 1 to 9 (low to high)</p> <p><i>Concern for production:</i> measured leader's concern for getting job done on a scale 1 to 9 (low to high)</p>	Leaders performed best with a 9,9 (high concern for production and high concern for people).

Contingency theories of Leadership

- Proposes that universally important traits and behaviours do not exist and that effective leadership behaviour varies from situation to situation.
 - Effectiveness of any leadership style depends on the situation.
- **Path-Goal Model**
 - States that the leader's job is to assist his or her followers in attaining their goals and to provide direction or support to ensure that their goals are compatible with those of the organization
 - **Depending on the situation, leaders assume different leadership styles at different times:**
 - Directive leader
 - Supportive leader
 - Participative leader
 - Achievement oriented leader

Leader Behaviours

Directive –

- Lets employees to know precisely what is expected of them, giving them specific guidelines for performing task, scheduling work, setting standards of performance and making sure that people follow standard rules and regulations.

Supportive

- involves being **friendly to** and **approachable** before employees,
- **showing concern** for them and their welfare, treating **them as equals** and creating a friendly climate.

Participative – involves consulting employees for their suggestions and input before making decisions.

Achievement-oriented leader

- involves setting challenging goals, expecting subordinates to perform at their highest level and

conveying a high degree of confidence in subordinates

Situational Factors

- **Subordinate characteristics**
 - **Perceived Ability** (e.g. Subordinates who perceive that they have a great deal of ability will be dissatisfied with a directive style.)
 - **Locus of Control** – Degree to which people believe that they have control over the outcome of events in their lives
 - **Experience** (if experienced, then achievement oriented or participative)

Environmental Contingencies

- **Task Structure** – is the degree to which the requirements of a subordinate's tasks are clearly specified.
- **Formalization** – an organization's set of procedures, rules and policies.
- **Primary work group** – refers to the amount of emotional support that is provided by an employee's immediate work group.

Lecture

11

Controlling

Courage is knowing what not to fear- ---Anthony

Definition

- The process of measuring performance and taking action to ensure desired results (Schermerhorn, 2008)
- The process of regulating organisational activities so that actual performance conforms to expected organisational goals/standards.

Controlling investigates **the extent** to which **planning has been successful**.

NB

Effective controls ensure that activities are completed in ways that lead to the attainment of goals. Whether controls are effective, then, is determined by how well they help employees and managers achieve their goals.

Steps /Process of control

➤ Performance standards are set

SMART goals are the basis

The standard will itself affect achievement- people will ignore standards that are too high as unattainable, or too low as not being worthwhile. The goals or standards should be specific, measurable, attainable, realistic, and time bound.

➤ Measuring actual performance

done through **observation, Oral** and **Written** reports

- Performance appraisal
- Budgets
- Quantity produced
- Number of defective products

NB

HOW WE MEASURE. Four approaches used by managers to measure and report actual performance are personal observations, statistical reports, oral reports, and written reports.

WHAT WE MEASURE. What is measured is probably more critical to the control process than how it's measured. The following standards that are measured, quantity produced, number of defects produced, employees performance through appraisals etc

➤ **Compare actual results to standards**

This helps to determine the degree of variation.

NB

This step shows the variation between actual and planned performance. There is bound to be some variation, so before acting a manager needs to know the acceptable range of variation- the acceptable limits of variation between actual and planned performance. As long as the variation is within this range, the manager need take no action – but as it goes beyond that range, the case for action becomes stronger, especially if the trend is continuing. This stage implies searching for the causes of a significant variation, to increase the chances of an appropriate response.

➤ **Take corrective action**

Making improvement is necessary and certain actions must be taken.

NB

The final step is to act on significant variations from the plan – either to correct future performance or to revise the standard. Attempts to bring performance up to the required standard could involve any aspects of the transformation process and involves taking corrective action such as redesigning a process or resetting a machine or cutting prices to sell excess stocks. This may mean dealing with longer-term issues of design, quality or skill.

Actions to take

A) Maintain the status quo

B) Correct actual performance

C) Revise the standard

NB

To maintain the status quo means to take corrective actions as they occur in the cause of the production or service delivery, actions are taken to correct problems at once to get performance back on track,

Correct actual performance: with this remedial action is taken when the range of variation between the stated performance and actual performance.

Revise the standard: When prescribed standard for controlling is perceived to have inherent drawback that needs to be rectified, it is modified to suit the prevailing circumstance. It is possible that the variance can be as a result of unrealistic standards.

Types of control

- Based on the process
- Based on the structure
- Resource control

Classified according to the timing.

♣ Pre-control/ Feed-forward

takes place prior to the performance of an activity.

- Cost effective

NB

Feed forward controls are future-directed — they attempt to detect and anticipate problems or deviations from the standards in advance of their occurrence (at various points throughout the processes). They are in-process controls and are much more active, aggressive in nature, allowing corrective

action to be taken in advance of the problem. Feed forward controls thus anticipate problems and permit action to be taken before a problem actually arises

♣ **Concurrent control**

It monitors activities while they are being carried out and the work would not proceed until it is acceptable.

- Direct supervision (e.g customer satisfaction)
- Correct problems before they come costly

NB

Concurrent control, also called steering control because it allows people to act on a process or activity while it is proceeding, not after it is proceeding, nor after it is completed. Corrections and adjustments can be made as and when the need arises. Such controls focus on establishing conditions that will make it difficult or impossible for deviations from norms to occur.

♣ **Feedback control**

The operation being controlled is completed first and then results are measured and compared to the standard.

- E.g final inspection of a car
- Getting feedback from customers after eating

NB

Feedback control is future-oriented. It is historical in nature and is also known as post-action control. The implication is that the measured activity has already occurred, and it is impossible to go back and correct performance to bring it up to standard. Rather, corrections must occur after the act. Such control provides information for a manager to examine and apply to future activities which are similar to the present one. The basic objective is to help prevent mistakes in the future.

Sources of control

- Internal and external control

Internal control

- It allows motivated individuals and groups to exercise self-discipline in fulfilling job expectations.

External control

- Occurs through direct supervision or administrative systems.

Purposes /Importance of control

Limits the accumulation of error

Minimizes cost

Adapting to environmental change

What is Delegation

- Delegation: The process by which managers assign a portion of their total workload to others (Griffin, 2002)
- The process of distributing and entrusting work to other persons (Schermerhorn, 2008)
- The assignment of part of a manager's work to others along with both the responsibility and the authority necessary to achieve expected results.

Delegation process

- Assignments of responsibility
- Granting authority
- The manager creates accountability

Why not delegate?

- The fear of blame if subordinates fail
- No time to train subordinates
- Enjoy doing tasks that subordinates could perform
- Feel threatened that competent subordinates may perform too well and possibly make the manager look poor by comparison.
- Simply because they do not know how to delegate effectively.

Principles of Effective Delegation

- Clarify the assignment

- Delegate but do not abdicate: take full responsibility of an activity though it is delegated
- Know what to delegate
- Specify the subordinate's range of discretion
- Follow the parity principle: there should be a balance between authority and responsibility
- Do not delegate special tasks that have been delegated to you
- Make the person accountable for results
- Match the tasks delegated to your subordinates' skills and abilities
- Avoid backward delegation
- Reward Success

"You are borne genius, actually do anything only if you can imagine it "

Anthony Eduah

Lecture

12

CORPORATE SOCIAL RESPONSIBILITY AND ETHICS

CORPORATE SOCIAL RESPONSIBILITY (CSR)

- ▶ Is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large - (**The world Business Council for Sustainable Development**)
- ▶ A commitment to improve community well being through discretionary business practices and contributions of corporate resources - (**Philip Kotler and Nancy Lee – 2005**)

STAKEHOLDERS

- Shareholders
- Employees
- Customers
- Competitors
- Local community
- Society
- International community

CLASSIFICATIONS OF CSR

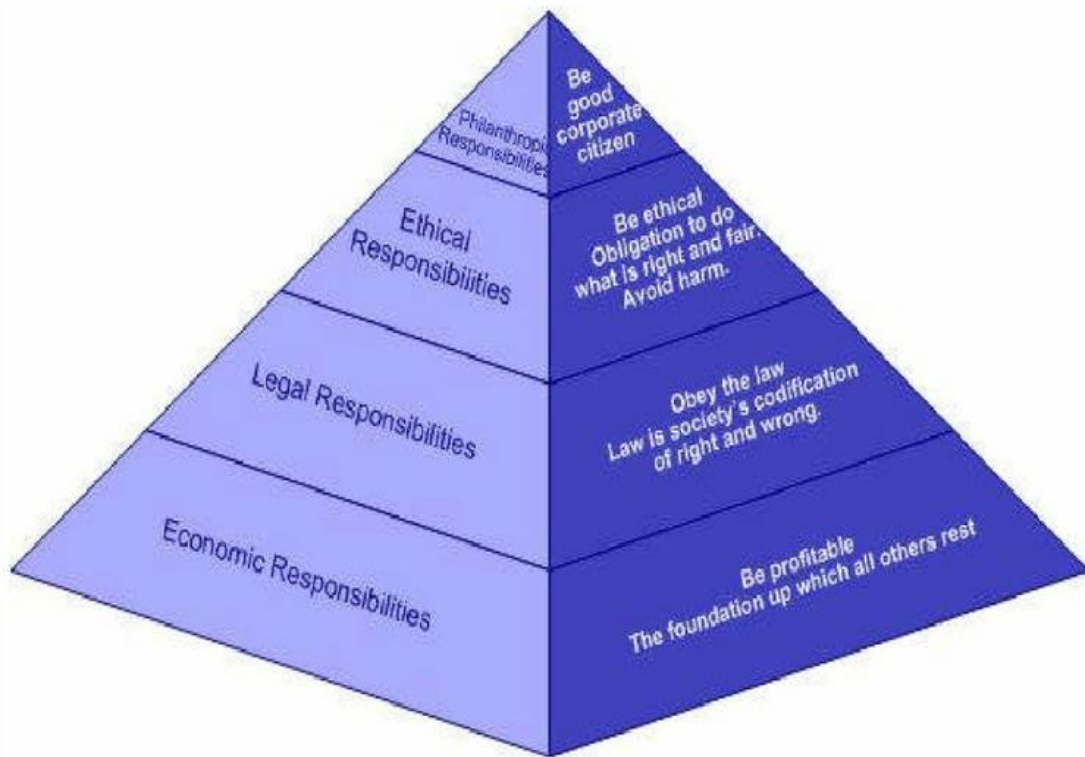
- ▶ **Economic Responsibilities:** The duty of managers as agents of the company owners to maximize stockholder wealth.
- ▶ **Legal Responsibilities:** The firm's obligation to comply with the laws that regulate business activities.
- ▶ **Ethical Responsibilities:** The manager's notion of right and proper business behavior.
- ▶ **Discretionary Responsibilities:** Responsibilities voluntarily assumed by a business such as public relations, good citizenship and full corporate responsibility.

CARROLL'S FOUR PART DESCRIPTION OF CSR

Responsibility	Societal Expectation	Example
Economic	Required	Be profitable, maximize sales, minimize cost etc

Legal	Required	Obey laws and regulations
Ethical	Expected	Do what is right, fair and just
Discretionary	Desired/Expected	Be a good corporate citizen

CARROLL'S CSR PYRAMID



AREAS OF SOCIAL RESPONSIBILITY

- ▶ To the General Public
- ▶ To Customers
- ▶ To Investors and the Financial Community

- ▶ To Employees

IMPORTANCE OF CSR

- ▶ Strengthens the relationship between companies and stakeholders
- ▶ Enhances the ability to manage stakeholder expectations
- ▶ Increases reputation and brand image
- ▶ Reduces regulatory oversight
- ▶ Increases employee loyalty and retention

DRIVERS OF CSR

- ▶ Care for all stakeholders
- ▶ Ethics
- ▶ Respect for employees' rights and welfare
- ▶ Respect for human rights
- ▶ Respect for environment

WHAT IS ETHICS

Generally: it is the notion of right and wrong behaviour

standards of good or bad or : the code of moral principles that sets
conduct (Schermerhorn, 2008) right or wrong in one's

Business; it is the standards of conduct and moral values governing actions and decisions in the work environment.

- ▶ Balance between what's right and what's profitable.
- ▶ Often no clear-cut choices.
- ▶ Often shaped by the organization's ethical climate.

UNDERSTANDING RIGHT & WRONG

We are instructed to:

- ▶ developing our own 'Moral Compass'
- ▶ do what is "right"?
- ▶ follow our values
 - ▶ Intrinsic value – pursued for its own sake: ex. Health/happiness instrumental
 - ▶ Instrumental value – pursued to help reach another value Ex: work to buy things to be "happy"
- ▶ follow The Golden Rule

THEORIES OF ETHICS

- ▶ **Virtue Ethics** – living to achieve a "clear" ideal
- ▶ **Utilitarianism** (Ethics for the Greater Good)

- ▶ **Universal Ethics** – certain universal principles should apply to all ethical judgments (Ex. Never kill, lie, steal)

ETHICAL DILEMMA

Sometimes the decision you must make requires you to make a 'right' choice knowing full well that you are:

- ▶ Leaving an equally 'right' choice undone.
- ▶ Likely to suffer something bad as a result of that choice.
- ▶ Contradicting a personal ethical principle in making that choice.
- ▶ Abandoning an ethical value of your community or society in making that choice.

Applied ethics is putting theory into practice. It becomes a question of what will/did you do instead of what would you do.

ETHICAL DILEMMAS AT WORK (Ethical Challenges)

- ▶ **Conflict of Interest:** Situation in which a business decision may be influenced for personal gain.
- ▶ **Whistle-Blowing:** Employee's disclosure of illegal, immoral, or unethical practices in the organization.
- ▶ **Honesty and Integrity:** Telling the truth and adhering to deeply felt ethical principles in business decisions.
- ▶ **Loyalty Versus Truth:** Business people expect employees to be loyal and truthful, but ethical conflicts may arise.

HOW TO RESOLVE ETHICAL DILEMMAS - I

- ▶ **Step One:** Analyze the consequences.
 - ▶ Consider short vs. long run
 - ▶ Consider benefit vs. harm
- ▶ **Step Two:** Analyze the actions.
 - ▶ Are they fair, equal, honest, respectful?
- ▶ **Step Three:** Make a decision.
 - ▶ Can you live with the outcome?

HOW TO RESOLVE ETHICAL DILEMMAS - II

- ▶ What are the facts?
- ▶ What can you guess about the facts you don't know?
- ▶ What do the facts mean?
- ▶ What does the problem look like through the eyes of the people involved?
- ▶ What will happen if you choose one thing rather than another?
- ▶ What do your feelings tell you?
- ▶ What will you think of yourself if you decide one thing or another?
- ▶ Can you explain and justify your decision to others?

This method assumes you have time to contemplate the decision, enough information, and alternative actions to choose from.

HOW TO MAINTAIN HIGH ETHICAL STANDARDS

- ▶ Ethics training
- ▶ Whistleblower protection
- ▶ Code of ethical conduct

“Thank You”

Trial Questions

1. Performance efficiency is the measure of the _____ associated with task accomplishment.
 - a) resource costs
 - b) goal specificity
 - c) product quality
 - d) product quantity
2. Which of the following skills tend to be more important for first-line managers since they manage employees who produce the organization's product?
 - A. human
 - B. technical
 - C. conceptual
 - D. empirical
3. The universality of management means that _____.
 - A. all managers in all organizations perform the four management functions
 - B. all managers in all organizations perform the same quantity of managerial functions
 - C. all managers in all organizations perform managerial functions in similar ways
 - D. any manager can work in any organization and perform any management function
4. _____ developed a categorization scheme for defining what managers do, consisting of 10 different but highly interrelated roles
 - A. Henri Fayol
 - B. Abraham Maslow
 - C. Henry Mintzberg
 - D. Peter Drucker
5. Henri Fayol, in the early part of the twentieth century proposed that all managers perform _____ functions.
 - A. three
 - B. four
 - C. five
 - D. nine
6. Today, the basic management functions have been condensed to _____.

- A. planning, organizing, commanding, and coordinating
- B. planning, organizing, coordinating, and controlling
- C. planning, organizing, commanding, and controlling
- D. planning, organizing, leading, and controlling

7. Which of the following represents one of the challenges of management? Use this Managerial Basic Training Scenario to answer question 9 to 11 Imagine that your marketing company has just merged with a manufacturing organization. You have been asked to help provide some "basic" managerial training to the engineers in the research and development unit of the new company. To ensure you are covering the important issues, your boss has asked to see an overview of materials that you will be providing the engineers.

- A. enjoy relatively easy work
- B. support, coach, and nurture others
- C. have little influence on organizational outcomes
- D. have to deal with a variety of personalities

8. The engineers have to be informed that, _____ are the people who direct the activities of others in an organization.

- A. directors
- B. managers
- C. subordinates
- D. line workers

9. Many of the engineers in the group are unclear about what managers actually do. Your training materials should explain that a manager's job focuses on _____.

- A. performing clerical duties
- B. helping others accomplish their work goals
- C. supervising groups rather than individual employees
- D. personal achievement

10. The engineers need to be informed that supervisors may frequently be referred to as _____.

- A. middle managers
- B. top managers
- C. project leaders
- D. first-line managers

11. The _____ component of an organization's external environment is concerned with trends in population characteristics such as age, race, gender, education level, geographic location, income, and family composition.

- A. economic
- B. demographic
- C. sociocultural
- D. political

12. Which of the following factors is an economic component of an organization's external environment?

- A. family composition
- B. education level
- C. disposable income
- D. geographic location

13. Which of the following factors is a sociocultural component of an organization's external environment

- A. political stability
- B. education level
- C. family composition
- D. behavior patterns

14. _____ has been described as the shared values, principles, traditions, and ways of doing things that influence the way organization members act.

- A. Corporate hierarchy
- B. Organization culture
- C. Business configuration
- D. Industrial psychology

15. Which of the following statements highlights the shared aspect of culture?

- A. Organizational culture is concerned with how members perceive the culture and describe it, not with whether they like it.
- B. Organizational culture is not something that can be physically touched or seen, but employees perceive it on the basis of what they experience within the organization.

C. Even though individuals may have different backgrounds or work at different organizational levels, they tend to describe the organization's culture in similar terms

D. The original source of the culture of an organization reflects the vision of the organization's founders.

16. After the merger, the management then makes a deliberate arrangement of people to accomplish specific purposes. Such an arrangement makes up a(n) _____.

A. trust

B. coalition

C. Responses

D. affinity group

17. In an organization whose culture conveys a basic distrust of employees, managers are more likely to use a(n) _____ leadership style.

A. participatory

B. authoritarian

C. democratic

D. laissez-faire

18. A manager resolving conflict among organizational members is performing which of the following functions?

A. controlling

B. Responses

C. leading

D. organizing

19 According to Mintzberg's managerial roles, the _____ roles are ones that involve people and other duties that are ceremonial and symbolic in nature.

A. informational

B. interpersonal

C. technical

D. decisional

20. Which of the following is NOT an example of an interpersonal role according to Mintzberg?

A. leader

B. spokesperson

C. figurehead

D. liaison

21. Technical skills include _____.

A. job specific knowledge needed to proficiently perform work tasks

B. the ability to work well with individuals and groups

C. skills managers use to think and to conceptualize about abstract and complex situations

D. experience gained by experiments that are used in performing managerial tasks

22. Understanding building codes would be considered a(n) _____ skill for a building contractor

A. human

B. technical

C. conceptual

D. empirical

23. Which of the following represents one of the rewards of being a manager? Use this Managerial Skills scenario to answer question 42 to 44 Adamu, Brenda, Carlos, and Dan are employees in the same organization. Adam is the shift manager, Brenda is the district manager, Carl is the regional manager and Dan is the project leader. Adam manages the employees who produce the organization's product. After noticing his excellent work, he is promoted to division manager. Carl on the other hand, after a disciplinary proceeding is assigned to the post of office manager. Ethan is the managing director of the same organization.

A. operating with limited resources

B. receiving recognition in the organization

C. motivating workers in chaotic situations

D. doing duties that are more clerical than managerial

24. Which of the following is true for Adamu before his promotion?

A. His technical skills are of the utmost priority.

B. His conceptual skills are of the utmost priority.

C. He need not possess any human skills

D. He need not have any empirical skills

25. Which of the following is true for Adam after his promotion?

A. His empirical skills are going to be most important.

- B. The importance of his technical skills is about to be reduced.
- C. His conceptual skills are going to take the priority.
- D. The importance of his human skills are to be reduced.
26. Which of the following is true for Ethan?
- A. He should be very sound in his technical skills.
- B. He can manage with limited financial skills.
- C. Conceptual skills are the most important skills that Ethan requires
- D. He need not possess any human skills
27. Most company's goals can be classified as either _____ or _____.
- A. strategic; financial
- B. operational; tactical
- C. social; economic
- D. strategic; operational
28. _____ denotes how job tasks are formally divided, grouped, and coordinated
- A. Organizational structure
- B. Work specialization
- C. Departmentalization
- D. Organizational behavior
29. Organizational structure has six key elements. Which of the following is not one of these elements?
- A. centralization
- B. departmentalization
- C. work specialization
- D. location of authority
30. Work specialization is the same as _____.
- A. departmentalization
- B. division of labor
- C. decentralization
- D. job grouping

31. A task that is subdivided into many separate jobs is considered to have _____.
A. a high degree of departmentalization
B. a low degree of decentralization
C. a high degree of work specialization
D. a low degree of structure
32. The basis by which jobs are grouped together is termed _____.
A. departmentation
B. bureaucracy
C. specialization
D. centralization
- 33 The right inherent in a managerial position to give orders and expect orders to be obeyed is termed _____.
A. chain of command
B. authority
C. power
D. unity of command
34. The unity-of-command principle states which of the following?
A. Managers should limit their oversight to a maximum of 12 employees.
B. An individual should be directly responsible to only one supervisor.
C. Managers should provide direction to their employees in a unified fashion.
D. Managers should oversee 1 – 4 employees on average
- 35 _____ principle helps preserve the concept of an unbroken line of authority.
A. span of control
B. chain of command
C. centralization
D. unity-of-command
- 36 The _____ refers to the number of subordinates that a manager directs.
A. span of control
B. unity of command

C. chain of command

D. decentralization principle

37 If you have a narrow span of control, you have a(n) _____ organization.

A. efficient

B. tall

C. matrix

D. short

38 Which one of the following dichotomies of organizational structure specifically defines where decisions are made?

A. complexity/simplicity

B. centralization/decentralization

C. formalization/informalization

D. specialization/enlargement

39 The best definition for centralization is a situation in which decision making _____.

A. is pushed down to lower level employees

B. is concentrated at a single point in the organization

C. depends on the situation

D. is completed in each department and then sent to the president for review

40 In an organization that has high centralization, _____.

A. the corporate headquarters is located centrally to branch offices

B. all top level officials are located within the same geographic area

C. new employees have a great deal of legitimate authority

D. top managers make all the decisions and lower level managers merely carry out directions

41 The more that lower-level personnel provide input or are actually given the discretion to make decisions, the more _____ there is within an organization.

A. work specialization

B. decentralization

C. disempowerment

D. centralization

42 If a job is highly formalized, it would not include which of the following?

- A. clearly defined procedures on work processes
- B. explicit job description
- C. high employee job discretion
- D. a large number of organizational rules

43 A ____ is a at organization

- A. bureaucracy
- B. centralized structure
- C. matrix structure
- D. none of the above

44 A bureaucracy is characterized by all of the following except ____.

- A. highly routine operating tasks
- B. formalized rules and regulations
- C. decentralized decision making
- D. tasks that are grouped into functional department

45 The structure that creates dual lines of authority is the ____.

- A. organizational structure
- B. bureaucracy
- C. matrix structure
- D. virtual organization

46 Which of the following is Not correct?

- A. Power is not perfectly correlated with ones level in the organization
- B. Subordinates can sometimes have power over some managers
- C. Leaders normally use power in influencing people
- D. Power is perfectly correlated with ones level in the organization

47 Under the path goal theory, what leadership style must be used when there is no emotional support in the work group?

- A. Directive
- B. Democratic

C. Supportive

D. Participative

48 Which type of departmentation will be the most appropriate for an international business?

A. Functional

B. Product

C. Divisional

D. Geographic

49 A leadership theory that states that leaders should look before they lead is

A. Behavioural

B. Path-goal

C. Contingency

D. Trait

50 In reality the management functions are

A. Sequential

B. Interdependent

C. Continuous

D. Separable

51 A narrow span of control leads to

A. Effectiveness

B. Performance

C. Efficiency

D. Productivity

52 The organizational structure that allows dual authority/or violates the unity of command principle is

A. Matrix

B. Organic

C. Mechanistic

D. Flat

53 All of these are leadership styles developed by Kurt Lewin and Associates of University of Iowa except

A. Participative

B. Democratic

C. Free rein

D. Autocratic

54 The third process under the controlling function is

A. Monitoring progress

B. Measuring actual performance

C. Comparing actual and expected performance

D. Setting standards

55 Which of the following has the viewpoint that emphasizes finding ways to manage work and organisations more efficiently. I Scientific Management II. Administrative management III. Bureaucratic Management Theory IV. Organisation Environment Theory

A. I, II, IV

B. I, II, III

C. II, III, IV

D. III, IV, I

56 The proponents of Scientific management include I Frederick Taylor II. Frank and Lillian Gilbreth III. Henry Gantt IV. Henri Fayol

A. I, II, IV

B. I, II, III

C. II, III, IV

D. III, IV, 1

57 The commonest economic goals that guide the strategic direction of almost every business are: I Survival II. Profitability III. Achievement IV. Growth

A. I, II, IV

B. I, II, III

C. III, IV, 1

D. II, III, IV

58 _____ pay special attention to the organisation's external environment, looking for problems and opportunities and finding ways to deal with them.

- A. top managers
- B. middle managers
- C. team leaders
- D. supervisors

59 The accounting manager of a local newspaper would be considered a _____ manager, whereas a publisher in charge of everything would be considered a _____ manager.

- A. general, functional
- B. staff, line
- C. senior, junior
- D. middle, top

60 The assumption that people are complex with widely varying needs is most associated with the _____ management approaches.

- A. classical
- B. behavioural
- C. contemporary
- D. neoclassical

61. When the registrar of a university deals with students by an identification number rather than by a name, which character of bureaucracy is being displayed and what is its intended benefit

- A. division of labour and competency
- B. merit based careers and productivity
- C. rules and procedures and efficiency
- D. impersonality and fairness

62 Advise to study a job and carefully train workers to do that job with nancial incentives tied to the performance would most likely come from _____.

- A. scientific management
- B. contingency management
- C. Administrative management
- D. bureaucratic management

63 Resource acquisition and customer satisfaction are important when an organisation is viewed as a

- A. contingency

- B. closed system
- C. systems approach
- D. open system

64 One example of how scientific management principles are applied in the organisation today would be:

- A. a result-based compensation system
- B. a bureaucratic structure
- C. training in how to better understand workers attitudes
- D. focus on groups and teamwork rather than individual tasks

65 The last step in the decision making process is to _____

- A. identify alternatives
- B. find and define the problem
- C. choose a solution
- D. evaluating the decision implemented

66 If an organisation was performing poorly and Henry Fayol was called in as a consultant, what would he most advise as a way to improve things?

- A. teach managers to better plan and control
- B. teach workers more efficient job methods
- C. promote to management only the most competent workers
- D. find ways to increase corporate social responsibility

67 When your local bank or credit union is viewed as an open system, the loan processing department would be considered a _____.

- A. subsystem
- B. closed system
- C. resource input
- D. value center

68 According to the Blake and Morton model of leader behaviours, the most successful leader is one who acts with _____.

- A. high initiating structure
- B. high concern for task and high concern for people

C. low job stress and high task goals

D. high consideration and moderate initiating structure

69 A leader whose actions indicate an attitude of "you do as you want" would be described as having a(n) _____ leadership style.

A. autocratic

B. participative

C. democratic

D. laissez-faire

70 A leader who _____ would be described as achievement oriented in the path-goal theory.

A. works hard to achieve high performance

B. sets challenging goals for others

C. gives directions and monitors results

D. builds commitment through participation

71 Leader power = _____ power x _____ power.

A. reward, punishment

B. legitimate, position

C. position, personal

D. reward, expert

72 What kind of departmentalization would be in place in a government organization where different public service responsibilities are divided into activities for employees, children, and the disabled?

A. customer departmentalization

B. geographic departmentalization

C. product departmentalization

D. process departmentalization

73 Starting from the highest, needs are second in hierarchy

A. Safety

B. esteem

C. self actualization

D. belongingness

74 The more that employees provide input or are actually given the discretion to make decisions, the more _____ there is within an organization.

- A. empowerment
- B. work specialization
- C. departmentalization
- D. decentralization

75 The _____ principle helps preserve the concept of an unbroken line of authority.

- A. unity-of-command
- B. chain of command
- C. centralization
- D. span of control

76 The best definition for centralization is a situation in which decision making _____.

- A. is concentrated at higher levels in the organisation
- B. is concentrated at a single point in the organization
- C. is diffused among a large segment of employees
- D. is completed in each department and then sent to the president for review

77 A task that is subdivided into many separate jobs is considered to have _____.

- A. a high degree of departmentalization
- B. a low degree of decentralization
- C. a high degree of work specialization
- D. a low degree of structure

78 _____ involves ensuring that work activities are completed efficiently and effectively by the people responsible for doing them

- A. Planning
- B. Managing
- C. Organizing
- D. Commanding

79 _____ departmentalization achieves economies of scale by placing people with common skills and orientations into common units.

- A. Functional
- B. Process
- C. Geographic
- D. Product

80 The right inherent in a manager to give orders and expect orders to be obeyed is termed ____.

- A. authority
- B. leadership
- C. chain of command
- D. power

81 Resource acquisition and customer satisfaction are important when an organization is viewed as a (an)

- A. Synergy
- B. open system
- C. negative entropy
- D. closed system

82 Starting from the lowest, needs are second in hierarchy

- A. self actualization
- B. esteem
- C. safety
- D. belongingness

83 Buffering is a means of managing which specific environmental elements?

- A. task elements
- B. suppliers
- C. customers and suppliers
- D. customers

84 _____ planning dominates managers' planning efforts at lower levels of the organization.

- A. Operational
- B. Directional
- C. Organization-wide

D. controllable and specific

85 Elements in the remote environment are:

A. uncontrollable and specific

B. controllable and specific

C. uncontrollable and broad

D. controllable and broad

86 Departmentalization is a type of organizing into:

A. Geographic, functional, customer, product and process

B. Geographic, roles, customer, product and process

C. Location, process, geographic, product and functional

D. Geographic, tasks, customer, product and process

87 If a job is highly formalized, it would not include which of the following?

A. high employee job discretion

B. explicit job description

C. a large number of organizational rule

D. clearly defined procedures on work processes

88 A manager's analysis of the external environment can be improved by _____, which involves screening information to detect emerging trends.

A. value screening

B. environmental scanning

C. environmental activism

D. critical path analysis

89 When people perform in a situation as they are expected to because of the special attention, this is sometimes called the

A. self-fulfilling prophecy

B. Hawthorne effect

C. open systems

D. closed systems

90 _____ refers to how standardized an organization's jobs are and the extent to which employee behavior is guided by rules and procedures.

- A. Formalization
- B. Decentralization
- C. Centralization
- D. Specialization

91 Goals are different from plans because _____.

- A. goals are important only for small companies, and plans are important only for large companies
- B. goals identify specific steps that the organization needs to achieve, and plans identify the overall mission of the organization
- C. goals describe financial objectives, and plans describe objectives related to social responsibility
- D. goals are desired outcomes, and plans describe how those outcomes will be accomplished

92 As organizations become more flexible and responsive to environmental trends, there is a distinct shift toward _____ decision making.

- A. decentralized
- B. amalgamated
- C. concentrated
- D. centralized

93 Advice to study a job and carefully train workers to do that job with financial incentives tied to job performance would most likely come from

- A. contingency management
- B. scientific management
- C. administrative management
- D. bureaucratic management

94 The target that management wants to reach is called

- A. goal
- B. management
- C. organization
- D. strategy

95 Supervisor is another name for which of the following?

- A. first-line manager
- B. team leader
- C. top manager
- D. middle manager

96 Effectiveness is associated with _____.

- A. doing the right things
- B. doing things right
- C. decreasing production time
- D. reducing inventory

97 One of the most popular ways to group activities is by _____.

- A. geography
- B. function
- C. temporality
- D. process

98 _____ developed a categorization scheme for defining what managers do, consisting of 10 different but highly interrelated roles.

- A. Henri Fayol
- B. Abraham Maslow
- C. Henry Mintzberg
- D. Peter Drucker

You can contact Anthony for the answers

Tony wishes you all the best