Managers and Management



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LEARNING OUTLINE

Who Are Managers?

- Explain how managers differ from non-managerial employees.
- Classification of managers in organizations.
- Where do they Work?

What Is Management?

- Define management.
- Explain why efficiency and effectiveness are important to management.

What Do Managers Do?

- Describe the four functions of management.
- Explain Mintzberg's managerial roles.
- Describe Katz's three essential managerial skills

Why Study Management?

- Why an understanding of management is important.
- Universal need of Management

History Of Management

Who Are Managers?

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



How Are Managers Different from Nonmanagerial Employees?

Nonmanagerial Employees

 People who work directly on a job or task and have no responsibility for overseeing the work of others.

Examples: associates, team members

Managers

➤ Individuals in organizations who direct and oversee the activities of the people in the organization.

Examples: Chief Executive Officer (CEO), Departmental Managers, Supervisors, etc

Classifying Managers

First-line Managers

- Individuals who manage the work of non-managerial employees. Firstline managers are responsible for the daily management of line workers..
- These managers focus on controlling and directing.

Titles:

supervisors or even shift managers, district managers, department managers, or office managers etc..

Middle Managers

- Individuals who manage the work of first-line managers.
- They are accountable to the top management

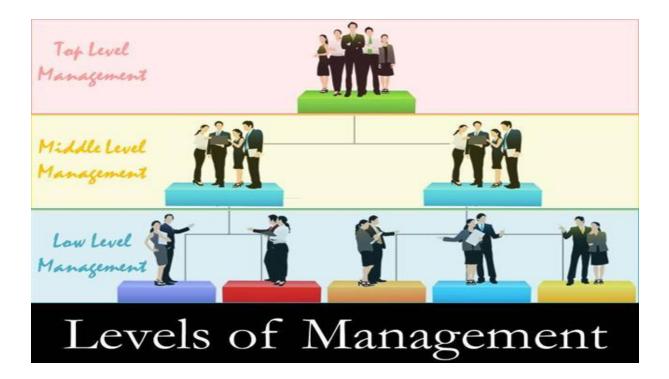
Titles:

General managers, branch managers, regional manager, project Leader etc..

Top Managers

- Individuals who are responsible for making organization-wide decisions and establishing plans and goals that affect the entire organization.
- > They are accountable to the shareholders and general public...

Titles: Board of directors, president, vice-president, and CEO etc...



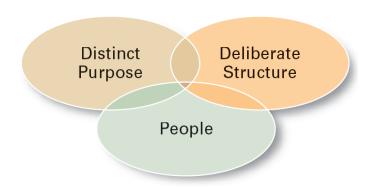
Where do Managers Work

An Organization Defined

➤ A deliberate arrangement of people to accomplish some specific purpose (that individuals independently could not accomplish alone).

Common Characteristics of Organizations

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



What Is Management?

The process of getting things done effectively and efficiently, with and through people

- > Efficiency
 - "Doing things right"
 - Getting the most output for the least inputs
- Effectiveness
 - "Doing the right things"
 - Attaining organizational goals

Effectiveness and Efficiency in Management

Efficiency (Means) Effectiveness (Ends) Goal Resource Attainment Usage High Attainment Low Waste Management Strives for: Low Resource Waste (high efficiency) High Goal Attainment (high effectiveness)

What Do Managers Do?

1- Functional Approach

Planning

Defining goals, establishing strategies to achieve goals, developing plans to integrate and coordinate activities.

Organizing

- Arranging and structuring work to accomplish organizational goals.
- They determine what tasks are to be done, who is to do them, how the tasks are to be grouped, who reports to whom,

▶ Leading

Working with and through people to accomplish goals, Motivate subordinates.

➤ Controlling

Monitoring, comparing, and correcting work.

What Do Managers Do? (cont'd)

- Management Roles Approach (Mintzberg)
- Managerial roles refers to specific actions or behaviors expected of and exhibited by a manager.
- Henry Mintzberg observed that a manager's job can be described by 10 roles performed by managers in three general categories

Interpersonal roles:

- ☐ The managerial roles in this category involve **providing** information and ideas.
- ☐ The interpersonal roles are ones that involve people (subordinates and persons outside the organization) and other duties that are ceremonial and symbolic in nature.

Interpersonal roles include: Figurehead, leader, liaison

Informational roles Processing information

☐ Processing information.

□ The informational roles involve collecting, receiving, and spread information.

Informational roles include: Monitor, disseminator, spokesperson

Decisional roles

□ Using information

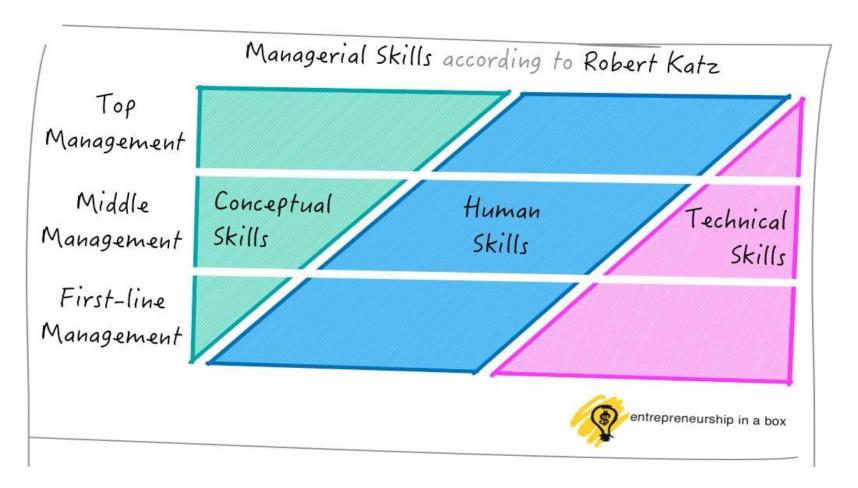
☐ The decisional roles entail making decisions or choices

<u>Decisional roles include:</u>

Disturbance handler, resource allocator, negotiator

Skills of Management

Robert Katz and others describe four critical skills in managing



Technical skills

- Knowledge and proficiency in a specific field
- Technical skills are the job specific knowledge and techniques needed to proficiently perform work tasks.
- These skills tend to be more important for first-line managers

Examples:

The manager must be able to coach the employee on its operation.

Technical skills of sales manager could be: Training, selling, negotiating, problem solving and computer etc...

(Computers skills like ,Internet, Malware, WiFi, Mobile, Messaging, Email)

Conceptual skills

- The ability to think and conceptualize about abstract and complex situations concerning the organization
- Using these skills, managers see the organization as a whole, understand the relationships among various subunits, and visualize how the organization fits into its broader environment.
- These skills are most important to top managers.
 Example: Planning, Critical Thinking, Analysis and Leadership etc...

Human skills

- The ability to work well with other people both individually and groups
- These skills are equally important to all levels of management
- These skills enable managers to become leaders and motivate employees for better accomplishments.

Examples: Conflict Management, Ethical, Communication and decision making etc..

Why Study Management?

- All of us have a vested interest in improving the way organizations are managed
- Organizations that are well managed find ways to prosper (prosper :making successful) even in challenging economic times
- After graduation most students become managers or are managed..

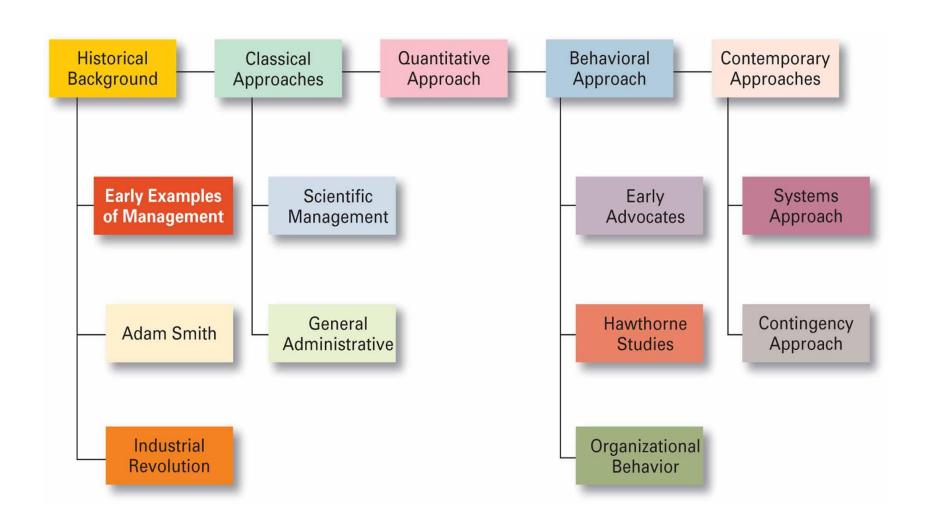
Universal need of management:



History Of Management

Why Study History of Management:

- ☐ To avoid their failures and pitfalls, grow their successes, and set your roadmap.
- Learn mistakes made in past and make right decision now.
- Studies of different management theories tells us that how management developed



Historical Background of management

Early Management:

Management has been practiced a long time.

Organized endeavors directed by people responsible for planning, organizing, leading, and controlling activities have

existed for thousands of years.

Ancient Management

• Egypt (pyramids) (It took more than 100,000 workers some 20 years to construct a single pyramid.) and China (Great Wall)

Adam Smith

- Published "The Wealth of Nations" in 1776
- Advocated the division of labor (job specialization) to increase the productivity of workers

Industrial Revolution

- Substituted machine power for human labor
- Created large organizations in need of management

Major Approaches to Management

- Classical Approach
- Quantitative Approach
- Behavioral Approach
- Contemporary Approach

☐ Classical Approach: Classical approach, emphasized rationality and making organizations and workers as efficient as possible.

Two major theories comprise the classical approach:

- Scientific management Theory
- General administrative Theory

Scientific Management Theory

Frederick Winslow Taylor's:

The contributor of Scientific management theory

The "father" of scientific management

• Published *Principles of Scientific Management* (1911)

Scientific management theory described in this book:

Use of scientific methods to define the "one best way" for a job to be done:

Putting the right person on the job with the correct tools and equipment.

Having a standardized method of doing the job.

Providing an economic incentive to the worker.

Taylor's 4 Principles of Management:

- **1.** Develop a science for each element of an individual's work to replace the old rule-of thumb method.
- 2. Scientifically select and then train, teach, and develop the worker.



- 3. Heartily cooperate with the workers so as to ensure that all work is done in accordance with the principles of the science that has been developed.
- 4. Divide work and responsibility almost equally between management and workers.

Management does all work for which it is better suited than the workers.

Frank and Lillian Gilbreth

• Focused on increasing worker productivity through the **reduction**Of wasted motion.



General Administrative Theory: focused more on what managers do and what constituted good management practice.

Henri Fayol

- Believed that the practice of management was distinct from other organizational functions.
- Developed principles of management that applied to all organizational situations.

Henri 14 Principles of Management:

Division of Work. Specialization increases output by making employees more efficient.

- 2. Authority. Managers must be able to give orders, and authority gives them this right.
- 3. Discipline. Employees must obey and respect the rules that govern the organization.
- 4. Unity of command. Every employee should receive orders from only one superior.
- 5. Unity of direction. The organization should have a single plan of action to guide managers and workers.
- **6. Subordination of individual interests to the general interest.** The interests of any one employee or group of employees should not take precedence over the interests of the organization as a whole.
- 7. Remuneration. Workers must be paid a fair wage for their services.
- 8. Centralization. This term refers to the degree to which subordinates are involved in decision making.
- **9. Scalar chain.** The line of authority from top management to the lowest ranks is the scalar chain.
- **10. Order.** People and materials should be in the right place at the right time.
- **11. Equity.** Managers should be kind and fair to their subordinates.
- **12. Stability of tenure of personnel.** Management should provide orderly personnel planning and ensure that replacements are available to fill vacancies.
- **13. Initiative.** Employees who are allowed to originate and carry out plans will exert high levels of effort.
- 14. Esprit de corps. Promoting team spirit will build harmony and unity within the organization.

Max Weber

- Developed a theory of authority based on an ideal type of organization (bureaucracy)
- Emphasized rationality, predictability, impersonality, technical competence, and authoritarianism.



Bureaucracy

A form of organization characterized by division of labor, a clearly defined hierarchy, detailed rules and regulations,

2- Quantitative Approaches

- ➤ It is the use of quantitative techniques to improve decision making Also called operations research or management science.
- Evolved from mathematical and statistical methods developed to
- solve WWII military logistics and quality control problems.
- W. Edwards Deming and Joseph M. Duran 's ideas became the basis for total quality management (TQM)

Total Quality Management:

- 1. Intense focus on the customer
- Concern for continual improvement...
- 3. Process focused...
- 4. Improvement in the quality of everything the organization does.
- 5. Accurate measurement.
- 6. Empowerment of employees.

3- Behavioral Approach

Organizational Behavior (OB) The study of the actions of people at work; people are the most important asset of an organization.

What Managers do today - motivating, leading, building trust, working with a team, managing conflict, and so forth—has come out of OB research.

Early OB Advocates

- Robert Owen
- Hugo Munsterberg
- Mary Parker Follett
- Chester Barnard

Hawthorne Studies:

A series of studies conducted at the Western Electric Company, which started in 1924,

Experimental findings

- Productivity unexpectedly increased under imposed adverse working conditions.
- The effect of incentive plans was less than expected.

Research conclusion

Social norms, group standards and attitudes more **strongly influence individual output** and work behavior than do monetary incentives.

4- Contemporary Approach

- ➤ Starting in the 1960s, management researchers began to look at what was happening in the external environment outside the boundaries of the organization
- > Two contemporary management perspectives are part of this approach:
 - Systems Approach
 - Contingency Approach

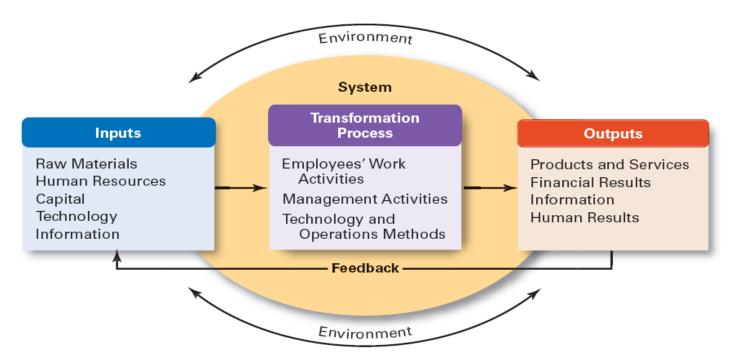
System Approach:

A **system** is a set of interrelated and interdependent parts arranged in a manner that produces a unified whole.

The two basic types of systems are:

Closed System: are not influenced by and do not interact with their environment.

Open System: are influenced by and do interact with their environment



Contingency Approach

The **contingency approach** (sometimes called the *situational approach*) says that organizations are different, face different situations (contingencies), and require different ways of managing.

It could be described as: "if, then." If this is the way my situation is, then this is the best way for me to manage in this situation

Terms to Know

- manager
- first-line managers
- middle managers
- top managers
- management
- efficiency
- effectiveness
- planning
- organizing
- leading
- controlling

- management roles
- interpersonal roles
- informational roles
- decisional roles
- technical skills
- human skills
- conceptual skills
- organization