Week 02

Capsule – A: Introduction to Management

Instructor – Maria Mohsin
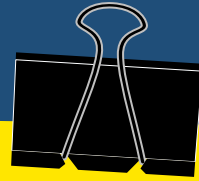
Unit # 2:

Managing the New Workplace

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Workplace – Old Type

❖ Offices used to be made up of cubicles. Employees were more often encouraged to work independently and stay on focus at all times.

❖ Workplaces were a lot less tech orientated – most business communication took place over landlines and in person and documents were all hard copies.

❖ Email, Word processor and the first personal computers were all invented in the 1970s, however mobiles were not around until 1988 and the internet was not created until 1990.

Old Workplace
(1970s-1990s)

▪ Routine
▪ Specialized tasks
▪ Standardized control procedures

❖ Employees work from one specific company facility
❖ Organization is controlled through vertical hierarchy i.e. decision making authority at upper levels

Workplace - New Type

❖ There is more focus on feeling comfortable in the workplace, to keep staff happy and motivated.

❖ The modern workplace is all about social collaboration and rising tech trends.

❖ The internet, smart phones, online file sharing, etc. has all made it possible for us to work anywhere and everywhere, which has lead to a rise in remote working and collaborate with people on the other side of the world with ease.

New Workplace
(2000-Today)

- Free flowing
- Flexible
- E-commerce or internet based organizations

❖ Employees are empowered
❖ Employees seize opportunities and solve problems as they emerge
❖ Company is organized around networks with no rigid hierarchies

Old vs. New Workplace - Management

Characteristics

Information and ideas rather than Machines and physical assets.

Shift from an industrial age to an information age has altered nature of work, employees and the workplace.

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Old Workplace vs. New Workplace

	Old Workplace	New Workplace
Characteristics		
Resources	Atoms-Physical assets	Bits-information
Work	Structured, localized	Flexible, virtual
Workers	Dependable employees	Empowered employees, free agents
Forces on Organization		
Technology	Mechanical	Digital, e-business
Markets	Local, domestic	Global, including internet
Workforce	Homogenous	Diverse

Old Workplace vs. New Workplace

	Old Workplace	New Workplace
Values	Stability, efficiency	Change, speed
Events	Calm, predictable	Turbulent, more frequent crisis
Leadership	Autocratic	Dispersed, empowering
Management Competencies		
Focus	Profits	Connection to customers, employees
Doing Work	By individuals	By teams
Relationships	Conflict, competition	Collaboration
Design	Efficient performance	Experimentation, learning organization

Managing Small Businesses

People who have found themselves squeezed out of the corporation due to downsizing or who voluntarily leave the corporate world to seek a slower pace and a healthier work life balance comes up with **Small Businesses**

Small Business
- ❖ Number of employees = 250 people
- ❖ Paid-up Capital = PKR. 25 million
- ❖ Annual Sales = PKR. 250 million

The environment for small businesses have been impacted by the following factors;
- **Technology**
- **Globalization**
- **Government regulations**
- **Increasing customer demands**

Role of Managers
Managers in small businesses often see their role as a **Spokesperson**, because they need to
- Promote
- Grow company

By being creative and have entrepreneurial skills

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Managing Small Businesses

Small businesses management like corporate sector involves coordinating all aspects of the business to ensure that it keeps on growing and achieves success

Basic Requirements

1. Create a Business Plan

2. Separate your personal & Business Finances

3. Determine funding requirements

4. Hire the right people

5. Train your employees

6. Keep track of your Finances

7. Invest in Marketing

8. Learn to Delegate

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Managing Small Businesses

Small business growth, however, can be tricky. Keeping hold of the reins, while maintaining that steady expansion takes a deft hand and some basic know-how

Managing Growth

1. Be prepared to <u>Growth</u>

2. Get your <u>Quality Control</u> in order

3. Stay on <u>Top</u> of the bottom line

4. Make <u>Adjustments</u> for growth

5. Form a great <u>Support Team</u>

6. Remember your <u>Customers</u>

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Managing Not for Profit Organizations

- ❖ Not-for-profit is **an organization that does not operate for the profit, personal gain or other benefit of particular people.**
- ❖ All the **income** is used in pursuing the organization's objectives and keeping it running; income is not distributed to the group's members, directors, or officers.
- ❖ **Profit vs. Social Impact**
- ❖ In NFPs services are normally provided to nonpaying clients

Difference

Managers in businesses direct their activities towards **Earning Money** for the company, whereas in NFPs their efforts are directed towards generating some kind of **Social Impact**

Financial Resources

- ▪ Government appropriations
- ▪ Grants
- ▪ Donations

✗ *Rather than from sale of products or services to customers*

Example

… Red Cross
… The Girls Scout
…Universities
… City Government Hospitals
… Public Schools
… Art Museums

Managing Not for Profit Organizations

Manager Roles

- ❖ Secure a steady stream of **funds** to continue operating
- ❖ Secure **additional donations** or government appropriations
- ❖ **Focus** on keeping organizational costs as low as possible
- ❖ Demonstrate a highly **efficient** use of resources
- ❖ Intangible outcomes like 'improvement' rather than monetary

Financial
Financial
Aim
Aim
Performance

Performance Measure

Do not have a conventional bottom line
Managers may struggle with the question what constitutes **results & effectiveness**

In NFPs Managers have to measure intangibles such as

- ■ Improve public health
- ■ Make a difference in the lives of disenfranchised

… Managers in NFPs shall market their services to attract not only **clients** but also the **volunteers** and **donors** on whom they depend

Managing Not for Profit Organizations

Manager Roles

❖ Roles as defined by Mintzberg's also applies to NFPs

Spokesperson

… to sell the organization to donors and the public

Leader

… to build a mission driven community of employees and volunteers

Resource Allocator

… to distribute government resources or grant funds

Crisis Management

"Extraordinary times require extraordinary leadership"

The world has become fast, interconnected and complex resulting in unexpected events.

Organizations face various levels of crisis everyday- everything from loss of computer data to a pandemic.

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Crisis Management – Leadership Skills

Crisis management requires five important leadership skills

Stay Calm:
Leaders have to suppress their own fears, doubts and pain to comfort others

Be visible:
People need to feel and see that someone is in control

Leadership Skills

Put people before business:
Make people and human feelings a top priority

**Tell the truth:**
Do not block information or investigation

Know when to get back to business:
People need something to look forward to, as a sign of hope and rejuvenation

The Learning Organization

- "An organization in which everyone is engaged in identifying and solving problems, enabling the organization to continuously experiment, improve, and increase its capability"

- Creating an organizational climate that values <u>experimentation</u> and <u>risk-taking</u>, applies current <u>technology</u>, <u>tolerates</u> mistakes and failure, and <u>rewards</u> nontraditional thinking and the <u>sharing of knowledge.</u>

- Everyone in the organization participates in identifying and solving problems, enabling the organization to continuously experiment, improve, and increase its capability.

- The role of managers is not to make decisions, to create learning capability, where everyone is free to experiment and learn what works best.
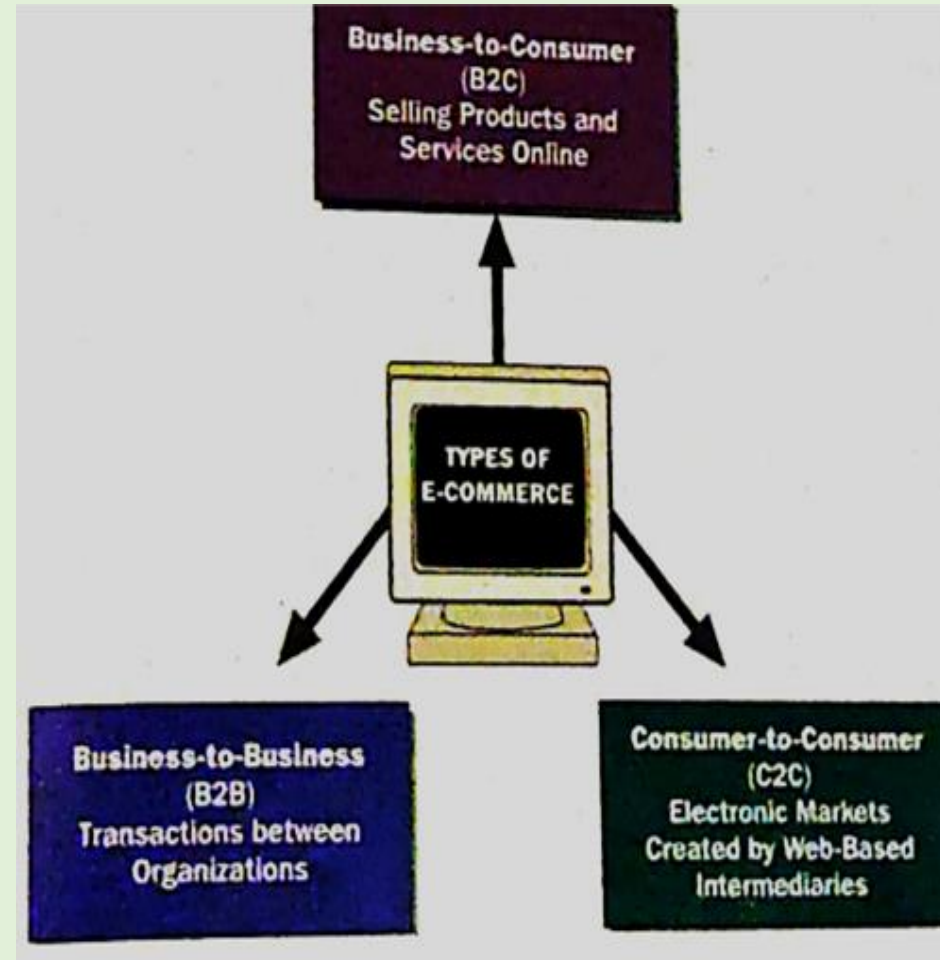
Team Based Structure

Learning Organization

Empowered Employees
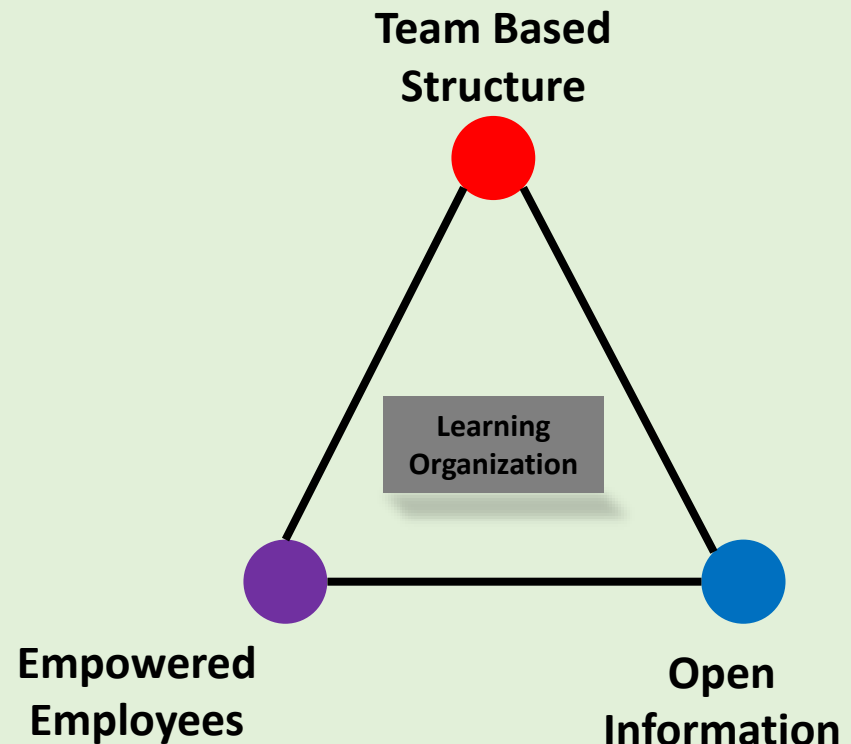
Open Information
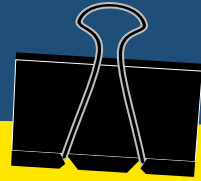
The Learning Organization

The learning organization is an attitude or philosophy about what an organization can become.

1. **Team-Based Structure:** People on the team are given the skills, information, tools, motivation, and authority to make decisions central to the team's performance and to respond creatively and flexibly to new challenges or opportunities that arise.

   - Collaboration, communication, self direction, different skill sets

2. **Empowered Employees:** Employees are given freedom, resources, information and skills to make decisions and perform effectively.

   - Self -directed work teams, quality circles, job enrichment, employee participation groups, decision making authority and information

3. **Open Information:** To identify needs and solve problems, people have to be aware of what's going on. Open information becomes extraordinarily important in organizations that deal with ideas, rather than material goods.

   - Formal data on budgets, profits, expenses, information sharing

Tech – Driven Workplace

- Ideas, information and relationships are becoming more important than production machinery, physical products and structured jobs.

- Shift towards computer based work and virtual teams, machines taking over factories freeing up workers to use their minds rather than efficiencies.

- **Key Words:**

    ➔ E-Business

    ➔ Intranet

    ➔ Extranet

    ➔ E-Commerce

    ➔ Enterprise Resource Planning (ERP)

    ➔ Knowledge Management

Business-to-Consumer (B2C) Selling Products and Services Online

TYPES OF E-COMMERCE

Business-to-Business (B2B) Transactions between Organizations

Consumer-to-Consumer (C2C) Electronic Markets Created by Web-Based Intermediaries

The End

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