Important Heading

Sub Heading or Important text

Less Important text

UNIT 1

Concept of Management

Some of the common definition of management given by famous writers and thinkers are:

According to Harold Koontz and Heinz Weihrich, Management is the process of designing and maintaining an environment in which individuals, working together in groups, efficiently accomplish selected aims.

According to Robert L. Trewelly and M. Gene Newport, Management is defined as the process of planning, organising, actuating and controlling an organisation's operations in order to achieve coordination of the human and material resources essential in the effective and efficient attainment of objectives.

According to Kreitner, "Management is the process of working with and through others to effectively achieve organisational objectives by efficiently using limited resources in the changing environment.

According to George R Terry, Management consists of planning, organising, actuating and controlling, performed to determine and accomplish the objectives by the use of people and resources.

So Management can be defined as a process of getting things done with the aim of achieving goals effectively and efficiently. **Some important terms in this definition are:**

Process: Process means the primary functions or activities that management performs to get things done. These functions are planning, organising, staffing, directing and controlling.

Effectiveness: Effectiveness is concerned with the end result. It basically means finishing the given task. Thus Effectiveness in management is concerned with doing the right task, completing activities and achieving goals

Efficient: Efficiency means doing the task correctly and with minimum cost. Management is concerned with the efficient use of input resources which ultimately reduce costs and lead to higher profits.

it is important for management to achieve goals (effectiveness) with minimum resources i.e., as efficiently as possible while maintaining a balance between effectiveness and efficiency.

Characteristics of Management

Basic characteristics of management are:

Management is a goal-oriented process: An organisation has a set of basic goals which are the basic reason for its existence. Management unites the efforts of different individuals in the organisation towards achieving these goals.

Management is all pervasive: The activities involved in managing an enterprise are common to all organisations whether economic, social or political.

Management is multidimensional: Management is a complex activity that has three main dimensions:

Management of work: All organisations exist for the performance of some work. Management translates this work in terms of goals to be achieved and assigns the means to achieve it.

Management of people: Human resources or people are an organisation's greatest asset. Managing people has two dimensions:

it implies dealing with employees as individuals with diverse needs and behavior;
it also means dealing with individuals as a group of people

The task of management is to make people work towards achieving the organisation's goals, by making their strengths effective and their weaknesses irrelevant.

Management of operations: It requires a production process which entails the flow of input material and the technology for transforming this input into the desired output for consumption
Management is a continuous process: The process of management is a series of continuous, composite, but separate functions (planning, organising, directing, staffing and controlling). These functions are simultaneously performed by all managers all the time.
Management is a group activity: An organisation is a collection of diverse individuals with different needs. Management should enable all its members to grow and develop as needs and opportunities change
Management is a dynamic function: Management is a dynamic function and has to adapt itself to the changing environment. In order to be successful, an organisation must change itself and its goals according to the needs of the environment.
Management is an intangible force: Management is an intangible force that cannot be seen but its presence can be felt in the way the organisation functions

Importance of management

Here are some reasons management is important:

- **Helps in achieving group goals**: Effective management gives a common direction to individual efforts and guides them towards achieving the overall goals of an organisation.
- Coordinate between various levels of organisation.
- **Increases efficiency**: Efficiency reduces costs and increases productivity in all spheres of an organisation's work.

- **Creates a dynamic organisation**: Management helps its personnel in adapting to change so that the organisation continues to maintain its competitive edge. How well an organisation can respond and adapt to change can mean the difference between its success and failure.
- **Helps in achieving personal objectives**: Effective management fosters team spirit, cooperation and commitment to achieve the organisational goals as a group, which helps each term member achieve their personal objectives.
- Promote harmony in the organisation.It is done by filling various positions with competent individuals who have right knowledge,skills and qualification

Why Management is a Science and an Art?

Management is considered as art and science. The art of managing begins where Science of managing stops to make management complete.

Like any other practice-whether engineering, accountancy, law or medicine; Management is an art. The artistic application of management know-how is evident.

It is understood that managing is doing things artistically in light of the realities of a situation.

But a modern manager can do better by using the knowledge, methods, concepts, theories, etc. of managing at his/her workplace.

This knowledge, methods, concepts, theories related to managing can be treated as a science. It raises the question is management is an art or science or both.

How Management is an Art

To manage effectively, one must have not only the necessary abilities to lead but also a set of critical skills acquired through time, experience, and practice.

The art of managing is a personal creative attribute of the manager, which is more often than not, enriched by education, training, experience.

The art of managing involves the conception of a vision of an orderly whole created from chaotic parts and the communication and achievement of this vision.

Managing is the "art of arts" because it organizes and uses human talent.

Elements of art in management
Practical Knowledge,
Personal Skill,
Creativity,
Perfection through practice,
Goal-Oriented.

Practical Knowledge
Art requires practical knowledge, learning of theory is not sufficient. Art applies theory to the field. Art teaches the practical application of theoretical principles.

For example-Learning how sing does not make you a musician; one must know all composition and be able to use them.

Similarly, A person may have a degree that says he knows what a manager does but it doesn't know how to apply management knowledge in real-life situations he will not be regarded as manager.

Personal Skill
A manager will not depend on his theoretical knowledge or solution alone. he or she must have some qualities that make him or her unique.

Creativity
An Artist's work is not limited to his practical knowledge. He thinks outside the box and creates things extraordinary.

Management is also creative like any other art. Management is all about finding a new way to be well different from others.

Perfection through practice
Every artist becomes better through item and practice. they learn from their mistakes. Similarly, managers become more expert as he spends more time in management thought.

Goal-Oriented
Art is result-oriented. Management works are also a goal or result-oriented. Management takes steps for the attainment of the goal.

How Management is a Science
Science is obtaining information about a particular object by a systematic pattern of observation, study, practice, experiments, and investigation.

The management process also follows the same pattern. Gathering data and facts, analyzing them and making a decision based on analysis, are the basic functions of the management.

Management follows a systematic method to find a possible solution for a problem. The science underlying managing is indeed inexact or a soft science at best.

It is not as "Science" as physical sciences such as chemistry or biology which deal with non-human entities.

The inclusion of the human element in managing makes this discipline not only complex but also debatable as pure science.

Human behavior is unpredictable; people think, act or react differently under identical circumstances.

And so, management can never become as pure science. However, the study of the scientific foundations of management practice can improve one's management skills.

Managers who attempt to manage without management science have to trust their intuition or luck at their peril rather than their expertise or skill.

Thus, they have to turn for meaningful guidance to the accumulated knowledge of managing.

Elements of Science in Managing
Concepts
Methods and principles
Theories
Organized knowledge
Practice
Science presupposes the existence of organized knowledge.

The essence of science is the application of the scientific method to the development of knowledge that proceeds through the stages discussed below:

Concepts
The scientific approach requires a clear "concepts" of mental images of anything formed by generalization from particulars. Managing has concepts to deal with situations.

Methods and principles
"Scientific method" involves the determination of facts through observation.

This leads to the development of "principles" which have value in predicting what will happen in similar circumstances. Similarly, management requires observation and sets standards or principles according to it.

Theories
Any branch of science has theories. A 'theory" is a systematic grouping of interdependent concepts and principles that give a framework to, or ties together, a significant area of knowledge.

Management studies over the years developed many proved theories for making management more realistic or scientific.

Organized knowledge
Science is organized knowledge. If we compare, management at the present day is a distinct field of organized knowledge.

Concepts, methods, principles, theories, etc. are now the core of management.

Practice
The theories of managing are the results of practice, and the role of such theories is to provide a systematic grouping of interdependent concepts and principles that furnish a framework to, or ties together significant pertinent management knowledge.

The theories of motivation, leadership, and so on may be cited/mentioned as examples.

But it is to be borne in mind that concepts, methods, principles of management are not as rigid as those of the physical sciences. They may undergo revision and change under new sociopolitical and economic circumstances.

Management is a Science as well as Art

Science teaches us to know while art teaches us to do.

To be successful, managers have to know and do things effectively and efficiently. This requires a unique combination of both science and art of managing in them.

It may, however, be said that the art of managing begins where the science of managing stops.

Since the science of managing is imperfect, the manager must turn to the artistic managerial ability to perform a job satisfactorily.

Thus, it may be said that managing in practice is an art but the body of knowledge, methods, principles, etc. underlying the practice is science.

Even some people might have a different opinion regarding this matter. But as a matter of fact, the art and science of managing are not so much conflicting as complementary.

Definition of Management

Management is defined as an act of managing people and their work, for achieving a common goal by using the organization's resources. It creates an environment under which the manager and his subordinates can work together for the attainment of group objective. It is a group of people who use their skills and talent in running the complete system of the organization. It is an activity, a function, a process, a discipline and much more.

Planning, organizing, leading, motivating, controlling, coordination and decision making are the major activities performed by the management. Management brings together 5M's of the organization, i.e. Men, Material, Machines, Methods, and Money. It is a result oriented activity, which focuses on achieving the desired output.Definition of Administration

The administration is a systematic process of administering the management of a business organization, an educational institution like school or college, government office or any nonprofit organization. The main function of administration is the formation of plans, policies, and procedures, setting up of goals and objectives, enforcing rules and regulations, etc.

Administration lays down the fundamental framework of an organization, within which the management of the organization functions.

The nature of administration is bureaucratic. It is a broader term as it involves forecasting, planning, organizing and decision-making functions at the highest level of the enterprise. Administration represents the top layer of the management hierarchy of the organization. These top level authorities are the either owners or business partners who invest their capital in starting the business. They get their returns in the form of profits or as a dividend.

Key Differences Between Management and Administration

The major differences between management and administration are given below:

- Management is a systematic way of managing people and things within the organization. The administration is defined as an act of administering the whole organization by a group of people.
- Management is an activity of business and functional level, whereas Administration is a high-level activity.
- While management focuses on policy implementation, policy formulation is performed by the administration.
- Functions of administration include legislation and determination. Conversely, functions of management are executive and governing.
- Administration takes all the important decisions of the organization while management makes decisions under the boundaries set by the administration.
- A group of persons, who are employees of the organization is collectively known as management. On the other hand, administration represents the owners of the organization.

- Management can be seen in the profit making organization like business enterprises. Conversely, the Administration is found in government and military offices, clubs, hospitals, religious organizations and all the non-profit making enterprises.
- Management is all about plans and actions, but the administration is concerned with framing policies and setting objectives.
- Management plays an executive role in the organization. Unlike administration, whose role is decisive in nature.
- The manager looks after the management of the organization, whereas administrator is responsible for the administration of the organization.
- Management focuses on managing people and their work. On the other hand, administration focuses on making the best possible utilization of the organization's resources.

Levels of management

The organisation and coordination of the pursuits of an industry for the idea of accomplishing determined objectives efficiently and thoroughly are marked as management.

This authoritatively obligatory association connects individuals as subordinates and superiors and gives rise to distinct degrees in an establishment. There are 3 levels in the ranking order of an establishment and they are:

Top-level management
Middle-level management
Lower-level management

Top Level Management

They comprise of the senior-most executives of the company. They are normally regarded as the Chairman, the Chief Executive Officer (CEO), the Chief Operating Officer (COO), President and Vice-president (VP). Top management is a team consisting of managers from various operational levels, managing marketing, finance, etc., For instance, Chief Finance Officer (CFO), Vice President (marketing) whose primary task is to combine various components and regulate the actions of different units according to the overall objectives of the company.

These top-level managers are accountable for the progress and continuation of the establishment. They investigate the trading atmosphere and its connections for the survival of the company. They form the overall organisational aims and approaches for their accomplishment. They are held responsible for all the pursuits of the company and for its influence on the society. The job of the top manager is difficult and stressful, necessitating long hours and dedication to the company.

Middle Level Management

It is the connection between top and lower level managers. They are lower to the top managers and above to the first line managers. They are normally called as division heads, for instance, Production Manager. Middle management is accountable for executing and regulating systems and manoeuvrings generated by the top management.

At the same time, they are liable for all the actions of the first-line managers. Their principal task is to bring out the plans formed by the top managers. For this purpose, they have to:

Understand the procedures outlined by the top management
Guarantee that their staff has the required workers
Designate certain tasks and duties to them, and drive them to accomplish the aspired objectives.
Interact with other departments for the stable operation of the company. At the same time, they are subject to all the actions of the first-line managers.

Lower Level Management
Managers and supervisors make up the lower level of the management in the hierarchy of the business. Supervisors immediately manage the efforts of the workforce. Their power and ability are defined according to the maps drawn by the top management.

Supervisory management performs a significant task in the system since they coordinate with the genuine workforce and move in directions of the middle management to the employees. Through their efforts the worth of the output is reported, wastage of substances is reduced, and security measures are affirmed.

Define levels of management, enumerate them and write the functions to be performed at those levels.

Answer:

- Levels of management refer to the hierarchy of job positions of organisations representing authority, responsibility and for maintaining relationships.
- Generally, there are three levels of management which are:

(a) Top level management

This level of management consists of the senior most executive level of an organisation.
Their chief task is to lay down overall goals, policies, and strategies for the organisation and to communicate with the middle level of management.

Following are the main designations assigned to individuals working at this level:

- Managing Director
- Board of Directors
- Chairperson
- Chief executive Officers
- Chief product Officers
- Chief technology Officers
- Chief finance officers
- Chief operating officers
- Precident
- VicePrecident

Functions performed at top level of management are :

- Making strategies and goals for the organisation.
- Taking decisions regarding activities to be performed.
- Framing policies for the organisation.
- Responsible for welfare and survival of the organisation.

(b) Middle level management

This level of management consists of executives working between top-level and supervisory level.

They interpret and implement the policies, coordinate all activities, ensure availability of resources and execute the policies framed by top-level management.
They consist of:

- Divisional heads and sub-divisional heads.
- Departmental heads like purchase manager, sales manager, finance manager, personnel manager etc.
- Plant superintendent.

Functions performed at the middle level of management are :

- Interpret the policies to lower management.
- Taking decisions regarding the number of personnel in the department.
- Assigning duties and responsibilities to employees in their department.
- Convey suggestions and grievances of the supervisory level to the top level for the overall smooth functioning of the organisation.
- Liable for the ultimate production of respective departments.
- To act as a link between the lower level and the management.

(c) Lower level management

Supervisory/Lower/Operational level management
This level of management operates between middle-level management and operative workforce.
This level consists of:

- Supervisors
- Foremen
- Inspectors

Functions performed at the lower level of management are:

- Providing on the job training to the workers
- Ensuring the good performance of the workers
- Giving feedback to the workers
- Influence others to work more by setting an example
- Responsible for group unity
- Act as a link between the management and the workers

Managerial Roles

A lot of studies have gone behind describing the behavior of a manager in an organization. Traditionally, most employees believed that a manager was certainly someone who sat comfortably in his office thinking and planning and giving instructions to employees.

However, over time a manager’s behavior was divided into functions and managerial roles. In this article, we will look at the various managerial roles that managers perform over the course of a single day.

Introduction

In 1973, Henry Mintzberg – a Canadian academic and author on business and management published a book called ‘The Nature of Managerial Work’. A classic now, Mintzberg based his book on data derived from the time diaries of male executives.

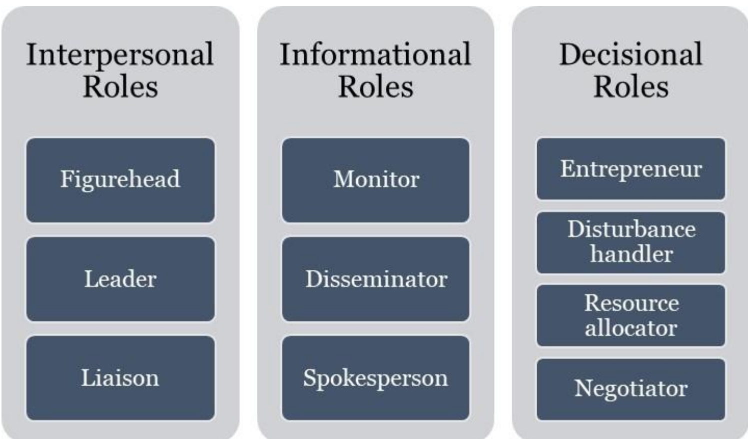
The data suggested that managers actually did not spend a lot of time on planning or strategizing. On the contrary, they spent most of their day answering telephone calls, solving problems, dealing with people, responding to crises, and had to deal with interruptions regularly.

He found that managers could not stick to one task since they were constantly being interrupted either by a phone call or a crisis. Over the years, managerial roles have become busier and more stressful.

So much so, that managers find their days never-ending. With an economy that runs 24x7x365, multiple chains of command, numerous projects, and frequently changing technology, etc., managers have a tough time on their jobs.

Managerial Roles

For better understanding, Mintzberg categorized all activities into ten managerial roles performed over the course of a day. These are as follows:



Interpersonal Roles

- Figurehead – includes symbolic duties which are legal or social in nature.
- Leader – includes all aspects of being a good leader. This involves building a team, coaching the members, motivating them, and developing strong relationships.
- Liaison – includes developing and maintaining a network outside the office for information and assistance.

Informational Roles

- Monitor – includes seeking information regarding the issues that are affecting the organization. Also, this includes internal as well as external information.
- Disseminator – On receiving any important information from internal or external sources, the same needs to be disseminated or transmitted within the organization.
- Spokesperson – includes representing the organization and providing information about the organization to outsiders.

Decisional Roles

- Entrepreneur – involves all aspects associated with acting as an initiator, designer, and also an encourager of innovation and change.
- Disturbance handler – taking corrective action when the organization faces unexpected difficulties which are important in nature.
- Resource Allocator – being responsible for the optimum allocation of resources like time, equipment, funds, and also human resources, etc.
- Negotiator – includes representing the organization in negotiations which affect the manager's scope of responsibility.

Functions of Management:

Management is defined as the procedure of organising, directing, planning and controlling the efforts of organisational members and of managing organisational sources to accomplish particular goals.

Planning:

Planning is the purpose of ascertaining in advance what is supposed to be done and who has to do it. This signifies establishing goals in advance and promoting a way of delivering them effectively and efficiently. In an establishment, the aim is the obtainment and sale of conventional Indian handloom and workmanship articles. They trade furnishings, readymades, household items and fabrics made out of classical Indian textiles

Organising:

Organising is the administrative operation of specifying grouping tasks, duties, authorising power and designating resources needed to carry out a particular system. Once a definite plan has been set for the completion of an organisational intent, the organising party reviews the actions and resources expected to execute the program. It ascertains what actions and resources are needed. It determines who will do a distinct job, where and when it will be done.

Staffing:

Staffing is obtaining the best resources for the right job. A significant perspective of management is to make certain that the appropriate people with the apt skills are obtainable in the proper places and times to achieve the goals of the company. This is also called the human resource operations and it includes activities such as selection, placement, recruitment and coaching of employees.

Directing:

Directing involves directing, leading and encouraging the employees to complete the tasks allocated to them. This entails building an environment that inspires employees to do their best. Motivation and leadership are 2 chief elements of direction. Directing also includes communicating efficiently as well as managing employees at the workplace. Motivating workers means simply building an atmosphere that urges them to want to work. Leadership is inspiring others to do what the manager wants them to do.

Controlling:

Controlling is the management operation of controlling organisational achievement towards the accomplishment of organisational intentions. The job of controlling comprises ascertaining criteria of performance, computing the current performance, comparing this with organised rules and taking remedial action where any divergence is observed. Here management should ascertain what activities and outputs are important to progress, how and where they can be regulated and who should have the power to take remedial response.

Few examples of management functions:

1. An Operations Manager With A Firm That Manufactures Office Furniture. Your Responsibilities Will Include Defining The Production, Packaging And Delivery Processes. You'll Have To Monitor The Progress Of The Assembly Line, Ensure That Everything Is Up To Standard And Performance Is Not Compromised At Any Stage.

2. As A Manager, You Have To Set Clearly-Defined Goals For Production, Hire The Right People For Your Team And Monitor Progress To Mitigate Errors. From The Planning Stage To The Controlling Stage, You Have To Work With Your Team To Maintain Quality Standards.

3. A Sales Manager Tasked With Launching A New Product. Now, Your Responsibilities Include Assembling A New Sales Team For This Project. This Is Where You Assess Abilities And Different Skills To Appoint The Right People. For Instance, Someone Who's Good With Numbers Can Help You Visualize Sales Projections And Make Budgets. Meanwhile, Someone Who's Good At Design Can Contribute To The Product Packaging And Ad Campaigns.

The top 10 management skills:

Being a manager is a tough job, but being a great one is even tougher. Just consider the array of knowledge and skills it takes to deal with a variety of people, tasks and business needs. Authors James Manktelow and Julian Birkinshaw say that, ideally, managers should know between 90 and 120 individual skills. Manktelow, founder and CEO of MindTools.com, and Birkinshaw, deputy dean for programs at London Business School, surveyed 15,242 managers worldwide to identify the most critical competencies, which are highlighted in their book Mind Tools for Managers: 100 Ways to Be a Better Boss (Wiley, 2018).

Here are the highest-ranked skills, according to their survey:

1. **Building good working relationships with people at all levels**.

Recommended by 79.9% of managers surveyed.

The most important management skill, the survey found, is the ability to build good relationships with people at all levels. For example, an approach to relationship building described in the book focuses on creating "high-quality connections" through respectful engagement.

2. **Prioritizing tasks effectively for yourself and your team.**

Recommended by 79.5% of managers surveyed.

"All of us have a huge number of things that we want to do or have to do," Birkinshaw says. "The demands can often seem overwhelming, to us and the members of our team. This is why prioritization is the second most important management skill." A particularly useful approach to this the book recommends is called the Action Priority Matrix.

3. **Considering many factors in decision-making.**

Recommended by 77.8% of managers surveyed.

We've all seen how bad decisions can be when they're rushed or when financial concerns are the only criteria used. This is why it pays to use a formal, structured process to think a problem through thoroughly, including analyzing risk and exploring ethical considerations. The ORAPAPA framework—which stands for Opportunities, Risks, Alternatives and Improvements, Past Experience, Analysis, People, and Alignment and Ethics—is a good example.

4. **Knowing the key principles of good communication.**

Recommended by 77.7% of managers surveyed.

"Management is about getting things done by working with people," Manktelow says. You can do this only if you communicate effectively. This is where the 7 C's of Communication—clear, concise, concrete, correct, coherent, complete, courteous—can help you get your message through more clearly.

5. **Understanding the needs of different stakeholders and communicating with them appropriately.**

Recommended by 75.8% of managers surveyed.

As you spearhead bigger projects, it becomes increasingly important to manage the many different groups of people who can support or undermine the work you do. This is where it's important to develop good stakeholder analysis and stakeholder management skills.

6. **Bringing people together to solve problems.**
Recommended by 75.0% of managers surveyed.
"It's often tempting to try to solve problems on your own," Birkinshaw says. "But there are very many reasons why it pays to bring together a team of experienced people." Gathering people for brainstorming sessions is a good start, but it also pays to understand structured problem-solving processes, know how to facilitate meetings well and be skilled in managing group dynamics.

7. **Developing new ideas to solve customers' problems.**
Recommended by 74.4% of managers surveyed.
A vast number of products and services now sell based on customer ratings and reviews. To get top reviews, you need to provide something that meets the needs of customers exceptionally well. Approaches like design thinking and ethnographic research can help you develop highly satisfying products, and customer experience mapping can help you deliver a satisfying customer journey.

8. **Cultivating relationships with customers.**
Recommended by 73.6% of managers surveyed.
"The way you do this depends on whether you serve consumer or business markets," Manktelow says. "When you're dealing with consumers, you'll get great insights into customer groups by segmenting your market and by developing customer personas representing these different segments."

9. **Building trust within your team.**
Recommended by 73.3% of managers surveyed.
When people don't trust one another in a team, they waste a huge amount of time politicking. By contrast, people in trusting teams work efficiently and well, and they can deliver wonderful results. To build trust, you need to lead by example, communicate honestly and openly, get to know individuals as people, avoid blame, and discourage behaviors that breach trust.

10. **Using emotional intelligence.**
Recommended by 72.1% of managers surveyed.
"All managers need emotional intelligence to be effective," Birkinshaw says. "This means having the self-awareness, self-control, motivation, empathy and social skills needed to behave in a mature, wise, empathetic way with the people around you. Emotionally intelligent managers are a joy to work with, which is why they attract and retain the best people."

"Even if you already feel like you have some of these skills, know that there is always more to learn, and the results will show in your improved leadership," Manktelow says. "Practice them until they become effortless, and, in time, not only will you perform better, you'll get better results from your team and stand out as a talented leader within your organization."

Managerial competencies

Competency is defined as "the quality of being competent; adequacy; possession of required skill, knowledge, qualification, or capacity."

12 Leadership Competencies

1. **Supervising Others-**Training new managers on what to do, as well as what not to do, can help to minimize issues related to supervising others **.** For instance, when an employee is promoted to supervisor and then is put in the position to manage those who were peers, they must learn how to make that sometimes difficult transition.Learning how to navigate this sensitive situation can help the new supervisor be successful.

2. Conflict Resolution

It is important to manage this conflict because unresolved conflict can affect relationships between people and groups of people.Both of which can have a major impact on organizational culture and worker productivity.

3. Emotional Intelligence

Emotional intelligence is defined as "the capacity to be aware of, control, and express one's emotions, and to handle interpersonal relationships judiciously and empathetically."

It can take years to develop and a lifetime to master.
There is an ongoing debate as to whether EI is a natural or trained ability.
Regardless, it is an important leadership competency that every manager and supervisor needs to perfect.

4. **Communication Skills**

Managers need to have good written and verbal communication skills to effectively manage employees.

There needs to be a structured communication process to filter information throughout the organization

For example, can you answer these questions:

Is it a priority to communicate with employees?
How often is information shared?
What is the process for communicating new information to employees?

5.Manage Performance

To do this successfully, managers need to do the following:

Set clear expectations for job assignments.

Write and monitor employee goals.

Hold employees accountable for job responsibilities and achievin g goals.

Reward employees for doing a good job.

Mentor, coach and discipline employees when necessary.

Create a system to manage performance and be consistent with its administration.

6. Interviewing Skills

Having the ability to identify the right person for open positions helps to ensure the organization secures the best talent for the job.

Leaders and managers need to have basics interviewing skills. This includes:

Being prepared for interviews.

Becoming familiar with the job that the candidate is interviewing for.

Reviewing job candidate resumes and job applications.

Identifying the best questions to ask in the interview.

7. **Team Building**

Leaders need to be able to build strong teams that have a shared goal and to rally around the mission and vision of the organization.

This necessitates managers to develop basic team leader skills that help them develop teams, minimize team conflict, and manage team dynamics

8. Delegation

Delegating helps develop employees by gradually increasing job responsibilities and accountability.

And, effective delegation is the result of forethought and strategy.

Successful delegation is knowing the people you work with and is an innate understanding of what others can do – if given the chance.

Learning to trust and develop others to perform tasks takes skill and practice.

9. Change Agent

Organizations are being forced to make dramatic improvements to products and services, to not only compete, but to survive in today's economy.

Progressive organizations understand that change is constant and that in order to move forward, there needs to be a continuous process of improving what, and how, work is done.

Consequently, leaders need to be the change agents and lead continual change initiatives

10. **Coaching**
Learning to be a good coach can be one of the most rewarding aspects of managing others.

Inexperienced employees need to coached and can benefit from a manager who takes the time to share their experience, lessons learned, and tacit knowledge.

An effective coach will help others learn to build on their strengths and improve weaknesses – which is an important aspect of professional development.

11. **Problem Solving**
Managing people and processes requires problem solving skills.

Problems come in all shapes and sizes. A good manager will have to learn to solve problems with employees, work processes, or related to product or service quality.

Managers must be able to identify problems, understand basic problem solving techniques and facilitate a process to solve problems and resolve issues within the work environment.

12. **Motivating Others**
Since we are all motivated differently, leaders need to understand what inspires and motivates their employees.

Develop a motivation strategy.

The trick is to identify what motivates employees and develop systems and processes that support those motivators.

This is merely an example of leadership competencies. Invest the time and resources to identify specific competencies for your organization and you will be able to create a work environment that motivates, develops and successfully manages employee performance

Decision Making

Definition:

Decision making refers to a process by which individual select the particular course of action among alternatives to reduce the desired result. The main purpose of decision making is to direct the resources of an organisation towards a future goal and reduce the gap between the actual position and the desired position towards effective problems or win and exploiting business opportunities

Decision making help managers to identify organisation problem and attempt to solve it.It is carried out at all management levels in an organisations. Decisions data taken in an organisation are used to related to

- Goals and objective of the organisation
- Organizational Design
- Budget
- Time period
- Staff-Salaries,working hours,wages, promotion, promotion,demotion
- Marketing mix -product ,price, place, promotion
- Research and design

Decision making process

Awareness of the problem- At the stage the decision maker becomes aware about a problem that is to be solved

Diagnose and state the problem- The decision maker understand to describe the problem and objectives that are to be achieve through solution

Develop the alternative-This stage involves Collection of data regarding the problem and formulation of different alternate course of action that can be followed to solve the problem

Evaluate the alternative- This step involves evaluation of the various alternative on the basis of visibility of a particular action, market and business situation, resource of the organisation, time period in which objective has to be achieved, etc.

Select the best alternative- After analysing and evaluate the possible outcomes of each course of action the most suitable and profitable option is selected

Implement and verify the decision- The next step involves implementing the decision and making sure the selected course of action makes the expected outcome. Follow up strategies are prepared to react towards any counter move reacted by the decision

Feedback- Decision making is a continuous process,hence a feedback from all the parties involved with implementing the decision is taken. Feedback may reveal another problem created due to implementation or hindering effective implementation which calls a new decision, and so on.

Types of decisions

Basic decisions
Decisions concerned with unique problems and situations an Organisation is facing, that require large investment, example- launch of a new product

Routine residence
Decisions that have to be made during the normal course of a business that are repeated in nature and required small investment

Personal decision
Informal decisions that a person makes as an,individual and not the member of an organisation which do not directly affect the organisation

Organizational decisions
Formal decisions that a person makes as a member of an organisation using formal authority which directly affect the organisation

Individual decisions
Decisions taken by a single individual during regular routine work according to the policy of the organisation

Group decisions
Decisions taken by a group or a committee formed for specific purpose to make an important an informed decision for the organization

Rational decisions
Decisions made after casual and systematic analysis of problem and evaluation of several alternatives based on rational and logical facts and figures

Irrational decisions
Decisions based on intuitions or experience of the decision maker and not based on relevant Fact and figures

Programmed decisions
Routine and repetitive decisions made by lower level executive using pre established rules and procedures that require little time and effort that are easy and simple to make

Unprogrammed decisions
Decisions concerned with unique problem faced by an organisation by which no pre established rules and procedures have been made .such decisions are complex demand lot of time and effort and have a long term impact

Decision-Making under Certainty, Risk and Uncertainty

Decision-making under Certainty:

A condition of certainty exists when the decision-maker knows with reasonable certainty what the alternatives are, what conditions are associated with each alternative, and the outcome of each alternative. Under conditions of certainty, accurate, measurable, and reliable information on which to base decisions is available.

The cause and effect relationships are known and the future is highly predictable under conditions of certainty. Such conditions exist in case of routine and repetitive decisions concerning the day-to-day operations of the business.

Decision-making under Risk:

When a manager lacks perfect information or whenever an information asymmetry exists, risk arises. Under a state of risk, the decision maker has incomplete information about available alternatives but has a good idea of the probability of outcomes for each alternative.

While making decisions under a state of risk, managers must determine the probability associated with each alternative on the basis of the available information and his experience.

Decision-making under Uncertainty:

Most significant decisions made in today's complex environment are formulated under a state of uncertainty. Conditions of uncertainty exist when the future environment is unpredictable and everything is in a state of flux. The decision-maker is not aware of all available alternatives, the risks associated with each, and the consequences of each alternative or their probabilities.

The manager does not possess complete information about the alternatives and whatever information is available, may not be completely reliable. In the face of such uncertainty, managers need to make certain assumptions about the situation in order to provide a reasonable framework for decision-making. They have to depend upon their judgment and experience for making decisions.

Modern Approaches to Decision-making under Uncertainty:

There are several modern techniques to improve the quality of decision-making under conditions of uncertainty.

The most important among these are:

(1) Risk analysis,

(2) Decision trees and

(3) preference theory.

Risk Analysis:

Managers who follow this approach analyze the size and nature of the risk involved in choosing a particular course of action.

For instance, while launching a new product, a manager has to carefully analyze each of the following variables the cost of launching the product, its production cost, the capital investment required, the price that can be set for the product, the potential market size and what percent of the total market it will represent.

Risk analysis involves quantitative and qualitative risk assessment, risk management and risk communication and provides managers with a better understanding of the risk and the benefits associated with a proposed course of action. The decision represents a trade-off between the risks and the benefits associated with a particular course of action under conditions of uncertainty.

Decision Trees:

These are considered to be one of the best ways to analyze a decision. A decision-tree approach involves a graphic representation of alternative courses of action and the possible outcomes and risks associated with each action.

By means of a "tree" diagram depicting the decision points, chance events and probabilities involved in various courses of action, this technique of decision-making allows the decision-maker to trace the optimum path or course of action.

Preference or Utility Theory:

This is another approach to decision-making under conditions of uncertainty. This approach is based on the notion that individual attitudes towards risk vary. Some individuals are willing to take only smaller risks ("risk averters"), while others are willing to take greater risks ("gamblers"). Statistical probabilities associated with the various courses of action are based on the assumption that decision-makers will follow them.

For instance, if there were a 60 percent chance of a decision being right, it might seem reasonable that a person would take the risk. This may not be necessarily true as the individual might not wish to take the risk, since the chances of the decision being wrong are 40 percent. The attitudes towards risk vary with events, with people and positions.

Top-level managers usually take the largest amount of risk. However, the same managers who make a decision that risks millions of rupees of the company in a given program with a 75 percent chance of success are not likely to do the same with their own money.

Moreover, a manager willing to take a 75 percent risk in one situation may not be willing to do so in another. Similarly, a top executive might launch an advertising campaign having a 70 percent chance of success but might decide against investing in plant and machinery unless it involves a higher probability of success.

Though personal attitudes towards risk vary, two things are certain.

Firstly, attitudes towards risk vary with situations, i.e. some people are risk averters in some situations and gamblers in others.

Secondly, some people have a high aversion to risk, while others have a low aversion.

Most managers prefer to be risk averters to a certain extent, and may thus also forego opportunities. When the stakes are high, most managers tend to be risk averters; when the stakes are small, they tend to be gamblers.

Cross-Cultural Management Challenges And How To Face Them

With businesses becoming increasingly internationalized, and in-house and extended teams increasingly multicultural, today's managers are faced with a conundrum that did not fall on their predecessors: how to communicate effectively across cultures.

In order for businesses to remain effective and competitive, leaders need to engage their employees rather than inform and instruct. There are challenges in doing this: communication contexts differ across cultures. Managers who get it wrong are left to resolve cross-cultural misunderstandings. Often, this can be damaging to the organization's internal and external reputation.

In the worst cases, the inability to resolve cross-cultural misunderstandings can decimate promising businesses and mergers. Think Daimler Chrysler (a merger that was called a 'merger of equals' when it was conceived, a fiasco a few years later) or AOL and Time Warner (with the AOL-Time Warner share price down from $72 in 2000 to $15 in 2008), and you'll realize the damage that cross-cultural differences can cause if left unresolved.

In this post I study a five-step strategy to avoid the need to resolve cross-cultural misunderstandings by preparing for them first.

1. Understand the communication style of different cultures

People from different cultures communicate differently.

Some, like the United States, Australia and the UK, are more direct. Communication is precise and open, and more emotional. This is called ‘low-context’ culture.

Others, especially Chinese, Japanese and Indian, are subtler. Meanings are often not explicitly stated, but instead implied within information provided. This is called ‘high-context’ culture.

Some cultures communicate calmly, basing discussion wholly on facts and acting decisively (linear-active). Others are courteous, good listeners, and amiable (reactive). A third type of culture is warm and emotional (multi-active).

By understanding these differences, you will be able to temper your communication style accordingly and be more effective in cross-cultural teams.

2. Understand that there will be differences in cultural value

Every culture has different values. These may develop over time. For example, the class-based society that was prevalent in the United Kingdom for many hundreds of years has largely been expunged. In India, the caste system is still very much alive despite being outlawed.

Geert Hofstede identifies five dimensions of cultural perspectives:

Power Distance
Individualism vs. Collectivism
Masculinity vs. Femininity
Uncertainty Avoidance
Long-term vs. Short-term Orientation

As an example of the above, power distance is the dimension that describes India’s caste culture – the acceptance of inequality between different people:

Individualism vs. collectivism refers to the emphasis on individual or collective success.

Masculinity vs. femininity refers to the extent to which the culture emphasizes masculine, work-related goals rather than humanist goals.

Uncertainty avoidance refers to the need for rules and direction rather than ambiguity.

Long-term orientation vs. short-term orientation refers to the level of goal-setting in a timeframe context.

By understanding how different cultures ‘operate’ within these five dimensions, you will be able to bridge the gap that exists between your cultural dimension and that of your employees or customers.

3. **Develop effective communication style**

When you understand these cultural differences, you can develop your communication style to avoid the need to resolve cross-cultural misunderstandings.

This ability interlinks seamlessly with high-level emotional intelligence. You'll become more tolerant of ambiguity, be more flexible toward different cultures, and less certain that your culture is right in all circumstances and situations.

Developing communication skills such as openness and agreeability will help to build respect for you as a leader and engender effective communication. Request and expect feedback to help develop your cross-cultural communication capabilities. By appreciating cultural differences you'll avoid cross-cultural misunderstandings, which can ruin promising relationships.

4. **Avoid becoming frustrated**

It is natural to expect others to behave in line with our own cultural norms. Should this not be the case, instinct is to reject it. Managers and leaders should not show such frustration toward behavior dictated by different cultural values, though this is incredibly difficult to do.

The way to combat this is to open up to cultural differences. Instead of acting with prejudice, seek to learn more by asking about the values that dictate certain behaviors. This should help you resolve differences in a more understanding and cooperative environment.

5. **Employ appropriate motivations**

Motivational techniques and incentives are often dictated by organizational culture, and this is often highly linked to where the organization was founded or is currently headquartered. Companies often employ a single incentive scheme, with recognition and reward uniform across all their geographical locations. These are often made without regard for cultural differences within teams, also.

When expanding to other geographical locations, employing a cross-cultural team, or seeking to benefit from talent via remote employment, it is possible that your current incentive scheme and motivational techniques lead to a reduction in productivity and effectiveness of your employees where cultural differences exist.

It should be noted that such cultural differences can exist happily within communities of workers. For example, while one person may be motivated by being offered more autonomy, another may reject the freedom as they expect their supervisor or manager to be responsible for the task being done.

Understand how people react and interact, and how you do Natural reactions are, in large part, attributable to cultural upbringing. By understanding this, a leader is better able to employ the right person for individual cultural diversity and customize the approach to policies and procedures.

However, this is not enough for a leader to supercharge his or her culturally diverse team. It is also necessary to understand how you react and behave, and to what extent these behaviors are dictated by your cultural background. By having such understanding of self, you will be able to be more empathetic toward others in a multicultural team by adapting your leadership style to integrate different cultures.

Eight Elements that Affect Cross-Cultural Management

Today's executives must learn to manage these cross-border teams in a new way, with techniques in leadership, decision-making, trust, negotiation and communication, which all differ depending on the cultures within a team. To increase managers' business effectiveness, I use eight sliding scales that coach managers to understand how culture affects their day-to-day international collaboration. Cultures and countries are placed on these scales according to how their actions are perceived by others. The scales are based on the eight elements that my research has found to have the strongest impact on cross-cultural or multicultural business.

These elements are:

Communicating: Explicit versus implicit.

Evaluating: Direct negative feedback versus indirect negative feedback.

Leading: Egalitarian versus hierarchical.

Deciding: Consensual versus top-down.

Disagreeing: Confrontational versus avoidance.

Persuading: Holistic versus specific.

Scheduling: Organized time versus flexible time.

Trusting: Task versus relationship.

For example, one of the most common challenges global managers face is how to **handle confrontation and disagreement**. Plenty of research exists to confirm that a little confrontation is a necessary and constructive part of working life; however, what if you come from a culture where confrontation is considered rude, or you have people from such a culture on your team? In French culture, for instance, confrontation is widely accepted and taught from an early age, and the school system encourages open disagreement in consensus building. In contrast, Indonesian culture dictates that direct confrontation should be avoided at all costs. In a business environment this difference can present problems within a team, as, typically, Indonesians will not voice their discontent openly, often remaining quiet and reserved. From a French perspective, this might be perceived as being unresponsive or disengaged.

Disagreement poses a similar challenge. In every culture, if you're working on a team, disagreements will occur sometimes. However, the most appropriate way to express a disagreement varies from culture to culture. In some, a direct approach shows transparency and openness, whereas in others, this may cause strong negative fallout. It is the manager's responsibility to negotiate these pitfalls.