Managing People
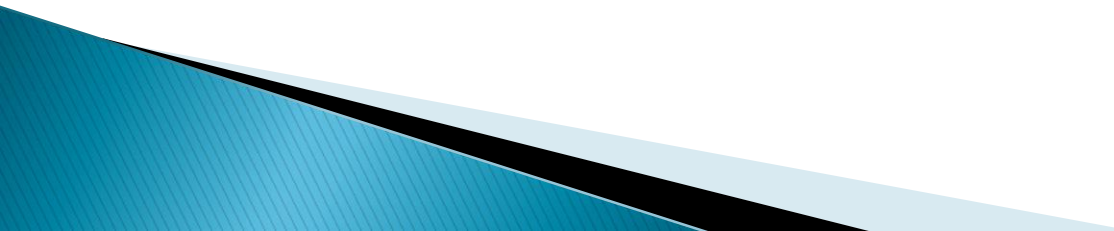
Presented
by
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Contents

- Management Theory
- Nature of Management
- How Work Is Arranged
- Nature of Work Motivation

Management Theory

- We review the various schools of thought that have impacted management of people and OB
- The various theories include:
  - Scientific mgt theory
  - Administrative theory
  - Human relations theory
  - Decision making theory
  - Contingency theory
  - Systems theory

SAHDCS

Scientific Mgt Theory

- The school of thought developed by F.W. Taylor **emphasizes the efficient division of labour into small, specialized jobs that match with the capacities of workers.**
- The main concern for Taylorism is **the proper design of the job and the preparation of the worker.**
- The manager:
  - Determines goals to be accomplished
  - Divides work in most efficient way,
  - Trains workers to do the job, and
  - Rewards them by wage incentives.
- Foremen are seen as the **"brains"** and workers as **"a pair of hands"**. Workers are seen as one of the resources just like machines.

Administrative Theory

- Developed by Henri Fayol, <u>the school of thought solved the problem of organizing large orgs and defining the role of managers.</u>
- **Managerial functions were defined** as – planning, organizing, controlling, and commanding. P.O.C.C
- This theory <u>advocated the study of management as a discipline that can be taught and be learned</u>.
- *Bureaucracy* advanced by Max Weber <u>contributed to the understanding of greater **organizational efficiency**.</u>
- The administrative theory suggests that if managers properly designed the organization and followed the proven principles of management, the organization would succeed.
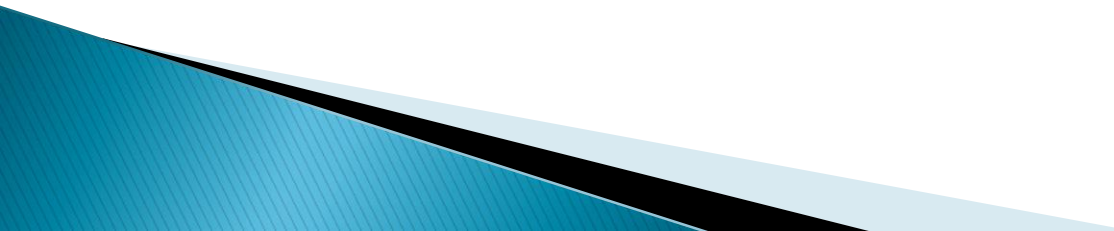
Human Relations

- Developed by Mayo and others while conducting studies at Hawthorne contributed the idea that worker output was affected by numerous variables such as:
  - how they were treated,
  - how they felt about their work, coworker and boss and
  - what happened to them outside work.
- The studies revealed that workers:
  - should be considered and regarded as more than "pair of hands";
  - had feelings and attitudes that affected productivity.
- **Norms and rules of the work groups** to which workers belonged **profoundly affect productivity**.
- An effective manager therefore, was expected <u>to pay attention to people's social needs and elicit their ideas about work</u>.

Decision Making Theory

- Developed by March and Simon, the school of thought <u>described organizations as social systems in which individual decisions are the basis of human behaviour</u>.
- Employees make decision:
  - ◦ to join an organization and also decide
  - ◦ whether or not to participate and work as hard as they can.
- The results of workers' decisions depend on
  - ◦ the workers' rational analysis of situation and
  - ◦ the rewards involved.
- Managers at this point in time had to take into account workers "minds".
- Effective managers <u>relied upon workers' rationality to make choices that would be best for both themselves and the org</u>

Contingency Theory

- Developed by Fred Luthans, the gist of the theory is that effectiveness varies according to a particular situation.
- Individuals, groups, cultural groups, industries, managing styles etc can all vary enormously.
- As long as the various aspects of org fit together, an org seems to work.
- The building blocks of orgs are referred to as the 7S's: ==strategy, structure, systems, style, skills and super ordinate goals==.
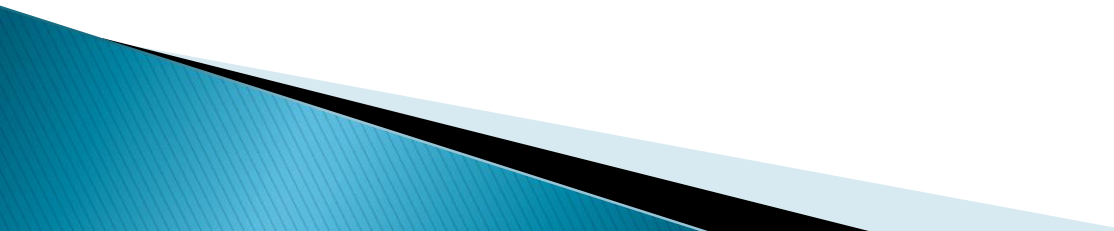
Systems Theory

- Developed by Chester I Barnard, the systems theory maintains that <u>orgs and all subdivisions in them take in resources and transform them into a service or product</u> that is purchased or utilized by a larger system.
- The systems theory implies that **org effectiveness is governed by three factors:**
  - individuals in the organization,
  - the organization itself and
  - the environment in which an organization exists.
- **The effective management of the interfaces between the three factors is central to organizational success.**

Nature of Mgt.

- **Definition:** mgt is the process of working with and through people to achieve org objectives in a changing environment and central to mgt is the effective and efficient use of limited resources.
- There are **five components** to mgt:
- **1 Working with and through others** – this implies that mgt is a social process requiring social interactional skills.
- Poor managers are:
  - Insensitive to others
  - Cold and aloof
  - Ambitious
  - Guilty of over managing
  - Unable to plan properly
  - Unable to think strategically
  - Over dependent on full backs

Nature of Mgt.

- 2 **Achieving organisational objectives** – implies achievement is through collective effort and not individually
- 3 **Balancing effectiveness and efficiency** –
  - effectiveness entails achieving a stated objective;
  - efficiency entails balancing amount of resources used to achieve against what was actually achieved.
- 4 **Making most of limited resources** –
  - resources are ever dwindling, and
  - stiff competition for scarce resources.
- 5 **Coping with a changing environment** – factors such as
  - globalisation,
  - product quality,
  - environmentalism and
  - ethical reawakening

Managerial Facts of Life

- **The work of a manager**:
  - Long hours of work, busy, hectic pace
  - Fragmented work, varied ,mostly oral
  - Lots of contacts
  - Not reflective planners
  - Information is the basic ingredient
  - Don't know how they spend time

Facts of Life

- **Managers lose the right to**:
  - Lose temper,
  - membership of a team,
  - bring personal problems to work,
  - to vent frustration or express an opinion,
  - resist change,
  - pass the buck on a tough assignment,
  - get even with adversaries
  - play favourites putting self-interest first,
  - ask others to do what you would not do,
  - expect to be recognised and rewarded

What It Takes

- To be successful as a manager **it takes ability, motivation and opportunity**
- **S = A x M x O** i.e. success is a function of all three factors, info
- **The A factor** is the <u>demonstrated capacity to achieve org objectives both effectively and efficiently</u>
- The **package of skills and characteristics include**:
  - Leadership, communication,
  - planning and organising, problem analysis,
  - decision making, delegation and control,
  - self objectivity and a disposition to lead.

What It Takes

- **The M factor** relates to possessing a burning desire leading to a strong motivation
- The **dimensions of motivation** include:
  - Positive attitude to those in authority
  - Competitive spirit, work related competition
  - Assertiveness
  - Exercise power over others
  - Standing out from others
  - Strong sense of responsibility
- **The O factor** – when an opportunity to act as a manager presents itself, demonstrate that you can do better than the incumbent, show your potential.

Learning to Manage

- In a US survey, most successful managers learnt how to manage as shown:
- **50% through School Of Hard Knocks** (unpleasant experiences)
- **Examples of hard knock experiences**:
  - Making a big mistake
  - Overstretched by an assignment
  - Feeling threatened
  - Being stuck in an impasse/dilemma
  - Suffering an injustice at work
  - Losing out to someone else
  - Being personally attacked
- **30% through Relationships** with bosses, peers and mentors
- **20% through Formal Education**

What Managers Do

- The work of a manager is highly fragmented and is mostly communicating
- Yet managers do have **defined tasks** to perform – **mgt functions** (what to do)
  ◦ **Planning, Organising**
  ◦ **Staffing, Motivating and Leading,**
  ◦ **Controlling and Communicating**.
- These functions are not observable; only **managerial behaviour** is observable – **managerial roles** (how to do)
  ◦ **Interpersonal** – figurehead, leader, liaison
  ◦ **Informational** – nerve centre, disseminator, spokesperson
  ◦ **Decisional** – entrepreneur, disturbance handler, resource allocator, negotiator

Mgt Functions Outcomes

- The <u>mgt functions are tasks that managers undertake</u> in their daily duties to achieve org objectives.
- The <u>main outcomes of mgt functions</u> include:
  - Objective achievement
  - Coordination of efforts
  - Integration f activities
  - Adaptation to environmental pressures

Mgt Functions Outcomes

LINKING PROCESSES:

Communication
Decision
making

MGT FUNCTIONS:

Planning
Organising
Staffing
Leading &
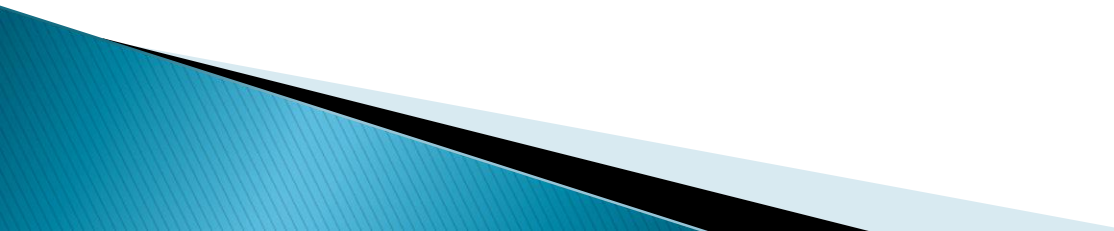Motivating
Controlling

P.O.S.L.M.C

**OUTCOMES:**

Goal
achievement
Coordination
Integration
Adaptation

G.C.I.A

Linking Processes

- There are two processes which link all mgt functions:
- Communication – process for transmitting information from one point to the other
- Decision making – process of deciding what action and course of action to take in a particular situation and communicating the decision for action
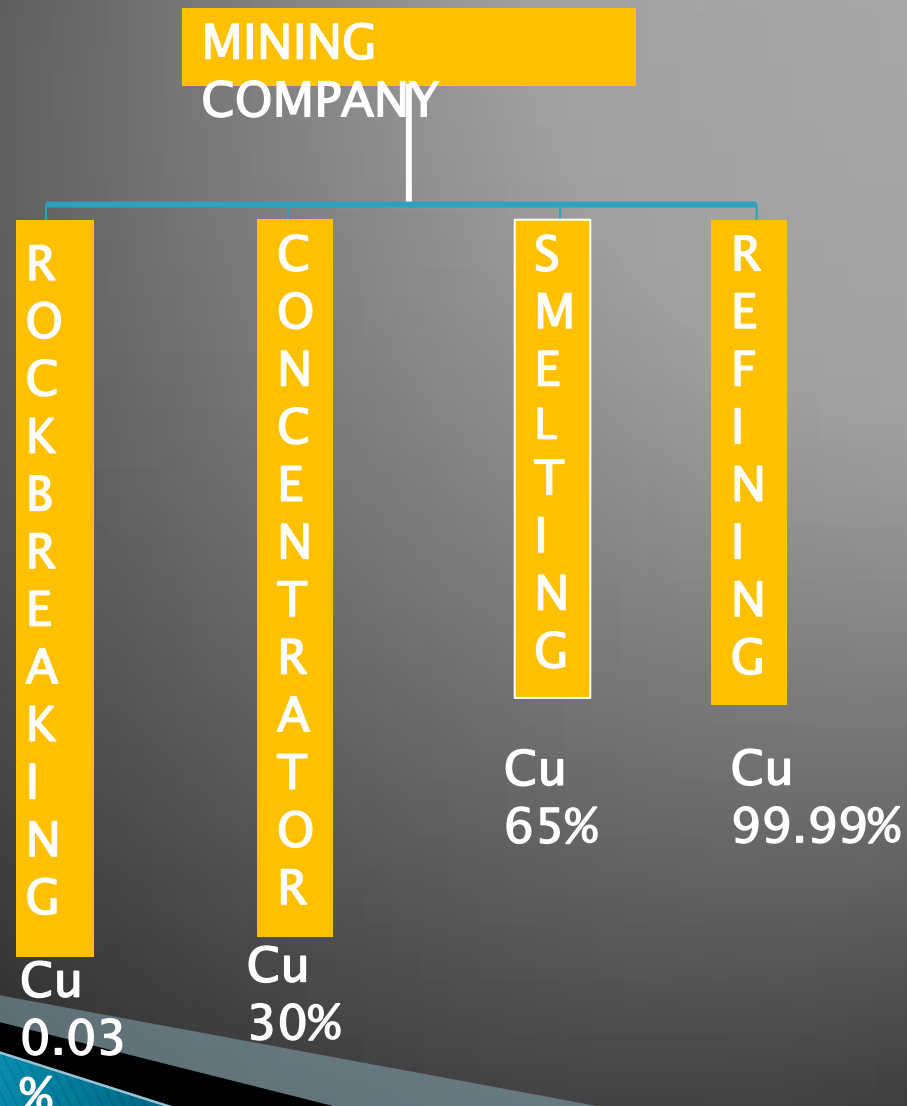- Decision making is dependent on the quality and quantity and relevance of information

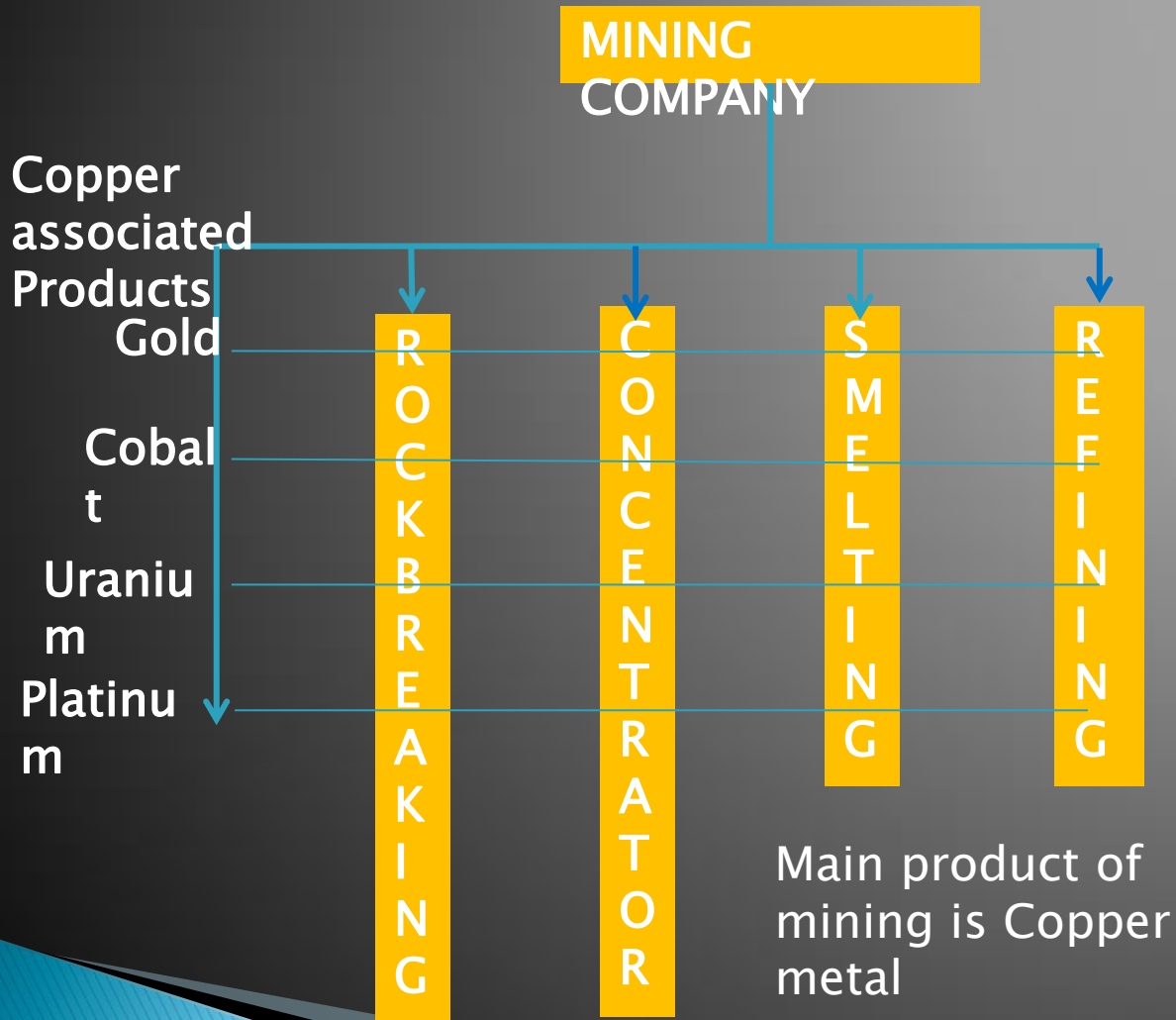# Linking Processes

Communication

A

D

Decision Making

B

C
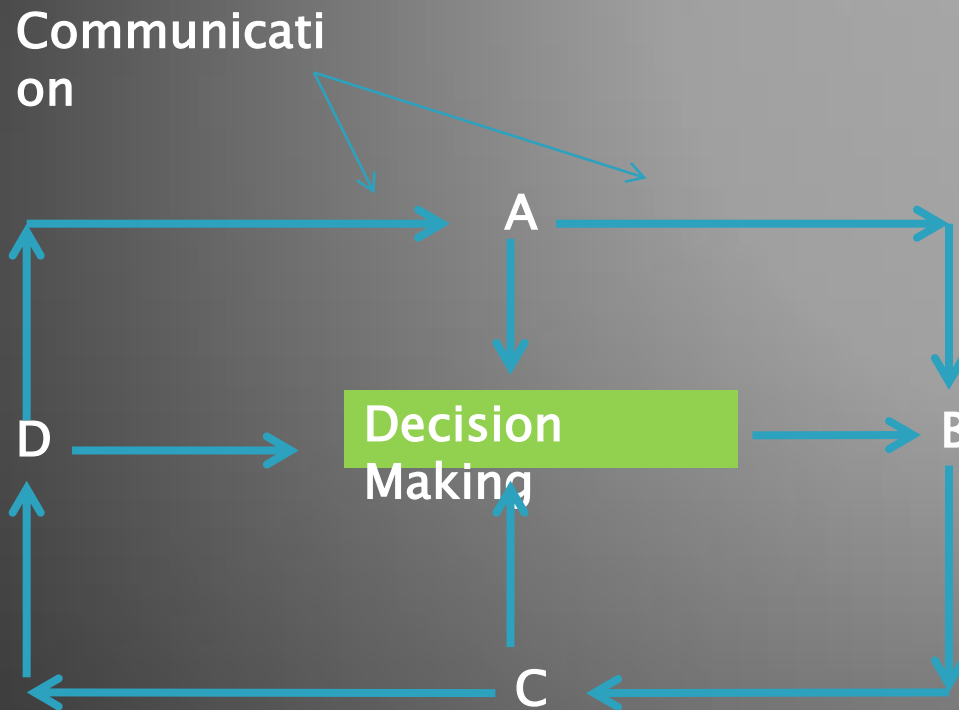
How Work Is Arranged

- Horizontal arrangement of work is essentially departmentation:
  - product or process or geographical location or by matrix
- Vertical arrangement is according to hierarchy of Authority:
  - Top mgt, middle mgt, frontline supervisors and operators

Product/Process Type

MINING COMPANY

ROCKBREAKING	CONCENTRATOR	SMELTING	REFINING
Cu 0.03%	Cu 30%	Cu 65%	Cu 99.99%

Matrix Type

MINING COMPANY

Copper associated Products

Gold

Cobalt

Uranium

Platinum

| ROCKBREAKING | CONCENTRATOR | SMELTING | REFINING |

Main product of mining is Copper metal

Vertical Arrangement

Externally focused with survival and growth concerns

Internally focused, concerned with how much to achieve with given resources

Concerned with how to achieve set targets

Getting things done in given time limit

Top Managers

Middle Managers

Frontline Supervisors

Operators, General Production & Maintenance Personnel

Strategic planning level with a time horizon of 2– 3 years

Tactical planning level with time horizon of 1– 6 moths
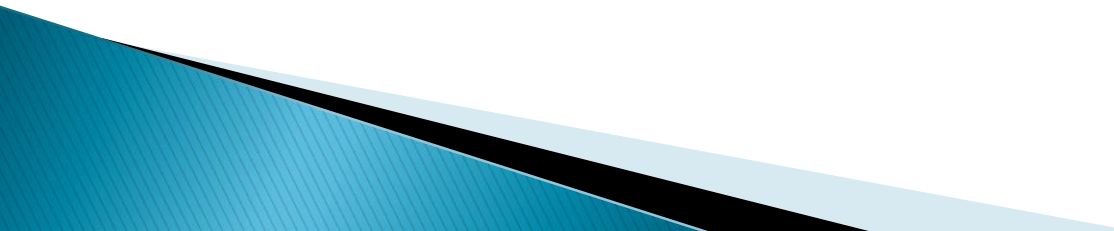
Operational planning level with time horizon of 1 –4 weeks

Action level with time horizon of 1 – 8 hrs.

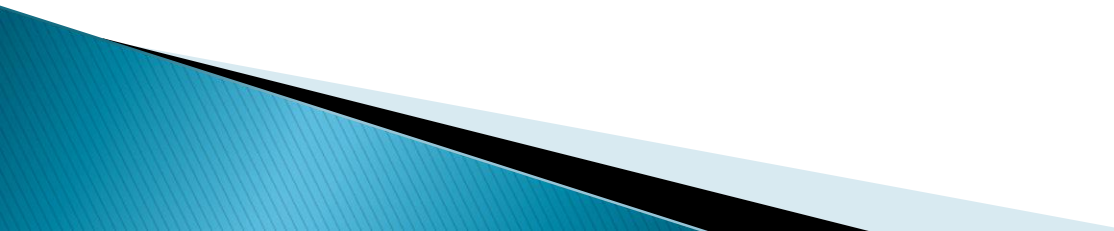# Nature Of Work Motivation

- Study concerned with why people behave in certain ways
- In general, motivation is direction of persistent behaviour/action.
- It is concerned with why individuals continue with a chosen action over a long period and in face of difficulties
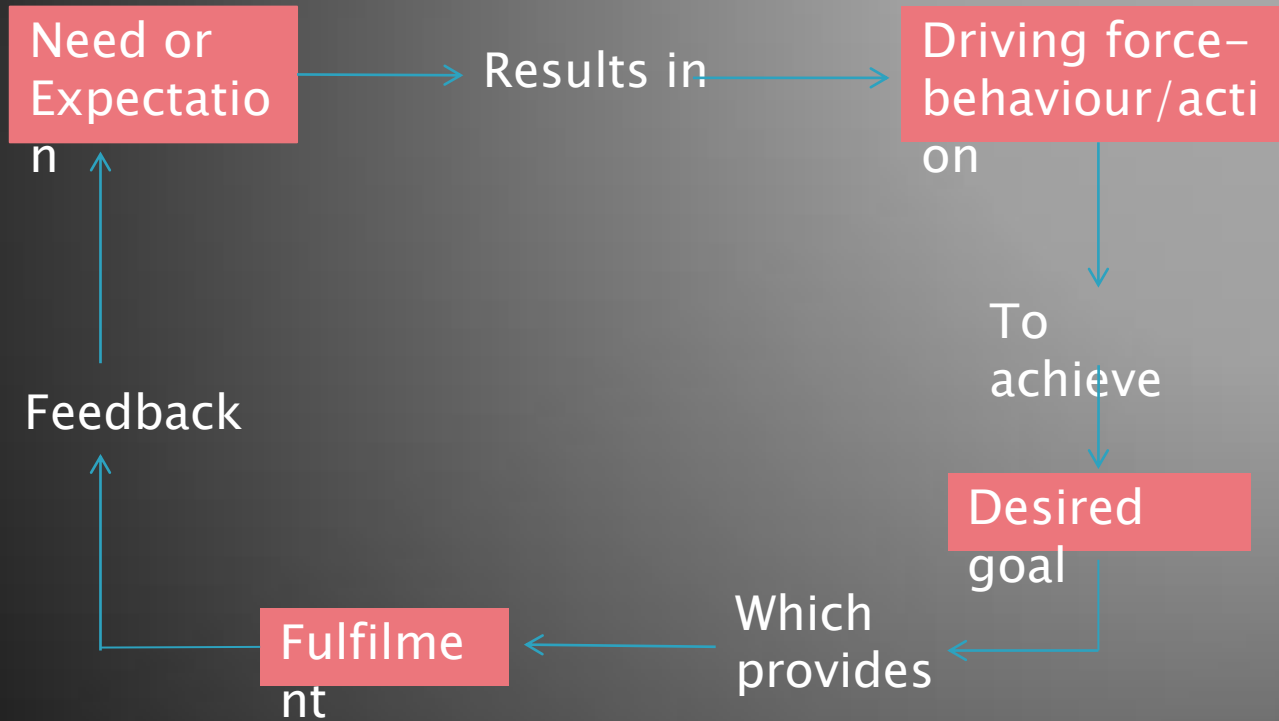
Work Motivation

- Four common characteristics underly motivation:
  - It is typified as an individual phenomenon
  - It is intentional
  - It is multifaceted: two of which are of concern-what gets people aroused and the force to engage in desired behaviour
  - Purpose of motivation theories is to predict behaviour.

Work Motivation

- Underlying concept of motivation is that there is some driving force within individuals to achieve some goal in order to fulfil some need or expectation.
- This gives rise to the basic motivational model shown as follows:

Basic Motivation Model

Need or Expectation → Results in → Driving force-behaviour/action

To achieve

Desired goal

Which provides

Fulfilment

Feedback

Behaviour at Work

- People's behaviour is determined by what motivates them
- Their performance is a product of both Ability and Motivation:
- Performance = f(Ability, Motivation)
- Work performance is a product of individual's ability and individual worker's level of motivation

Needs and Expectations

- **Classified** into those leading to:
  - ◦ <mark>Extrinsic motivation – related to tangible rewards</mark>
  - ◦ <mark>Intrinsic motivation – related to psychological reward</mark>s
- **Broadly classified** into those leading to:
  - ◦ Economic rewards –having an instrumental orientation to work
  - ◦ Intrinsic satisfaction –having a personal orientation to work
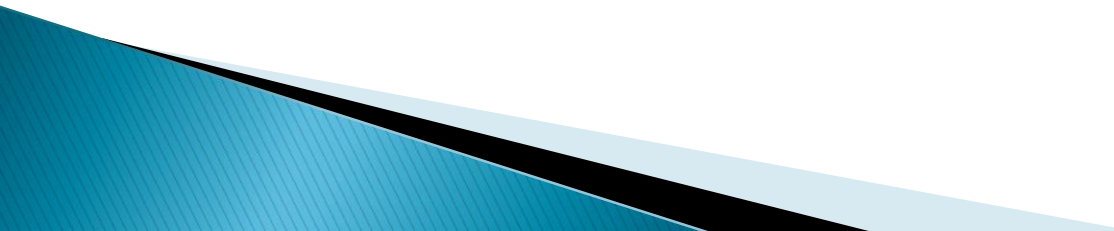 - ◦ Social relationships – having relational orientation to work and concerned with other people

Constituents of Needs

Blocked Motivation

- When an individual's motivation is blocked before reaching a desired goal, two possible outcomes arise:
  - Constructive behaviour aimed at removing blockage or going around the blockage – positive reaction
  - Frustration – negative reaction
- Constructive behaviour is of two forms:
  - Problem solving(removal of barrier)
  - Restructuring (compromise, or substitution of an alternative goal)

Frustration

- It is an induced behaviour; a negative response to the blockage resulting in a defensive form of behaviour.
- There are many possible reactions to frustration caused by failure to achieve desired goals.
- They are broadly four categories as shown
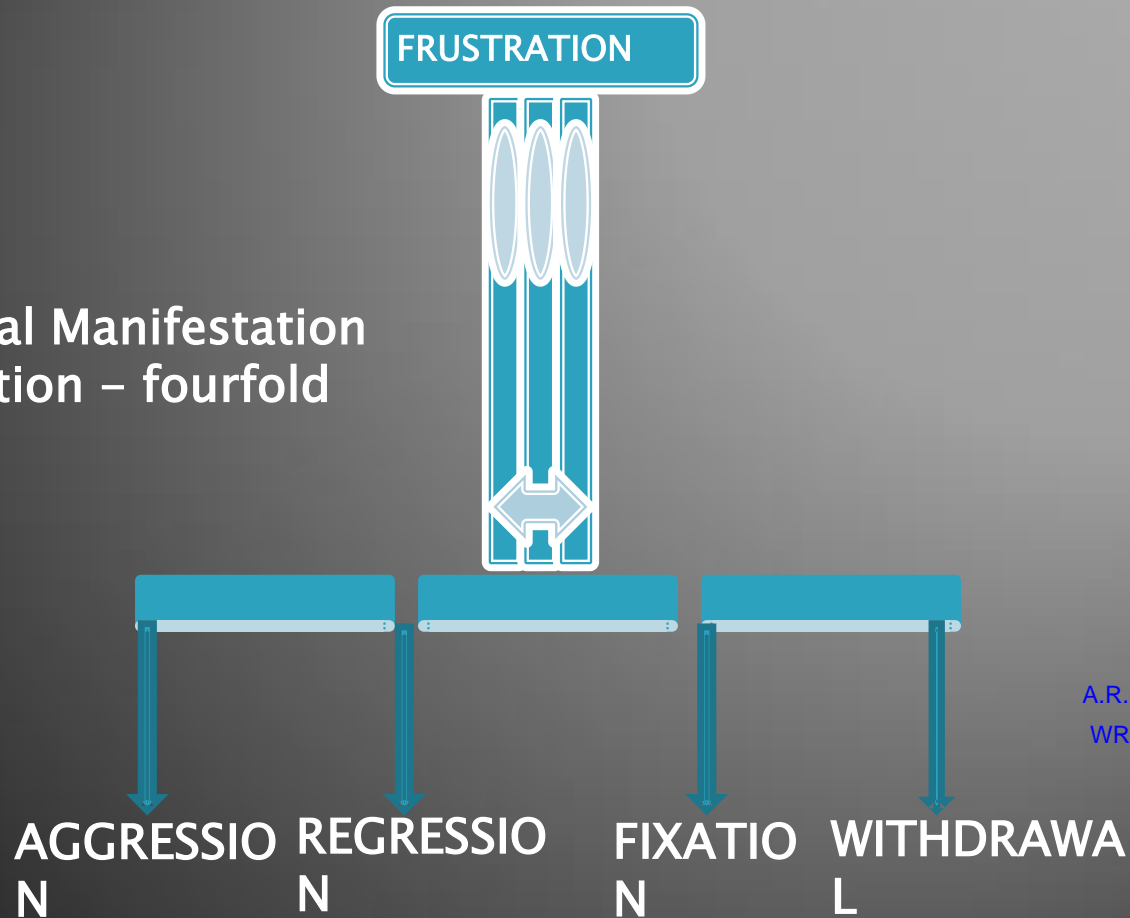
Manifestations

- **Aggression** – physical or verbal attack on person or object.
  - ◦ Indirectly displaced aggression through picking quarrels, swearing, shouting etc (negative form)
  - ◦ Doing physical work or sport or shouting (positive form, constructive)
- **Regression** – reverting to childish or more primitive form of behaviour e.g. sulking, crying
- **Fixation** – persisting in a form of behaviour that has no adaptive value and doing things that have no constructive value
- **Withdrawal** – giving up or resignation:
  - ◦ arriving late for work or leaving early,
  - ◦ sickness and absenteeism,
  - ◦ refusal to accept responsibility, avoiding decision-making,
  - ◦ passing work over to colleagues and
  - ◦ leaving the job altogether