

# Management Processes

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# Management Processes

- ▶ Mgt comprises six processes –classified into five distinct functions of planning, organising, staffing, directing and controlling
- ▶ **1 Planning** – considering **what** is to be done and the **processes to use** in achieving set objectives
- ▶ Effective planning requires
  - Obtaining relevant info about a situation
  - Involvement at all levels of org
  - Objectives at higher levels determine those below
  - Achievement of higher level objectives dependent on detailed plans at lower levels
  - Planning to be continuous and evolving process, be adaptable and flexible to accommodate ongoing rapid change of environment
  - Planners make a choice between available and realistic alternatives.

# Management Processes

- ▶ **2 Organising** – deploying resources to achieve any given objective.
- ▶ **Features** of organising are:
  - Arranging means to achieve
  - Recognition of necessary activities to achieve objectives
  - Arranging and prioritising of activities to achieve maximum benefit from the deployed resources
  - A system of authority levels with appropriate span of control
- ▶ **3 Staffing** – getting the right people in place to help achieve set objectives
- ▶ Key features of staffing:
  - Definition of roles by job specification or terms of reference
  - Effective use of selection and recruitment policies
  - Proper induction of new members
  - Ongoing training and development provided to each team member

# Management Processes

- ▶ **4 Directing (leading and motivating)**
- ▶ **Effective leadership is:**
  - determined by clearly defined objectives and the org strategy
  - facilitated where team members are effectively trained and where working environment is one that has multidirectional communication
- ▶ **Leader needs to focus on:**
  - Managing resources
  - Leading effectively by motivating team members, generating high levels of morale, commitment and loyalty
  - Giving effective direction to the team

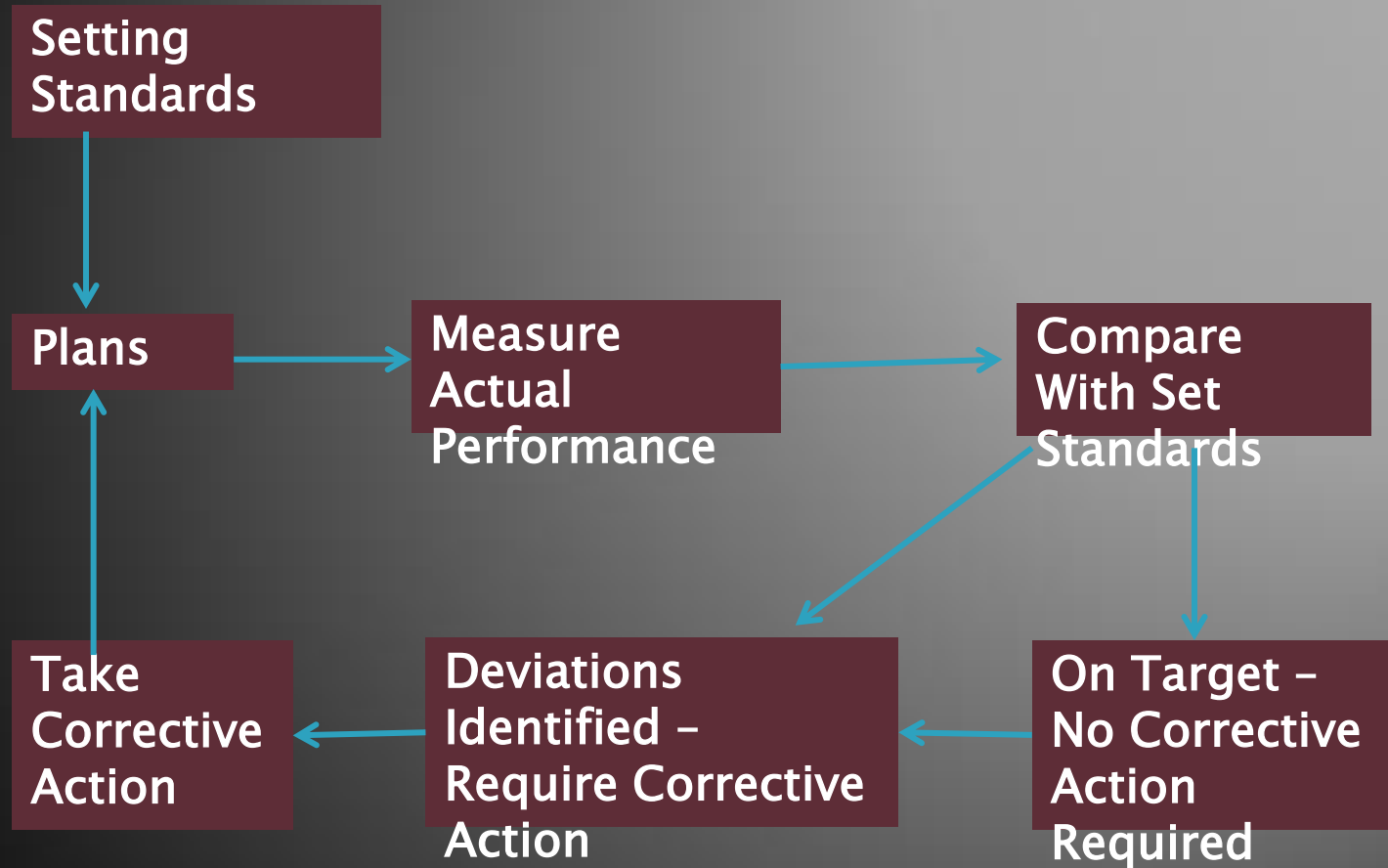
# Management Processes

- ▶ **5 Coordination** – pursuing harmony of team effort.
- ▶ Features include:
  - Must be designed into an org's system
  - Makes each team member aware of his span of control
  - **Precludes** individuality/isolationism – no **insularity**
  - Requires effective communication and understanding between various **factions**
- ▶ Coordination is achieved through harmonising self interest of employees (salary, leisure, career progression – **corollary factors**) with org interest (profit, quality, growth – primary factors).
- ▶ Coordination thrives in an atmosphere where rivalry is minimised

# Management Processes

- ▶ **6 Controlling** – consists of
  - establishing standards of performance,
  - measuring of actual performance,
  - comparing actual performance against standard performance and
  - taking corrective action
- ▶ Where any of the factors is missing no effective control can exist

# Controlling Cycle





# Modern Management Patterns

- ▶ Rensis Likert
- ▶ Managers achieving better performance differ significantly in leadership principles and practices
- ▶ Variation in performance reflects critical difference in basic assumptions bout ways of managing people
- ▶ Likert forwarded some leadership principles and practices that would lead to better performance known as **employee-centred supervision**– calls on managers to:
  - Focus on human aspects of workers' problems
  - Build effective work groups with high performance goals.

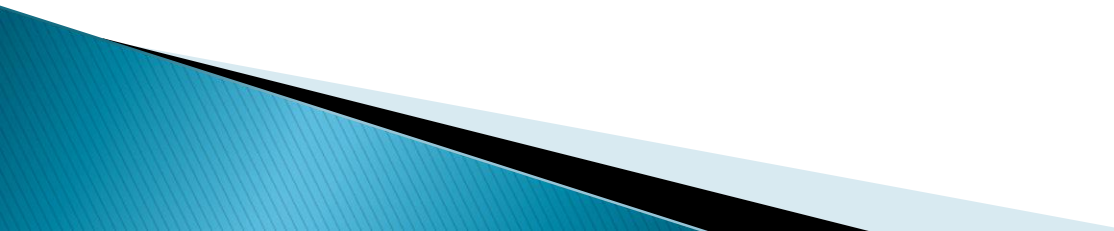
# Rensis Likert

- ▶ **Previous mgt theories (job-centred mgt practices ) were based on:**
  - work simplification and **deskilling** of labour,
  - **conformity**, and
  - where specified tasks were undertaken in a specified way and
  - rewarded directly to output.
- ▶ **Likert's preconditions for achieving high performance:**
  - Supportive relations for team members – each team member has personal worth
  - Group methods of supervision full use of potential capacity of hr
  - High performance goals which are employee-centred
  - Technical knowledge – competence to handle problems
  - Coordinating, scheduling and planning – influencing groups performance through communication

# Likert's Beliefs

- ▶ Many managers tend to adopt the **highly authoritarian job-centred style** which shows higher performance in the short run and it is
- ▶ Supported organisationally through performance appraisal and incentive schemes
- ▶ Longer-term implications of job-centred style are greater costs for remedial and quality control measures, absenteeism increased grievances and disputes – associated with inappropriate leadership
- ▶ Long-term effects resulting from short term gains effectively liquidates org investment in human resources
- ▶ Improved output cannot be attained and maintained if hr assets are being run down – value of the human assets includes :
  - High levels of motivation,
  - Adaptability and
  - Good communication

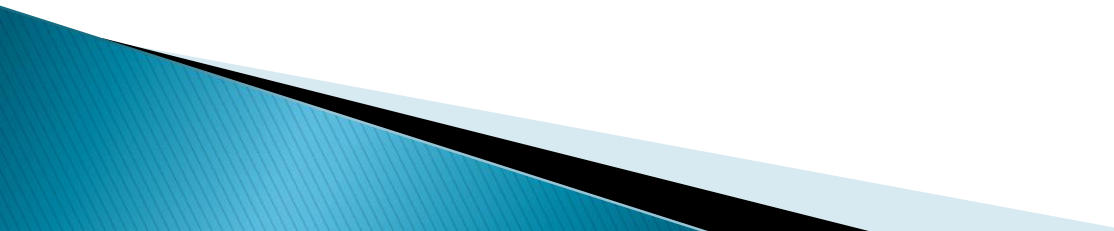
# John Adair – Action-Centred

- ▶ He saw **leader's responsibilities** as:
    - Task achievement
    - Team building
    - Satisfying individual needs
  - ▶ A leader must achieve a balance by acting in all three areas depending on prevailing situation
  - ▶ **Task needs** – orgs have tasks: profits, service, survival etc.
    - Mgr must achieve results through managing others through production, marketing etc.
    - Achieving a task is a major criterion for success.
    - Teams with a common purpose feel frustrated if they do not achieve set tasks
    - Effective leader guides team to success
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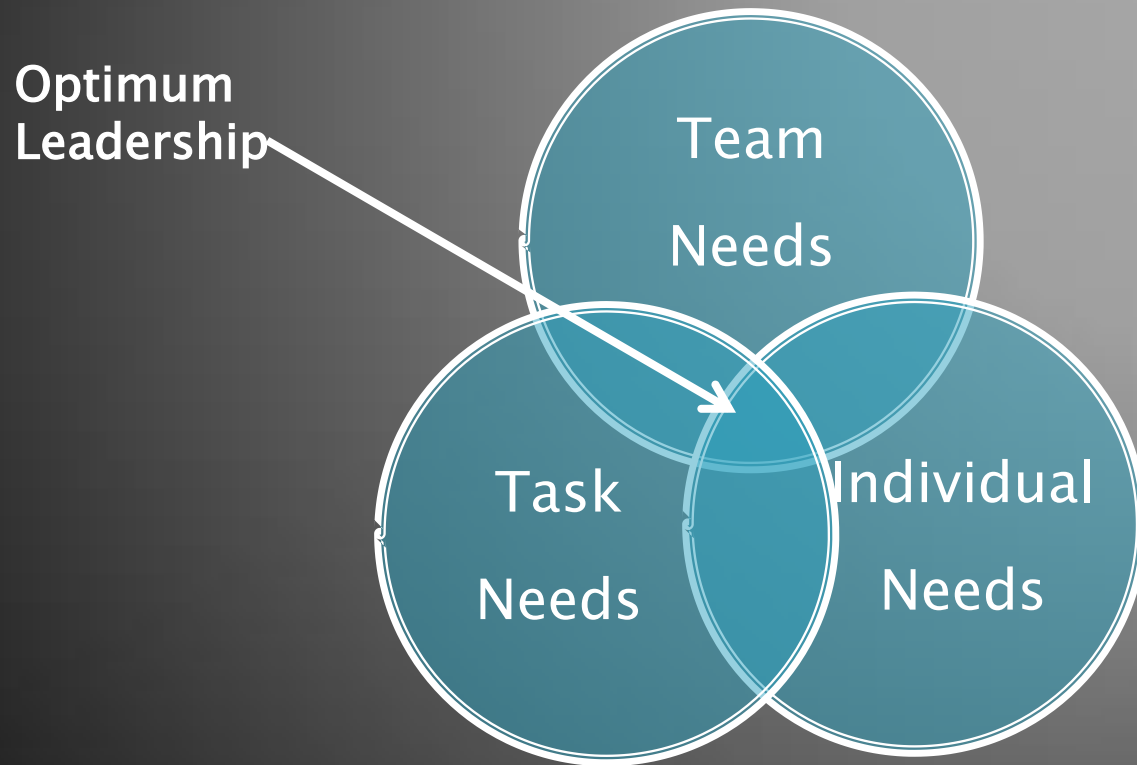
# Action-Centred

- ▶ **Team needs** – to achieve tasks teams need to hold together – working in a coordinated manner pulling in one direction.
- ▶ Conflict as it arises must be effectively used to generate better ideas and a positive way forward; alternatively it can lead to tension, diverseness and lack of cooperation
- ▶ **Individual needs** – people have individual needs and want to:
  - know their responsibilities and
  - how they will add value to their team performance and
  - get feedback on performance
- ▶ **Each individual should:**
  - have an opportunity to show full potential, and
  - to develop and take own responsibility, and
  - to receive recognition and encouragement.

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# Action-Centred Leadership



# Adair's Checklist on Leadership

Function	Task Needs	Team Needs	Individual Needs
Define objective	Identify tasks, clarify objectives and constraints	Discuss, agree, set targets. Involve team members	Discuss, set targets. Define responsibility objectives priorities
Plan	Establish resource priorities. Discuss what when and who	Structure, delegate. Agree roles and responsibilities	Assess skills of individuals. Train and Delegate
Communicate	Brief and regularly check task understanding.	Regularly consult and get feedback from team	Listen, advise, enthuse and walk about the job
Support/control	Regularly monitor Discuss, and agree Review	Coordinate activities, Reconcile	Recognise success Encourage and



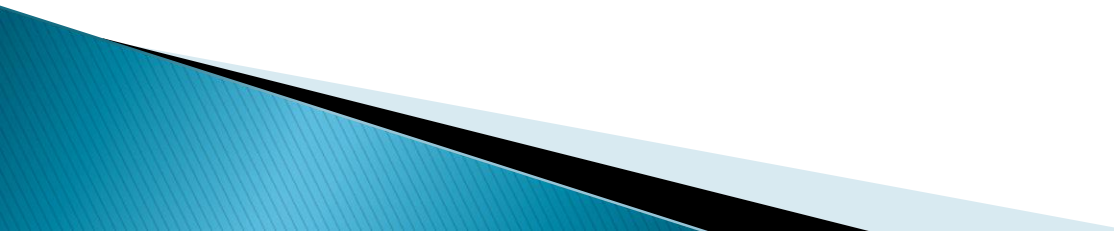
# Management by Objectives (MBO)

- ▶ **Mgt system** incorporating
  - Theory Y principles,
  - the value of satisfiers and on many managerial attributes like
  - delegation, communication and coordination
- ▶ **Defined as a system which seeks to integrate**
  - the company's need to clarify and achieve profits and growth goals
  - with a manager's need to contribute to goals and develop himself
- ▶ **MBO requires**
  - **defining org's goals** and
  - **managers' acceptance to share with subordinates** in the setting of company objectives and standards and in their achievement
- ▶ **MBO depends on teamwork** and further development of teamwork

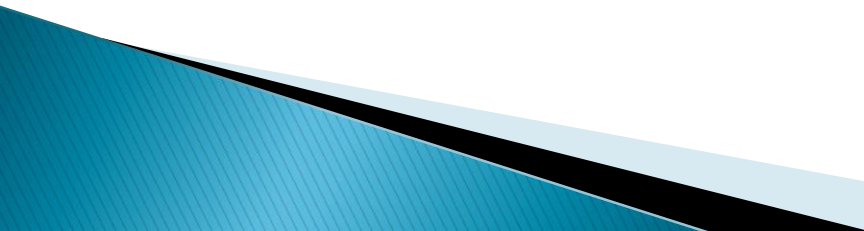
# MBO Process

- ▶ **Major difficulty – defining org goals and objectives**
- ▶ **Process involves asking what:**
  - Business?
  - Growth areas?
  - Desired image?
  - Actions to compete effectively?
  - Position in x years time?
- ▶ **Questions involve policy making decisions and forces managers to face up to the issues**
- ▶ Once org objectives have been defined they are passed down to the next level for further definition until level of action.
- ▶ Some objectives are crucial to success and provide rationale for selecting key result areas or critical accountability areas
- ▶ Such objectives are short-term pushing aside long-term objectives which should be encouraged and kept in perspective otherwise they could affect org efficiency

# MBO Process

- ▶ At a previously agreed interval, subordinates' performance is appraised by senior managers
  - ▶ Key result areas examined separately from such areas as leadership, supervision etc.
  - ▶ Key results analysis enables objective measurement of performance.
  - ▶ Not to be used to criticise but to measure performance against clearly prescribed and previously agreed standards.
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# Introducing MBO Process

- ▶ Carry out mgt audit that involves defining mgt structure showing levels of authority spans of mgt and functional relationship
  - ▶ Review control systems and procedures to assure adequacy
  - ▶ Analysis of mgr' s job: size, purpose and scope – to identify key results area
  - ▶ Review of communication system throughout org
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# Introducing MBO Process

- ▶ **Preparation of all individuals through training because:**
  - Managers may seek to minimise overall risk to org.
  - Managers without guidance, may seek to minimise risk of failure by setting lower targets
  - MBO forces managers to rely more on themselves and their subordinates rather than on their superiors
  - MBO Seeks to exploit person's potential to the full.

# Benefits of MBO

- ▶ **Explicit statement of org aims and objectives**
  - ▶ **Plan for achievement of aims and objectives** based on contributions of team members
  - ▶ Adequate system for mgt info to provide necessary data for effective mgt
  - ▶ System for multidirectional communication ensuring action taken when necessary
  - ▶ Understanding and acceptance of team members roles and their contribution to success
  - ▶ **Method for identifying strengths and weaknesses of mgt team and thereby identifying guidance for future training and development.**
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