**DIPLOMA IN PROJECT MANAGEMENT (MODULE 1 ASSIGNMENT)**

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1. **What are the four basic functions that comprise the management process? Explain briefly how they are related.**

Management is a broad subject and over the years, scholars and business fundis have come up with several functions that comprise the “process of management’. Most scholars and practitioners lean in to the functions classed by Koontz and O’Donnell (1968) that list the following as management processes, “planning, organising, staffing, directing and controlling”.

Planning is the process of “looking ahead”, and is described by the Planning Institute of Australia as “...the act of researching, analysing and anticipating and influencing change in our society”. Planning is the first building block of the management process, on which other functions hinge. It can either be long term or short term, but its principle is to decide the kind of action needed to achieve organisational goals. It also sets to mitigate risks by mapping out the risks that could threaten goal achievement and finding solutions for them. Planning is a map for any organisation, charting the course to follow, determining the resources needed and coordinating people and resources towards achieving organisational goals. It is an ongoing process that seeks to maximise usage of resources, eliminating or reducing waste wherever possible. Planning gives employees and stakeholders a sense of direction and purpose.

Organising refers to mobilising resources for achieving organisational plans and goals. Henry Foyal states that, “To organize a business is to provide it with everything useful or its functioning i.e. raw material, tools, capital and personnel’s”. Organising involves disaggregating goals into various activities and determining the people and resources needed to carry out the activities and coordinating their efforts to achieve that. Organising ensures correct and proper utilisation of resources directed at the right personnel, at the right time for effective task delivery.

Another function of management is directing. This sets organisational plans into motion. Directing involves supervising work of employees, providing the support, coaching and motivation needed for them to carry out theirs tasks effectively. It also seeks to ensure free flow of information across the organisation. Another critical aspect of this function is creating an optimal environment for employees to thrive as well as noting and rewarding high achievers.

Controlling is another key aspect of the management process. It involves assessing current progress on organisational plans against the original plan and noting any deviations from the plan and correcting them. Theo Haimann states, “Controlling is the process of checking whether or not progress is being made towards the objectives and goals and acting if necessary, to correct any deviation”. This helps reduce wastage and creates better impact through effective management. Billy Goetz states, “activities are put on rails by planning and kept at the right place through controlling’.

Although it is tempting to look at the management processes as independent stand-alone processes, this could not be further from the truth. The above processes are interwoven and interdependent, like different ingredients coming together to make a meal. Planning and control are critical in each of the management processes. Without plans, you cannot set up parameters for control, and without organising people and resources it is impossible to direct and inspire people towards achieving organisational goals. Without the right “synergy” of the four, achieving organisational goals would be impossible. Moreover, focus on one process more than the others will lead to an imbalance and neglect of other core functions. Just as much as a football team needs the strikers, defenders and goalkeeper to succeed, organisational success hinges on the interrelationship of the four management processes.

1. **Identify the three different kinds of managers by both level and area in an organisation**

In most organisations, three distinct classes or groups of managers exist, namely top, middle and supervisory managers. The number of managers in any organisation is commonly shaped like a pyramid with most managers at the supervisory level, considerably fewer at middle management and tapering at top management.

Top level managers are for example, Company Directors, Chief Executive Officers, Managing Directors, whose responsibility and mandate is to put together strategies for the organisation and mobilise internal and external resources for carrying out such. They are the “visionaries”, as it were and formulate long term strategies for the organisation based on where they desire to see the organisation. They develop the vision and policies for the organisation and, “it is estimated that they spend up to 55% of their time planning for the organisation”. (John M. Ivancevich and Thomas N. Duening: Business Principles and Guidelines and Practices (Mason OH: Atomic Dog Publishing 2007), 183.

Top level managers usually are highly experienced professionals and are considered somewhat industry technocrats.

Middle Managers are responsible for effecting the strategies and vision developed by top level managers. They devise strategies to carry out organisational goals and have “…the responsibility of developing detailed plans and procedures to implement a firms’ strategic plans”. David L. Kurtz, Contemporary Business, 13th edition update (Hoboken, New Jersey: John Wiley and Sons, 2011), 255. This group of managers is made up of people with specific roles such as such as production managers, branch managers and general managers. They also interact with top level management, giving feedback on implementation of goals, as well as lower level managers inspiring and motivating them to achieve deliverables.

Low level managers are also known as supervisory level managers and include people with titles such as foreman, shift leader, inspector and clerks. They are in the frontline of the work environment and possess technical skills so as to better understand processes and production. They are responsible for direct supervision of workers and review their performance. Their duties include giving reports to middle level managers on front shop operations and sharing workload amongst staff.

The three levels of managers are key to any organisation and by working together ensure achievement of organisational goals.

3. **Identify the different important skills that help managers succeed giving relevant**

**examples for each category.**

Management skills refer to attributes that managers should possess in order to carry out their mandates. These skills can be innate or developed intentionally in order to increase ones’ efficiency and effectiveness as a manager.

Technical skills refer to the “know how” or the “how to do” of certain tasks for example operating a boiler machine. This is a critical skill for first line or supervisory level managers, so that they can assist with trouble shooting and guiding their teams. In order to supervise a task you need to understand it, this also ensures correct use of resources and reduces wastage.

Interpersonal skills refer to human skills, the ability to relate and work well with other people. For example a manager will need to exercise patience when training staff on a new system. Interpersonal skills are critical for relating at all levels and with various interest groups within and outside the organisation. They, “…include the ability to communicate, motivate and lead employees to complete assigned activities”. David L. Kurtz, Contemporary Business, 13th edition Update (Hoboken New Jersey: Wiley and Sons, 2011), 256. Communication skills are also critical and refer to oral and written communication as well as effectively getting ideas and points across and showing respect and regard for colleagues and associates and their contributions. An example of good use of communication skills is a manager actively listening and empathising with his/her team.

Managers need to possess diagnostic skills in order to assess organisational problems, their causes and their effects and most appropriate response to the specific challenges. For example, a production manager analysing the production line software and troubleshooting to get the machines working again. Diagnostic skills require a manager to be well trained technically skilled in the area they manage. Another critical skill for managers is time management. Time management ensures that hours are value laden and not passed by in idleness. Time is a valuable currency that needs to be accounted for and effectively utilised to carry out tasks. For example a good manager manages tasks and prioritises them in order of urgency while ensuring no tasks get left behind. A good manager ensures that if a deadline is looming, time will be dedicated towards meeting the deadline and also ensuring no task slacks behind.

Decision making is an important skill needed by managers. Managers should be able to make the best possible decisions that can sometimes be even difficult decisions for the good of the organisation, (Sandra V Abell et al, Moving up to Management, Leadership and Management Skills for new Supervisors: Inside Jobs Coaching; (2008),13. When solving problems, decision making should be balanced with facts and an analysis of possible outcomes and impact. For example, when a company is downsizing, a manager should decide how some roles will be merged, legal and ethical issues around the decision and the impact on the budget due to severance packages. Clearly this shows decision making involves consulting multiple stakeholders and is not done in a vacuum. The skill of making right decisions is crucial as it could cost the company resources and its reputation; therefore it is pivotal that errors of judgement are rectified as soon as they are identified.

Core to management skills are conceptual skills which mean looking at the organisation as a big picture, and planning for the future and organisational growth. This may involve making presuppositions and visualising opportunities and threats to the organisation. This function is the key preoccupation of top level managers. For example the Board of an organisation could contemplate rising capital by either selling shares or getting a loan, they will play out scenarios of the possible effects of each and its impact on the organisation as a whole, which departments are likely to benefit or be negatively impacted by such a move.

Management skills should continually be cultivated and developed by managers in this dynamic world of business. It could be the difference that makes the proverbial organisational ship “sink or swim”.

1. **What is planning? Explain the objectives and principles of planning.**

“Let us make a plan”.

“We will plan for it later”.

These words are so easily integrated in our day to day conversations, but what is planning actually. Koontz and O’Donnell define it as “…deciding in advance what to do, how to do and who is to do it. Planning bridges the gap between where we are and where we want to go”.

To break it down, absence of a plan means goals can’t be fully realised. Planning involves laying down goal and objectives of the organisation and what is required for them to be achieved or realised. The key objectives of planning include establishing goals and intentions targeted towards organisational growth and development. Another planning objective is to manage the organisation effectively, utilising organisational human and material resources optimally.

Planning enables organisations to be able to measure desired goals against current achieved goals so any deviations can be corrected and refined. Planning also “connects the dots” and helps the organisation to coordinate its various departments and structures with one vision and mission. It is a process that is meant to be continuous within an organisation, refining the road to achieving organisational goals as lessons are learnt and best practices adopted.

One of the principles of planning is that planning should not be rushed. We live in a world where everything is rushed and there is increased pressure for speed, this is no exception in the workplace as well. However, in order to make sound and solid plans, one needs to take time to plan. This will help decision makers avoid mistakes that could cost time and money. Taking time to plan gives one an opportunity to consult various stakeholders, evaluate multiple possibilities, and make the correct assumptions.

Another principle of planning is that it can top down or bottom up. This approach encourages cross learning and incorporation of shared experiences from both sides of the spectrum. Top managers can cascade down plans to teams below them who then design their strategic action plans based on the “master plan”. Alternatively management can engage teams to come up with ideas based on their experiences on the frontline, this information is then utilised to formulate the organisational plans. This approach gives employees a sense of “ownership” of the plans. The top down or bottom up principle can be adopted by organisations based on their culture or capacity.

Communication is key to planning, departments and personnel need to be kept up to date with information so everyone is on the same page. This gives everyone a sense of direction so they know where they are headed and what is expected of them. Another principle of planning is that plans must be flexible and dynamic, mainly because we live in a dynamic world with dynamic consumer demands, requiring organisations to continually reinvent themselves in order to stay relevant and profitable. Planning must undergo evaluation and revision to assess if objectives are still on track to being achieved, and if not, corrective action implemented.

Planning is an important navigation tool for organisation, and guided by the above principles, it could help organisations achieve their strategic goals.

5. **Explain the planning process**

Planning not only follows certain principles, but processes as well in order to increase its impact and efficacy. The first step in planning is setting out clear objectives or goals, which should be SMART (Specific, Measurable, Achievable, Realistic, and Timely). Each goal should be justified and its outcomes stated. The desired outcomes are usually expressed numerically, for example a certain percentage market share. This primary or overarching goal should be clear to all in the organisation. It should be clear what the organisation wants to achieve, the implementing parties and how the goal is to be achieved.

The next step is establishing planning premises, this refer to factors that may affect planning currently or in the future. According to Koontz O’Donnell,

“Planning premises are the anticipated environment in which plans are expected to operate. They include assumptions or forecasts of the future and known conditions that will affect the course of plans such as prevailing policies and existing company plans that controls the basic nature of supporting plans.”

These factors (premises) can be internal (for example internal systems or procedures), or external for example (currency exchange rates) and so therefore can be controllable or uncontrollable. Other variables are semi controllable for example pricing of products. Some premises can be tangible (for example raw materials) and others intangible (for example employee morale) Premising needs to be done effectively in order to establish solid plans that acknowledge and prepare for risks.

The next step is developing alternatives for course of action should the usual options have challenges. This is done by evaluating the alternatives through assessing their environmental and technical feasibility and economic viability. When this has been done, select the best alternatives to put in the plan. The plan is then customised for different departments to implement; these are called derivative plans or sub-plans.

When planning, one needs to decide the period of planning, some plans focus on the short term (operational plans) and others on the long term (strategic plans), depending on the company specific needs and objectives. No matter the period of planning, plans need to undergo review constantly to assess if they are on track to achieving the overall organisational goals, and whether any variances have occurred and what action can be taken to correct that.

6. **What are the different types of plans? Explain them**

There are various types of plans that organisations adopt depending on their focus and needs at a particular time. Some plans are used as a once off (single use plans) and others repeatedly as organisational standard.

The most common type of plan is the vision or mission which states why the organisation exists, it states the core business of the organisation, and guides the organisation in formulating its objectives. According to Koontz and O’Donnell, policies, “…are a general statement of understanding which guides the thinking and action in decision-making”. They provide parameters of operation for everyone in the organisation and are a tool for decision making. For example a leasing policy in an estate agency will guide the agent in what is to be done in leasing a property.

Procedures are the sequential steps that guide how a policy will be carried out. Using the aforementioned example, the procedures will have, in chronological order, steps on how to draw a leasing contract or vet an application for a lease. Rules are plans that state what should happen and have consequences should that not be followed. They have finality to them and are not flexible, for example the “no parking” signs in some parts of the city. Breaking this rule can lead to your car being towed. Organisations also implement programs, “Programs focus on the coordination of a number of related projects and other activities, over time, to deliver benefits to the organization “(PMI, 2008b) Programs include policies, procedures, objectives and budgets and are usually scheduled for a certain time for example electrification program of a village.

Budgets are plans that are quantified numerically and can be used for operational purposes as well as forecasting expenditure. They are constantly referred to ensure compliance and keep track of expenditure and evaluate where savings can be made.

7. **“Failure to plan is planning to fail”. Discuss**

“Failure to plan is planning to fail’’, is Benjamin Franklin’s quote that has been rephrased over the years but the essence of the statement is true to date.

Without strategic planning, an organisation runs the risk of merely existing without living out its full potential and opening itself up for growth and development. Planning prepares an organisation to thrive in a dynamic environment and remain relevant. Being proactive leads to profitability as being reactive could be costly to the organisation. Planning also motivates employees as it gives them a sense of purpose and direction in the workplace and shows them how their work contributes to the overall objectives of the organisation. Without a clear organisational plan work place morale could decrease as people wonder aimlessly without knowledge of future prospects.

Plans help an organisation compare where it is and where it is going, Dan and Bradstreet state, “…the primary cause of new businesses failing within a year can be attributed to lack of business planning”. Planning affords the organisation an opportunity to turn trials into triumphs.

Plans on paper are good, but the real issue lies in execution and monitoring of the plan, in order to realise stated objectives. Innotas, Project and Portfolio report 2015 study showed that of the 61% of businesses with a mature project plan, 50% experienced total project failure. This further cements the fact that for a plan to succeed it must be executed, managed and monitored.

8. **Take any two international companies and examine how they have succeeded or failed due to poor strategic planning**

Poor strategic planning has led to the demise of even large corporates we once thought were invincible. Kodak is one company that dominated the photography scene in 20th century, it was popular and on an upward trajectory leading the photographic scene with new innovations in film development. It came as a shock then when the company filed for bankruptcy in 2012.

Kodak’s failings can be traced to the digital boom that had companies like Canon and Fuji reinventing themselves and giving in to consumer demands of digital cameras. Kodak developed the first digital camera in 1975, and held back this product from the market because its focus was on the most profitable arm of the company at that time, namely the film sales. By the time sales dropped in sales and they tried to jump on the digital camera bandwagon, companies like Fuji and Sony had already cemented themselves and held the lions’ share of the market.

Kodak the old giant found themselves grappling to be profitable in the new digital camera environment because they had failed to be dynamic and attentive to the changing needs of consumers (Scott D. Anthony, 2016). Their rigidity had dire consequences and they proved they were not willing to take on risky decisions and try new and innovative ways to meet consumer demands. Being a stickler to tradition and playing it safe was not in their best interests. Avi Dan states that at its peak Kodak had 90% of the market share, however, in resisting innovation “…Kodak acted like a stereotypical change resistant Japanese firm while Fujifilm acted like the flexible American one”, (Sharifah Khairin Syed Mohd Ali).

The failings of Starbucks in Israel are a classic case of how not conducting proper research when making plans can lead to disastrous results. Starbucks, the American giant coffee house, opened stores in 20 locations in Tel Aviv in 2001, which were all closed by 2003. The main reasons for Starbucks failing to establish its brand in Israel was as a result of failure to conduct research to understand the coffee habits of locals and adopting a blanket approach in setting up shop (TLV1 podcast August 2016). Their coffee was not palatable to the Israelis as Amy Klein stated, “…I think there was a little more scepticism especially about the coffee, because I think Israelis have pride in their coffee”.

In addition, Starbucks failed to find a local partner to guide them in navigating the Israeli coffee market. They partnered with an oil company (Delek Group) that was clueless on the coffee industry but had a lot of financial muscle. This shows that organisations should be mindful of who they partner with. The vision and mission must be shared, and a partner should add value.

In the case of these corporates, it is evident that strategic planning is critical for longevity and relevance in business. All the processes and principles of planning must be adhered to in order to experience business success and growth. This is summed up well in this statement, “An investment of a few hours of planning may have resulted in closer estimates, better resource allocation, and getting the work right the first time”. Tom Mochal and Jess Mochal, Lessons in Project Management, 2nd edition (Apress; 2011), 36

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