

Principles of Management

SHD 1053



Part 1: INTRODUCTION

The Definition of Management

Management is the attainment of organizational goals in an effective and efficient manner through ***planning, organizing, leading, and controlling*** organizational resources

Organizational Performance

- An organization is a ***social entity*** that is ***goal directed*** and ***deliberately structured***
- ***Organizational effectiveness*** – providing a product or service that customers value
- ***Organizational efficiency*** refers to the amount of resources used to achieve an organizational goal

Management Skills

- Three categories of skills: ***conceptual, human, technical***
- The application of management skills change as managers move up the hierarchy

When Skills Fail

- Common management failures:
 - Not listening to customers
 - Misinterpreting signals from marketplace
 - Not building teams

When Skills Fail (cont')

- Common management failures:
 - Inability to execute strategies
 - Failure to comprehend and adapt to change
 - Poor communication and interpersonal skills

Management Types: Vertical

- ***Top managers*** are responsible for the entire organization
- ***Middle managers*** are responsible for business units
- ***First-line managers*** are responsible for production of goods and services

Making The Leap: Becoming A New Manager

- Organizations often promote star performers to management
- Becoming a manager is a transformation
 - *Move from being a doer to a coordinator*
- Many new managers expect more freedom to make changes

Do You Really Want to Be A Manager?

- ✓ The increased workload
- ✓ The challenge of supervising former peers
- ✓ The headache of responsibility for other people
- ✓ Being caught in the middle

Manager Activities

Adventures in multitasking

- Activity characterized by variety, fragmentation, and brevity
- Less than nine minutes on most activities
- Managers shift gears quickly

Manager Activities (cont')

Life on speed dial

- Work at unrelenting pace
- Interrupted by disturbances
- Always working (catching up)

Ten Manager Roles

Informational

- ✓ Monitor
- ✓ Disseminator
- ✓ Spokesperson

Interpersonal

- ✓ Figurehead
- ✓ Leader
- ✓ Liaison

Ten Manager Roles (cont')

- **Decisional**
 - ✓ Entrepreneur
 - ✓ Disturbance Handler
 - ✓ Resource Allocator
 - ✓ Negotiator

New Management Competencies

- Collaboration across functions, levels, customers, and companies
- Experimentation and learning are key values
- Knowledge and information sharing

Management and Organization

- ***How Social, Political & Economic forces influence practice of management***
- ***Economic Forces*** – the availability, production, and distribution of resources. (Cost saving?)

Management and Organization (cont')

- ***How Social, Political & Economic forces influence practice of management***
- ***Social Forces*** – influence of culture that guides people and relationships (what do people need? Work life balance?)

Scientific Management

- Improve efficiency and labor productivity through scientific methods
- **Frederick Winslow Taylor** proposed that workers “could be retooled like machines”
- Management decisions would be based on precise procedures based on study
- The **Gilbreth’s** pioneered **time and motion studies** to promote efficiency

Bureaucratic Organizations

- **Max Weber**, a German theorist, introduced the concepts
- Manage organized on an impersonal, rational basis
- Organization depends on **rules and records**
- Managers **use power** instead of personality to delegate

Although important productivity gains come from this foundation, bureaucracy has taken on a negative tone

Administrative Principles

- Focused on the entire organization
- **Henri Fayol**, a French mining engineer, was a major contributor
- Identified five functions of management: planning, organizing, commanding, coordinating, and controlling
- general principles of management; many still used today:
 - Unity of command (one superior)
 - Division of work (specialization)
 - Unity of direction (same goal)
 - Scalar chain (top to bottom)

Humanistic Perspective: Early Advocates

- ***Mary Parker Follett*** and ***Chester Barnard***
- Understand ***human behaviors***, needs, and attitudes in the workplace
- Importance of ***people*** rather than engineering techniques: contrast to scientific management
- ***Empowerment***: facilitating instead of controlling
- Recognition of the ***informal organization***

Humanistic Perspective: Human Relations Movement

- Effective work comes from within the employee
- ***Hawthorne studies*** were key contributor
- Human relations paid key variable in increasing performance
- Employees performed better when managers treated them positively
- ***Strongly shaped management practice and research***

Humanistic Perspective: Human Resources Perspective

- From worker participation and considerate leadership to managing work performance
- Combine motivation with job design

Behavioral Sciences Approach

- ***Organizational Development*** – field that uses behavioral sciences to improve organization
- Use to assist organization to cope with change (eg. training)
- Other strategies based on behavioral science:
 - Matrix Organizations
 - Self-Managed Teams
 - Corporate Culture

Quantitative Perspective

- Also referred to as *management science*
- Use of **mathematics and statistics** to aid management decision making
 - Enhanced by development and growth of the computer
- ***Operations Management*** focuses on the physical production of goods and services

- Thank you