

# Introduction to Management

## WHAT IS MANAGEMENT?

**Management has been described as:**

**“The art of getting things done through people.”**

If we could do everything by ourselves, we wouldn't need to hire people to help us. This actually works well in many small businesses – I have heard many entrepreneurs say that they like keeping their businesses small because then they're able to watch ALL the details. “Nobody cares about my customers as much as I do” is a common entrepreneurial attitude.

Great, but what if your business is too large for you to watch ALL the details?

Once your business grows beyond a certain size, you actually become less and less efficient as you try to watch everything that is going on with products, customers, service, etc. THAT'S when you need others, and your task is no longer “getting things done” yourself – it is training and inspiring and encouraging and assisting *others* to get things done, and this is an *art* because there is no specific way to get things done through people – everyone is different, and every business situation has it's own particular challenges.

This quarter we will learn about the tools that are available for managers, and we will work to develop our ability to artfully manage others towards what should be our common goal – the success of the business.



## WHY STUDY MANAGEMENT?

**The better you can work with people, the more successful you will be in both your personal and your professional lives.**

- **Employers want to hire employees who can participate in managing the firm.**
- **Even non-managers are being trained to perform management functions.**



Everyone in an organization works with managers. It is important to learn about management because knowledge of what management is can help you to be a better employee, and can help you to qualify to become a manager.

The study of management applies to *both* your professional and personal lives. Even if you are not interested in being a manager, you still need management skills to succeed in today's workplace. Today, employers want to hire employees who can participate in managing the firm, and they are training non-managers to perform management functions.

The study of management also helps you to communicate with and interact with people every day, make personal plans and decisions, set goals, and prioritize.

## WHAT ARE A MANAGER'S RESPONSIBILITIES?



***A manager is responsible for achieving organizational objectives through efficient and effective use of resources.***

**Efficient** means doing things right.

**Effective** means doing the right thing.

A **manager** is responsible for achieving organizational objectives through efficient and effective utilization of resources.

A few terms in this definition should be explained. **Efficient** refers to doing things right; to maximize the utilization of resources. **Effective** refers to doing the right thing in order to attain the objective, or the degree to which a manager achieves objectives.

- **The manager's resources include human, financial, physical, and informational.**

### **1. Human Resources**

*Human resources* are people. Managers are responsible for getting the job done through employees. People are the manager's most valuable resource.

### **2. Financial Resources**

Most managers have a budget stating how much it should cost to operate their department/store for a set period of time. In other words, a budget defines the financial resources available.

### **3. Physical Resources**

Getting the job done requires effective and efficient use of *physical resources*.

### **4. Informational Resources**

Managers need *information* technology. Information continues to increase in importance as a means of increasing the speed of doing business in a competitive global environment.

The level of organizational performance is based on how effectively and efficiently managers utilize resources to achieve objectives.

Managers are responsible and evaluated on how well they meet organizational objectives through effective and efficient utilization of resources.

## WHAT DOES IT TAKE TO BE A SUCCESSFUL MANAGER?

### **1. Management Qualities**

Executives in a Gallup survey identified *integrity*, *industriousness*, and the *ability to get along with people* as the three most important traits for successful managers. During this quarter we will look in detail at these qualities; how to develop them, and how to utilize them.

### **2. Management Skills**

*Management skills* include (1) technical, (2) human and communication, and (3) conceptual and decision-making skills.

- **Technical Skills**  
*Technical skills* involve the ability to use methods and techniques to perform a task.
- **Human and Communication Skills**  
*Human and communication skills* reflect the ability to work with people in teams.
- **Conceptual and Decision-Making Skills**

**Conceptual and decision-making skills** center around the ability to understand abstract ideas and select alternatives to solve problems. Another term for conceptual skills is systems thinking, or the ability to understand an organization/department as a whole and the interrelationships among its parts.

### 3. Supervisor Ability

In our text Professor Ghiselli has identified six traits as important, although not all are necessary for success.

These six traits, in reverse order of importance, include: **(6) initiative, (5) self-assurance, (4) decisiveness, (3) intelligence, (2) need for occupational achievement, and (1) supervisory ability.**

We will spend time this quarter on each of these.

## **WHAT DO MANAGERS DO?**

### 1. Management Functions

The four **management functions** include: *planning, organizing, leading, and controlling*. NOTE: You may want to write these down on a post-it note and stick it to your computer monitor. When anyone asks, "what do managers do?" you should reflexively say "planning, organizing, leading, and controlling".

- **Planning**  
Planning is typically the starting point in the management process. **Planning** is the process of setting objectives and determining in advance exactly how the objectives will be met.
- **Organizing**  
The manager must also design and develop an organizational system to implement the plans. **Organizing** is the process of delegating and coordinating tasks and resources to achieve objectives. *Staffing is the process of selecting, training, and evaluating employees; Bonnie has full responsibility for staffing her store.*
- **Leading**  
**Leading** is the process of influencing employees to work toward achieving objectives.
- **Controlling**  
**Controlling** is the process of establishing and implementing mechanisms to ensure that objectives are achieved.

These management functions are distinct yet interrelated. Managers often perform these functions simultaneously, and each function depends on the others. The management functions are based on setting (planning) and achieving (organizing, leading, and controlling) objectives.

### 2. Non-management Functions

All managers perform the four functions of management. However, many managers also perform non-management, or employee, functions as well. As an example, managers in many small businesses may work alongside other employees until a need for a management function occurs.

### 3. Management Roles

Managers have a set of distinct roles. A *role* is a set of expectations of how one will behave in a given situation. Henry Mintzberg identified ten roles that managers embody as they accomplish management functions. Mintzberg grouped these roles into three **management role categories**:

- **Interpersonal roles**
- **Informational roles**
- **Decisional roles**

#### ➤ **Interpersonal Roles**

Interpersonal roles include: **figurehead, leader, and liaison.**

Managers play the *figurehead role* when they represent the organization or department in ceremonial and symbolic activities.

Managers play the *leader role* when they motivate, train, communicate with, and influence others.

Managers play the *liaison role* when they interact with people outside of their unit to gain information and favors.

➤ **Informational Roles**

Informational roles include: **monitor, disseminator, and spokesperson.**

Managers play the *monitor role* when they read and talk to others to receive information.

Managers play the *disseminator role* when they send information to others.

Managers play the *spokesperson role* when they provide information to people outside the organization.

➤ **Decisional Roles**

Decisional roles include: **entrepreneur, disturbance handler, resource allocator, and negotiator.**

Managers play the *entrepreneur role* when they innovate and initiate improvements.

Managers play the *disturbance-handler role* when they take corrective action during disputes or crisis situations.

Managers play the *resource-allocator* role when they schedule, request authorization, and perform budgeting and programming activities.

Managers perform the *negotiator role* when they represent their department or organization during non-routine transactions to gain agreement and commitment.

## **DIFFERENCES AMONG MANAGERS**

### **1. The Three Levels of Management**

There are three levels of management: **top, middle, and first-line managers.**

The three levels relate to each other as described below.

➤ **Top Managers:**

These are executive positions with titles such as *chairman of the board, chief executive officer (CEO), president, or vice president.*

➤ **Middle Managers:**

People holding these positions have titles such as *sales manager, branch manager, or department head.*

➤ **First-Line Managers:**

*Crew leader, supervisor, head nurse, and office manager* are examples of the titles at this level.

First-line managers do not supervise other managers; they supervise operative employees.

### **2. Types of Managers**

There are three types of managers: **general, functional, and project.**

Top-level and some middle managers are *general managers* because they supervise the activities of several departments that perform several different activities.

Middle and first-line managers are often *functional managers* who supervise the activities of related tasks.

A *project manager* coordinates employees and other resources across several functional departments to accomplish a specific task.