

Management and Organizations

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1. Why are Managers Important?

- Organizations need their managerial skills and abilities more than ever in these uncertain, complex, and chaotic times.
- Managerial skills and abilities are critical in getting things done.
- The quality of the employee/supervisor relationship is the most important variable in productivity and loyalty.

Exhibit 1-1: Universal Need for Management



Who Are Managers?

- Manager

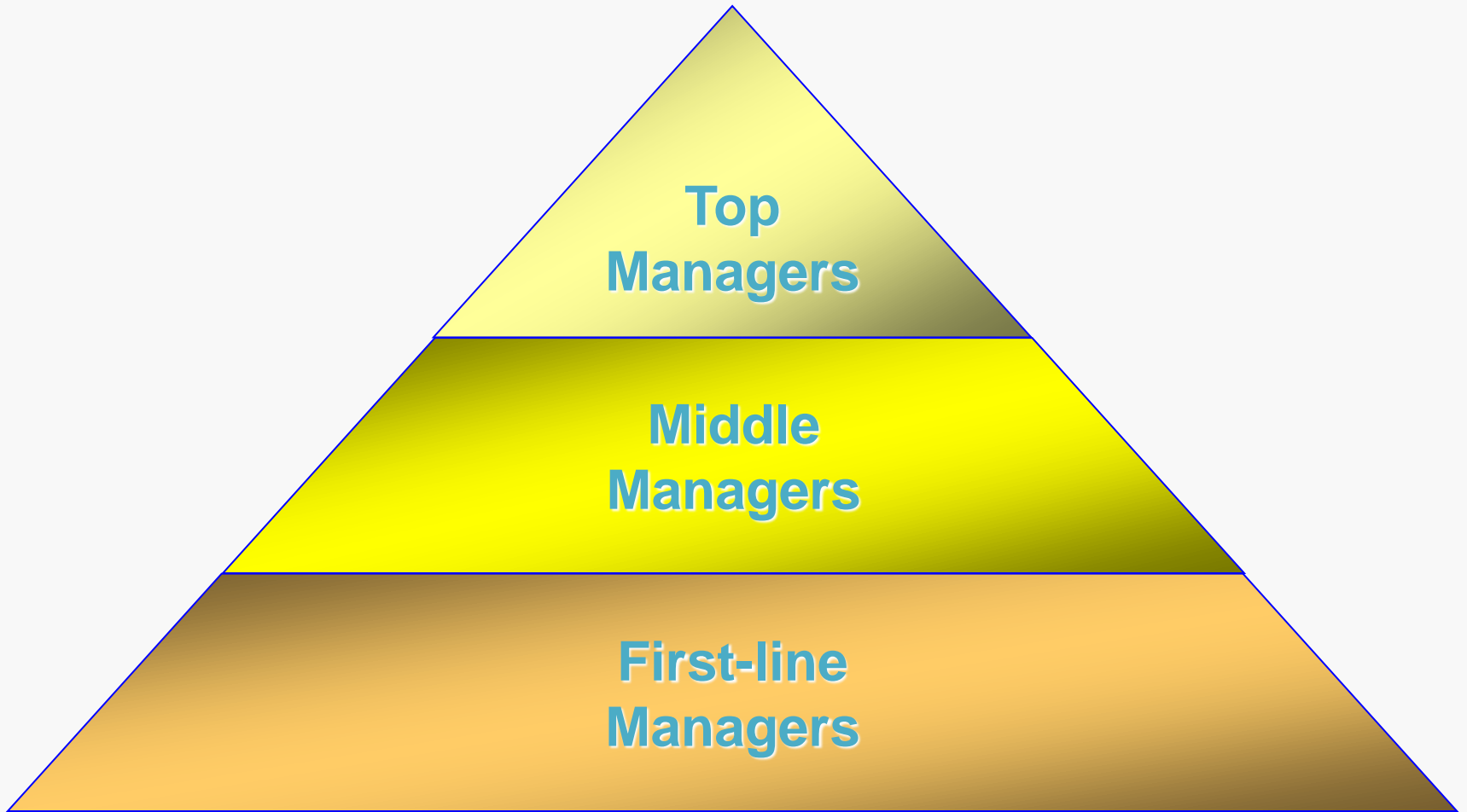
Someone who coordinates and oversees the work of other people so that organizational goals can be accomplished.



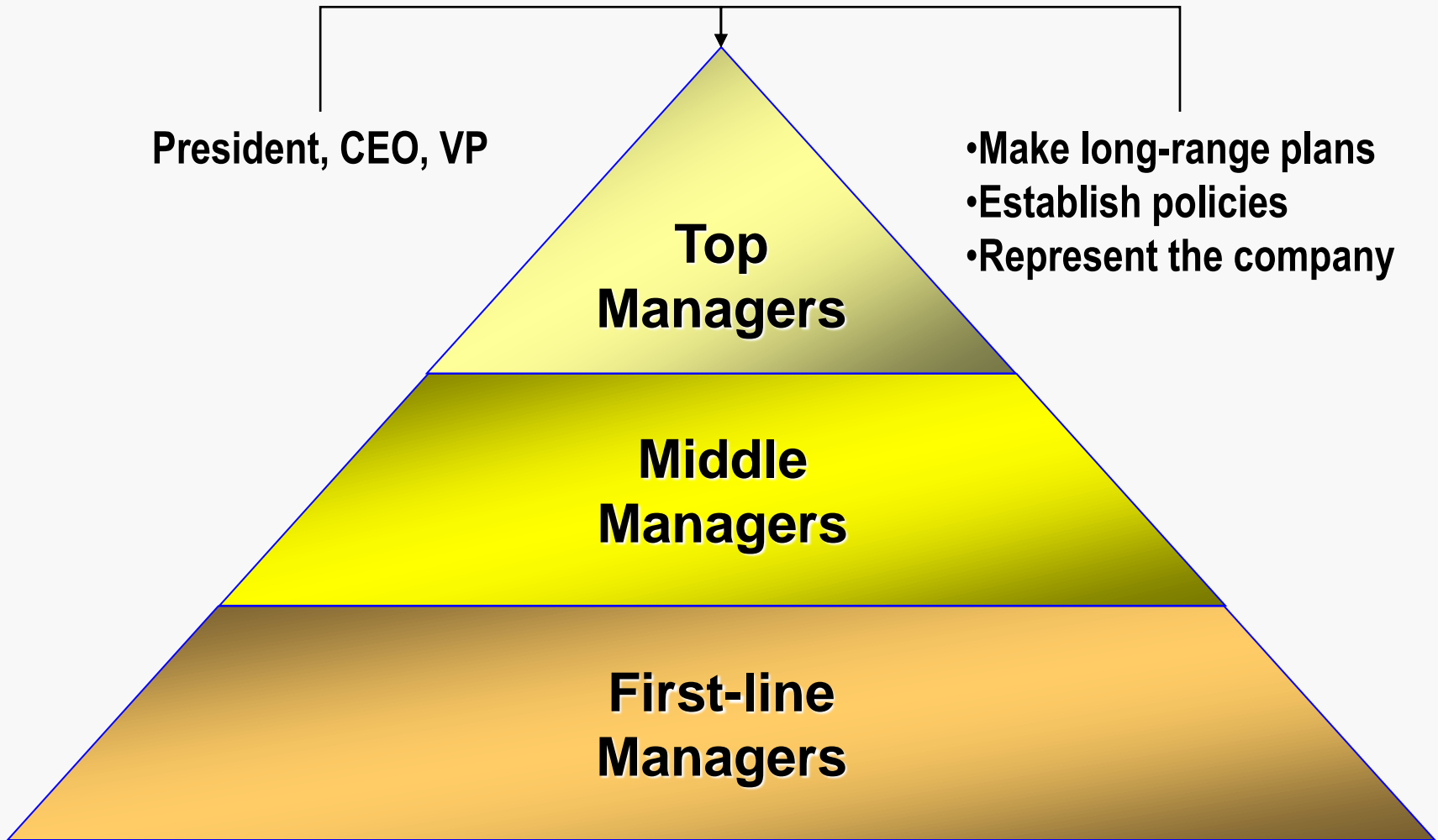
2. Classifying Managers

- **First-line Managers** - Individuals who manage the work of non-managerial employees.
- **Middle Managers** - Individuals who manage the work of first-line managers.
- **Top Managers** - Individuals who are responsible for making organization-wide decisions and establishing plans and goals that affect the entire organization.

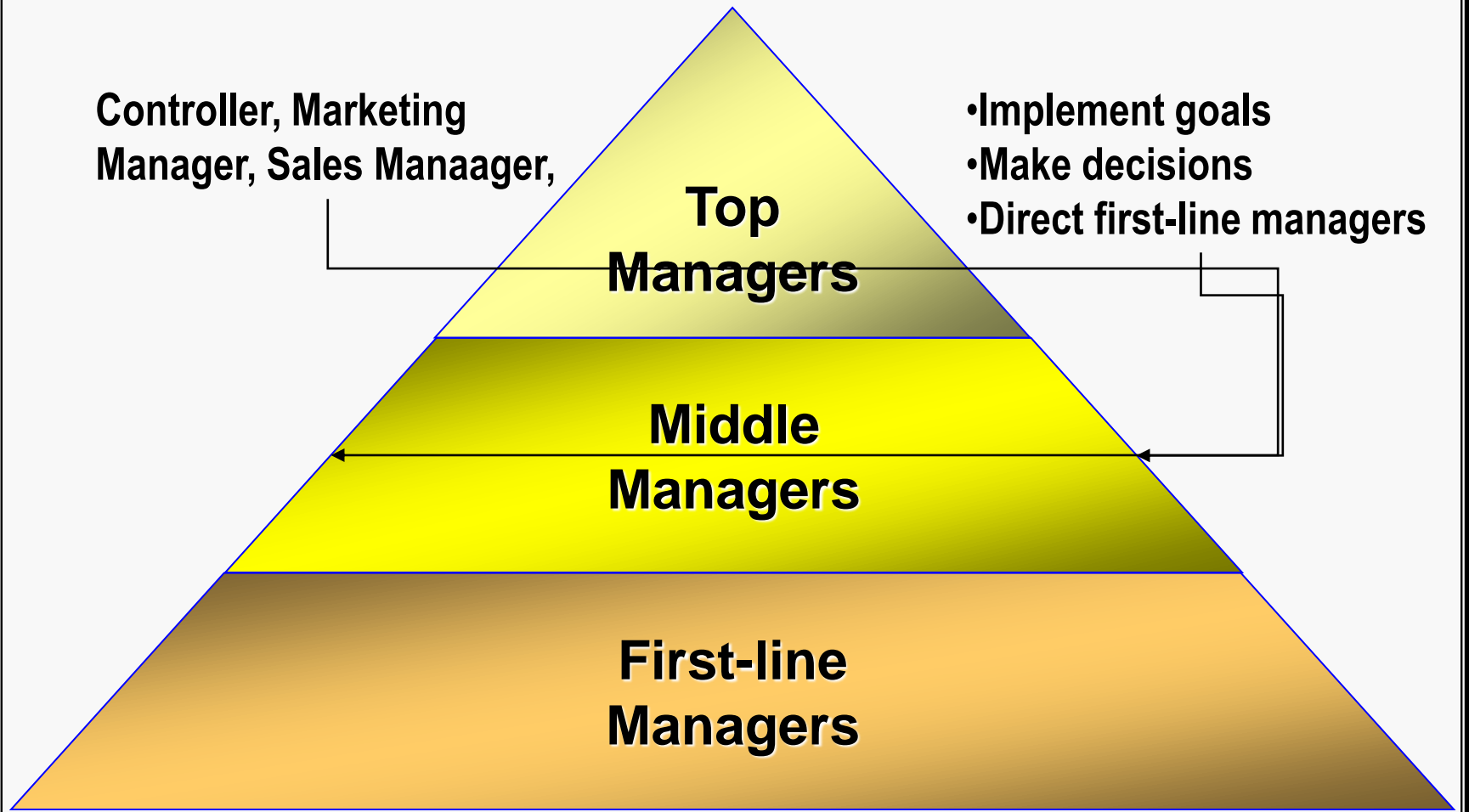
The Management Pyramid



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The Management Pyramid

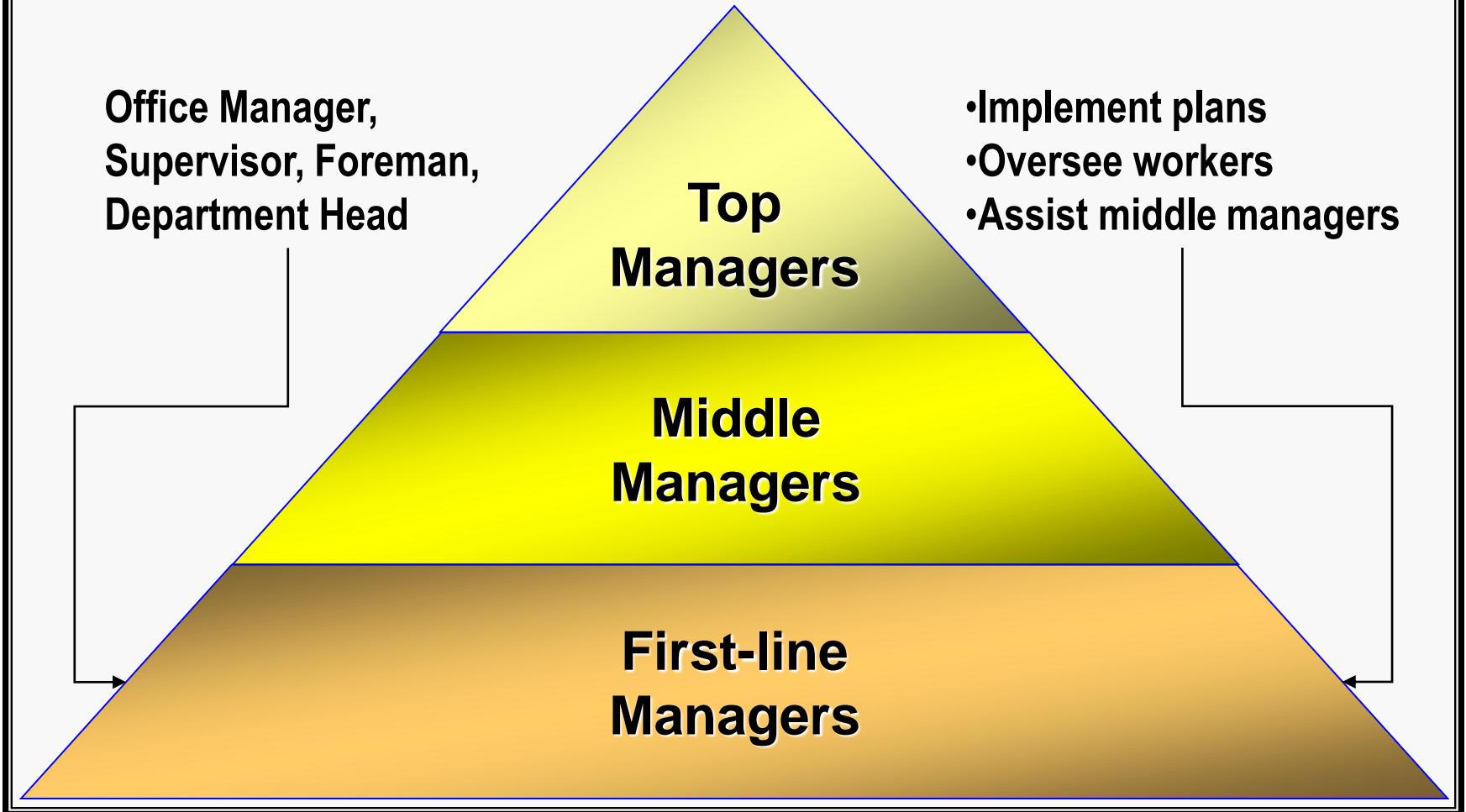
Office Manager,
Supervisor, Foreman,
Department Head

**Top
Managers**

- Implement plans
- Oversee workers
- Assist middle managers

**Middle
Managers**

**First-line
Managers**



3. Where Do Managers Work?

- **Organization** - A deliberate arrangement of people assembled to accomplish some specific purpose (that individuals independently could not accomplish alone).
- **Common Characteristics of Organizations**
 - Have a distinct purpose (goal)
 - Are composed of people
 - Have a deliberate structure

Exhibit 3-1: Characteristics of Organizations



4. What Do Managers Do?

- **Management** involves coordinating and overseeing the work activities of others so that their activities are completed **efficiently** and **effectively**.
- ***Management*** is the attainment of organizational goals in an **effective** and **efficient** manner through planning, organizing, leading, and controlling organizational **resources**.

- The four main resources include
 - Material resources
 - The tangible physical resources an organization uses
 - Human resources
 - The people who staff the organization and use the other resources to achieve the goals of the organization
 - Financial resources
 - The funds the organization uses to meet its obligations to investors and creditors
 - Information resources
 - The information about internal and external business environmental conditions that the firm uses to its competitive advantage

Effectiveness and Efficiency

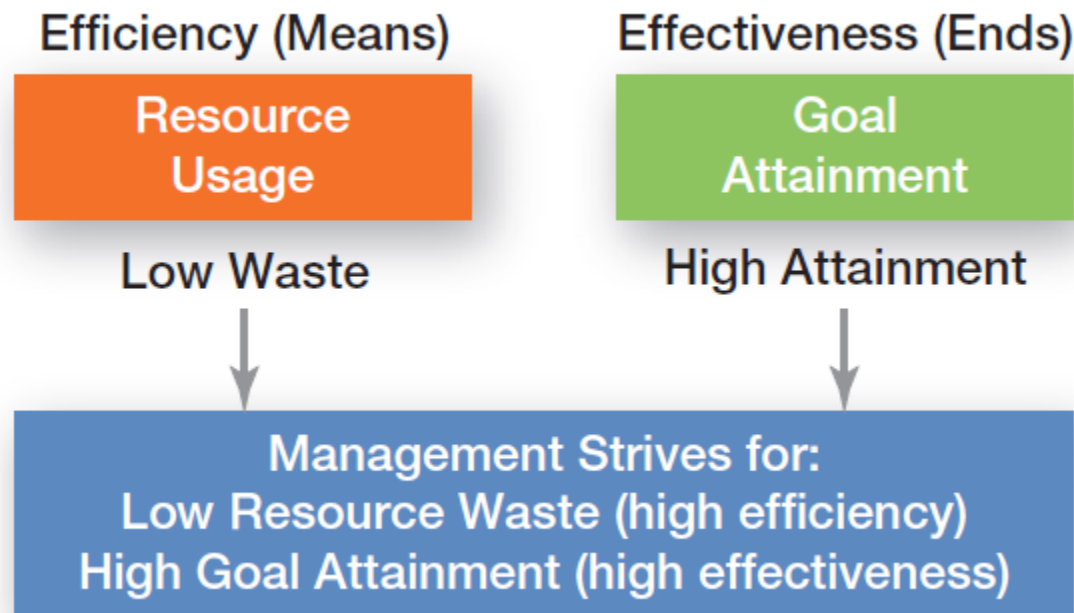
- **Efficiency**

- “Doing things right”
- Getting the most output for the least inputs

- **Effectiveness**

- “Doing the right things”
- Attaining organizational goals

Exhibit 4-1: Efficiency and Effectiveness in Management



The Four Management Functions

- ***Planning.*** Identifying goals and resources or future organizational performance.
- ***Organizing.*** Assigning tasks, delegating authority and allocating resources.
- ***Leading.*** The use of influence to motivate employees to achieve goals.
- ***Controlling.*** Monitoring evaluating activities and taking corrective action when needed.

Exhibit 4-2: Four Functions of Management

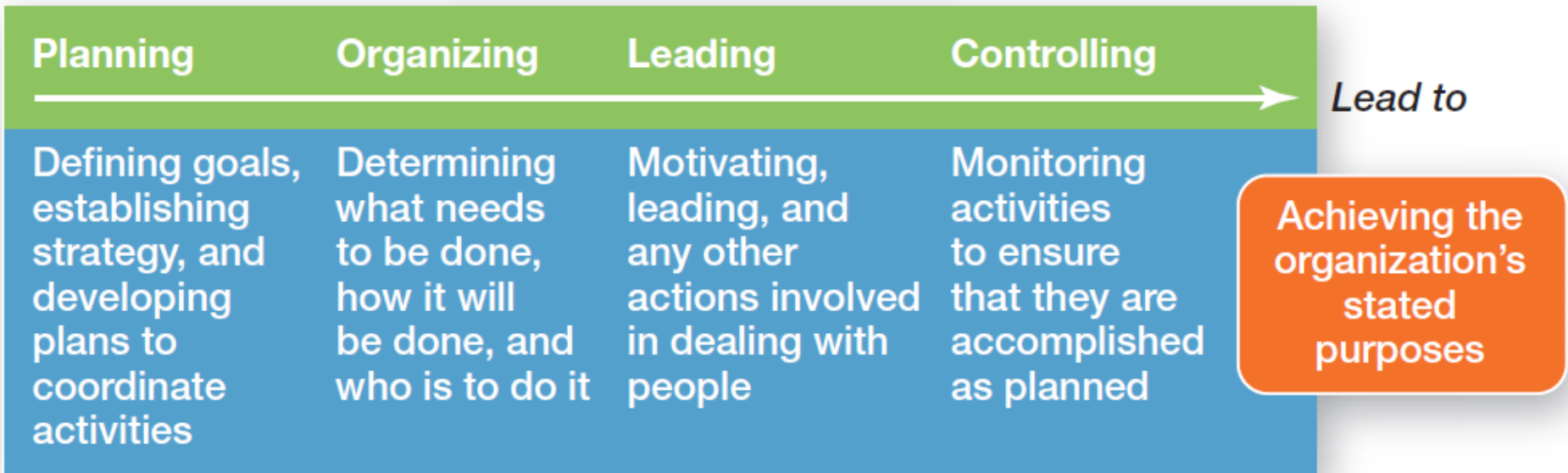


Exhibit 4-3 The Process of Management

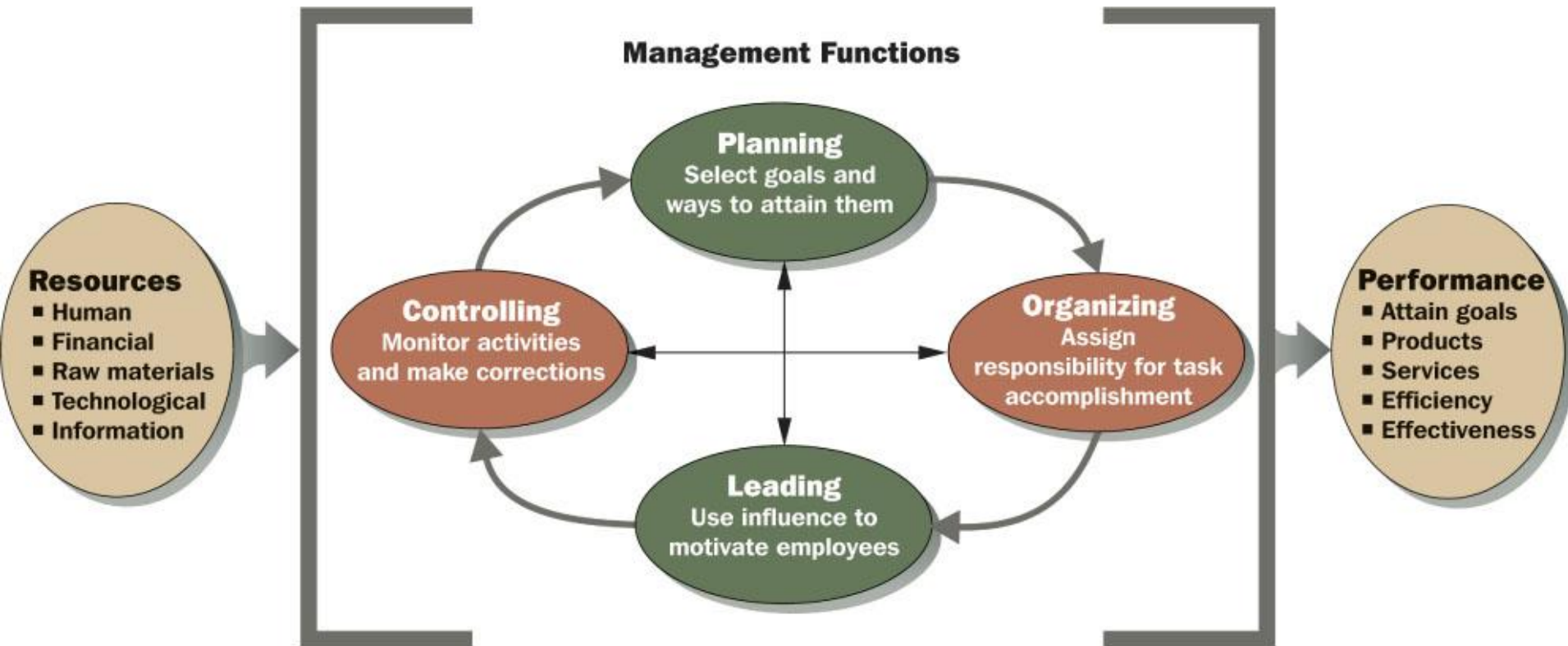


Exhibit 4-4 The Interrelationship Among Functions of Management

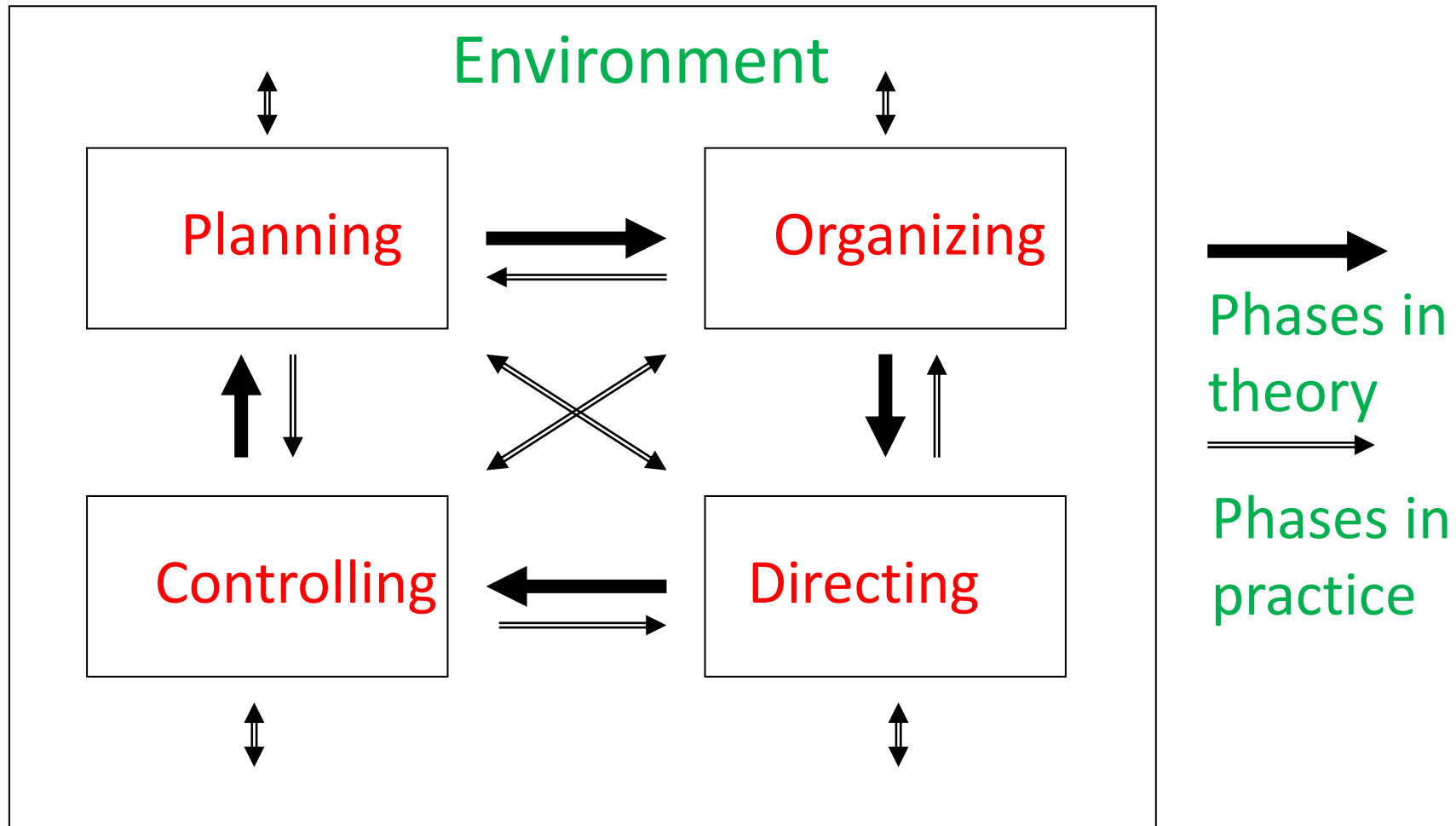
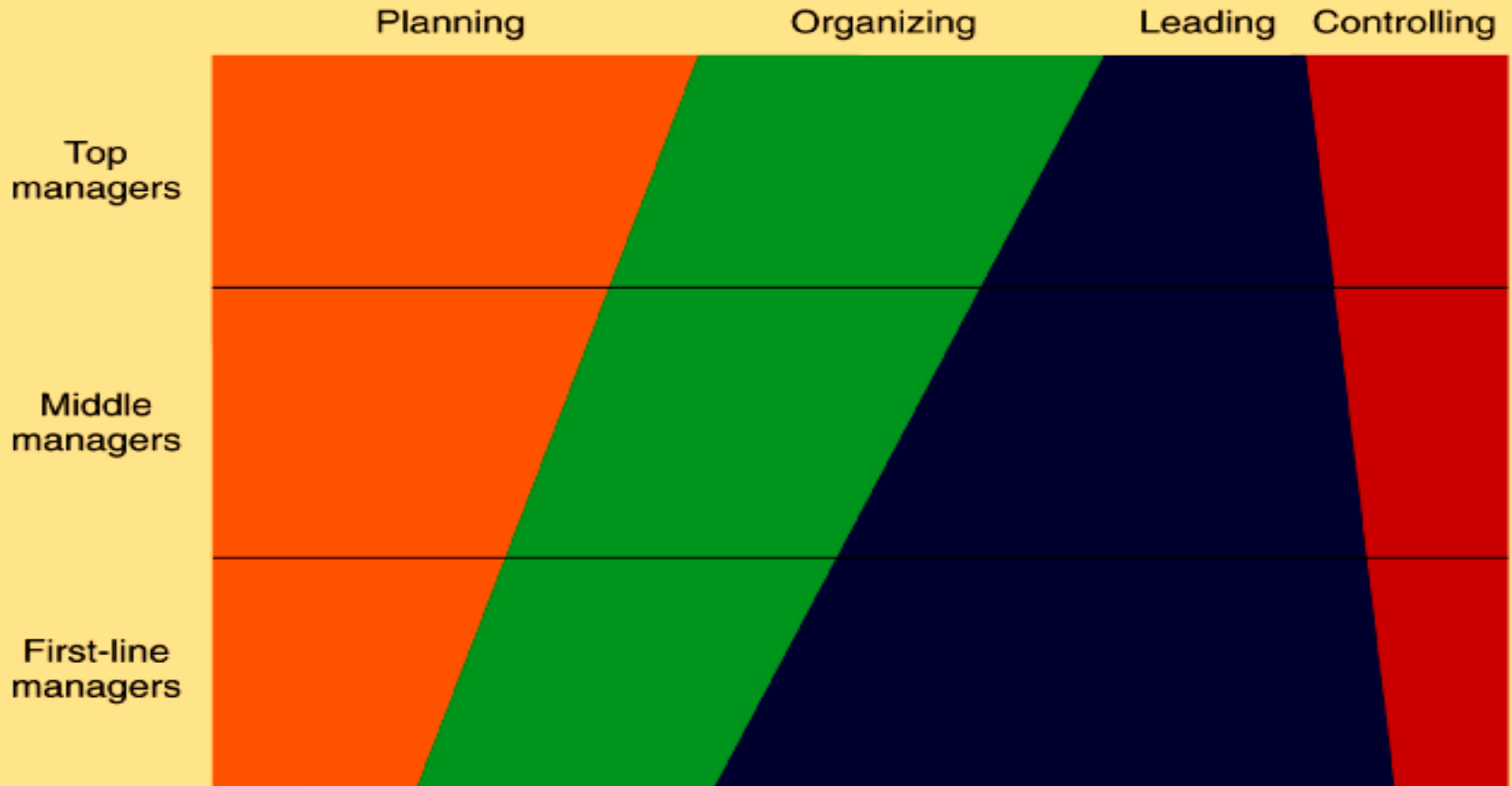


Exhibit 4-5 Relative Amount of Time That Managers Spend on the Four Managerial Functions



Areas of Management Specialization

- **Financial managers**
 - Responsible for the organization's financial resources
- **Operations managers**
 - Manage the systems that convert resources into goods and services
- **Marketing managers**
 - Responsible for facilitating the exchange of products between the organization and its customers or clients
- **Human resources managers**
 - Manage the organization's human resources programs
- **Administrative managers (general managers)**
 - Not associated with any specific functional area; provide overall administrative guidance and leadership

5. Skills Managers Need

- **Technical skills**
 - Knowledge and proficiency in a specific field
- **Human skills**
 - The ability to work well with other people
- **Conceptual skills**
 - The ability to think and conceptualize about abstract and complex situations concerning the organization

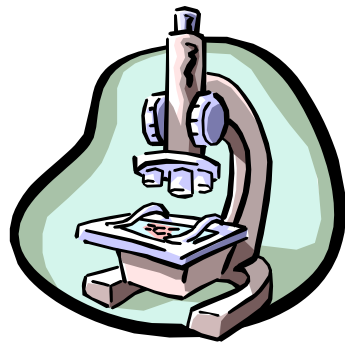
Exhibit 5-1 What Skills Do Managers Need?



- **Interpersonal skills**
 - Sensitivity
 - Persuasiveness
 - Empathy

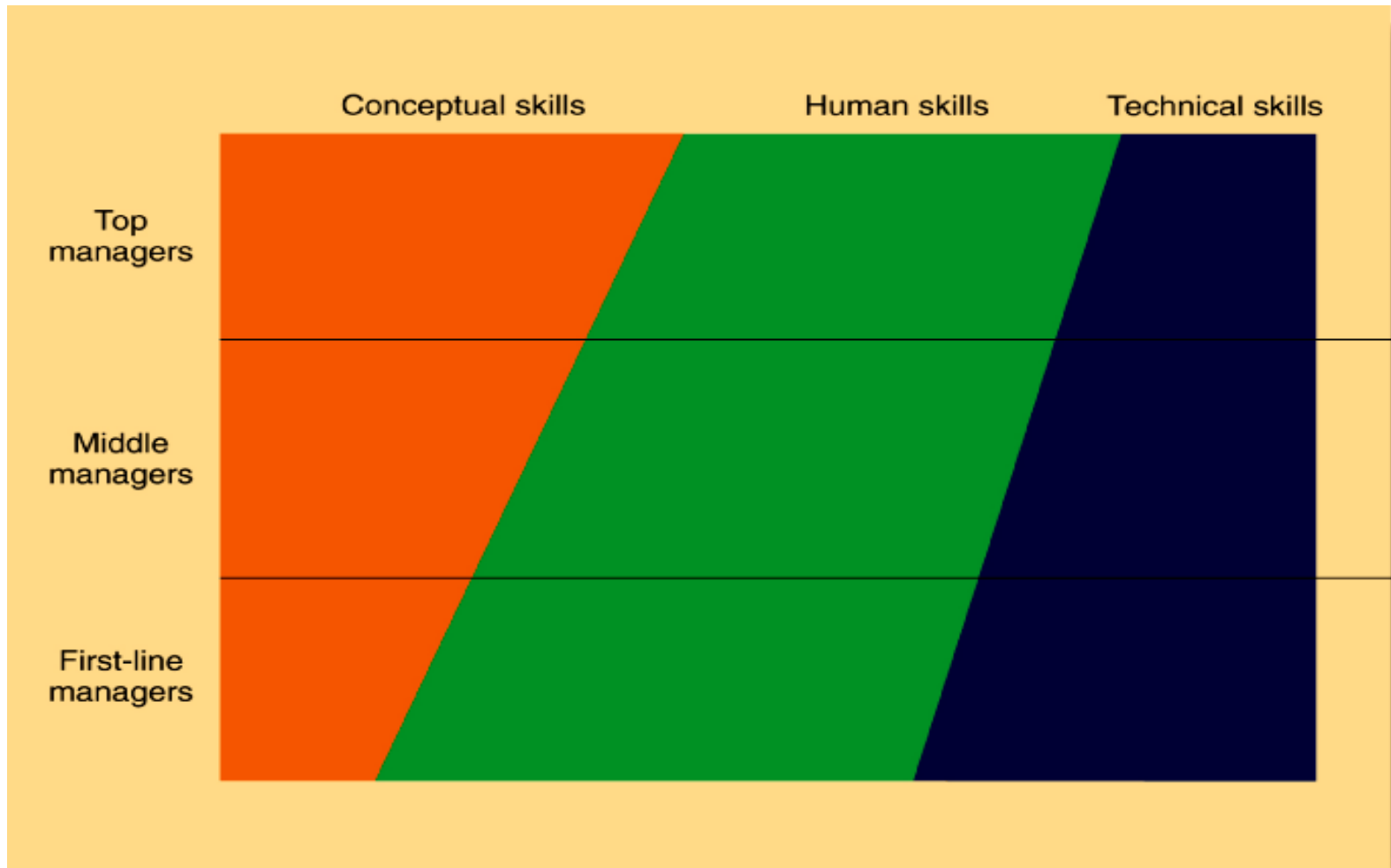


- **Conceptual skills**
 - Logical reasoning
 - Judgment
 - Analytical abilities



- **Technical skills**
 - Specialized knowledge
 - (Including when and how to use the skills)

Exhibit 5-2 The Relative Importance of Skills at Different Management Levels



- Managing human capital
- Inspiring commitment
- Managing change
- Structuring work and getting things done
- Facilitating the psychological and social contexts of work
- Using purposeful networking
- Managing decision-making processes
- Managing strategy and innovation
- Managing logistics and technology

When Skills Fail?

- Management skills are tested mostly during turbulent times
 - Many managers fail to comprehend and adapt to the rapid pace of change in the world
- Common failures include:
 - ✓ Poor Communication
 - ✓ Failure to Listen
 - ✓ Poor Interpersonal Skills
 - ✓ Treating employees as instruments
 - ✓ Failure to clarify direction and performance expectations

6. Management Roles

- **Interpersonal roles**
 - Figurehead, leader, liaison
- **Informational roles**
 - Monitor, disseminator, spokesperson
- **Decisional roles**
 - Entrepreneur, disturbance handler, resource allocator, negotiator

Exhibit 6-1: Mintzberg's Managerial Roles

Interpersonal Roles

- Figurehead
- Leader
- Liaison



Informational Roles

- Monitor
- Disseminator
- Spokesperson



Decisional Roles

- Entrepreneur
- Disturbance handler
- Resource allocator
- Negotiator

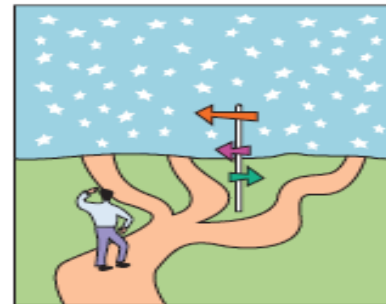


Exhibit 6-2 Activities Under Each Role

Category	Role	Activity
Informational	Monitor	Seek and receive information, scan periodicals and reports, maintain personal contacts.
	Disseminator	Forward information to other organization members; send memos and reports, make phone calls.
	Spokesperson	Transmit information to outsiders through speeches, reports, memos.
Interpersonal	Figurehead	Perform ceremonial and symbolic duties such as greeting visitors, signing legal documents.
	Leader	Direct and motivate subordinates; train, counsel, and communicate with subordinates.
	Liaison	Maintain information links both inside and outside organization; use e-mail, phone calls, meetings.
Decisional	Entrepreneur	Initiate improvement projects; identify new ideas, delegate idea responsibility to others.
	Disturbance handler	Take corrective action during disputes or crises; resolve conflicts among subordinates; adapt to environmental crises.
	Resource allocator	Decide who gets resources; schedule, budget, set priorities.
	Negotiator	Represent department during negotiation of union contracts, sales, purchases, budgets; represent departmental interests.

7. Are You Ready to Be a Manager?

- Today's environment is diverse, dynamic and ever-changing
- Organizations need managers who can build networks and pull people together
- Managers must motivate and coordinate others
- Managers are dependent upon subordinates

They are evaluated on the work of others

8. Challenges for Management in a Global Environment

- Increasing Number of **Global Organizations.**
- Building a **Competitive Advantage.**
- Maintaining **Ethical Standards.**
- Managing a **Diverse Workforce.**
- Utilizing **IT** and **E-commerce.**

8.1 Building a Competitive Advantage

- Increasing **Efficiency**
 - Reducing the quantity of resources used to produce goods and services.
- Increasing **Quality**
 - Introducing **Total Quality Management** (TQM) to improve quality.
- Increasing **Speed, Flexibility, and Innovation**
 - Adapting to bring new products to market faster.
- Increasing **Responsiveness to Customers**
 - Empowering employees to deal with customers.

8.2 Utilizing Information Technology (IT) and E-commerce

- **Benefits of IT and E-commerce**
 - Makes **more and better information** about the organization available to outsiders
 - ***Empowers*** employees at all organizational levels
 - Helps managers carry out their roles more **effectively and efficiently**
 - Increases ***awareness of competitive opportunities***
 - Makes the organization more ***responsive*** to its customers

8.3 Managing a Diverse Workforce

- The Increasing Diversity of the Workforce
- Non-Discriminatory Employment Practices
- Performance-Enhancing Benefits of a Diverse Workforce

8.4. Why Innovation and Customers Matter

- Managers must focus on innovation to stay competitive
- In a hypercompetitive, global environment, organizations must innovate more

- ***Innovations may include:***
 - New products, services, technologies
 - Controlling costs
 - Investing in the future
 - Corporate values

8.5 The Importance of Customers

- **Customers:** the reason that organizations exist
 - Managing customer relationships is the responsibility of all managers and employees.
 - Consistent high quality customer service is essential for survival.

Exhibit 8-1: Rewards and Challenges of Being a Manager

Rewards

- Create a work environment in which organizational members can work to the best of their ability
- Have opportunities to think creatively and use imagination
- Help others find meaning and fulfillment in work
- Support, coach, and nurture others
- Work with a variety of people
- Receive recognition and status in organization and community
- Play a role in influencing organizational outcomes
- Receive appropriate compensation in the form of salaries, bonuses, and stock options
- Good managers are needed by organizations

Challenges

- Do hard work
- May have duties that are more clerical than managerial
- Have to deal with a variety of personalities
- Often have to make do with limited resources
- Motivate workers in chaotic and uncertain situations
- Blend knowledge, skills, ambitions, and experiences of a diverse work group
- Success depends on others' work performance

THANK YOU
SO MUCH