

Introduction to Management

“Start with the end in mind.”

—Stephen R. Covey

“Management is, above all, a practice where art, science, and craft meet.”

—Henry Mintzberg

“To be sure, the fundamental task of management remains the same: to make people capable of joint performance through common goals, common values, the right structure, and the training and development they need to perform and to respond to change.”

—Peter F. Drucker

“Anything plus management amounts to success.”

—G.S. Alag

Chapter sections

1.1 Organization and Managers

1.2 Features of Management



Image by the author.

Learning Objectives:

Upon completion of studying this chapter, *Introduction to Management*, learners should be able to:

- List levels of managerial employees and provide examples
- Classify various management activities managers based upon managerial roles
- Summarize the main managerial functions in an organization
- Describe the important skills managers are expected to master by examining current management job openings

1.1 Organizations & managers

What is an organization? An organization is an entity, such as an institution, association, or business, which has a collective goal, and interacts with its environment as part of an open system. The collective goals are achieved with and through people. Thus, an organization's people make decisions, and engage in work activities to make these goals a reality. Lynn University, for example, is an organization whose goal is to provide an education and prepare students to succeed in the world. To make this possible, the university relies on its employees to work collectively to accomplish these goals.

In very simple terms, employees within organizations can be divided into two categories: non-managerial employees and managerial employees. **Non-managerial employees** are those who work directly on a job or task and do not have supervisory duties (e.g., no other employee reports directly to them). Examples around us include the cafeteria food server, the cashier, the maintenance crew, and even classroom instructors.



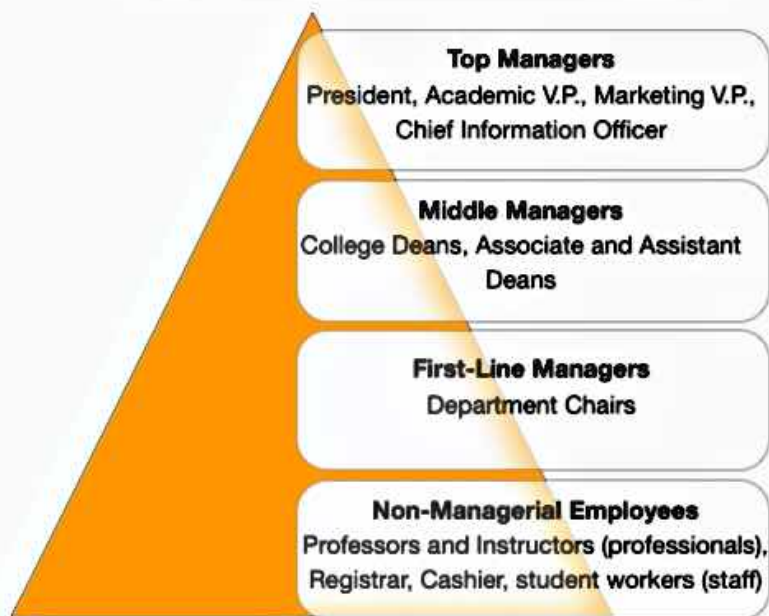
Female manager in modern kitchen, April 2014, Photo credit.

Managers, on the other hand, are those employees who direct, supervise, and lead the work of a group of people to ensure that they carry out duties or meet specific goals in an efficient manner. Within the category of managerial employees, there are three levels:

1. Top managers ,also known as upper management or senior management, are the ultimate sources of authority and accountability for the overall management of an organization. They give direction to the company by determining its mission and goals, as well as establishing strategic plans and policies. These managers typically have titles such as Chief Executive Officer, Chief Information Officer, President, Chairperson of the Board, Academic Vice President, etc.
2. Middle managers report to top managers. They are responsible for the functioning and coordination of their unit of operation, and for translating the goals set forth by top managers into specific details to be followed by first-line managers. They are implementers who devote most of their time to organizational and monitoring activities in the execution of the strategic plans of the organization. They also provide data analysis to top managers, and inspire first-line managers to strive for better performance. Examples of titles held by middle managers include Plant Manager, Regional Manager, and Deans of colleges and universities.

3. First-line managers' major functions emphasize the direction and control of the work of non-managerial employees to achieve stated goals. They are principally concerned with controlling activities such as assigning jobs and tasks, performance monitoring, and efficient use of resources. Titles held by first-line managers include Foreman, Supervisor, Product Manager, Staff Manager, Project Manager, and Department Chairs.

Figure 1.1 Management levels in a university setting



1.2 Features of management

According to Harold Koontz and Cyril O'Donnell, "[m]anagement is an art of getting things done through and with the people in formally organized groups. It is an art of creating an environment in which

people can perform and individuals can co-operate towards attainment of group goals."¹

Frederic W. Taylor, one of the pioneers in the field of management, defines it as "the art of knowing what to do, when to do, and see that it is done in the best and cheapest way."²

In-Class with Your iPad

Conduct a search on current administrative or management jobs openings in South Florida.

Select at least three jobs of those available and analyze each one in term of the following:

1. Managerial level (first-line, middle, or top management)
2. Skills required
3. Roles/responsibilities expected to be performed

Management is a universal activity

All types of organizations—business, political, social, or non-profit—as well as all sizes of organizations—big, medium, and small—require management because it is management that directs them in reaching their goals. Thus, management is inherently a universal needed in all organizations. Managerial work is necessary to run efficient organizations and it is guaranteed that, as long as there are organizations and resources to manage, those with management degree will be able to secure jobs.

Management integrates resources

In addition to people working in an organizations, there are other assets such as financial and physical ones. Together, they represent the tangible resources used to develop, manufacture, and deliver products or services to its customers. Managers then integrate these assets, and thru their capabilities, the goals of the organization are accomplished.

The major value-creating capabilities of the organization are known as its core competencies. Resources, capabilities, and core competencies determine the organization's competitive advantages—the unique ways the company expects to compete and succeed.

Management is a function-oriented process

Management is an ongoing process consisting of four interrelated parts: planning, organizing, leading, and controlling. The four work together towards the same goal as they progress

through stages of development and are ultimately a looping function (e.g., the output of the controlling function that serves as input of the planning function).

Planning: Planning is the analysis of both the internal and external environments takes into account the results of

controlling activities and forces outside of the organization, and includes setting goals, and formulating strategies and policies.

Organizing: Organizing is a function in which the synchronization and combination of human, physical, and financial resources take place. All three resources are integral to getting results, and organizing determines how these resources are deployed.

Leading: Leading, or directing, is a process in which management

instructs, guides, and oversees the performance of the workers by communicating, inspiring, and empowering them towards the planned objectives.

Figure 1-2 Functions of Management



Controlling: Controlling involves establishing performance standards, measuring performances against set goals and plans to show where deviations from the standards exist, and helping to correct those deviations.

Professor Peter Drucker, widely considered the father of modern management, divided the job of a manager into five basic tasks. The manager, he wrote, must shoulder the following five responsibilities:

1. **Set objectives:** The manager sets goals for the group and decides what work needs to be done to meet those goals.
2. **Organize:** The manager divides the work into manageable activities and selects workers to accomplish the tasks that need to be done.
3. **Motivate and communicate:** The manager creates a team out of his employees through decisions on compensation, placement, promotion, and through his communications with the team. Drucker also referred to this as the “integrating” function of the manager.
4. **Measure:** The manager establishes appropriate targets and yardsticks, and analyzes, appraises, and interprets performances.
5. **Develop people:** With the rise of the knowledge worker, this task has taken on added importance. In a knowledge economy, people are the company’s most important asset, and it is up to the manager to develop that asset.³

While other management experts may use different terms and focus on different aspects of these responsibilities, Drucker’s

basic description of the manager’s job still holds and correlates to the four functions discussed earlier.

Management is an art & a science

Management is a science in the sense that it has developed a systematic body of knowledge that contains general guiding principles and methods. In fact, the discipline derived through scientific investigation and research that was based upon logic and cause and effect relationships. In the early 1900s, via the scientific method, Frederick W. Taylor determined the one best way for a job to be done, and became known as the father of scientific management. Frank and Lillian Gilbreth contributed to the field with time-and-motion studies, while Henry Gantt developed scheduling charts that are the foundation of today’s project management.

Statistical and mathematical insights were imported from sociology, psychology, and the military forming the basis of the field of operations management and research. Other concepts that were influenced include business process re-engineering, mathematical optimization, material requirement planning, Six Sigma, queue theory, management by objectives, and the waterfall method of software development.

Management is also concerned with building relationships, motivating, leading, working with teams, and managing conflicts – activities that fall under the field of organizational behavior, which is a type of social science. The work of early contributors, like social psychologists Abraham Maslow and Douglas McGregor, became the foundation of contemporary motivation theories.

Art, on the other hand, is about accomplishing results through the application of skills. It is defined as the skillful application of knowledge through inherent capacity, discipline, practice, and experience. In this sense, management is certainly an art as managers use their skills, knowledge, intuition, judgment, and experience in solving structured and non-structured problems in the process of accomplishing a company's goals.

Thus, managers take the knowledge from management's scientific side, and apply it to real life business situations in order to set goals, identify problems, find solutions, make decisions, and generate and sell products and services. There are six types of artful skills managers are expected to master:

1. **Conceptual skills:** The ability to visualize or see the organization as a whole, a system of interrelated parts, conceptual skills help the manager identify the causes of problems, not the symptoms. It helps s/he solve the problems for the benefit of the entire organization. According to Robert Katz, conceptual skills are mostly required by top-level management because they spend more time planning, organizing, and problem-solving.⁴ A manager with sharp conceptual skills is able to analyze and study a complex situation deeply, and develop strategies for smooth functioning of the organization as a whole. This skill has an influence on problem-solving and decision-making—the next skills on the list.
2. **Problem-solving and decision-making:** In order for a manager to be successful, s/he must be able to make quick and correct decisions, and must also be able to implement decisions wisely, applying intuitive, logical, and critical thinking skills. A manager should know how to identify a problem and possess

an ability to find a best solution for solving it. This requires intelligence, experience, common sense, and up-to-date knowledge of the latest developments in a field. These skills are so critical that Chapter Seven is dedicated to them.

3. **Technical skill:** Technical skill is the ability to perform a given job proficiently. Technical skills help managers use various tools, techniques, and procedures. First-line managers require more technical skills compared to upper-level managers who tend to use more conceptual skills. At minimum, a manager must be proficient in computer applications used in business, such as document processing, databases, spreadsheets, and presentations, in addition to those used in functional areas of the business (e.g., accounting, finance, and marketing). Furthermore, a manager should be well-versed in the use of tools and equipment needed in his/her work.
4. **Interpersonal communications:** Communication skills are required equally at all three levels of management. A manager must be able to communicate plans and policies to workers. Similarly, s/he must listen in order to effectively solve the problems of said workers. Communication should happen sideways with coworkers and customers, and vertically with top management and non-managerial employees. A manager with good communication skills is able to instruct as well as actively listen. At a certain level in a business, management lives and dies by their social abilities. Knowledge of a particular field can get you in the door, but social intelligence gets you to the top.
5. **Leadership:** Leadership requires the ability to influence human behavior. A manager requires leadership skills to motivate workers so the job can be accomplished. A leader recognizes the strengths and weaknesses of his/her team members, and

allocates tasks accordingly. Effective managers should strive to build personal relationships with their team wherein trust and value are shared. Valued employees are more willing to get the job done properly. Leadership is about molding and welding the attitudes and behavior of people at work for the accomplishment of specific goals in a changing environment.

6. Creativity: Creativity is the willingness to think outside of the box to produce something that is innovative and which requires a combination of intelligence and imagination. Creativity also involves the ability to produce useful and novel ideas that enhance the quality of viable alternatives when making decisions.

The importance of these six skills vary by managerial level. Technical skills are most important early in a career. Conceptual and decision-making, and creativity skills become more important than technical skills as workers rise higher in the company. But interpersonal skills are important throughout a career at every level of management.

It may be noted that there are other kinds of skills required for managers and they are not discussed here. For example, top and middle managers need to have diagnostic and analytical skills. Diagnostic skill is the ability to acquire, analyze, and interpret information to determine the cause of change either in inputs or outputs or in the transformation process. Analytical skill, which is complementary to diagnostic skill, is the ability to determine the cause of change and to either provide corrective action or take advantage of the situation.

The art and science of management go hand in hand. As an artist, managers must depend on their intuition, judgment, and experience. As a scientist, managers rely on the theory of

management. Thus, it is said that management is the oldest of arts and the youngest of sciences.

1.3 Roles of managers

How do managers spend their time? What do they actually do? A classic study of top executives, conducted by world-renowned business and management academic Henry Mintzberg, found that managers spend their time engaging in ten key activities or roles, falling into three categories: interpersonal, informational, and decisional.⁵

The following three tables summarize these roles. Though the study was conducted decades ago, it remains highly relevant as a description of what executives do. And even though the study focused on top executives, managers at all levels engage in each of these activities. While reviewing the tables, ask yourself which of these activities you enjoy most (and least)? Where do you excel (and not excel)? Which would you like to improve?

In the real world, these roles overlap and a manager must learn to balance them in order to manage effectively. While a manager's work can be analyzed by these individual roles, in practice they are intermixed and interdependent.

Mintzberg also found that, although individual capabilities influence the implementation of a role, it is the organization that determines the need for a particular role, addressing the common belief that it was predominantly a manager's skill set that determines success. Effective managers develop protocols for action given their job description and personal preference, and then match these with the situations at hand.

Table 1-1 Interpersonal roles

Interpersonal Roles	Description	Examples A manager who...
Figurehead	Symbolic head. Performs social, ceremonial and legal duties	Attends ribbon cutting ceremonies. Greets visitors, sign legal documents, hosts receptions.
Leader	Motivates and develops subordinates. Fosters a proper work environment.	Interacts with subordinates. Inspires workers to give their best and work in teams. Mentors employees.
Liaison	Develops and maintains a network on external contacts to gather information.	Communicates through IM, email, phone calls, meetings. Makes contact with suppliers, managers of similar organizations, government or trade organizations.

Table 1-2 Informational roles

Informational Roles	Description	Examples A manager who...
Monitor	Seeks out information related to the organization. Scans the environment for information, interrogating liaison contacts and subordinates and receiving unsolicited information	Reads major trade journals and business magazines. Maintains personal contact with stakeholders.
Disseminator	Transmits privileged, factual and value-based information to subordinates. Communicates potentially useful information to colleagues.	Forwards information to organization members via memos, reports, and meetings.
Spokesperson	Represents and speaks for the organization on performance and policies.	Gives a speech to chamber of commerce members about the organization, or lobby for an organization cause. Handles communication with media in a crisis situation.

Table 1-3 Decisional Roles

Decisional Roles	Description	Examples A manager who...
Entrepreneur	Voluntarily designs and initiates changes in an organization. Searches for opportunities and initiate projects.	Identifies new ideas. Implement innovations. Creates new products and design strategies on how to sell them.
Disturbance handler	Involuntary responds to pressures. Deals with unexpected events, operational breakdown, and conflicts.	Takes corrective actions during disputes or crises. Resolves conflict among subordinates.
Resource Allocator	Decides who will get what. Controls and authorizes use of organizational resources. Designs a unit's structure.	Approves plans, prepares budgets, sets schedules and determines priorities.
Negotiator	Participants in negotiation activities with other organizations and individuals.	Represents the department during negotiations of union contracts, sales, purchases, and budgets.



Google Sign, Robert Scoble.

Case Study: The Untold Story of Google

One day in July 2001, Larry Page decided to fire Google's project managers. All of them. It was just five years since Page, then a 22-year-old graduate student at Stanford, was struck in the middle of the night with a vision. In it, he somehow managed to download the entire Internet, and by examining the links between the pages, he saw the world's information in an entirely new way.

As with most startups, during Google's first year, there were no management layers between the CEO, Page, and the engineers. However, as the company grew, it added a layer of managers—people who could meet with Page and the rest of Google's senior executives and give the engineers prioritized orders and deadlines.