Chapter 1

Management

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Learning outcomes

1. Describe what management is.

Good management is working through others to accomplish tasks that help fulfil organisational objectives as efficiently as possible.

2. Explain the four functions of management.

Henri Fayol’s classic management functions are known today as planning, organising, leading and controlling. Planning is determining organisational goals and a means for achieving them. Organising is deciding where decisions will be made, who will do what jobs and tasks and who will work for whom. Leading is inspiring and motivating workers to work hard to achieve organisational goals. Controlling is monitoring progress toward goal achievement and taking corrective action when needed. Studies show that performing these management functions well leads to better managerial performance.

3. Describe the different kinds of managers.

There are four different kinds of managers. Top managers are responsible for creating a context for change, developing attitudes of commitment and ownership, creating a positive organisational culture through words and actions and monitoring their company’s business environments. Middle managers are responsible for planning and allocating resources, coordinating and linking groups and departments, monitoring and managing the performance of subunits and managers, and implementing the changes or strategies generated by top managers. First-line managers are responsible for managing the performance of non-managerial employees, teaching direct reports how to do their jobs, and making detailed schedules and operating plans based on middle management’s intermediate-range plans. Team leaders are responsible for facilitating team performance, managing external relationships and facilitating internal team relationships.

4. Explain the major roles and sub-roles that managers perform in their jobs.

Managers perform interpersonal, informational and decisional roles in their jobs. In fulfilling the interpersonal role, managers act as figureheads by performing ceremonial duties, as leaders by motivating and encouraging workers, and as liaisons by dealing with people outside their units. In performing their informational role, managers act as monitors by scanning their environment for information, as disseminators by sharing information with others in the company, and as spokespeople by sharing information with people outside their departments or companies. In fulfilling decisional roles, managers act as entrepreneurs by adapting their units to incremental change, as disturbance handlers by responding to larger problems that demand immediate action, as resource allocators by deciding resource recipients and amounts, and as negotiators by bargaining with others about schedules, projects, goals, outcomes and resources.

5. Explain what companies look for in managers.

Companies do not want one-dimensional managers. They want managers with a balance of skills. They want managers who know their stuff (technical skills), are equally comfortable working with blue-collar and white-collar employees (human skills), are able to assess the complexities of today’s competitive marketplace and position their companies for success (conceptual skills), and want to assume positions of leadership and power (motivation to manage). Technical skills are most important for lower-level managers, human skills are equally important at all levels of management and conceptual skills and motivation to manage increase in importance as managers rise through the managerial ranks.

6. Discuss the top mistakes that managers make in their jobs.

Another way to understand what it takes to be a manager is to look at the top mistakes managers make. Five of the most important mistakes made by managers are being abrasive and intimidating; being cold, aloof or arrogant; betraying trust; being overly ambitious; and failing to build a team and then delegate to that team.

7. Describe the transition that employees go through when they are promoted to management positions.

Managers often begin their jobs by using more formal authority and less people management. However, most managers find that being a manager has little to do with ‘bossing’ their subordinates. After six months on the job, the managers were surprised at the fast pace and heavy workload and that ‘helping’ their subordinates was viewed as interference. After a year on the job, most of the managers had come to think of themselves not as doers, but as managers who get things done through others. And because they finally realised that people management was the most important part of their job, most of them had abandoned their authoritarian approach for one based on communication, listening and positive reinforcement.

8. Explain how and why companies can create competitive advantage through people.

Well-managed companies are competitive because their workforces are smarter, better trained, more motivated and more committed. Companies that practice good management have greater sales revenue, profit and stock market performance than companies that don’t. Plus, good management matters because it leads to satisfied employees who, in turn, provide better service to customers. Because employees tend to treat customers the same way that their managers treat them, good management can improve customer satisfaction.

Terms

|  |  |  |
| --- | --- | --- |
| Conceptual skills  | Human skills  | Negotiator role  |
| Controlling  | Leader role  | Organising  |
| Disseminator role  | Leading  | Planning |
| Disturbance handler role  | Liaison role  | Resource allocator role  |
| Effectiveness  | Management  | Spokesperson role  |
| Efficiency  | Middle managers  | Team leaders  |
| Entrepreneur role  | Monitor role  | Technical skills  |
| Figurehead role  | Motivation to manage  | Top managers  |
| First-line managers  |  |  |

Lesson plan for lecture

|  |  |
| --- | --- |
| Pre-class prep for you: | Pre-class prep for your students: |
| * Prepare syllabus
* Bring PPT slides
 | * Buy book
 |
| Warm up | * Introduce self
* Hand out syllabus and go over details
* Begin Chapter 1 by asking students ‘What is management?’ (Begin to write their ideas on a board or other device so that a cumulative definition can be derived.)
 |
| Content delivery | Note where you stop so you can pick up again next time. Adjust lectures to include the activities – some should be done before introducing the concept, some after.

|  |  |  |
| --- | --- | --- |
| Topics  | PowerPoint slides  | Activities |
| What is management? |
| * Management is ...
* Management functions:
* Planning
* Organising
* Leading
* Controlling
 | * What is management?
* Management functions
* Planning
* Organising
* Leading
* Controlling
* The control process
 | Ask students who have been or currently are managers to explain what managers do. Write their comments on the board (organise by management function). Use this to lead into the four management functions. |
| What do managers do? |
| * Kinds of managers
* Top managers
* Middle managers
* First-line managers
* Team leaders
* Managerial roles
* Interpersonal
* Informational
* Decisional
 | * Types of managers
* Top managers
* Middle managers
* First-line managers
* Team leaders
* Mintzberg’s managerial roles
* Interpersonal roles
* Informational roles
* Decisional roles
 | Ask the class to give specific examples of each of these types (using titles). |
| What does it take to be a manager? |
| * What companies look for in managers
* Mistakes managers make
* The transition to management: the first year
 | * Skills companies look for in managers
* Management skills
* Common mistakes managers make
* Transition to management
 | * Ask the class or lecture about the qualities that good managers have
* Discuss common mistakes managers make
* Discuss your own experience during your first year as a manager or have students do this
 |
| Why management matters |
| Competitive advantage through people | * Competitive advantage through people
 | * Ask the class how a company could benefit from good management
* Discuss the competitive advantage companies can gain through their people. Give examples
 |

 |
| Special items | Spark a quick discussion by asking students to respond to the following statement: ‘The only way to learn how to manage is to manage.’ Make sure students support their answers. |
| Conclusion and preview | Assignments: 1. Tell students to be ready at the next class meeting to discuss or answer questions on the Management decision ‘Betting on an employee’ (located on Mindtap).
2. If you have finished covering Chapter 1, assign students to review Chapter 1 and the next chapter on your syllabus.

Remind students about any upcoming events. |

Lesson plan for tutorial

|  |  |
| --- | --- |
| Pre-class prep for you: | Pre-class prep for your students: |
| * Prepare syllabus
* Set up the classroom so that small groups of 4–5 students can sit together
 | * Buy book
 |
| Warm up  | 1. Introduce self
2. Hand out syllabus and go over details
3. Begin Chapter 1 by asking students
4. ‘What is management?’ (Begin to write student’s ideas on a board or other device so that a cumulative definition can be derived)
 |
| Content delivery | * Lecture on ‘What is management?’ (LO1 and LO2)
* Break for the following group activity:

|  |
| --- |
| Management functions1. Divide the class into small groups.
2. Have each group describe how they would use the four functions of management to plan a big party on campus: (1) making things happen; (2) meeting the competition; (3) organising people, projects and processes; (4) leading.
3. Have groups share their work with the whole class.
 |

Before lecturing on next section, do the following activity:

|  |
| --- |
| Management levels1. Put the class back into small groups.
2. Give each group a sample organisational chart of a real or fictional company. (Chapter 9 has numerous examples of organisational charts.) Try to use a company in an industry familiar to your students.
3. Have each group identify which levels are considered top management, which are considered middle management, and which are considered first-level management.
4. Have groups share their work with class.
 |

* Lecture on ‘What do managers do?’ (LO3 and LO4)
* Ask students, ‘What does it take to be a manager?’ and write responses on board or overhead.
* Lecture on ‘What does it take to be a manager?’ (LO5–LO7) then review the list on the board in light of the chapter content.
* Ask students, ‘Does management matter?’ If they say no, suggest they might consider that management does matter.
* Lecture on ‘Why management matters’
* Depending on the amount of time left, give students a chance to ‘pull it all together’ with the following activity:

|  |
| --- |
| Betting on an employee1. Divide students into small groups.
2. Tell them to read the Management decision (see Mindtap).
3. Discuss case questions as a group.
4. Have students share the results of their discussions with the whole class.
 |

 |
| Special items | Spark discussion by asking students to respond to the following statement: ‘The only way to learn how to manage is to manage’. Make sure students back up their answers. |
| Conclusion and preview | Assignments: 1. Have students research job listings for managers to determine what companies look for in managers. Suggest they consult online sources like monster.com.au and seek.com.au, as well as print publications like *Financial Review*, *The Age*, *The Sydney Morning Herald* and *Business Review Weekly*. Have them make a list of descriptors that seem to indicate companies are looking for certain qualities in applicants for management positions.
2. If you have finished covering Chapter 1, assign students to read Chapter 1 and the next chapter on your syllabus.

Remind students about any upcoming events. |

Management workplace video assignment

Management workplace videos can support several in-class uses. In most cases you can build an entire 50-minute class around them. Alternatively, they can provide a springboard into a group lesson plan. Students can access these videos via Mindtap.

Video: Camp Bow Wow

*Innovative management for a changing world*

Summary

Sue Ryan, a Camp Bow Wow franchisee from Colorado, knows the ins and outs of managing a care centre for pets. To help launch her business a few years ago, Ryan recruited experienced pet care worker Candace Stathis, who came on as a camp counsellor. Ryan soon recognised that Stathis was a star performer with a natural ability to work with clients and pets alike and today Stathis serves as the camp’s general manager. At Camp Bow Wow, store managers have distinct roles from camp counsellors. Whereas counsellors typically take care of dogs, answer phones and book reservations, managers must know how to run all operations and mange people as well. To keep camp running as efficiently as possible, Stathis maintains a strict daily schedule for doggie baths, nail trimmings, feedings and playtime.

Discussion questions

1. Identify three skills that companies look for in managers and explain which might be most needed for the Camp Bow Wow leaders highlighted in the video.

The three general categories of management skills are conceptual skills, human skills and technical skills. Conceptual skill, which is the most important skill category for top managers, is the cognitive ability to see the organisation as a whole system and the relationship among its parts. Human skill, which is highly important for middle managers, is the ability to work with and through other people and to work effectively as a group member. Technical skill, which is most important for first-line managers and non-managers, is the understanding of and proficiency in the performance of specific tasks.

While all managers at Camp Bow Wow require some degree of each of the three skill sets, Camp Bow Wow franchise owner Sue Ryan needs to have well-developed conceptual skills to think strategically about her business, to understand how it interacts with market trends and to manage the ongoing relationship with corporate headquarters. General Manager Candace Stathis needs to specialise in human skills—especially as the primary person responsible for building good relationships with clients. Camp counsellors at Camp Bow Wow need to have technical skill in managing dog care and general office work.

1. Which activities at Camp Bow Wow require high efficiency? Which activities require high effectiveness?

Effectiveness is the degree to which the organisation achieves a stated goal; efficiency refers to the amount of resources used to achieve an organisational goal. A high performance company is one that achieves organisational goals to the maximum extent possible (effectiveness) while making the best use of limited resources (efficiency). According to Candace Stathis, the dog care tasks at Camp Bow Wow require high efficiency so that everything gets done on time and according to schedule. In contrast, she says customer service needs to be effective but not necessarily efficient, since overemphasis on efficiency could interfere with quality customer interactions. ‘Customer service has to be effective as opposed to efficient because it’s important for the owners to know that you care about their dogs,’ Stathis said. ‘If you’re just trying to be efficient, then it’s not going to make them want to come back, and it’s not going to make them feel that you know them or their dog’. She points out that the hardest part of her job is trying to juggle the customer service side of the business with the pet care side.

1. List two activities that leaders at Camp Bow Wow perform daily and identify which of the managerial roles discussed in the chapter figure prominently for each.

Answers will vary, but Candace Stathis performs the interpersonal roles of figurehead and liaison whenever she meets with dog owners. Owner Sue Ryan performs the decisional roles of entrepreneur and resource allocator in starting a franchise business and hiring managers and counsellors to help her operate the new business.

Media quiz solutions

Students can access the media quizzes via Mindtap.

**Video segment title:** Management skills and positions

1. According to Sue, the owner of Camp Bow Wow in Boulder, Colorado, which of the following did she learn from the most about being a manager?
2. A previous supervisor who was not easy to work with.
3. Her years of experience as a customer service representative.
4. The flat organisational structure of Camp Bow Wow.
5. Her subordinates in the various organisations that she worked for.

Correct answer:a

Feedback: The number one mistake made by derailers (managers who were successful early in their careers but were knocked off the fast track by the time they reached the middle to upper levels of management) was that they were insensitive to others by virtue of their abrasive, intimidating and bullying management style. According to Sue, she had a manager who was not easy to work with but who taught her an incredible amount. Read the section ‘Mistakes managers make’ in Chapter 1.

1. In an organisation, the negotiator role involves negotiating schedules, projects, goals, outcomes, resources and employee raises. At Camp Bow Wow this includes taking care of dogs, answering phones, booking reservations, etc. Based on what you know from watching the video, who within Camp Bow Wow fulfils this role?
2. All managers share this role.
3. No managers demonstrate having this role.
4. Candace Sladlace, Camp Bow Wow's manager.
5. Sue, the owner of Camp Bow Wow.

*Correct answer:* d

*Feedback:* Sue the owner of Camp Bow Wow fulfils the negotiator role in the company. Read the section ‘Managerial roles’ in Chapter 1.

1. According to Candace, Camp Bow Wow's manager, it is not as important for the customer service to be efficient as it is to be:
2. productive.
3. effective.
4. profitable.
5. methodical.

*Correct answer:*b

*Feedback:* Efficiency is getting work done with a minimum of effort, expense or waste. By itself, efficiency is not enough to ensure success. Managers must also strive for effectiveness, which is accomplishing tasks that help fulfil organisational objectives, such as customer service and satisfaction. Read the section ‘Management is …’ in Chapter 1.

Assignments and activities

Management decision

Betting on an employee

Although you’ve been in your new executive management position for barely a year, you have had abundant opportunities for decision-making. You have had the final say on a new advertising campaign, an employee bathroom remodel and the selection of the company’s uniform vendor. You’ve met with community leaders to discuss your company’s participation in a fundraiser for a local charity providing food for homeless people, and with the press to announce your company’s plan to bring 50 new jobs to the area. Surprisingly, however, you’ve had little experience with human resources issues.

But that changed this morning, when a colleague mentioned that a relatively new executive assistant named Andrew had taken a second job with another company in the evenings (moonlighting). Andrew has been at your company for only three months, but in that time has proved to be reliable, resourceful and intelligent.

‘He’s doing well, though. Doesn’t he like his job here?’ you asked your colleague.

‘He does, but he can earn an extra $250 a week at the second job. He says he’s saving to go back to university,’ she responded.

‘Oh,’ you replied. ‘Well, I’ll talk to him.’

Andrew is fast becoming a valuable employee, but the company has a policy against moonlighting. You expect your employees to give their best each day on the job. If they spend what would otherwise be leisure time working for someone else, they won’t be fresh, alert and productive when they come to work for you. At the same time, you remember how you worked several jobs to save money for your postgraduate degree. If you had been able to make enough money at one job, you wouldn’t have pushed yourself to work three. You think briefly about giving Andrew a raise, but then recall that the company’s policy is not to review new employees for raises or promotions until they’ve spent at least six months on the job. Andrew is only halfway there. Still, it would be a shame to see such a promising employee lose his spark from overwork and fatigue.

Questions

1. How is this decision representative of your job as a manager and your transition into that position?
2. Do you break the company policy and give Andrew a raise three months early, or not? If not, how do you handle the situation of Andrew having a second job? Explain your decision.
3. Regardless of Andrew’s situation, would it be better in the long run for your company to continue or end its ‘no moonlighting’ policy?

Instructor notes

Suggested solutions

There are many potential answers to this scenario, but key elements are as follows:

1. As a new executive manager you will need to make decisions on things that affect a large number of people as well as intervene and make a decision on something that affects just one person. The scope of your decision-making is now quite broad and involves you making decisions on things that you don’t necessarily have much experience with.
2. Some advantages include basically guaranteeing that Andrew will increase his loyalty, pride, trust and commitment to his job, supervisor, and organisation, as well as seeing other organisational citizenship behaviours such as helping other employees, having a positive attitude and increasing his performance. Further, he will have lower turnover intentions and lower levels of deviance and unethical behaviour. Disadvantages may include other employees feeling entitled to the same benefits that Andrew is getting (i.e. they also want a raise before the customary period) and if they are denied the raise then they may engage in negative outcomes (e.g. leave the organisation, shirk their responsibilities or exhibit deviant and/or unethical behaviour.

This decision is up to the student. Encourage the students to give reasons for and against this decision. If the student decides to give Andrew the raise, then they should address with Andrew whether he should keep his second job or not (e.g. Andrew is given a raise under the proviso that he does not keep his second job or have additional jobs in the future). If the student decides not to give Andrew the raise, then they still need to decide whether Andrew should keep his second job or not. If the student decides that Andrew should give up his second job, then they need to be aware that Andrew might exhibit some of the negative outcomes outlined in the aforementioned question.

1. This ‘no moonlighting’ policy is tricky. Traditional jobs where the individual needs to be physically in the office or place of work are easy to police (i.e. they are either there or not). However, many jobs these days are done virtually (i.e. you can work from home). Further, are employees able to run businesses from home (e.g. selling things on eBay, Etsy or somewhere else online, or even cleaning houses or mowing lawns) and earning extra income that way? Or are they only banned from being employed by someone else? Further, is the organisation permitted to tell Andrew how to spend is time away from the office? If Andrew manages his time effectively so that the moonlighting doesn’t get in the way of his job, should it matter that he has a second job?

Practice being a manager

Explore the field of management

Management is a wide ranging and exciting area of work. One way to gain a sense of the possibilities is to study the advertisements for management job openings. Companies advertise their management openings in a variety of ways, including print advertisements in such newspapers as *The Age*, *The Sydney Morning Herald* and *The Australian* (Similarly these ads appear in *The South China Morning Post* in Hong Kong, *The New Straits Times* in Malaysia, the *Straits Times* in Singapore and online ads at job sites such as: <http://www.careerone.com.au/> and <http://www.seek.com.au/> (also <http://www.monster.com.hk> in Hong Kong, <http://www.monster.com.my> in Malaysia and <http://www.monster.com.sg> in Singapore)

**Step 1: Find a job you’d like to have:** Search through the newspaper and online ads and locate several detailed job descriptions for management positions. Select the one that you find most appealing – a job that you could picture yourself interviewing for either in the near future or later in your career. Do not be too concerned about your current qualifications in making your selection, but you should see realistic prospects of meeting the qualifications over time (if a job requires an MBA, for example, you should see yourself completing this degree sometime in the future). Print your selected detailed job description and bring it to your next class session.

**Step 2: Share your job description:** In class, your tutor or lecturer will assign you to a pair or group of three. Write your name on your selected management job description and exchange your job description with your partner(s). Each member of the pair or trio should now have a job description other than their own.

**Step 3: Think like a hiring manager:** Read the job description you received from your partner. Imagine that you are the manager responsible for hiring someone to fill this position. A human resources specialist in your company has already screened the applicants’ resume and background. Thus, you may assume that your partner has met all the basic qualifications for the job. Your job as a senior manager is to ask questions that might go beyond the resume to the person – what might you ask to learn if someone is well-suited to thrive in this management job, and in your company?

**Step 4: Take turns interviewing:** Each member of the group should be briefly interviewed (5–10 minutes) for the job they selected.

**Step 5: Debrief:** Discuss your experiences with your partner(s). What was it like to be interviewed for your selected position? What was it like to role-play interviewing someone for a management position? Now imagine the real thing. Brainstorm about how you might prepare yourself over time to be the top candidate for an attractive management position, and to be a senior manager responsible for hiring the best qualified managers for your company.

Instructor notes

Exercise overview and objective

In this exercise students will locate an interesting advertisement for a management job opening, bring the advertisement to class and then participate in a job-interview exercise involving these advertised positions. The objective of this exercise is to encourage students to explore the field of management. This exercise should also help students identify some particular areas of interest and curiosity within the field of management.

Preparation

Assign Step 1 at least one class session prior to the session in which you would like to complete this exercise. Students will need a day or two to locate an interesting management job advertisement. Strongly encourage students to spend some time scanning the job descriptions in such major outlets as:

* *The Age* (or your local paper, see above for suggested other papers)
* Monster.com.au (there are local version of this site in many countries)
* Seek.com.au (there are also local variations in many countries – some are also in local languages).

This exercise is more effective to the extent that students gain a sense of the ‘horizon’ of possibilities in the field of management, and then select a position opening which they find particularly interesting. Be sure to reinforce that students must bring their printed job advertisements to class on the day you are conducting this exercise (i.e. homework points for bringing ad).

In-class use

Think ahead about how you would like to form student pairs and/or threes. This exercise provides an opportunity for students who do not know each other to meet and interact early in the course of the semester. Random assignment or some similar ‘mixing’ approach will work best here.

The exercise includes instructions to students for exchanging job advertisements and preparing to interview their partner(s). Remind students that they are not focusing on qualifications for the job (e.g. degree/diploma, work experience). The exercise instructions inform them that they should assume that their partners meet the basic job qualifications. These interviews should explore the ‘match’ between the person interviewed and this particular job/company.

You may want to provide students with an example or two of appropriate questions, such as:

* ‘What are some of your longer-term dreams and aspirations?’
* ‘When you are given an individual project or assignment in school or in previous jobs, what is your typical approach to completing it? What about a team/group project?’
* ‘What interests you about this job/company?’

Interview should be brief, and probably will not require more than 10 minutes per pair. Encourage students to treat the situation as much like a ‘real’ interview as possible and also to be themselves. They may notice the tension here – interviewing often brings out ‘cliché’ or expected answers (e.g. ‘My weaknesses? Well, I tend to push for perfection in my work …’), and yet open and honest communication is needed to arrive at a good match. The focus for this assignment, of course, is not on interviewing per se. Rather, we are using interviews as a tool for exploring the field of management and students’ areas of interest and curiosity.

Step 5 in the exercise instructions calls for students to debrief the exercise with their partner(s). If pressed for time, you may skip this step and debrief as a class. However, the debriefing among partners allows for deeper processing. Partners may help each other to see some patterns in their question/response (e.g. ‘we are both interested in internet companies,’ or ‘we noticed that many management job advertisements include requirements for international experience or study abroad’).

You may want to use more ‘formal’ (written) debriefing by each of the sets of partners in this exercise. This may encourage students to establish good ‘process’ habits for subsequent experiential exercises (e.g. good note taking, thoughtful discussion). One simple approach is to require the partners to write 3 to 5 observations/conclusions on a 3x5 note card. Cards may be scored based on evidence of thoughtful discussion and connections made to the reading (Chapter 1).

Here are some suggested questions for class debriefing:

* What did you notice in your scan of management advertisements? See any patterns? Any surprises?
* Did you and your partner have more similar job interests, or more different job interests? Do you think that the field of management accommodates a wide range of interests and specialisations? Why, or why not?
* How might you prepare yourself for the real thing – interviewing for a management position in which you have a keen interest? What learning and experiences might be important to your development as a person qualified to be a manager/leader?

Additional assignments and activities

Out-of-class project: career skills requirements

This activity is a companion to the assignment in the group work lesson plan. For this project, each student in a group should research a career in which they are interested. The research should focus on the skills necessary to succeed in this career: technical, human and conceptual skills. Students can use secondary sources or interview people who currently have these careers. Students should then share what they’ve found with their group members in class.

Management skills

Go to the Google’s careers website (<https://careers.google.com/>) and select a job in which you would be interested. Read the job description and job qualifications. Where is the job located? What does the job entail? Put together an action plan of what you would need to do in order to be qualified for this job, including the education and/or training you need as well as the development of certain skills.

Management levels and types

Go to the of the City of Port Phillip website at <http://www.portphillip.vic.gov.au/organisation_structure.htm> where you will find a diagram of the organisation structure that shows the organisational chart of the city. Determine who would be considered: (1) top management, (2) middle management and (3) first-level management. Do you think team managers could also be used in this city?

Competitive advantage through people

Go to the *Fortune* magazine website at <https://fortune.com/rankings/> and you will find a list of special *Fortune* rankings. Select the ‘World’s Most Admired Companies’ list, then select one company and skim the various articles about the company. What criteria were used to judge companies? Why do you believe this company made this list? What specific management issues make this company so admired?

Management consulting

Go to the website of the Boston Consulting Group Australia and New Zealand, one of the world’s leading consulting companies, at <https://www.bcg.com/en-au/default.aspx>. What are the company’s areas of expertise? Which of these areas involves management consulting? Provide a one-page description of BCGANZ and its management consulting services.

Management careers

Search the internet for five different management careers. These careers can include:human resource manager, strategic planner, operations manager, marketing manager, engineering manager, etc. Write a paragraph describing the duties that each of these careers might involve.

Video activities

**Title:** Business environments & the four functions of management.

**Location:** <https://study.com/academy/lesson/business-environments-the-four-functions-of-management.html>

**Concept:** Planning, organising, leading, controlling.

**Clip description:** This clip provides a detailed explanation of the four functions of management.

**Question for discussion:** Apply the four management functions to your current job or hobby.

**Title:** Management in organizations: top, middle & low-level managers.

**Location:** <https://study.com/academy/lesson/management-in-organizations-top-middle-low-level-managers.html>

**Concept:** Management hierarchy.

**Clip description:** This clip provides a detailed explanation of the different levels of management in organisations.

**Question for discussion:** What type of tasks might each level of management undertake?

**Title:** Henry Mintzberg's managerial roles.

**Location:** <https://study.com/academy/lesson/henry-mintzbergs-managerial-roles.html>

**Concept:** Organisational structure.

**Clip description:** This clip provides a detailed explanation through Mintzberg’s four identified main management roles.

**Question for discussion:** What are Mintzberg’s roles with regard to the four functions of management? Discuss.

**Title:** Managerial skills: how good managers promote productivity.

**Location:** <https://study.com/academy/lesson/managerial-skills-how-good-managers-promote-productivity.html>

**Concept:** Management is ...

**Clip description:** This clip provides a broad overview of what it is that managers actually do.

**Question for discussion:** Provide an example of each of the types of skills required by managers.

**Title:** The 1% Solution – Tom Connellan on the difference between effectiveness vs efficiency

**Location:** <https://www.bing.com/videos/search?q=tom+connellan+difference+between+effectiveness+vs&&view=detail&mid=A68A489EE403E8A9C5D3A68A489EE403E8A9C5D3&&FORM=VRDGAR>

**Concept:** Efficiency versus effectiveness

**Clip description:** Tom Connellan discusses the roles and importance of effectiveness and efficiency.

**Question for discussion:** Should managers place more importance upon efficiency or effectiveness? Discuss

Review questions

1. Explain the difference between efficiency and effectiveness.

*Efficiency* is getting work done with a minimum of effort, expense or waste. By itself, efficiency is not enough to ensure success. Managers must also strive for *effectiveness*, which is accomplishing tasks that help fulfil organisational objectives, such as customer service and satisfaction.

1. What are the four management functions?

Henri Fayol’s classic management functions are known today as planning, organising, leading and controlling.

* Planning: determining organisational goals and a means for achieving them.
* Organising: deciding where decisions will be made, who will do what jobs and tasks and who will work for whom.
* Leading: inspiring and motivating workers to work hard to achieve organisational goals.
* Controlling**:** monitoring progress toward goal achievement and taking corrective action when needed.

Studies show that performing the management functions well leads to better managerial performance.

1. What are the main differences in the responsibilities of top managers versus middle managers?
* Top managers: lead the company toward an overall direction. They make the big picture, most important decisions for the company. Examples of top managers are the chief executive officer (CEO), the president or the chief operating officer (COO). In the military, the top manager would be a general or admiral.
* Middle managers: develop shorter-term goals and plans that help to fulfil overall goals developed by top managers. They lead divisions and departments in the achievement of these goals. Examples of middle managers include a plant manager, a division manager or a regional sales manager.
1. What distinguishes a first-line manager from a team leader?
* First-line managers: manage the work of entry-level workers. They must constantly motivate and manage the activities of many different people. Examples of first-line managers are shift supervisors at a restaurant and store managers.
* Team leaders: a relatively new type of management. Team leaders facilitate the process of a team’s projects and tend to manage laterally; that is, they manage people who do not necessarily formally report to them. They schedule the team’s work and help solve problems and represent the team’s efforts to other management. An example would be the leader of a new product development team that includes employees from different departments such as marketing, research and development, and production.
1. Describe the three principal managerial roles identified by Henry Mintzberg and give examples of each.

Managers play interpersonal roles, decisional roles and informational roles.

* Interpersonal roles: managers must be able to work with people across the organisation. They must be:
* figureheads who perform ceremonial duties or otherwise represent the areas they manage
* leaders who motivate and encourage workers to accomplish organisational objectives
* liaisons who deal with people outside their units.
* Informational roles: managers are responsible for obtaining and sharing information with the people they manage. They must be:
* monitors who scan their environment for information, actively contact others for information and receive a great deal of unsolicited information
* disseminators who share the information they have collected with their subordinates and others in the company
* spokesmen who share information with people outside their departments and companies.
* Decisional roles: managers must be able to make good decisions in a variety of areas. They must be:
* entrepreneurs who adapt themselves, their subordinates and their units to incremental change
* disturbance handlers who respond to pressures and problems so severe that they demand immediate attention and action
* resource allocators who decide who will get what resources and how many resources they will get
* negotiators who negotiate schedules, projects, goals, outcomes, resources and employee raises.
1. How do companies determine that employees would be good managers?
* Technical skills: the ability to apply the specialised procedures, techniques and knowledge required to get the job done. For example, the manager of product development at a semiconductor company must understand how to design integrated circuits.
* Human skills: the ability to work well with others. For example, a manager must encourage his or her subordinates to do their best by understanding what motivates each of them.
* Conceptual skills: the ability to see the organisation as whole, how the different parts of the company affect each other and how the company fits into or is affected by its external environment, such as the local community, social and economic forces, customers and competition. For example, a manager must understand how a government regulation will impact the business in the future or how the company will grow in the long run.
* Motivation to manage: the willingness to interact with superiors, participate in competitive situations, behave assertively toward others, tell others what to do, reward good behaviour and punish poor behaviour, perform actions that are highly visible to others and handle and organise administrative tasks.
1. How important is competence in the core managerial skills for the different types of managers?
* Technical skills: are especially important for first-line managers who supervise the workers who produce products or serve customers. Team leaders and first-line managers need technical knowledge and skills to train new employees and help employees solve problems. For example an engineering manager manages a department of engineers who design cars.
* Human skills: are equally important to all management levels. However, upper-level managers tend to spend more time with human skills. On average, first-line managers spend 57 per cent of their time with people, middle managers spend 63 per cent of their time directly with people and top managers spend as much as 78 per cent of their time dealing with people. For example a vice-president must negotiate with other vice-presidents on scarce resources.
* Conceptual skills: are especially important at the upper levels of management. These leaders must be able to create a vision of the company’s future, which requires great intelligence and conceptual ability. However, a lower-level manager with great conceptual skills may be viewed as having potential to rise in the organisation. An example is a CEO who must chart the long-term course of the company.
1. List the mistakes that managers commonly make. What distinguishes an arriver from a derailer?

The top 10 mistakes made by first-year managers are:

1. insensitive to others: abrasive, intimidating, bullying style
2. cold, aloof, arrogant
3. betrayal of trust
4. overly ambitious: thinking of next job, playing politics
5. specific performance problems with the business
6. over-managing: unable to delegate or build a team
7. unable to staff effectively
8. unable to think strategically
9. unable to adapt to boss with different style
10. over-dependent on advocate or mentor.

The researchers found that there were only a few differences between arrivers and derailers. For the most part, both groups were talented and both groups had weaknesses. But what distinguished derailers from arrivers was that derailers possessed two or more ‘fatal flaws’ with respect to the way that they managed people! Although arrivers were by no means perfect, they usually had no more than one fatal flaw or had found ways to minimise the effects of their flaws on the people with whom they worked.

1. Describe how managers typically change in their first year on the job.

At first, most new managers make the mistake of using formal authority and acting like a ‘boss’ and of seeing their jobs as managing tasks instead of people. After a few months in management, they discover that their initial expectations were wrong and discover the overwhelming workload and fast pace of their positions. Also, they see their roles as problem-solvers and trouble-shooters for their subordinates. Once they have become more seasoned, they see the importance of communicating, listening, giving positive reinforcement and begin delegating. They also see their jobs as developing people, not managing tasks.

As with any change, new managers must ‘grow into’ their jobs. The best way to become a good manager is to start managing.

1. How does the way a company is managed affect its competitive advantage?

An organisation’s most important resource is its people and how this resource is utilised will determine the success or failure of the organisation. By understanding and using good management practices, organisations can create significant competitive advantages in their own industries. Some of these practices include: employment security, selective hiring, self-managed teams and decentralisation, high pay contingent on company performance, extensive training, reduced status distinctions (between managers and employees) and extensive sharing of financial information.