

Introduction to management

Business, Management



Introduction to Management Management nowadays can be seen as one of the most important factors to determine the success of one's organisation or any business activities. Donnelly et al, (1987) emphasized that there are two important reasons on why we should study about management. The first reason is modern society today depends on specialised institutions and organisations to provide goods and services that we desire daily. These organisations are guided and directed by decisions of one or more individuals called " managers".

The managers have the authority and the responsibility to allocate society's resources to the various and often competing ends. Apart from that, the manager is the person in charge to build safe or unsafe products, services, protection, healthcare and knowledge. There is no one in the whole wide world that is neither a manager nor affected by the decisions of a manager. The second reason emphasized by Donnelly et al, (1987) is he finds individuals who are not trained as managers often find themselves in managerial positions.

There are many other reasons on why we need to study and understand about management. Basically management will help to increase future job opportunities by developing important technical, human and conceptual skills. The most important thing, by learning about management, it will help other people to understand and learn how to work well with their boss or superior to achieve the main objectives and targets. In organization perspective, a good management will reflects on the outcome of the productivity of the company.

Thus, it is one of the most important elements in all organisation, big and small, government or private sectors and also non-profit organisations.

Management can be divided into three difference levels of management.

However, the main functions and goals are still similar which is to accomplish desired goals and objectives using available resources efficiently and effectively. The first level is First Line Supervisors.

Manager in this category is the responsible person to manage the work of organisational member who are involved in the actual production or creation of the organisation's products or services. The second level is Middle

Managers. As the middle managers, this person is responsible to manage the work of first line managers and also to overlook the others as well in the team or group. The third level of management is the Top Managers.

Managers belongs to this groups is actually the most mportant person in one's organisation such as the Chief Executive Officer, Managing Director, Vice President, or those people in board chairs. Background of Study The main reason why I chose this topic because from my point of view, learning about management is actually the first step to understand more about any organisation or business activities which involves a lot of planning and execution of action plans. Apart from that, the knowledge about management can also be our guidelines in general especially when it comes to decision making in our daily routine.

This topic will help us to understand the application of standard operating policy and procedure in the business or organisation and how it works and how it can contributes to the success of the organization by considering the

methodology set by Henri Fayol and Henry Mintzberg. By the end of the analysis, we will understand about the roles of managers in our modern society and how they can help others to aim for the best align with their company missions and visions.

Once the missions are set by the top management, the managers will have to ensure that all the employees sharing the same targets, interest and expectations as it will automatically creates a healthy and positive environment at work. It is very important for each and everyone in the organisation to aim for the greater outcomes so that we can determine the success of the company by looking not only during their success of glory but also during their downfalls and how they handle problem when it comes to unexpected and undesirable situations which involves any of the products or its people and organisation.

Analysis of study 1. 1 Importance of Management An organisation is a goal-directed, deliberately structured group of people working together to achieve results. In all kind of organisations such as business, governmental, educational, religious and also the service sector required managers to help them to set up direction for other employees to follow as the guidelines. Targets or objectives can only be achieved by focusing on the efforts on how to achieve the target by considering all the resources efficiently and effectively. Management can be defined as the rocess of planning, organizing, staffing, leading or directing, and controlling an organisation or effort for the purpose of accomplishing a goal. While on the other hand, resourcing involved the process of deployment and manipulation of human

resources, financial resources, technological resources and natural resources. 1. 2 Managerial Functions : Four Different Functions by Henri Fayol There are many terms that can be described to define management. However, Henri Fayol emphasized that there are only four main functions that has actually work as the guidelines for most of the managers in many years.

The four different functions as per below; * Planning A process where the manager identifies and organisation's goals and strategies and also decides on what is going to happen in the future and generates plans for action as the guidelines * Organizing Implementation and execution of the action plans by using the available resources required to ensure the successful of meeting the main targets or objectives. * Leading A process of determining what needs to be done in any kind of situations and getting the other people to carry out the task in a timely manner, ensuring everything runs smoothly. Controlling Monitoring and checking the progress of the execution plans, ensuring the actions of organisational members are consistent with the organisation's values and standards 1. 3 Managerial Roles : Henry

Mintzberg's Managerial Roles and Subroles There are 10 important roles that need to be performed by the managers which can be categorized into three types. * Interpersonal Roles This role involves coordination and communication with the internal and the external party which the manager carries out the responsibility as the leader, liaison and figurehead roles. Informational Roles This role involves handling, sharing and analyzing the information received from internal or external party which the manager carries out the responsibility as the monitor, disseminator and spokesperson

roles. * Decisional Roles This role involves a process where decision making is very crucial in one's organisation which the manager carries out the responsibility as the resource allocator, negotiator, entrepreneur and crisis or disturbance handler role. 1. 3 Comparison between Fayol and Mintzberg theories

Management Functions| Henri Fayol(Definitions)| Henry Mintzberg(Roles & Subroles)| Planning| Identifying an organisation's goals, strategies and the appropriate organizational resources required to achieve them| * Entrepreneur * Negotiator * Spokesperson| Organizing| Ensuring the tasks have been assigned and a structure of organisational relationships created that facilitates meeting organisational roles| * Resource Allocator| Leading| Creating a healthy working environment by relating with others to achieve a better outcome that will lead to the achievement of organisational goals| * Leader * Liaison * Disseminator| Controlling| Ensuring organisational members actions are consistent with the organisation's values and standards| * Monitor * Disturbance/Crisis Handler * Figurehead| 1. 4

Formation of the business policies For any kind of businesses, the formation of business policies is very crucial as it will be the guidelines for both management and operation. The first step to start any business or organisation is to set the mission for the company's direction as it will be the main purpose of having the business.

Once the missions are set by the top management, the vision of the business will reflect the future directions of the organisation. The importance of being aware about the company's missions and visions are to ensure that every

level of management understands the main objectives of the business and also to ensure the success in achieving the main goals by implementing the standard operating policies and procedures. The business policy normally involves rules and regulations that have been stipulated clearly in a guidebook or employee guidelines handbook. These rules and regulations normally are set by using our Labour Law in Federal Constitutions as the guidelines.

The employee guidebook definitely will help the managers in decision making and also to make them more flexible and ensure both rights for employer and employee are being respected and understood by each and everyone in the organisation. Prior to that, business strategy is one of the most important areas that need to be taken seriously as it involves a lot of planning and execution. Business strategy consists of the plans of action that have been set up to achieve the long term objectives and goals and it aims for the success of the company's revenue and profit. The managers will use the business strategy as their guidelines to plan, to look for new potential and existing resources and also to fully utilize the factors of production to the business advantage.

By considering the business strategy in decision making, it would help the managers to understand and decide what business or which angle they really wants to focus or to form in one's organization. 1. 6 Policies and strategies in the planning process Why this is so important? * It will help to give good ideas for mid and lower level of management of the future planning for each division or any department in the organization. * Plans and

decisions are easy to be made once the framework is created. * It will give the flexibility to the mid and lower level of management to add their own plans in the business strategies as long as it aligns with the organisation's main objectives. 1. 7 Types of Managers

There are five different types of managers that carries out different responsibilities and can be classified either by their levels in the organization such as first line, middle and top management or by the range of organizational activities for which they are assigned to for example functional or specialist, managers and the general managers. Types of Managers| Definitions| First Line Managers| * Supervisory level * Direct the activities of the operating employees * Responsible in checking the subordinates performance and helping them to solve problems * Examples : Production Supervisor, Unit Supervisor, Team Leader, Technical Supervisor and etc. Middle Managers| * Assistant Manager level * Direct the activities of both operating employees and the first line manager * Responsible to ensure any activities in the organisation are aligned with the organisational policies and procedures * Examples : Unit Manager, Plant Manager in manufacturing industry, Marketing Manager in service industry and etc| Top Managers| * Branch Manager, Board of Directors * Responsible for the overall running of the organisation, overlook each and every details or any activities runs by the middle managers, ensuring them to follow the guidelines that has been set up by the Board of Directors * The Board of Directors are answerable to the shareholders in the public company| A Functional Manager| * Responsible for only one organisational activity or specialise in certain function * Examples : Sales, Accounting, Production and etc| A General Manager| *

Responsible for any activities in sub-unit of an organization such as marketing , production, accounting and human resource| 1. 8 Managerial Skills

Robert L. Katz (1974) has identified three basic types of skills that make up an effective management which are Technical, Human and Conceptual Skills. Basically the three skills discussed more on the methods which involves tools and procedures, communication and motivation and also conceptualization in handling effective management. It is very important for the manager to have the expertise to use any resources that required them to have technical knowledge to use the tools and to implement the basic policies and procedures. The human skills discussed more on the ability to communicate and motivate other people internally and externally. Good communication and interpersonal skills at work can help to create a positive environment and it will also make the staff feels motivated, thus it will increase productivity since people are motivated based on self-interest. The conceptual skills refers to the ability of being aware of and acting on strengths and weaknesses based on the business strategies that has been aligned together with the organisation missions and visions. Application of Principles 2. 1 Case Study: Dell's Supply Chain Management Strategy The case study is about the supply chain management practices of Dell. The company has been practicing their unique ' direct build-to-order' sales model for more than 20 years.

The significant of this sales model is the customer can plan their own configuration and place the orders with the company via the phone or the

company's website. Dell's supply chain efficiencies and direct sales have led to competitive advantage environment in the market. 2. 2 Can Dell regain its market leader position from HP? However, as the company's business continues to growth and expand over the years, in year 2006 Dell faced several problems. Customers have been reported making complained about long delays in supplies. Sony battery cells in Dell's laptop that have been reported being recalled had cause undesirable media hype to the company and automatically have affected the company sales. Prior to that unfortunate event, Dell lost its market leadership to Hewlett-Packard Co. (HP).

Based on the industry analysis, Dell's competitor has also shown an improvement in their supply chains and matching Dell's direct model, the company had been losing its competitive edge. Dell has also being reported by the media that they have to bear all the additional costs in retails distribution thereby minimizing its cost advantage. The profit margins of Dell will drop further since it will have to offer extra incentives to start competing with HP in retail stores. Even though Dell has improved their products and designs, however Apple brand is still far ahead leading the market industry. Many experts feel that all the initiatives will only distract Dell from its supply chain operations. This case study covers the following issues: Examine and analyze Dell's Direct model, its basic working, success and future challenges

* Typical Working of Dell's Supply Chain and future supply chain challenges *

Highlights Dell's evolving Supply Chain practices and strategy and steps being taken by it to recapture its lost market leader position Case Study

Keywords: Dell, Direct model, Supply Chain Management, Supply Chain Strategies, Build-to-order model, Inventory optimization, PC Manufacturing,

Retail Distribution Channel, HP, Notebook computers, Desktop personal computers, Competitive Business Strategies, Sustaining competitive advantage, Michael Dell, Distribution Strategy, Supply Chain Case Study Case Snippets/Update Dell's market share in U. S. and Worldwide (in Q1 2009) compared to other top PC makers * In year 2010, PC sales are expected to rise 12. 6 percent, according to research firm Gartner.

From the case study, we can see clearly that the roles of effective managers set up by Henri Fayol and Henry Mintzberg are very important as the guidelines in management as the managers will be answerable to the public especially the media when it comes to dealing with problems that occurs as the outcomes from their plan of actions or their business strategy. The managers is the responsible person to plan ahead of everyone else and to know the contingency and back up plans in case anything goes wrong in operations and also in every level of management. The success of one's organisation can be determined by the strength of managerial skills by fully utilizing the required skills and existing resources. Apart from that, the manager's plan of actions during bad crisis or negative impact occurs also take into effect which it can also determine whether or not they has leadership skills to give guidance to other employees or their subordinates.

Recommendation and Conclusion

Based on the findings from the analysis of this study, it is highly recommended for any organisation to follow the guidelines that has been discussed by both Henri Fayol and Henri Mintzberg as their findings and theories about management has contributes in helping people to understand

more about the roles of managers nowadays from lower to higher level of management as different types of managers carries out different responsibility in organisation. The effectiveness of the main functions and managerial skills has also contributes in maximizing revenue and profit and at the same time minimizing the cost bear by the company in any projects or businesses.

Our modern society today often view organisation as the systems which management can also be defined as human action, including design, to facilitate the production of useful outcomes from the system. Some may regards management as the open opportunity to manage oneself and also a pre-requisite to attempting to manage others. As the conclusion, despite all the basic functions and the roles of managers mentioned in the analysis, all management at some point still embraces democratic principles in that in the long run, the employees must give majority support to management otherwise it will lead to other problems where employees starts looking for other job for a better career opportunity and working environment which will contributes to high rate of attrition.

When it comes to this kind of situations, the managers will play the most important roles to help to plan, to decide and to solve the problem by considering the methodology that has been discussed throughout the full analysis. References 1) Free Management Library, Copyright Carter McNamara, MBA, PhD, Authenticity Consulting, LLC. (Adapted from the Field Guide to Leadership and Supervision). <http://managementhelp.org/management/index.htm> viewed 12 September 2011 2) Wikipedia, the

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