

Henri fayols management theory management essay

[Business](#), [Management](#)



Introduction:

Fonterra is a universal organizer in dairy nourishment and it is number one seller of dairy elements to many of the world's leading food companies. It is also a market leader in consumer dairy brands in Australia / New Zealand, Asia / Africa, Middle East and Latin America. It is the biggest processor of milk in the world, which covers more than two million tons of dairy elements, added specialty elements and consumer products every year value. Based on generations of dairy expertise, Fonterra is one of the biggest investors in dairy based research and novelty in the world. Our 16, 000 employees work in the dairy field and they are being advised for sustainable farming and milk production, so that it can be ensured that they meet strict quality and delivering every day on their customer promise in more than 100 markets around the world. Since Fonterra Co-operative Group was formed in 2001, become the world's largest dairy exporter with nearly 11, 000 shareholders, 95 per cent of our New Zealand-made dairy products to our customers and consumers in more than 140 countries. Collect around 14 billion liters of milk every year. My aim of writing about this company is to check whether we can apply Henri Fayol's and Mintzberg's management theory in managing this company or not. For that I am going to take its Takanini site (una place, Takanini) which is the largest of Fonterra Brands New Zealand's (FBNZ) processing sites and it is the head office of the company. Each day it processes 50. 000 liters of milk and its annual production of dairy food is 26, 000 and it has 600 employees at the moment. Before mentioning and applying Henri Fayol's theory in Fonterra Company, we should know the strategies and the objectives of this company and after interviewing the

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manager of the company, he mentioned below objectives of the company and to get accomplished these goals he said that the functions mentioned by Henri Fayol and Mintzberg's in management play an important role.

Strategy

Fonterra's focuses on four areas to meet the challenges and opportunities in the dairy industry. Ensure Fonterra remains one of the lowest costs, sustainable dairy co-operatives in the world. Build trusting partnerships with customers by being a multi-origin supplier, allowing building more valuable relationships through supply chain integration and innovation. In high growth markets, where it is not practical to use New Zealand milk, will leverage their cow to consumer expertise to take leadership positions using locally produced milk. Make Fonterra products the first choice of customers and consumers wherever they do business

Henri Fayol's Management Theory:

Managers get the things done through other people. They make decisions, allocate resources, and direct the activities of others to attain goals.

Managers do their work in an organization which is composed of two or more people. A manager must organize to achieve business objectives and maintain a competitive advantage. These functions that intention act requires forming groups as subordinate should be addressed to complete the plan, and the development of the plan should be directed by control. To succeed in an operational way these practices need to be reached on the basis on which these practices in relation to the business structure. At the beginning of this century, a French industrialist by the name of Henri Fayol

wrote that all managers perform five management functions: planning, organizing, command, coordination and control. Today we have condensed these down to four: Planning, organizing, leading, and controlling.

Planning:

Each and every company or business sets some goals and objectives to be accomplished before started the business so that they can develop good management team to run it successfully. In this management process, we have to perform some functions according to Henri Fayol and among of those functions, planning is the foremost function which provides logical thinking to company's goals and objective in order to be accomplished. Managers establish overall strategy for achieving goals and to coordinate the activities. Fonterra focuses on four areas to meet the challenges and opportunities in the dairy industry as we mentioned above.

Organizing:

Managers are also responsible for designing an organization's structure. We call this function organizing. To achieve the goal set out in the planning process, organizing function play an important role. This is achieved through effective management of the division of labor, the development of training for employees, the acquisition of resources, and the organization of group work in a productive team. The manager must then review the plans of the team, break the assignments into units that a person can perform, link related jobs together in an organized and understandable appoint individuals jobs style.

Leading:

Leading is a function that includes motivating employees, directing employees, directing others. Each and every management contains people or employees and it is management duty to direct them, to lead them and to coordinate them. Leading provides a structure to company towards achieving its goals those are set in the planning. Leadership involves the interpersonal characteristic of a manager position includes communication and close contact with team members. Fonterra as the organization, we researching they have been leading the world in dairy innovation. As New Zealand's largest private sector investor in research and development, the commitment to innovation - from the farm to the factory - underpins of company vision to Lead in Dairy. They recognize that the development of innovative technology in products and processes is crucial to ensure the sustainability of the New Zealand dairy industry. And Fonterra is leading the way, with Innovation Centre's in New Zealand, Australia, China and Singapore dedicated to developing exciting technologies in a broad range of sciences, from forage and bovine genetics to nutrition, flavors, and packaging materials. Support from the top: Fonterra's Strategic Innovation Group, chaired by CEO Andrew Ferrier, ensures that innovation receives support from the highest level within the company. The team oversees Fonterra's innovation activities, balances the portfolio of projects and ensures we have the right capability and resources to support these developments. Opening the door to new ideas is also a supporter of ' Open Innovation', which acknowledges that companies need to work with external partners to find new products and technologies faster and with greater

certainty, for the greater good of the industry. Fonterra's commitment to Open Innovation is helping us to build on the world-class research and development that we have already undertaken, and to achieve innovation excellence for tomorrow. ViaLactia Biosciences is a biotechnology company operating as a fully owned subsidiary of Fonterra. ViaLactia's goals are the identification, discovery and commercialization of methods of selection and genes important to our dairy industry, including those affecting pasture grasses, milk production and milk composition.

Controlling:

The final function that managers perform is controlling. After the goals are set, the plans formulated, the structural arrangements outlined, and the people hired, trained, and motivated, there is still the possibility that something may go wrong. To ensure that things are going as they should, management must monitor the organization's performance. Actual performance must be compared with the previously set goals. If there are any significant deviations, it is management's duty to get the organization back on track. This monitoring, comparing, and potential correcting is what is meant by the controlling function. As Fonterra company has number of employees so it is quite necessary for manager to control the employees work to get the set goals.

Mintzberg's Management Theory:

In the late 1960s, a graduate student at MIT, Henry Mintzberg, undertook a careful study of five executives to determine what these managers did on their jobs. Based on this study of these managers, He concluded that

managers perform ten different highly interrelated roles, or sets of behaviors, attributed to their jobs and these roles can be grouped as being primarily concerned with interpersonal relationship, the transfer of information, and decision making. s