Introduction to Management and Organizations
According to Harold Koontz, "Management is the art of getting things done through and with people in formally organized groups."

Harold Koontz gave this definition of management in his book "The Management Theory Jungle".
According to Henri Fayol, "To manage is to forecast and to plan, to organise, to command, to co-ordinate and to control."

Henri Fayol gave this definition of management in his book "Industrial and General Administration".
According to Peter Drucker, "Management is a multi-purpose organ that manages business and manages managers and manages workers and work."

This definition of management was given by Peter Drucker in his book "The Principles of Management".
Who are managers?

- Manager is someone who coordinates and oversees the work of other people so that organizational goals can be accomplished.
Classifying managers

• **First-line Managers** - Individuals who manage the work of non-managerial employees.

• **Middle Managers** - Individuals who manage the work of first-line managers.

• **Top Managers** - Individuals who are responsible for making organization-wide decisions and establishing plans and goals that affect the entire organization.
Exhibit 1-1: Levels of Management
Where do managers work?

- **Organization** - A deliberate arrangement of people assembled to accomplish some specific purpose (that individuals independently could not accomplish alone).

- **Common Characteristics of Organizations**
  - Have a distinct purpose (goal)
  - Are composed of people
  - Have a deliberate structure
Effectiveness and Efficiency

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

**Effectiveness**
- “Doing the right things”
- Attaining organizational goals
Exhibit 1-3: Efficiency and Effectiveness in Management

Efficiency (Means)
- Resource Usage
  - Low Waste

Effectiveness (Ends)
- Goal Attainment
  - High Attainment

Management Strives for:
- Low Resource Waste (high efficiency)
- High Goal Attainment (high effectiveness)
Management functions

- **Planning** - Defining goals, establishing strategies to achieve goals, and developing plans to integrate and coordinate activities.

- **Organizing** - Arranging and structuring work to accomplish organizational goals.

- **Leading** - Working with and through people through motivation and leadership to accomplish goals.

- **Controlling** - Monitoring, comparing, and correcting work to accomplish goals as planned.
Exhibit 1-5: Mintzberg’s Managerial Roles

• Interpersonal roles
  - Figurehead
  - Leader
  - Liaison

• Informational roles
  - Monitor
  - Disseminator
  - Spokesperson

• Decisional roles
  - Entrepreneur
  - Disturbance handler
  - Resource allocator
  - Negotiator
<table>
<thead>
<tr>
<th>Role</th>
<th>Description</th>
<th>Examples of identifiable Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interpersonal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Figurehead</td>
<td>Symbolic head; obliged to perform a number of routine duties of a legal or social nature</td>
<td>Greeting visitors; signing legal documents</td>
</tr>
<tr>
<td>Leader</td>
<td>Responsible for the motivation of subordinates; responsible for staffing, training, and associated duties</td>
<td>Performing virtually all activities that involve subordinates</td>
</tr>
<tr>
<td>Liaison</td>
<td>Maintains self-developed network of outside contacts and informers who provide favors and information</td>
<td>Acknowledging mail; doing external board work; performing other activities that involve outsiders</td>
</tr>
<tr>
<td>Informational</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monitor</td>
<td>Seeks and receives wide variety of internal and external information to develop thorough understanding of organization and environment</td>
<td>Reading periodicals and reports; maintaining personal contacts</td>
</tr>
<tr>
<td>Disseminator</td>
<td>Transmits information received from outsiders or from subordinates to members of the organization</td>
<td>Holding informational meetings; making phone calls to relay information</td>
</tr>
<tr>
<td>Spokesperson</td>
<td>Transmits information to outsiders on organization’s plans, policies, actions, results, etc.</td>
<td>Holding board meetings; giving information to the media</td>
</tr>
<tr>
<td>Decisional</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneur</td>
<td>Searches organization and its environment for opportunities and initiates “improvement projects” to bring about changes</td>
<td>Organizing strategy and review sessions to develop new programs</td>
</tr>
<tr>
<td>Disturbance handler</td>
<td>Responsible for corrective action when organization faces important, unexpected disturbances</td>
<td>Organizing strategy and review sessions that involve disturbances and crises</td>
</tr>
<tr>
<td>Resource allocator</td>
<td>Responsible for the allocation of organizational resources of all kinds—making or approving all significant organizational decisions</td>
<td>Scheduling; requesting authorization; performing any activity that involves budgeting and the programming of subordinates’ work</td>
</tr>
<tr>
<td>Negotiator</td>
<td>Responsible for representing the organization at major negotiations</td>
<td>Participating in union contract negotiations</td>
</tr>
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Skills Managers Need

• **Technical skills**
  - Knowledge and proficiency in a specific field

• **Human skills**
  - The ability to work well with other people

• **Conceptual skills**
  - The ability to think and conceptualize about abstract and complex situations concerning the organization
Exhibit 1-6: Skills Needed at Different Managerial Levels

- Top Managers
  - Conceptual Skills
  - Human Skills
  - Technical Skills

- Middle Managers

- Lower-Level Managers
  - Importance
Exhibit 1-7: Important Managerial Skills

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

• **Universality of Management**
  - The reality that management is needed
    • in all types and sizes of organizations
    • at all organizational levels
    • in all organizational areas
    • in all organizations, regardless of location
Exhibit 1-9: Universal Need for Management