

Manage This!

Concept of Management

Can You Manage?

Who's the Boss?

**What Every Manager
Needs to Know**

**SAMPLE
PAGE**





What Is This Thing Called Management?

What do you think when you hear the phrase, “management has decided...”? Do you picture some unknown person or group looking into a crystal ball and making random decisions that affect your life? Or, do you envision management as a game, with managers as the players and employees as the pawns? Actually, management is

anything but a game. Management is the logical process of coordinating resources, such as money and employees, in order to accomplish an organization’s goals. In business (and in any organization with resources to coordinate and goals to reach), nothing would get done without management.



The people responsible for management are, of course, the managers. They decide how to use the business’s resources to make things happen. Managers make sure the work gets done, although they don’t usually do the work themselves. For example, if you are the manager of a movie theater, you don’t normally sell the popcorn or clean the restrooms. Your job is to oversee the entire operation and make sure there are enough employees on hand to perform these tasks. You hire and train the employees, handle the theater’s finances, deal with suppliers, and get the resources needed for the business to be successful.

Although managers don’t do the actual jobs, they need to understand the jobs to effectively manage the employees who do the work. This information helps managers to know how workers should do their jobs. It also helps them to be realistic about what workers can do. For instance, as the manager of a business, you should be able to answer questions and help employees solve problems. You should be aware of the time it takes to complete certain tasks. In the case of the movie theater, you should understand what’s involved in filling customers’ food and drink orders at the concession stand and not expect the impossible. However, you also need to set standards and encourage employees to be productive and do their best.

So
What

Think that understanding management isn’t important because you’ll never have the chance to be a manager during your career? If so, think again. There are more than seven million people employed in management positions in the U.S. today. They can be found in every industry and hold positions ranging from shift supervisor to department head to CEO. Here’s the really interesting part: many of these managers are just like you. They start out in entry-level jobs, work hard, and move up in the business.

SAMPLE PAGE

Think that you’ve realized it, but you are involved in management every day, whether it’s following your supervisor’s directions or organizing your own workload. By understanding what management is all about, you’ll become more productive and successful on the job. And by becoming more productive and successful, you’ll improve your chances of moving into management, if that’s what you want to do.

Objectives

- A** Explain management and the management functions.
- B** Explain management levels and responsibilities.



Directing. Directing involves providing guidance to workers and work projects. Managers set the direction for the business and influence employees to follow in that direction. Not only do managers plan and organize the work, they guide the workers in carrying out the work.

Part of directing involves motivating and leading workers to accomplish the business's goals. Managers use their skills to develop a team spirit among employees. This benefits the business because employees who work together well are often motivated to do more than those who work alone. Managers may motivate employees by rewarding them for their hard work. Employee rewards can include bonuses, pay raises, and promotions.

Controlling. Controlling involves monitoring the work effort. Managers coordinate the business's activities to make sure that the company is performing effectively and achieving its goals.

There is a strong link between planning and controlling. Planning sets the goals, and controlling checks to make sure the goals are being met. Let's say you own a restaurant and promise to serve lunch orders within 15 minutes, or the meals are free. Your goal is prompt service. You monitor this activity to make sure you don't lose money by giving away free lunches. The control function helps you to manage the finances of your business.



The Gray Zone

After years of booming business and great success, a large corporation's sales dropped sharply, and the company teetered on the edge of ruin. Thousands of employees were let go, and those who were able to keep their jobs watched their bonuses, pay raises, and benefits disappear. Then, it was just a matter of time before the entire company collapsed and everybody lost their jobs.

Due to the extreme change in fortune, the chief executive officer and other top executives were questioned by Journalists, the government, and the public. Questions about management's involvement in the collapse of the company. In addition, many of these same individuals began to question why many of the top executives garnered multi-million dollar salaries at the same time that the business was failing. Should the CEO and top executives be held responsible for the collapse of their company? And, were the top executives compensated fairly, given their high-level positions with the company, or were they grossly overpaid?

**SAMPLE
PAGE**

The way managers handle the business's financial resources often determines whether the business succeeds or fails. Top managers have final responsibility for the profitability of the business. However, they usually do not personally handle the finances unless they are the owners of small businesses. Middle managers are the ones who develop budgets, oversee accounting departments, and coordinate investment programs. At the supervisory level, managers watch expenses to make sure they stay within their budgets.

Material resources. Material resources are the equipment and supplies that businesses need to produce and/or sell their products. Managing material resources involves purchasing and maintaining the right type and amount of equipment and supplies for workers to use in doing their jobs. As a result, top managers are seldom involved directly with these activities. They pass on that responsibility to middle managers. Depending on the size of the business, regional managers or branch managers may be the ones who decide what's needed and purchase the materials. They often rely on first-line managers to give them information about the equipment and supplies that the workers need.

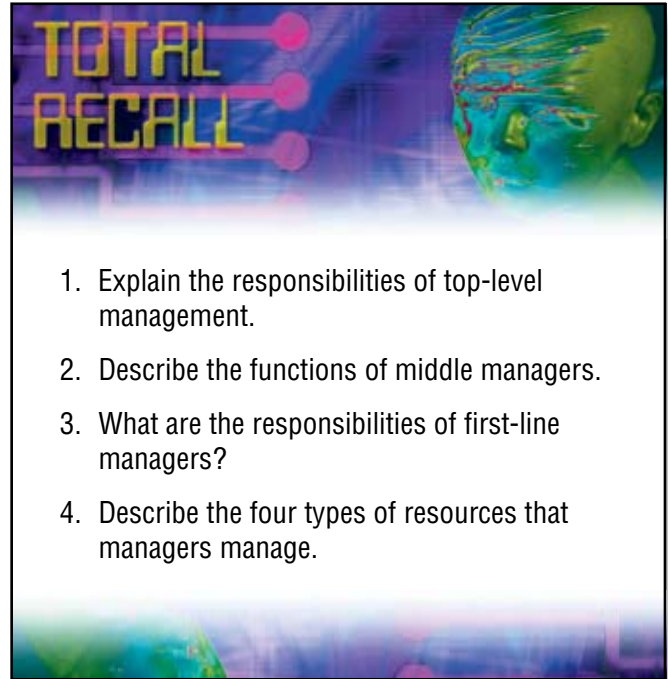
Information. Another important resource for business is information, including facts, statistics, and opinions. One type of information is internal and comes from within the business, such as sales reports. Another type is external and includes information about what is going on in the business's industry. External information can also include the state of the economy, consumer trends, and any other data that apply to the specific business.

Managers get important information from many sources. Top managers often receive information from outside sources, such as advertising firms. They also get information from their own middle managers, who may get information from front-line managers, who may get information from their employees, who may get information from customers! The more information that business managers and owners have, the better able they are to make good decisions.

To achieve their goals, businesses must effectively manage all of these resources. To do so, all levels of management need to carry out their unique responsibilities and work together.

Summary

Management is divided into three levels: top-level, or executive; mid-level, or middle; and first-line, or supervisory. Management is responsible for managing a business's resources, including human resources, financial resources, material resources, and information.



1. Explain the responsibilities of top-level management.
2. Describe the functions of middle managers.
3. What are the responsibilities of first-line managers?
4. Describe the four types of resources that managers manage.

Make It Pay!

Are you ready to be a manager? Do you feel that you have strong technical skills? What are your interpersonal skills like? Can you relate to others, and can you communicate effectively with other people? Also, how would you rate your conceptual skills? Do you think you can make good decisions? How do you think you will perform in these various areas?

Even if you aren't ready to be a manager, you can become a better manager. Set a goal for yourself, a goal related to your business. Write a plan for reaching that goal. What will your deadline be for reaching that goal? How will you make sure that you're following your plan and successfully working toward the goal? After you reach your goal, how will you reward yourself for your hard work?

SAMPLE PAGE