

Management. A Manager

A business can be viewed as a system: a group of related parts organized to work together for some purpose. Management is the function that integrates the parts of this system and makes sure that they work together toward a desired purpose.

Management is a set of activities designed to achieve an organization's objectives by using its resources effectively and efficiently in a changing

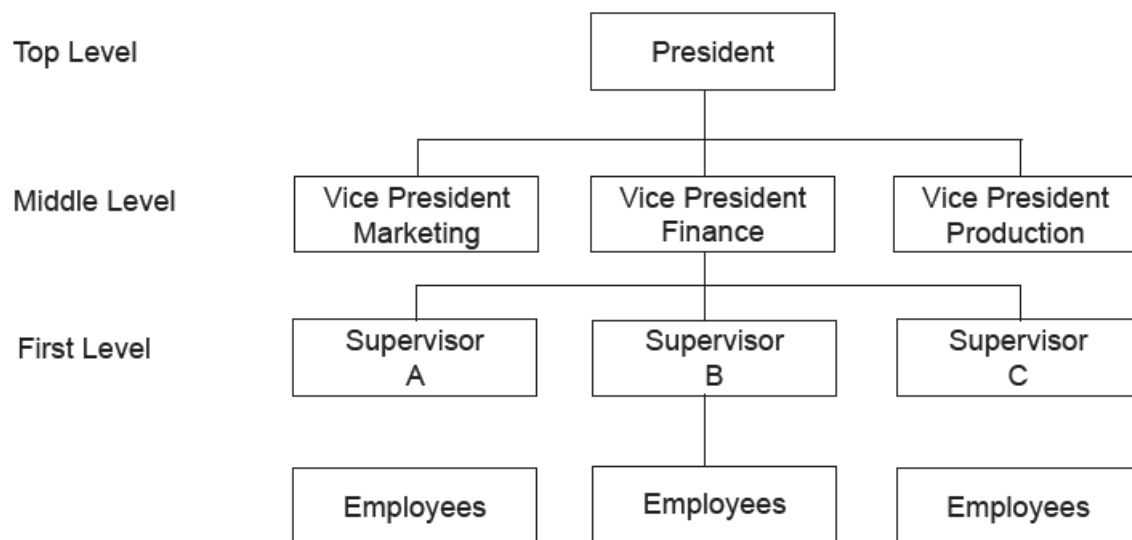


Figure 1. Levels of management

environment. Resources – such as people, jobs or positions, technology, facilities and equipment, materials and supplies, information, and money – are used to accomplish the manager's intended purpose. Effectively means having the intended result; efficiently means accomplishing the objectives with a minimum of cost.

Managers are individuals who make decisions about the use the organization's resources, and are concerned with planning, organizing, leading (or directing), and controlling the organization's activities to reach its objectives. An important characteristic of managers is that they do their jobs by working with and through other people.

The extent to which managers perform the functions of management varies by level in the management hierarchy.

We commonly categorize managers as being in lower, middle or upper levels of management, as shown in Figure 1; however, these terms usually apply only in organizations large enough to have specialization. Small businesses usually have one or two managers who are responsible for the diverse management duties needed to keep the business running.

Upper managers spend most of their time planning, and leading because they make decisions about the overall performance and direction of the organization. Therefore, they are usually involved in the development of goals and strategies to achieve those goals. Chief executive officer (CEO), chief financial officer, chairman, president, and executive vice president are common titles at this level.

Middle managers are those managers who receive broad statements of strategy and policy from upper-level managers and develop specific objectives

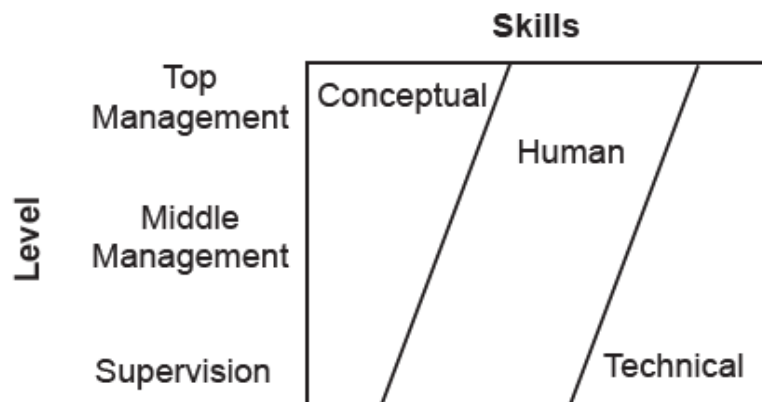


Figure 2. Skill Distribution at various levels of management

and plans. They spend a large proportion of their time in planning and organizing activities. At this level managers are usually called managers, although their titles may also bear a prefix (like *sales*, *production*, *accounting* and others) to show the type of managers they are.

Lower or first-line managers are those concerned with the direct production of items and delivery of service. Managers at the lowest levels are usually called supervisors, sales managers, loan officers, and store managers. All managers, however, regardless of the size of the company or their level within it, try to achieve the same thing: to work effectively with people so that the business achieves its objectives.

In order to perform the functions of management and to assume multiple roles, managers must be skilled. Robert Katz identified three managerial skills that are essential to successful management: technical, human, and conceptual. Technical skill involves process or technique knowledge and proficiency. Managers use the processes, techniques and tools of a specific area. Human skill involves the ability to interact effectively with people.

The importance of possessing technical, human, and conceptual skills is shown in Figure 2. Top level managers need conceptual skills in order to view the organization as a whole. Conceptual skills are used in planning and dealing with ideas and abstractions. Supervisors need technical skills to manage their area of specialty. All levels of management need human skills in order to interact and communicate with other people successfully.

Vocabulary focus

4. *Fill in the gaps using the words from the box (exercise 2).*

1. There are three main ___ skills that are essential to successful management.

2. ___ ___ involves the formulation of ideas.

3. Resources are used to accomplish the manager's ___ ___.

4. Managers interact and ___ with employees.

5. To achieve an organization's ___ in a changing environment it is necessary to use its resources ___ and ___.

6. We ___ managers as being in lower, middle or upper levels of management

7. To assume ___ roles, managers must be skilled.

6. *Express in one word.*

a) a person who is in charge of running a business;

b) accomplishing the objectives with a minimum of cost;

c) all the money, property, skill, labour etc that a company has available;

d) a system in an organization in which people are organized into different levels of importance from highest to lowest;

e) a person who is paid to work for somebody;

f) an area of work that somebody gives most of their attention and knows a lot about;

g) the things such as food, medicines, fuel, etc. that are needed by a group of people;

h) the person in a company who has the most power and authority.

words for reference: resources, Chief Executive Officer (CEO), manager, supplies, specialty, efficiently, employee, hierarchy

7. Find the words in the text for which the following are synonyms.

purpose	fulfil	claim	important
price	qualified	inventively	recognize
own	decide	administrative	commerce
varied	plan	classify	degree
bookkeeping	declaration	talent	think

8. Explain the meaning of the words given below.

organization, business, equipment, objective, title, proficiency, manages, managerial skills, supervision, first-line manager, effectively, facilities, human skill, changing environment, integrate, chairman.

Comprehension

9. Answer the questions.

1. What is management?
2. Which factors constitute managerial work?
3. Which resources does a company usually possess? Who makes decisions about these resources?
4. Does hierarchy influence the functions that managers perform?
5. What are the main levels of management?
6. What titles do managers at each level bear?
7. What is the essence of conceptual skills of a manager?
8. Which managerial skills are the most significant?

10. Expand the following sentences.

1. Management is a set of activities designed to achieve an organization's objectives.
2. Resources are used to accomplish the manager's purpose.
3. Managers use an organization's resources, and fulfil several managerial functions.
4. There are three essential managerial skills.

5. Small businesses usually have one or two managers who keep the business running.

6. At this level managers are usually called managers.

7. All managers try to achieve the same thing.

8. Top level managers need conceptual skills.

11. *Put the following sentences in a logical order according to the text.*

1. The extent to which managers perform the functions of management varies by level in the management hierarchy.

2. An important characteristic of managers is that they do their jobs by working with and through other people.

3. Small businesses usually have one or two managers who are responsible for the diverse management duties needed to keep the business running.

4. Managers interact and cooperate with employees.

5. A business can be viewed as a system: a group of related parts organized to work together for some purpose.

6. All managers, however, regardless of the size of the company or their level within it, try to achieve the same thing: to work effectively with people so that the business achieves its objectives.

7. Resources are used to accomplish the manager's intended purpose.

8. A manager's level in the organization determines the relative importance of possessing technical, human, and conceptual skills.