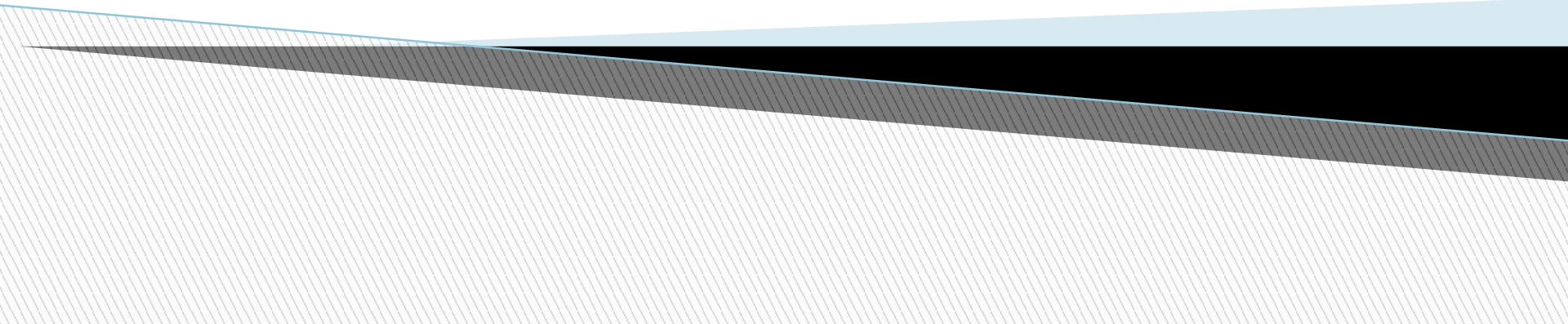


Lecture 3 Universal functions of management

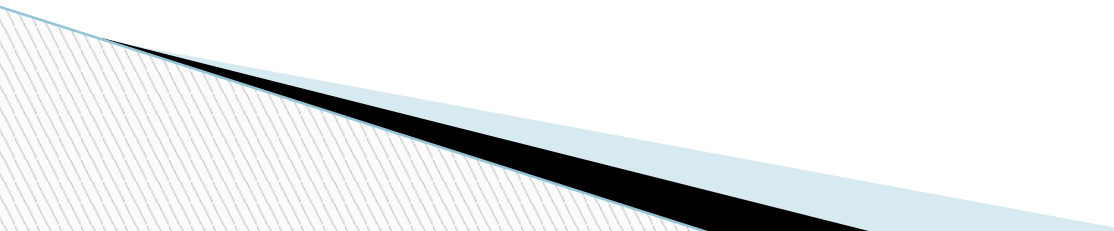


Management is the process of working with people and resources to accomplish organizational goals.

Good managers do these things **effectively** and **efficiently**.

To be *effective* is to achieve the organization goals.

To be *efficient* is to achieve the goals with minimum waste of resources.

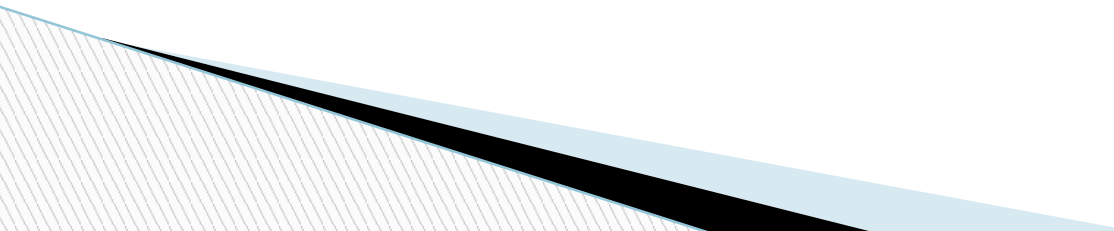


Planning

The management function of systematically making decisions about the goals and activities that an individual a group a work unit or overall organization will pursue in the future

Organizing

The management function of assembling and coordinating human physical informational and other resources needed to achieve the goal

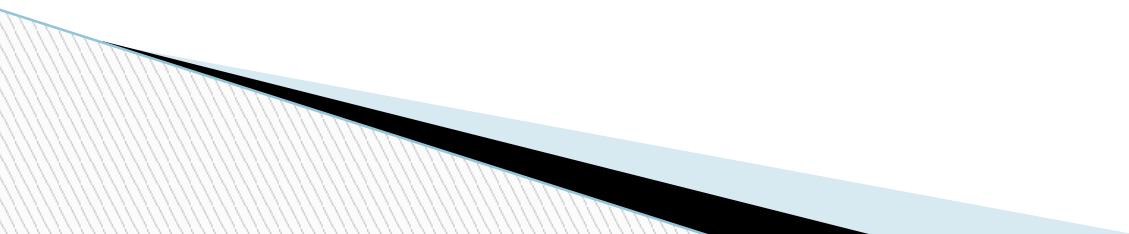


Leading

The management function that involves the manager's efforts to stimulate high performance by employees

Controlling

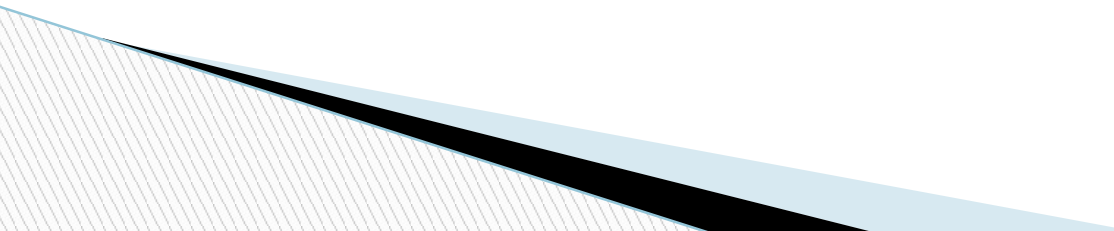
The management function of monitoring the progress and making needed changes



Management as a combination of different activity actions.

Each function of management is oriented to solving different specific and complicated tasks

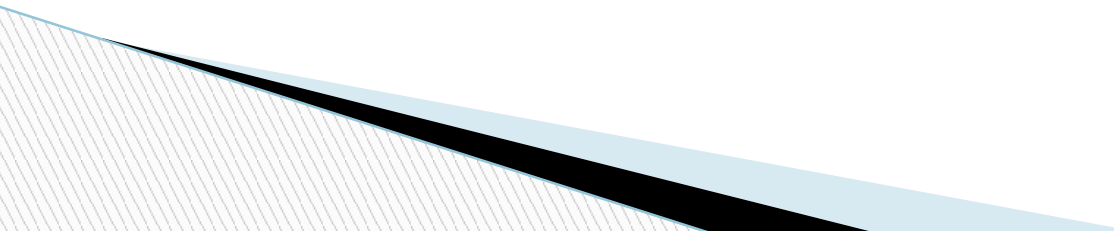
To arrange the work of a company a great number of managerial tasks should be made.



Two main questions should be
answered:

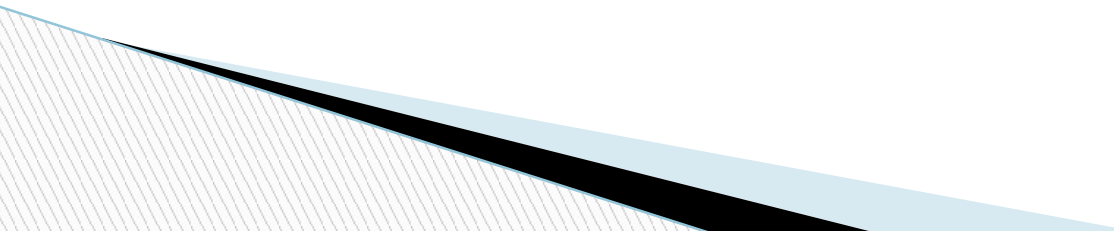
WHAT DO MANAGERS DO?

WHAT FUNCTIONS DO THEY
HAVE?



The process of company management is divided into **special function** with the purpose to point the certain types of work to a certain manager to streamline the process of production

Function is the main category of managerial activity which combines the content, principles and methods



Management function is a clear range of issues and tasks solved by an authorized person or semi-department throughout the working activity of a company

Content of any function is determined by the problems' specificity solved in the terms of a specific function

Hanri Fayol pointed the term management function

Functions can be

Universal

Concrete

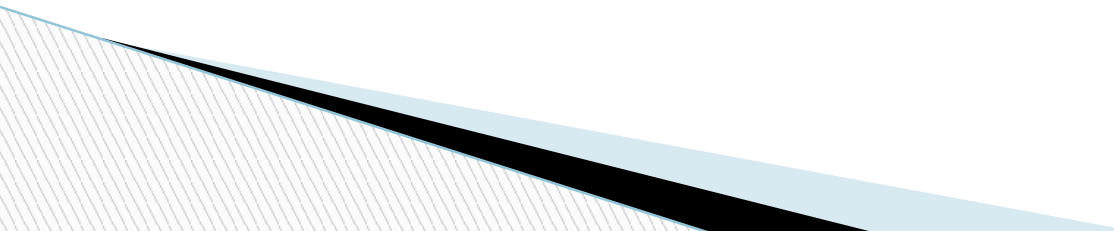
- Purposes (clear, proved, real);
- Correctly pointed plan guide (ways, directions, events, performers, resources);
 - Worked out managerial decisions;
 - Organization and coordination of production system;
 - Stipulation and motivation of staff activity;
 - Effective control

specific

special

are determined by horizontal division of work and points its orientation to the concrete object of management

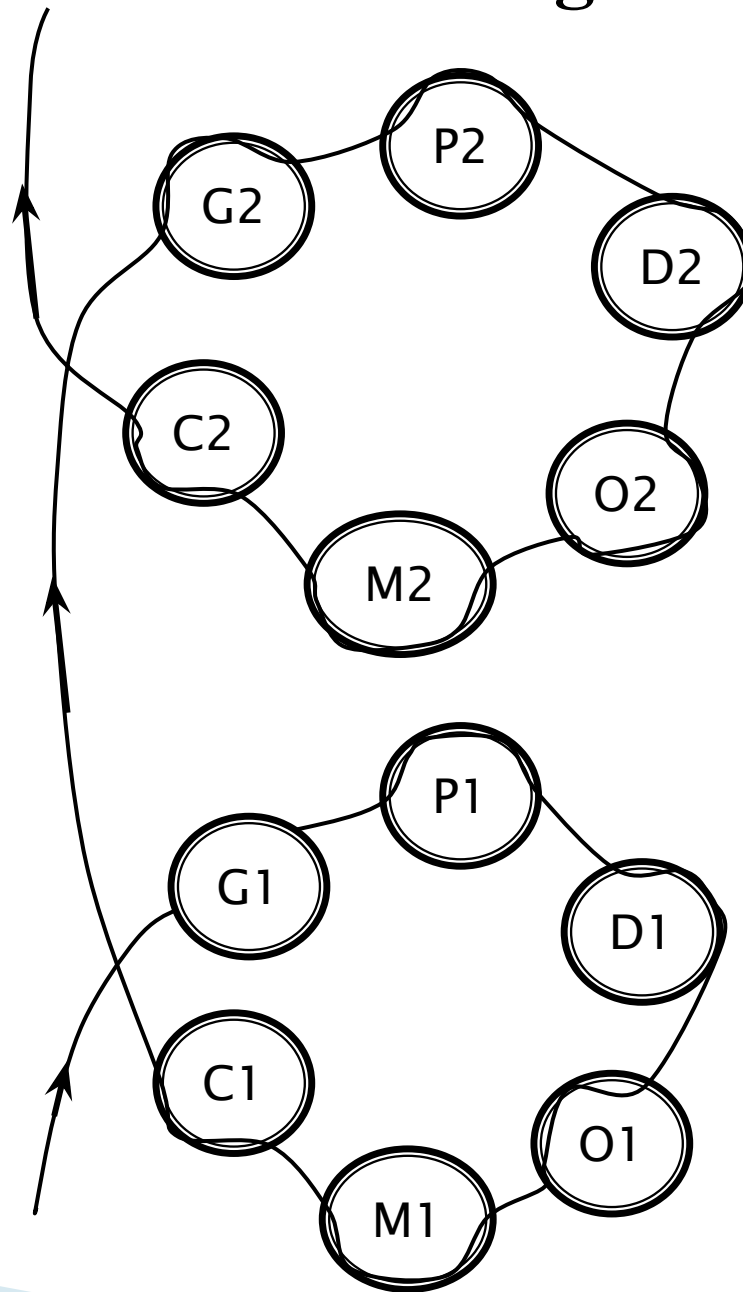
Circle of management: step by step
implementation of functions: **goal, plan,
decision, organization, motivation, control**



Management spiral

It is parallel
simultaneous or
level processes.

Each new level is
more effective and
qualitatively



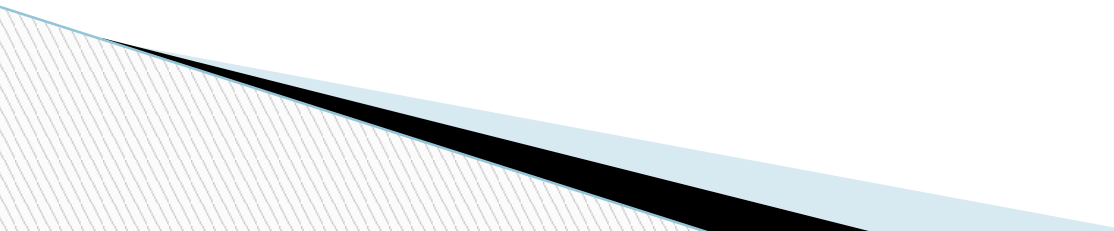
Management spiral can be parallel simultaneous process.

Each new level is more effective and qualitative

PURPOSE IN MANAGEMENT

Means the future state of management object which can be reached by certain work of each member

PURPOSE should:

- show the company principles and philosophy;
 - decrease the uncertainty of current activity;
 - orient the staff;
 - be the base of criteria creation for future work.
- 

Assessment of the goal effectiveness
SMART- goal is used.

It includes such demands to purpose
formation:

Specific (S)

Measurable (M)

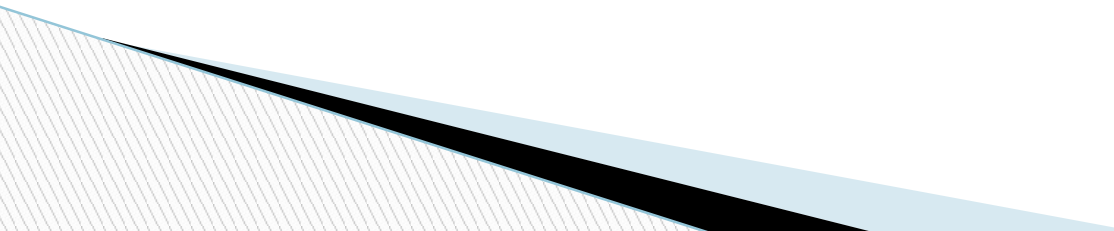
Achievable (A)

Relevant (R)

Time bound (T)



A specific goal will usually answer the five 'W' questions:

- **What:** What do I want to accomplish?
 - **Why:** Specific reasons, purpose or benefits of accomplishing the goal.
 - **Who:** Who is involved?
 - **Where:** Identify a location.
 - **Which:** Identify requirements and constraints
- 

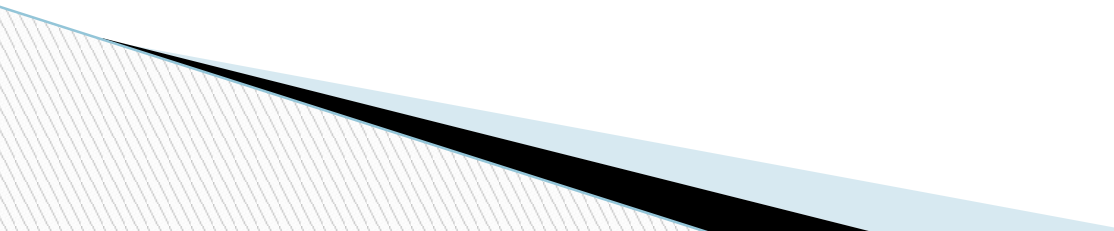
A measurable goal will usually answer questions such as:

- How much?
- How many?
- How will I know when it is accomplished?
- Indicators should be quantifiable

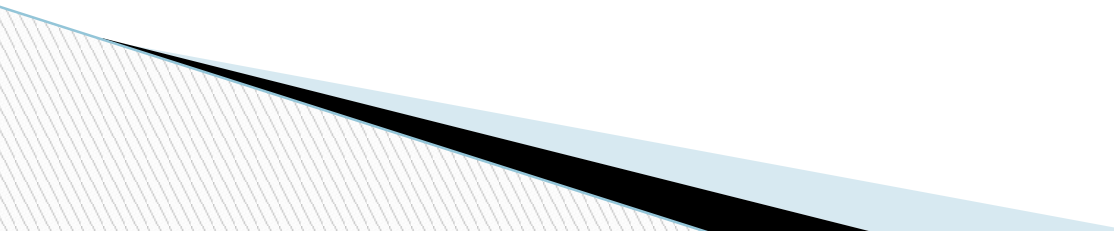
An Achievable goal will usually answer the question:

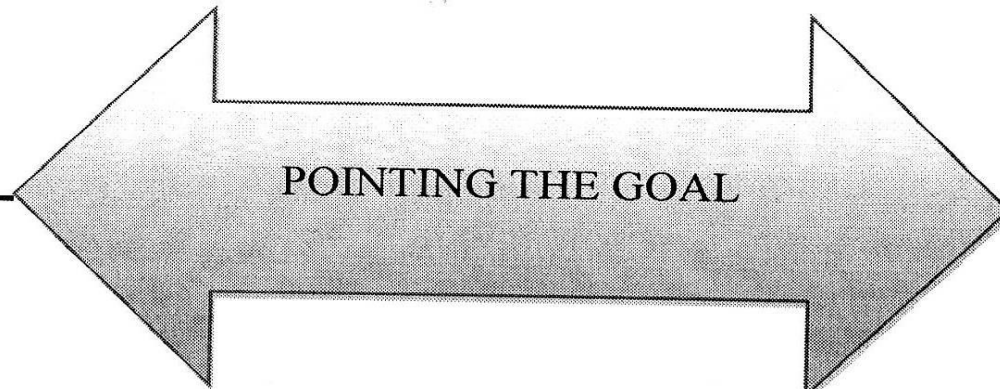
- How: How can the goal be accomplished?

A relevant goal can answer yes to these questions:

- Does this seem worthwhile?
 - Is this the right time?
 - Does this match our other efforts/needs?
 - Are you the right person?
 - Is it applicable in the current socio-economic- technical environment?
- 

A time-bound goal will usually answer the question:

- When?
 - What can I do six months from now?
 - What can I do six weeks from now?
 - What can I do today?
- 



The analyses of the goal:
WHAT DO I WANT?
- Personal;
- Professional

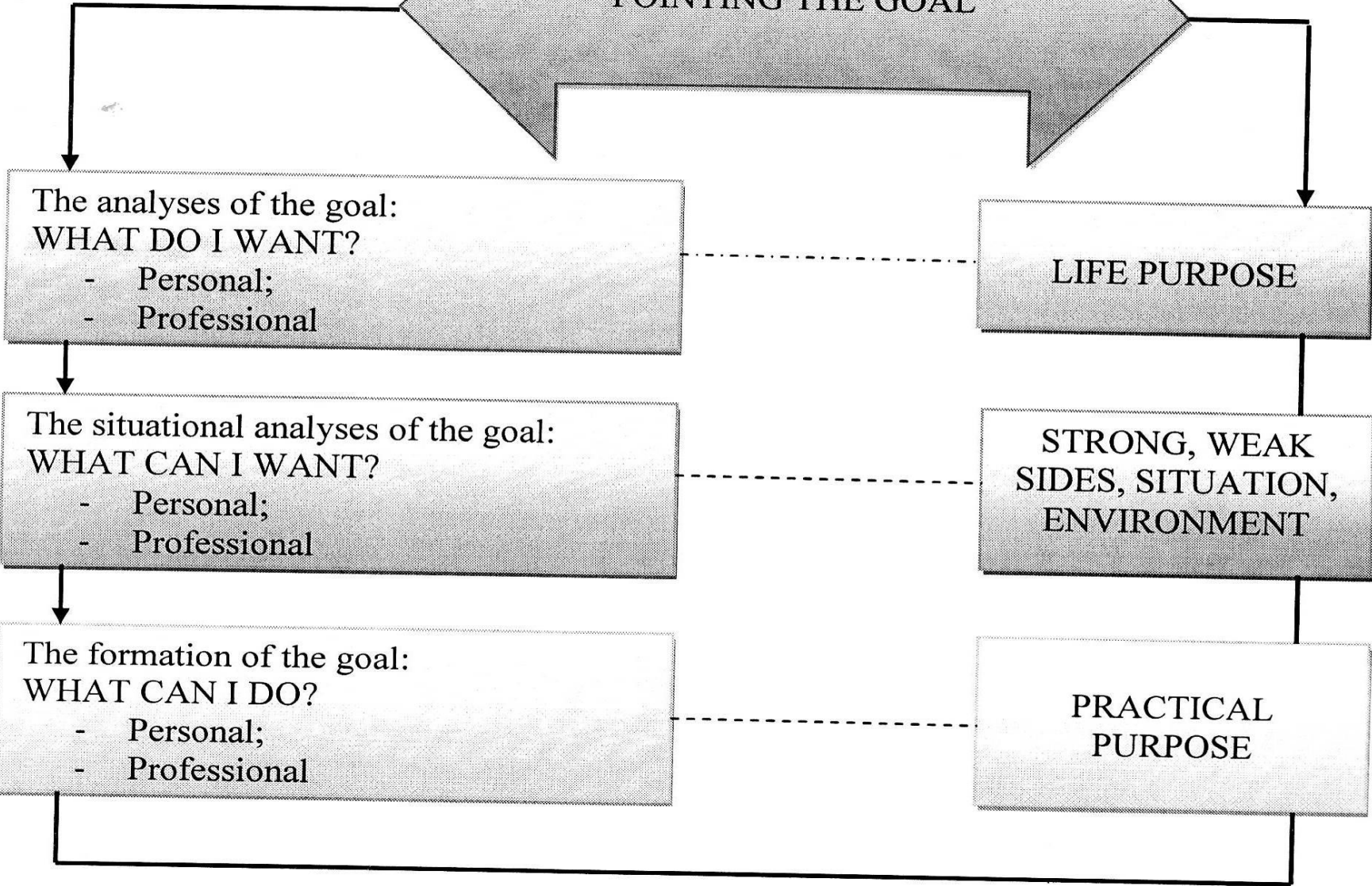
The situational analyses of the goal:
WHAT CAN I WANT?
- Personal;
- Professional

The formation of the goal:
WHAT CAN I DO?
- Personal;
- Professional

LIFE PURPOSE

STRONG, WEAK
SIDES, SITUATION,
ENVIRONMENT

PRACTICAL
PURPOSE



GOAL should be clear.

Examples:

DONT'S	DO'S
I'd like to become slim	Since Monday Sep.1 I'll go in for fitness at Sports Plus 2 times per week
I'd like my subordinate like me	Since Monday Sep.1 I'll make a scheduler for personal communication with all my subordinates
I will have healthier way of life	Since tomorrow I will give up smoking

CLASSIFICATION OF GOALS AND WAYS OF THEIR FORMATION

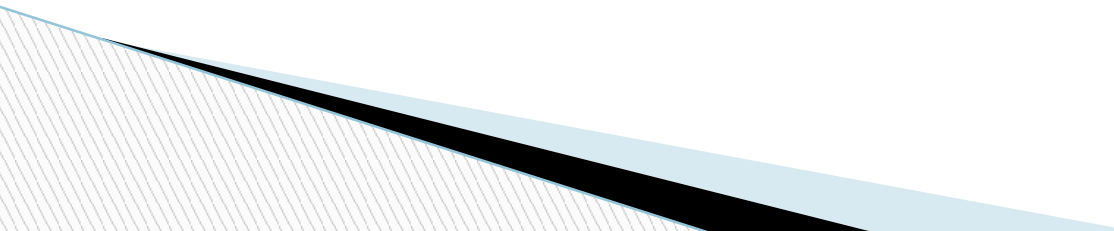
		Types	Peculiarities
1	Classical	General	Detemined by principles of a company New market searching, increasing profitability, broadern the production
		Specific	Made according to kinds of activity Determined by quality and quantity index
2	Importance	Strategic	Long term planning of development; satisfaction the needs of staff and authority
		Tactic	Intermediate, oriented to certain activity. Determined by quality and quantity index
		Current	Short term goal, pointed by quantity index
3	Time	Short-term	Up to 1 year
		Middle-term	1-5 years
		Long-term	5-10 years
4	Content	Economic	Profitability
		Production	Amount of goods producing
		Marketing	Promotion, ways of profit maximization
		Administrative	Control; bureaucracy avoiding
		Scientific	Development of new approaches
		Social	Team-working, charity

Quantity index segments

Q u a n t i t y i n d e x :	Profitability;	Amount of profit, dividends, ratio of profit and amount of selling
	Markets;	Market niche, market segments
	Efficiency;	Ratio of expenses to profit, expenses to one capita per unit
	Goods;	Charecteristics of a certain commodity, its popularity
	Financial resources;	Capital structure, shares, stocks
	Production power;	Buildings, technical support
	Human resources	Recruitment, job hunting, training, attraction of staff, qualification

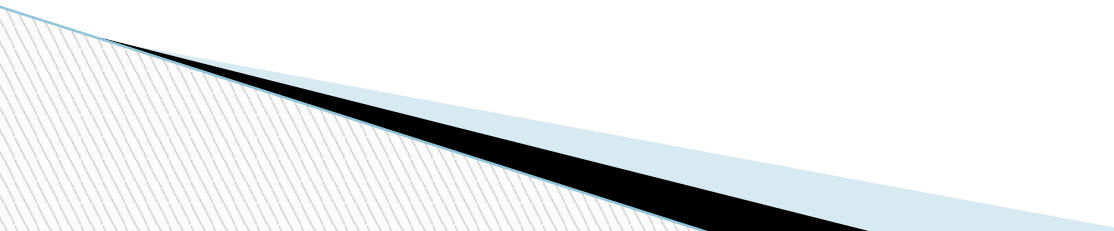
EXAMPLE OF SMART Goal

Broad Goal: I want to start a business.

- **Specific:** I will sell handmade cards through Etsy.com.
 - **Measurable:** I will be ready to take my first Etsy order within four weeks, and I will aim to sell a minimum of five cards per week.
- 

Attainable:

I will get set up on Etsy first. Then, I will build an inventory of 30 handmade cards to sell. Finally, I will promote my business and build customer relationships through word of mouth, referrals and local networking



- **Relevant:** Selling handmade cards will allow me to benefit financially from my favorite hobby.
- **Time-Based:** My Etsy store will be up and running within four weeks, and I will have an inventory of 30 cards to sell within six weeks.

SMART Goal: Within a month, I am going to get set up to sell handmade cards on Etsy, which will allow me to benefit financially from my favorite hobby. Within six weeks, I will have an inventory of 30 handmade cards to sell and aim to sell a minimum of five cards per week, building customer relationships through word of mouth, referrals and local networking.