

CHAPTER- 2

Management: Process, Managerial Roles and Levels

Management is a definite process of accomplishing the task, which continues till the pre-determined goal is achieved. In the words of Stoner, "Process is the definite way to do the work." Management is a complex and dynamic process. Process which is to be completed by the manager consists of different steps, functions or elements. These elements are not independent in their own but are inter-dependent on each other and are also influenced by a number of elements. There is a continuous series of tasks to be done right from beginning till end. There are many steps or phases in this series that have to be completed in a sequential manner, till the goal is achieved and even after that, it has to be continued persistently. In the process of planning from beginning to implementation, after evaluating the work done in the beginning, the manager executes many managerial tasks like objective assessment, planning, organization, appointment, directing, leadership, communication, motivation and control. It is co-ordinated or collectively called '**Management Process**'. This management process is also called as 'Management Model'.

Management Process: Features

1. It is a continuous and dynamic process of managing tasks.
2. All the tasks of management are done by the managers, so this is a human process.
3. The activities of management basically depend on the interactions between individuals. Therefore, management is a social action.
4. The manager tries to achieve the goals

through his influence. Hence this is an effective and result oriented process.

5. The process of achieving goals ranges from personal life to all small business-non-business organizations, hence management is called universal process.

Management Process: Phases (Management: Functions)

There are lot of tasks involved in the management process, but there is difference of opinion among experts regarding these tasks, which is due to the vocabulary used by them, their views and their experiences. This is evident from the following table -

"Management Function", according to the expert's opinions are:

- | | |
|---------------------|---|
| 1. Ralph Davis | : Planning, Organization, Control |
| 2. Koontz O'Donnell | : Planning, Organization, Appointment, Direction, Control |
| 3. Breck | : Planning, Organization, Motivation, Coordination, Control |
| 4. Henri Fayol | : Planning, Organization, Order, Coordination, Control |
| 5. Lyndall Urwick | : Planning, Organization, Order, Coordination, Messaging, Forecasting, Research |
| 6. Luther Gulick | : Planning, Organization, Appointment, Direction, Coordination, Giving Details, Budgeting |

In addition to the above functions, many experts have also given other functions of management. The list of functions performed by the manager can be in detail, but in terms of studies, these functions can be divided into two parts- (A) Key Functions (B) Auxiliary Functions

(A) Key Functions: On the analysis of the table mentioned above, there are similarities of three functions amongst different management thinkers. These functions are - Planning, Organization and Control. It can also be expressed in other words such as Planning, Execution and Control. In order to implement planned functions, appointment of qualified persons and their guidance is also necessary. The jobs assigned to the recruited staff are also to be checked. Some experts believe that manager gets work done from all and allocate resources. He has to walk along taking everyone with him meaning thereby it becomes necessary to co-ordinate. Therefore, following points can be included in the main functions of the management:

1. Planning
2. Organization
3. Direction
4. Control
5. Coordination

1. Planning: The outline or illustration of the work is accomplished to achieve any goal is planning. For example, to reach a destination for a job, we consider the following things - when to reach, how far is the distance, which way and which means will be suitable, what to carry, how much to spend etc., and by preparing the appropriate answer to all these questions (selecting one of the available options) we plan to reach to the destination at the right time. This is planning. The manager also creates outline of work or action-plan before considering the same questions for achieving the goals of the

organization, so that the targets may be easily achieved. The Manager also decides the techniques, methods, procedures, rules, events, time and budget (capital) for so, along with the action plan.

In the words of Neil's- "Planning is a vigilant process of making and developing best work path to meet any purpose." Planning is essentially selecting the best or appropriate selection of the various options available to perform each task, and being aware about the change of alternative with changing circumstances. Therefore, according to Goetzy, "Planning is a selection process, and the problem of planning starts with the discovery of alternate methods to work. The main components or elements of the work planning are - objective, policy, work methods, procedures, rituals, rules, programs, strategies, norms or criteria; time, budget etc. Planning can be long-term or short-term, considering the future timing.

2. Organization: This is an important function of the management process. Determination of the necessary tasks or actions to achieve the objective, to assign, divide and classify those tasks, to determine the eligibility of those people, to determine the rights and obligations to all the employees, determination of mutual relationship, division of equal work, structuring organization etc has to be done by the managers. From this department-department officials, officers-subordinate relationships, communication formats and control rules are prescribed. The success and stability of the organization depends on its organization composition and organizational work. Therefore, the management has described this as an equivalent to the 'Spinal Cord' in the human body.

3. Direction- How to use the available resources to perform a task that achieves maximum success or

goal - this is called the Direction. Despite the similar resources, the results of each director (manager) are different. A good example is found in the Indian film industry. In 1917, on a romantic novel 'Devdas' written by Sharat Chandra Chaptopadhyay, from 1927 to 2013, 14 film directors made 16 films in Hindi and regional languages, but the result of all was different (earnings). This is a unique example of making so many films based on a novel. The major research university of America has done a comparative study of presentation of films made in four times in Hindi i.e. in 1935, 1955, 2002 and 2009. The film director directs - acting heroes, heroines, villains and all the characters. The composer, the cameraman, the dress designer and the commander of all the people engaged in the production of the film, motivates, explores and examines, then combines and prepare the film for release. Perhaps you have been able to understand the generality, relevance and complexity of the direction of work. The manager orders - instructions, persuade, leads, communicates, and supervises employees working in the organization. By direction, the manager makes the behavior of the employees friendly, generates belongingness towards the organizations, so that they willingly or readily contribute to achieve the objectives. For these various tasks contained in the direction, it is necessary to have the effective personality of the director. The main component of direction work is discipline; order-instructions; delegation of authority; motivation; leadership; supervision etc.

4. Control : With control, efficient execution of managerial tasks is possible. The amount of work is determined with the goal setting at the time of planning. By comparing the actual results of the work done by the employee to those pre-determined standards, the deviations (+/-) are

identified. Identified deviations are used to make corrective efforts or to use in upcoming expansion plans.

According to Henri Fayol- *"Control is to check whether all the functions or plans of the organization are executed according to the instructions given and prescribed rules. The purpose of control is to find out errors in the work, thereby improving it as much as possible and preventing repetition of such errors in the future."*

There are four main elements of the control process - determining the standard; evaluate the work and prepare the result details; to compare deviations from actual results, to find deviation and to modify or take corrective action based on deviations.

5. Coordination- There are substantial differences in the functioning of the employees, work procedures, work capabilities and qualities in the organization, thereby the possibility of individual and interpersonal conflict exists. But the manager has to create uniformity and harmony in his efforts to achieve a fixed target at a minimal cost. Due to the limitation of physical resources and the constraint of maximum use, their allocation also has to be adjusted so that the cost per unit overhead can be minimized. According to Messy- *"Coordination is the result of proper implementation of the functions of the management."* Hence, Koontz O' Donnell has said, *"Coordination is the essence of management."*

(B). Auxiliary Functions: To accomplish the major tasks of management, the work done for its sub-division or assistance are called auxiliary functions. Auxiliary functions can be many according to the organization, manager, and resource. The work normally done from it is the following:

1. Decision Making- This is the process of

selecting one of the 'Best' options available in relation to doing or not doing any work. This is an intellectual process, by which a suitable option is selected from some of the possible options for the solution or objective of a problem. Managers have to make important decisions every moment, which affect the organization's functioning and performance. This managerial task is involved in every action of 'decision making'. Therefore, Herbert Simon says that "Decision making and management are synonymous."

2. Appointments- Organization structure has two major parts - first, arranging and organizing physical structure - including building equipment-machine, material and capital etc. Second, Human Structure- in which the work of recruitment and development of qualified employees is done. According to the functions in the organization, manager selects eligible person on an appropriate remuneration. All the work from employee recruitment to retirement is included in this. In the transformation phase, the recruitment of workers or employees due to changing product-technology, and market placements continues. It is a continuous auxiliary/ supportive function in management.

3. Innovation - The revolutionary era of information technology is changing every moment. We all use mobile. You must have noticed that, everyday new types of mobile phones with new features are launched in market. Not only this, there is continuous improvement or development in the functions of the applications being used in mobile, this is an innovation. In the changing environment it is the task of manager to work on continuous product development and research. Not only this, the creation or discovery of new markets, finding new suppliers to get raw materials at cheaper rates, finding new technology and machines and linking the right, efficient and effective people to the

organization, efficient manager keeps on doing all these work on continuous basis. This is indispensable for the expansion of the organization's existence, success and development. This work has been described as the most vital and important task of management.

4. Communication- Communication is the exchange of ideas, facts, information and feelings between the manager and the employees. Communication is broadcasting of messages, instructions, orders, suggestions and information at different levels of management, so that the employees may complete their tasks efficiently. It is the manager's important task to implement a smooth communication system or structure in an organization. Empiricism, rumors, conflicts, or malicious spreading amongst the employees can be overcome by effective communication system.

5. Representation- Staying in touch with the external constituents or elements affecting each business, building good relationships with them, maintaining those relationships, conversing with them, getting them engaged and protecting the interests of organizations, all these work is absolutely necessary in today's era. The manager represents the organization and participates in the related association, party or union for so.

All the above mentioned functions are performed by the managers in an organization. But the question arises that

Do all the managers give equal time to each function? OR

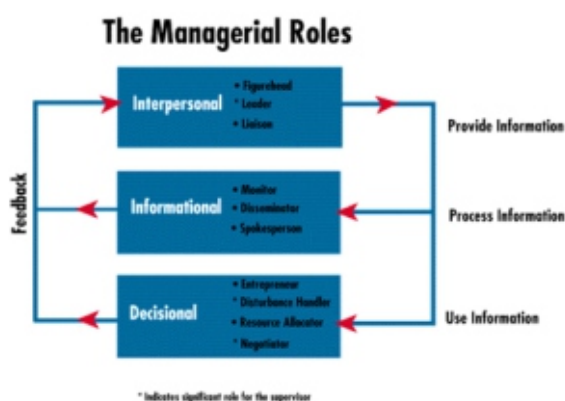
What functions are actually performed by the Managers?

Management thinker H. Mintz Berg of MacGill University studied the management functions and stated that time given on each task varies with the managerial level. Generally, higher level manager spends more time on Planning, Middle level

managers spend more time on directions, leadership, coordination and communication and low level managers spend more time on direction, motivation and supervisory-control.

What these managers do?

Mintz Berg has answered with the help of task or role oriented approach



Managerial Roles

Role- Role means the manager's behaviour, duties and activities of manager, that is expected by the society and organization and accordingly, manager reflects these qualities and performs his or her role. Professor Henry Mintz Berg studied the activities and role of higher level managers (Chief Executive Manager) of five big industrial organizations. His research study was based on the following assumptions:-

1. Managers get high positions and decision making authority in an organization.
2. The official power and high position helps him in public behaviour and creating interpersonal relationships with his subordinates and colleagues.
3. Managers' high position in the organization, interpersonal relationships with the subordinates and public behaviour create various roles of managers.

Managerial roles depend upon the position, status and level of authority over it in an organization.

With the manager's personal skills, if their positions and rights are added, then the roles of managers arise or are determined. Henry Mintz berg has defined and laid down 10 types of roles and described it into 3 major roles.

(A). Interpersonal Roles-

The manager maintains an interpersonal role due to his formal power, position and state. These roles include the following:

- 1. Figure-Head Role** - In this role, being the head or president of the organization, managers signial activities and preside over the functions etc.
- 2. Leader** - In the role of leader, the manager motivates their subordinate for achieving organizational goals. They establish the integration of the needs of the people and the organization's goals through their power, coordination techniques and motivational measures.
- 3. Liaison officer** - The manager also plays the role of liaison person between their organization and external parties and various departments and organizational units. This role is very important in terms of exchange of information and coordination.

(B). Informational Roles-

In these roles, managers collect and distribute various information, facts and knowledge. These types of organizations are considered as Nerve Centers. They have the following three roles related to them :

- 1. Monitor Role** - The manager needs different information for planning, decision making and other managerial tasks. He therefore, collects information materials from various knowledge sources about his organization and its environment. He receives information through his officials, subordinates, co-managers and other contact sources.
- 2. Dissemination Role-** Manager in his role

distributes and disseminates information collected to its subordinates and related entities as per its utility and necessity. Both factual information and valuable information are transmitted in it. Value information is related to the manager's approach and priorities etc.

3. Spokesperson Role - In the role of Spokesperson, the manager conveys various types of information to the external parties - Customers, Government, Community, Institutions etc. about organization's plans, policies, programmes through proper communication media.

(C). Decisional Roles-

It is the role of managers to create strategy formulation and decision making. These roles are of three types

1. Entrepreneur - In this role, the manager identifies different possibilities, opportunities and dangers for his organization and implements their corresponding changes and then reforms. He applies innovations to the organization to take advantage of the change in the environment.

2. Disturbance Handler- The manager removes the daily riots, troubles, products, conflicts and disturbances that occur day to-day in an organization. He expresses his response to various problems and pressures of the employees. He discusses about strikes, contractual breakdowns, lack of raw materials, complaints of employees and the difficulties and overcomes them using power of his post, position and authority.

3. Resource Allocator- In this role, the manager creates an action plan about subordinates time, management, resources and functions, decides about the allocation of finance, raw materials, equipment, other supplies etc, resolves resource preferences of different departments, prepares budget etc. Thus, the manager decides how, when,

why and for whom the resources of the organization are to be spent.

4. Negotiator - The Manager negotiates with different groups of different parties such as Labor Union, Clients, Government and other agencies and benefits the organization. The manager plays the role of inter-mediator for the reconciliation of various disputes.

Managerial Levels / Hierarchy

Managerial Hierarchy - are those management levels which create an order or communication chain between different managers and describes the interrelationships between them. There are various levels in the organization structure that tells the difference between power, rank, positions etc. These levels are called as Hierarchy.

How many hierarchy of management will be there in an organization depends upon the organization's size, characteristics and limitations of the organization, the capabilities of managers, the centralization of rights or decentralization policy.

In every organization, functions and rights are divided amongst employees from top level to low level. As a result of it, the relationship of the officer-subordinate is established. These relationships are perceptible and this leads to the creation of managerial level. Initially, there were only two levels - one higher who was employed by the employer and the lower level of all the employees. But in the changing environment, the organization's size is becoming very large and the modus-operandi is getting complicated. The real owners of the organization also do not participate in business activities, in such situation the employers have begun to split all the tasks and rights at three levels.

The first level is called the highest or top management, which works for the attainment of the

goal while protecting the interest of the employers. So in this case, most rights are concentrated with them. The management of the top level spends the maximum time and energy in everyday life and complex organizations to face emerging new challenges and to simplify the complexity into simplicity. The employees, who have given the responsibility or liability to supervise and complete the work on the main ground in an organization, are called first or lower level managers. Mid-level employees are appointed in the middle link to get the first line employees to work and check or inspect their works. Thus, this type of managerial hierarchy or level has become universal in large-scale organizations, operating in the modern era.

Top (High) Level Management - Generally, the group of active managers at higher or higher positions is called high level or higher management. In other words, according to the functional ideology of management, Planning and Policy making management in the organization is called as high level management. According to Louis A. Allen, "Higher management is policy-determining group, which is responsible for the direction and success of all the actions of the company." In this way, the board of directors, managing directors, general manager etc. come in high level management. It is also known as the Chief Executive.

The main task of the high level management is to determine the policies of the organization so that the organization can be operated efficiently. According to Livingston, there are three functions of high level management-

1. Decision Function - Origin of ideas, planning, determining objectives, process structure, coordination and appointment of officers, policy making and analysis, implementation, transfer of

rights, selection of financial resources, mobilization and distribution of benefits.

2. To know the opinion of others.

3. Judicial Work - Comparing the achievement of judicial work policies and objectives, evaluating cost and alternate basis.

The following are the *auxiliary works* of high level management:

1. Define the purpose of the undertaking and explain the policies.
2. Disseminating important order and instructions
3. Discuss important matters
4. Bring long-term stability in the venture.
5. Approval of the budget.
6. Examining plans and results.
7. Developing and maintaining a sense of working on a voluntary basis in subordinates under organization-structure.
8. Maintaining high levels of frugality and work-efficiency amongst the officials.
9. Choosing the CEOs.
10. Protecting the property of the venture while working as a trustee or depository of it

Middle Level Management - Middle level management refers to the level between the high and lower level management. In other words, the management at the middle level of the chairman and first person manager of different departments is called middle-level management. According to *Mary Kushing Niles*- "Mid-level management implements policies with the efforts of their subordinates. They send order-instructions and consultation downward and send suggestions, requests and complaints upward."

In this way, in the middle-level management there are divisional managers, plant managers, departmental manager - production, marketing, distribution and personnel manager and regional

manager, etc. The main function of mid-level management is to establish coordination between functional or operational manager and high-level managers. The following other functions of the middle level management are:

1. Explain and understand policies,
2. Give detailed instructions for the operation,
3. Evaluate the progress of daily work,
4. Cooperating in decision making for actionable tasks,
5. Collaborate in the coordination of departmental work,
6. Motivate the operating staff,
7. Give necessary training to supervisory managers,
8. Solve problems of supervisory staff,
9. Settlement of disputes arising at the supervisory management level,
10. Try for research and investigation.

The First Line or Supervisory Management-

The first line or supervisory management, also called a lower-level management, refers to those executive leadership positions whose work is mainly to inspect and direct the work of the executive staff. In the words of R.C Davis, "The supervisory management is meant by those managers whose main work is to inspect and direct the operating staff. Their work is related to the execution of daily work and is of technical nature." In this way first-line or lower-level management involves the Branch Manager, Chief Supervisor, Office Superintendent, Chief Clerk, Accountant, Inspector, Foreman, Section In-charge and In-charge Supervisor.

The main task of first-line management is to work according to the plan, to coordinate tasks, to solve the problems of supervisors and workers etc. The following are other functions of first-line

management:

1. Create operating Plans
2. Inspect the task of employees and improve their mistakes
3. Review the work of employees
4. Getting employees to know about working methods
5. Assign workload to employees or workers
6. Establish Coordination in various operational tasks
7. Submit social progress details to higher level managers
8. Keep in touch with the officials and give the necessary information
9. Take control on the flow of daily work
10. Send the employees' matters to the high level officials
11. Motivating employees and maintaining discipline in them
12. Providing necessary educational training to the employees
13. Maintain personal relationship with employees
14. To give consultation, guidance and solve work related problem of employees
15. To evaluate the work task of employees

Important Points/ Summary-

The planned group efforts made to achieve each goal is called management. There is a continuous series of management tasks, done from beginning to end. There are lots of tasks involved in the management process, but main task which is done everywhere is - planning, organizational structuring, appointment, instructions and control. Apart from this, there are many small tasks which are inspired by the organization and its goal. Overtime, in the changing environment, the relevance of various tasks increases-decreases or

new tasks begin. In the beginning of the 21st century, task of creativity and innovation emerged as important, changes occurred in communication system and business methods, changes happened in the nature of working conditions and employees resulting in new management styles and techniques.

In 21st century, the size of the organization, nature and goal also expanded. With the expansion of trade and industry globally, earning the highest profits became a focal point for contemplation and goal. In such complex and challenging circumstances, the role of professional managers became important for working with the large staff. Managers work at many levels in an organization, which is classified into three levels based on liability and rights - Top, Middle and Supervisory (Lower Level) managers.

What do the managers do? What is their role in an organization? To make it understand to common people, Henry MintzBerg did a research work and explained the managerial role. The entire chapter explains the functioning of the management, the process of operation and its nature and level.

EXERCISE

Very Short Questions:

1. What do you mean by management process?
2. What does innovation imply?
3. What do you mean by management function?
4. What are the primary functions of management?
5. State the meaning of interpersonal role.
6. What is the primary function of management according to Peter F. Drucker?
7. What is the subject matter if Mintzberg's research works?
8. Mention the different levels of management?

9. What do you mean by liasoning role?

Short Answers Questions:

1. Give the points of importance of management.
2. What were the assumptions of Henry Mintzberg's research study?
3. State the decision making role of management?
4. Which is top level management?
5. Differentiate between top level and middle level management.
6. Give the functions of supervisory level of management.
7. List out the secondary functions of management.
8. What do you mean by negotiation?
9. Who are the middle level executives of an organization?

Essay Type Questions:

1. What do you understand by process of management? Explain its salient features.
2. What is management process? Discuss various functions of management.
3. Give the meaning of 'Role of Management'. Elucidate the managerial role stated by Mintzberg.
4. Why is there a need of different levels of managerial functions? Explain the functions performed by managers at different levels.