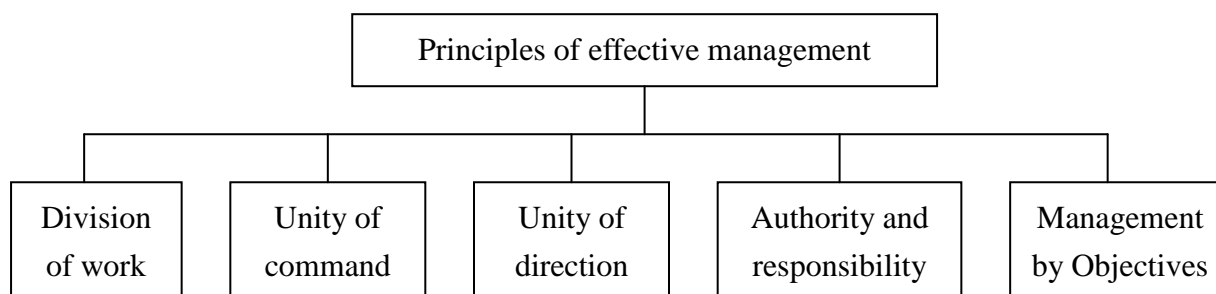


Chapter 5 Management Functions II

Summary

1. Principles of Effective Management



1.1 Division of Work

Definition	The breaking down of work into separate jobs or tasks
Advantages	<p>To businesses:</p> <ul style="list-style-type: none"> • Save time: The time spent on (1)training and switching between production stages is saved. • Choose the best person for the job: The most capable person is chosen for each task, so (2)productivity can be raised. • Better use of resources: Fewer (3)tools are used in production. • (4)Mechanisation: The use of machines increases production efficiency. • Easier to supervise production process: It is easier for managers to monitor sub-processes of production to ensure the quality of products.

	<p>To employees:</p> <ul style="list-style-type: none"> • Practice makes perfect: Repetitive work makes employees skilled at the task. • More leisure time: Employees can finish the task more quickly and enjoy more leisure time.
Disadvantages	<ul style="list-style-type: none"> • (5)Monotonous work: Employees may get bored for repetitive work and have low (6)job satisfaction. • (7)Interdependent work stages: The whole production process may be interrupted by individual stages. • Low (8)occupational mobility of staff: Specialised at a particular task only, employees may have difficulties in changing jobs.

1.2 Unity of Command

Definition	Each subordinate should receive orders from and report to (9) one superior only.
Advantages	<ul style="list-style-type: none"> • Avoid (10)conflicting instructions: The information flow between a subordinate and the superior is more effective. • Arrange appropriate workload: The problem of (11)work delay can be avoided as a subordinate receives appropriate workload from one superior only. • Strengthen supervision: A subordinate is supervised by one superior only, so both of them cannot shirk duties easily.

1.3 Unity of Direction

Definition	Only one manager is assigned to be in charge of a specific plan.
Advantages	<ul style="list-style-type: none"> • Set up clear goals: Employees are united to achieve the common goals. • Build up team spirit: Employees are directed to work for common goals and team spirit is built through cooperation. • Save resources: (12)Time and resources are saved as unity of direction prevents the plan from getting sidetracked.

1.4 Authority and Responsibility

Definition	<ul style="list-style-type: none"> • (13)Authority is the right given to a person who occupies a position in a business to carry out his/her tasks as to achieve the goals set by the business. • (14)Responsibility is the obligation to carry out a specific task and assigned duties. • (15)Delegation is the process of assigning authority and responsibility from a manager to the subordinates in order to finish specific activities or tasks.
Principles of effective delegation	<ol style="list-style-type: none"> 1. Define job responsibility: To state the subordinates' authority and responsibility clearly 2. Assign the right person: To assign tasks by considering subordinates' ability, skills required by the tasks and subordinates' current (16)workload 3. Provide resources: To provide sufficient resources and (17)training

	<p>4. Monitor work regularly: To monitor work progress and provide support when needed</p>
<p>Advantages of delegation</p>	<ul style="list-style-type: none"> • Reduce manager’s workload: Managers can delegate (18)technical matters to subordinates and focus on long-term planning. • Improve subordinates’ ability: Delegation provides training opportunities for subordinates to develop their skills and talents. • Enhance subordinates’ job satisfaction: Subordinates can try something new and make decisions by themselves. This increases their job satisfaction. • Strengthen subordinates’ (19)sense of responsibility: Managers’ regular check on subordinates’ progress helps remind subordinates about the duties to get the job done.
<p>Factors affecting delegation</p>	<ul style="list-style-type: none"> • Lack of confidence in subordinates’ (20)ability: Some managers choose to finish the work by themselves as they do not trust their subordinates. • Urgency of task: Urgent tasks are not suitable for delegation. • Importance of task: Tasks related to important business matters are not appropriate to be delegated. • Lack of (21)support: If sufficient training and resources are not available, delegation should not be practised.

1.5 Management by Objectives (MBO)

<p>Definition</p>	<ul style="list-style-type: none"> • MBO is the process that a superior and subordinates set goals and develop plans for achieving the goals together. • The subordinates are given (22)autonomy to work. • The superior is responsible for (23)evaluating subordinates' work and giving feedback regularly.
<p>Steps</p>	<ol style="list-style-type: none"> 1. The superior and subordinates review the long-term goals of the business and agree on the goals for the subordinates to complete. 2. The superior and subordinates jointly develop an (24)action plan on how to achieve the goals. 3. The subordinates carry out the action plan. 4. The superior reviews and evaluates subordinates' work regularly.
<p>Advantages</p>	<ul style="list-style-type: none"> • Synchronisation with business goals: The goals that subordinates need to achieve are in line with the business goals. • Clear understanding of goals: After discussion with the superior, subordinates can understand the goals better. • Increase work motivation: Subordinates participate in setting goals and are more motivated to achieve them. • Improve (25)communication: By developing goals with subordinates, the superior has more opportunities to collect comments from them. • Monitor work better: Work progress is under better control as managers review the action plan regularly.

Disadvantages	<ul style="list-style-type: none">• Time-consuming: It takes time to hold meetings for setting goals together.• Increase managers' workload: Managers have to discuss with subordinates to set goals and keep records of meetings.• Neglect long-term goals: Subordinates may focus on (26)short-term goals, but neglect long-term goals due to difficulty in achieving such goals.
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