

# LEARNER GUIDE



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## **Describe And Apply The Management Function Of An Organisation**

Unit Standard 14667

Level 4 Credits 10

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## PERSONAL INFORMATION

<i>NAME</i>	
<i>CONTACT ADDRESS</i>	
<i>Code</i>	
<i>Telephone (H)</i>	
<i>Telephone (W)</i>	
<i>Cellular</i>	
<i>Learner Number</i>	
<i>Identity Number</i>	

<i>EMPLOYER</i>	
<i>EMPLOYER CONTACT ADDRESS</i>	
<i>Code</i>	
<i>Supervisor Name</i>	
<i>Supervisor Contact Address</i>	
<i>Code</i>	
<i>Telephone (H)</i>	
<i>Telephone (W)</i>	
<i>Cellular</i>	

# INTRODUCTION



## ***Welcome to the learning programme***

Follow along in the guide as the training practitioner takes you through the material. Make notes and sketches that will help you to understand and remember what you have learnt. Take notes and share information with your colleagues. Important and relevant information and skills are transferred by sharing!

This learning programme is divided into sections. Each section is preceded by a description of the required outcomes and assessment criteria as contained in the unit standards specified by the South African Qualifications Authority. These descriptions will define what you have to know and be able to do in order to be awarded the credits attached to this learning programme. These credits are regarded as building blocks towards achieving a National Qualification upon successful assessment and can never be taken away from you!

## **Structure**

### **Programme methodology**



The programme methodology includes facilitator presentations, readings, individual activities, group discussions and skill application exercises.

**Know what you want to get out of the programme from the beginning and start applying your new skills immediately. Participate as much as possible so that the learning will be interactive and stimulating.**

The following principles were applied in designing the course:

- ✓ Because the course is designed to maximise interactive learning, you are encouraged and required to participate fully during the group exercises
- ✓ As a learner you will be presented with numerous problems and will be required to fully apply your mind to finding solutions to problems before being presented with the course presenter's solutions to the problems
- ✓ Through participation and interaction the learners can learn as much from each other as they do from the course presenter
- ✓ Although learners attending the course may have varied degrees of experience in the subject matter, the course is designed to ensure that all delegates complete the course with the same level of understanding
- ✓ Because reflection forms an important component of adult learning, some learning resources will be followed by a self-assessment which is designed so that the learner will reflect on the material just completed.

This approach to course construction will ensure that learners first apply their minds to finding solutions to problems before the answers are provided, which will then maximise the learning process which is further strengthened by reflecting on the material covered by means of the self-assessments.

### ***Different role players in delivery process***

- ✓ Learner
- ✓ Facilitator
- ✓ Assessor
- ✓ Moderator

## What Learning Material you should have

This learning material has also been designed to provide the learner with a comprehensive reference guide.

It is important that you take responsibility for your own learning process; this includes taking care of your learner material. You should at all times have the following material with you:

<p><b>Learner Guide</b></p> 	<p><b><i>This learner guide is your valuable possession:</i></b></p> <p>This is your textbook and reference material, which provides you with all the information you will require to meet the exit level outcomes.</p> <p>During contact sessions, your facilitator will use this guide and will facilitate the learning process. During contact sessions a variety of activities will assist you to gain knowledge and skills.</p> <p>Follow along in the guide as the training practitioner takes you through the material. Make notes and sketches that will help you to understand and remember what you have learnt. Take and share information with your colleagues. Important and relevant information and skills are transferred by sharing!</p> <p>This learning programme is divided into sections. Each section is preceded by a description of the required outcomes and assessment criteria as contained in the unit standards specified by the South African Qualifications Authority. These descriptions will define what you have to know and be able to do in order to be awarded the credits attached to this learning programme. These credits are regarded as building blocks towards achieving a National Qualification upon successful assessment and can never be taken away from you!</p>
<p><b>Formative Assessment Workbook</b></p> 	<p>The Formative Assessment Workbook supports the Learner Guide and assists you in applying what you have learnt.</p> <p>The formative assessment workbook contains classroom activities that you have to complete in the classroom, during contact sessions either in groups or individually.</p> <p>You are required to complete all activities in the Formative Assessment Workbook.</p> <p>The facilitator will assist, lead and coach you through the process.</p> <p>These activities ensure that you understand the content of the material and that you get an opportunity to test your understanding.</p>

### Different types of activities you can expect

To accommodate your learning preferences, a variety of different types of activities are included in the formative and summative assessments. They will assist you to achieve the outcomes (correct results) and should guide you through the learning process, making learning a positive and pleasant experience.



The table below provides you with more information related to the types of activities.

<b>Types of Activities</b>	<b>Description</b>	<b>Purpose</b>
<p><b>Knowledge Activities</b></p> 	<p>You are required to complete these activities on your own.</p>	<p>These activities normally test your understanding and ability to apply the information.</p>

<b>Types of Activities</b>	<b>Description</b>	<b>Purpose</b>
<b>Skills Application Activities</b> 	You need to complete these activities in the workplace	These activities require you to apply the knowledge and skills gained in the workplace
<b>Natural Occurring Evidence</b> 	You need to collect information and samples of documents from the workplace.	These activities ensure you get the opportunity to learn from experts in the industry.  Collecting examples demonstrates how to implement knowledge and skills in a practical way

## earner Administration



### **Attendance Register**

You are required to sign the Attendance Register every day you attend training sessions facilitated by a facilitator.

### **Programme Evaluation Form**

On completion you will be supplied with a "Learning programme Evaluation Form". You are required to evaluate your experience in attending the programme.

Please complete the form at the end of the programme, as this will assist us in improving our service and programme material. Your assistance is highly appreciated.

## Assessments

The only way to establish whether a learner is competent and has accomplished the specific outcomes is through the assessment process. Assessment involves collecting and interpreting evidence about the learners' ability to perform a task.

**To qualify and receive credits towards your qualification, a registered Assessor will conduct an evaluation and assessment of your portfolio of evidence and competency.**

**This programme has been aligned to registered unit standards. You will be assessed against the outcomes as stipulated in the unit standard by completing assessments and by compiling a portfolio of evidence that provides proof of your ability to apply the learning to your work situation.**



## **How will Assessments commence?**

### **Formative Assessments**

The assessment process is easy to follow. You will be guided by the Facilitator. Your responsibility is to complete all the activities in the Formative Assessment Workbook and submit it to your facilitator.

### **Summative Assessments**

You will be required to complete a series of summative assessments. The Summative Assessment Guide will assist you in identifying the evidence required for final assessment purposes. You will be required to complete these activities on your own time, using real life projects in your workplace or business environment in preparing evidence for your Portfolio of Evidence. Your Facilitator will provide more details in this regard.

**To qualify and receive credits towards your qualification, a registered Assessor will conduct an evaluation and assessment of your portfolio of evidence and competency.**

## **Learner Support**

**The responsibility of learning rests with you, so be proactive and ask questions and seek assistance and help from your facilitator, if required.**



Please remember that this Skills based education principles which implies the following:

Programme is based on outcomes

- ✓ You are responsible for your own learning – make sure you manage your study, research and workplace time effectively.
- ✓ Learning activities are learner driven – make sure you use the Learner Guide and Formative Assessment Workbook in the manner intended, and are familiar with the workplace requirements.
- ✓ The Facilitator is there to reasonably assist you during contact, practical and workplace time for this programme – make sure that you have his/her contact details.
- ✓ You are responsible for the safekeeping of your completed Formative Assessment Workbook and Workplace Guide
- ✓ If you need assistance please contact your facilitator who will gladly assist you.
- ✓ If you have any special needs please inform the facilitator

# UNIT STANDARD 14667

## **Unit standard title**

Describe and apply the management functions of an organisation.

## **Unit standard id**

14667

## **NQF level**

4

## **Credits**

10

## **Purpose**

This unit standard is intended for managers of small businesses and junior managers of business units in larger organisations. It provides the background necessary to understand the management function in an organisation. The term business unit in this unit standard implies a small business, cost centre, section or department. Junior managers include, but are not limited to team leaders, supervisors, first line managers and section heads. The position term is used to describe the first level of management in an organisation at which an employee has other employees reporting to him/her.

The qualifying learner is capable of:

- ✓ Describing the management activities involved in running a successful business.
- ✓ Explaining the basic activities involved in the management process.
- ✓ Identifying and explaining the main tasks required of managers.
- ✓ Applying the decision making process to make a management decision.
- ✓ Analysing the application of the general management functions in a selected organisation.

## **Learning assumed to be in place**

There is open access to this unit standard. Learners should be competent in Communication and Mathematical Literacy at NQF Level 3.

## **Unit standard range**

- ✓ Basic management activities are planning, organising, leading and controlling.
- ✓ Management tasks include, but are not limited to, decision making, communicating, controlling, disciplining, motivating, coordinating, evaluating and delegating.
- ✓ When the learner is already in a junior management role this unit standard should be read as referring to the learner's own position in an organisation.
- ✓ General management functions include Human Resources, Marketing, Public Relations, Production, Financial and Administration.

## **Specific outcomes and assessment criteria**

**Specific Outcome 1:** Describe the management activities involved in running a successful business.

### **Assessment Criteria**

- ✓ The business functions of an organisation are analysed and the main business functions are identified for a specific organisation.
- ✓ The resources used in a business are analysed and the role of management in ensuring that resources of the business are used to best advantage is explained with examples from a specific organisation.
- ✓ The responsibilities of employees in ensuring that resources are used to best advantage is explained with examples.

**Specific Outcome 2:** Explain the basic activities involved in the management process.

### **Assessment Criteria**

- ✓ The basic activities involved in the management process are named with examples.
- ✓ The planning function in an organisation is identified and an indication is given of who in the organisation is responsible for the planning function.
- ✓ An example of the planning required in the learner's own situation is produced and an indication is given of how this fits into the organisation's business plan.
- ✓ The organising function in an organisation is identified and an indication is given of who in the organisation is responsible for the organising function.
- ✓ The organising function in the learner's own position is identified with examples.
- ✓ The leading function in an organisation is identified and an indication is given of who in the organisation is responsible for the leading function.
- ✓ The leading function applicable to the learner is identified and an indication is given of the learner's own leadership style.
- ✓ The control function in an organisation is identified and an indication is given of who in the organisation is responsible for the control function.
- ✓ The control function in the learner's own situation is identified and an indication is given of what the learner controls and how s/he exercises control.
- ✓ The difference between responsibility and accountability is explained with reference to delegation.

**Specific Outcome 3:** Identify and explain some of the tasks required of managers.

### **Assessment Criteria**

- ✓ The decision making task of managers is explained with examples.
- ✓ The communication task of managers is explained with examples and suggestions are made as to how cultural diversity can be accommodated in communications.
- ✓ The importance of trust in an organisation is explained and an indication is given of how trust affects communication.
- ✓ The coordinating task of managers is explained and an indication is given of how the learner is responsible for co-ordinating based on a position description.
- ✓ The motivating task of managers is explained with examples.
- ✓ The delegating task of managers is explained and an indication is given of what tasks can and may not be delegated in a specific organisation.
- ✓ The disciplinary task of managers is explained and an indication is given of the role of the team leader/low level manager in the disciplinary process.
- ✓ The evaluating task of managers is explained and an indication is given of the role of the junior manager in the assessing worker performance.

**Specific Outcome 4:** Apply the decision making process to make a management decision.

### **Assessment Criteria**

- ✓ The steps to be followed in making a decision are explained with reference to an authentic workplace situation.
- ✓ The decision making process is used to make a management decision.

**Specific Outcome 5:** Apply the general management functions to a selected organisation.

### **Assessment Criteria**

- ✓ The management functions in an organisation are listed and an indication is given of who in the organisation is responsible for each function.
- ✓ The way in which each management function is addressed in a specific organisation is explained with reference to the organogram of a selected organisation.
- ✓ The role of a team leader or low level manager in the management of an organisation is outlined with reference to the basic management functions and tasks.

# SECTION 1: MANAGEMENT ACTIVITIES

## ***Specific outcome***

Describe the management activities involved in running a successful business

## ***Assessment criteria***

- ✓ The business functions of an organisation are analysed and the main business functions are identified for a specific organisation
- ✓ The resources used in a business are analysed and the role of management in ensuring that resources of the business are used to best advantage is explained with examples from a specific organisation
- ✓ The responsibilities of employees in ensuring that resources are used to best advantage is explained with examples

## ***The Business Process***

All businesses start by

- ✓ Taking something from the environment, usually raw materials,
- ✓ The raw materials are processed – the business does something to it
- ✓ The product is then passed on or sold to someone,
- ✓ The business then gets some reward for whatever it is that they do – payment.

This is called the business process.

The business process consists of

- ✓ Inputs: in the case of baking a cake: flour, sugar, butter, milk, etc.
- ✓ Processing: mixing the ingredients and baking the cake in the oven.
- ✓ Outputs: finished cake, either to be eaten by family or sold to a store.
- ✓ Feedback: from the family about the taste of the cake or payment from the store.

### **Inputs**

***Inputs are what is needed to do the work.***

Inputs are the raw materials you use to make something else. For example, if you want to bake a cake you will need flour, eggs, milk, as well as the effort and skill of someone willing to bake a cake. If you want to build a house you need sand, cement, bricks, and someone willing to build the house. If you want to start a business you need money, raw materials, tools, machinery, equipment, a place to work, transport, and employees.

In manufacturing, inputs are raw materials that you start with to make something else. For example, if you want to bake a cake you need flour, eggs, milk, effort and skill of a person baking the cake, and so on. If you want to build a house you need sand, cement, bricks, and so on.

When you are processing information, the gathering and capturing of raw data would be inputs. If you are working on the payroll, inputs would be salary and wage levels, employee details, overtime hours worked, bonuses that have to be paid, etc

### **Processes**

The business processes bring all the inputs together in such a way that the desired product is produced: a perfectly baked cake, a house that does not fall down or does not have a leaking roof.

All the steps, processes, procedures and modifications to the raw materials to produce the products and services of the business are included in the processes. Drawing the building plans, mixing the mortar, laying the bricks, painting the inside and outside of the house, installing windows and doors, putting up a roof, installing cupboards and carpets or tiles – every process that contributes towards the final product is included.

Very often businesses have unique processes that make their products special, such as Nando's and KFC who have special ingredients but also special ways of preparing chicken.

### **Outputs**

***The result of what is done in the process/production phase is called an output.***

The finished product, the finished house and the finished cake are all outputs. Outputs can be divided into tangible and intangible outputs:

- ✓ Tangible outputs are products that you can see and touch, like a box of matches, the finished cake, the finished house, the cooked chicken from KFC or Nando's.
- ✓ Intangible outputs are services such as in hospitals, training, telecommunications.

## Feedback

No process is complete without feedback. After a business has sold a product or provided a service, it must get feedback.

Examples of feedback include whether the customers buy the product/service or not, are they prepared to buy the product at the price the business sells it, sales volume, financial figures, staff turnover.

## Business systems and the business process

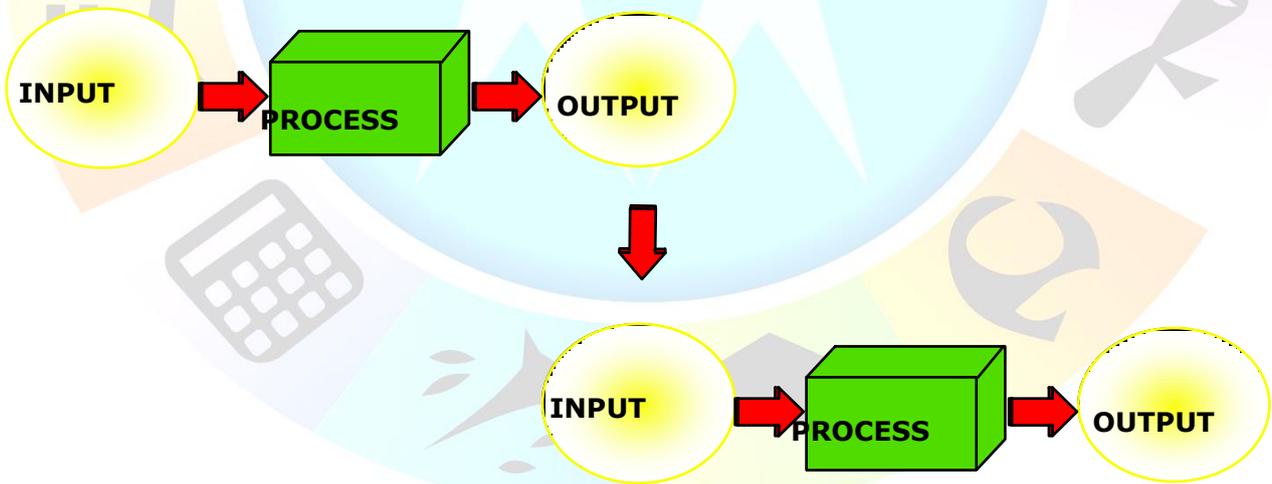
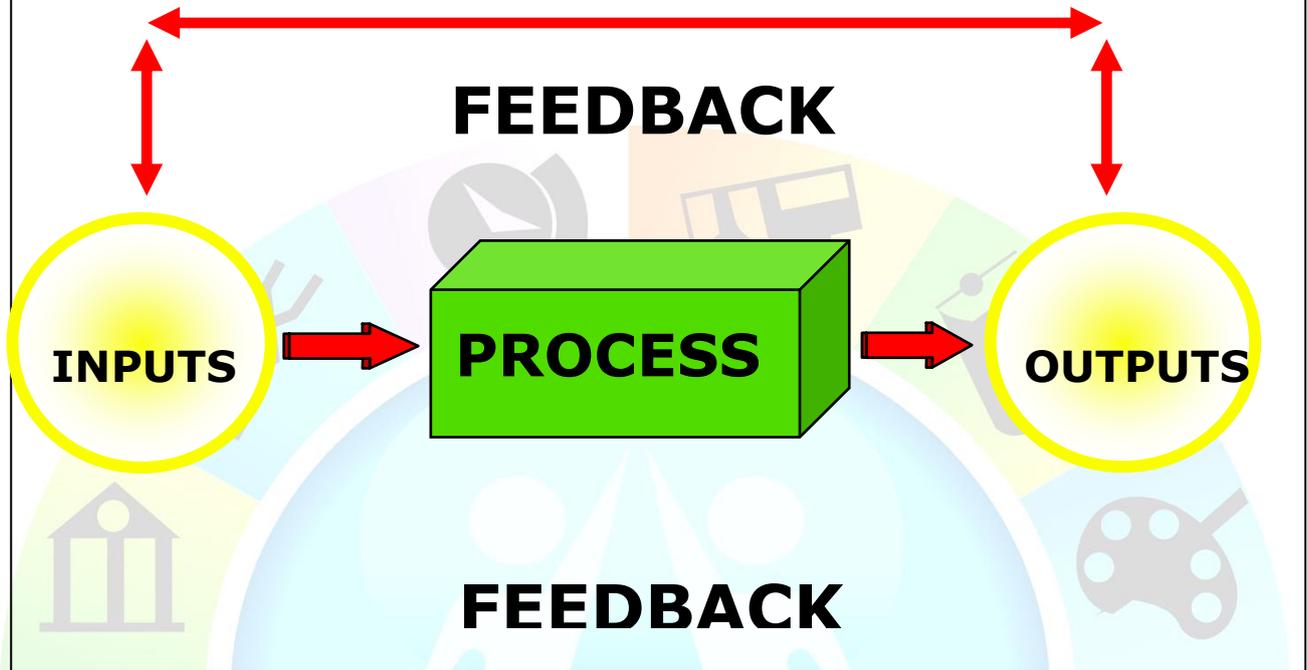
Any business or organisation is made up of subsystems or functions. All these functions have inputs, processes, outputs and feedback. The output of one system becomes the input of another system.

- ✓ The purchasing department have to ensure that they purchase the correct raw materials for production department. Their output is the raw material used by production.
- ✓ The raw material becomes the input for production department, the process is manufacturing the product, and their output is the finished product.
- ✓ The finished product becomes the input for sales department who have to sell the product. The process is the actual selling of the product to customers and the output is the sold product.

In this way, all the functions of the business are linked to each other.



# BUSINESS PROCESS



## Organisation Structure

The dictionary explains an organisation as an organised group of people with a particular purpose, e.g. a business. In the transport industry, the purpose of the business will be transport of either passengers or goods or both. Every business, from the smallest to the very large ones, has an organisation structure, also called a hierarchy. The hierarchy explains the ranking of the people who work there as well as how the employees of the organisation or business is organised. It also explains the levels of work, the power and the authority that the employees have, from top management to middle management to supervisors to workers.

In small businesses one person will do more than one job, such as purchases, stock keeping, sales and issuing of invoices, while in bigger businesses the work will be more specialised. For example, purchases will be a department on their own, with people doing only that.

The business term for dividing work is called *functions*. We will talk about the purchasing function, the sales function, etc. This then means that when we talk about the purchasing function, it means that the work people do has to do with purchases.

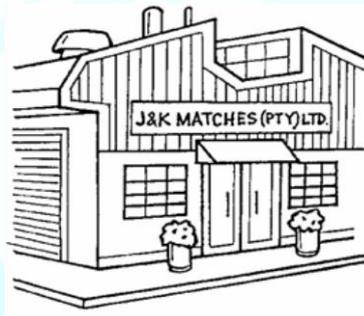
In businesses today, even small ones, the work is divided along the following lines:

### Marketing function

The marketing function must find out what the needs of the customers are, which products or services they need and then work out a plan so that your business can fulfil the need of the customers. This is why every business has to have to do a marketing plan.

### Production / operational department / function

The production department is where the takes place, where goods are made, packed, are going to make goods, such as car parts, happen is the production line must be planned, parts can flow from start to finish. In the materials and semi-finished products are for the market.



physical production of products etc.. it stands to reason if you the first thing that has to so that the making of the car production department, raw converted into finished products

The Operations Department is more than just Operations must also plan, organise, co- so that a product or service of the proper place at the right time to the right customer.

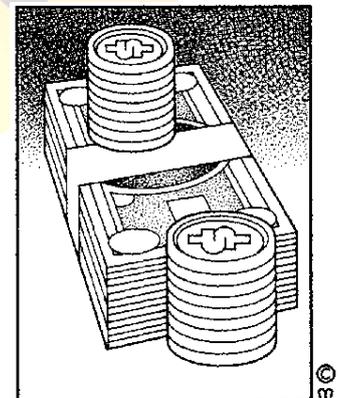
the production department. ordinate and control the process quality is provided in the right

### Purchasing department / function

The purchasing department has to ensure that goods and services of the right quality are purchased. The purchasing department is also responsible for buying all the materials, equipment, machinery as well as services such as maintenance, installation and transport services. The purchasing function is therefore responsible for purchasing goods and services

- ✓ of the right quality,
- ✓ in the right quantities,
- ✓ at the right time,
- ✓ at the right price,
- ✓ from the right supplier
- ✓ and delivered to the proper destination.

In the transport industry, the purchasing function will be responsible for buying vehicles, parts for the vehicles, the petrol or diesel that the vehicles run on, etc.



### Financial department / function

The financial function spends the money that is available in the business in such a way that the business can operate. So, while the purchasing function has to find out where to get the best deal for vehicles and parts, the financial function has to make sure that there is money available to buy the vehicles, service them, buy spares for the vehicles, etc. If the business has to borrow money, the financial function has to draw up the cash flow statements, budgets and balance sheets that are needed to apply for loans.

The financial function also has to make sure that the other departments do not spend too much money and that the money for goods or services that were provided by the business comes into the business. In other words, they check that invoices are paid and make sure that the money is deposited into the bank account.

### **Sales department / function**

The sales department ensures that the products are sold to the customer, by making contact and building relationships with customers.



### **Administration department / function**

The administration function controls the information systems within the business.

The administration department, for example, processes invoices, sends out statements, takes telephone calls and refers the caller to the correct department, files the business documents, sends letters to clients, etc.

The administration department, therefore:

- ✓ obtains information
- ✓ processes information
- ✓ and makes the information available for the management of the business.



### **Human resources department / function**

The Human Resources function must appoint employees to do the work, they must ensure that the employees have the necessary skills and knowledge to do the work, they have to ensure that employees attend training, etc.

### **Public relations department / function**

The public relations function must bring the business to the attention of the general public, for example by placing advertisements, holding promotions, and so on. It is the job of PR to make sure that the world outside the business has a good impression of the business.

### **Quality control department / function**

The quality control department must make sure that the quality of the product or service is good. In other words, that the products that are made by the business are of a high quality and that quality standards are applied at all times.

If you open a packet of crispy chips and they are soggy and tasteless, it means that the quality control department of the business that made the chips, did not do their work.

In transport, it will be the duty of the quality control function to ensure that buses run on time, that buses are road worthy and have enough fuel. They will, of course, not do the work themselves, that will be the job of purchasing and operations. Quality control will give production and purchasing guidelines about when buses have to be serviced, for example, and then they will ensure that the buses are serviced on time.

### **Bringing it together**

We will now look at examples of how the different functions work together to form a complete whole: an effectively run business.

- ✓ The HR function will determine the salaries for employees, while the administration function will ensure that the salaries and wages are paid on time and the financial department must make sure that there is enough money to pay the salaries and wages.

- ✓ The purchasing department will find out where to buy the goods and services needed, they will place the order, finance will make sure that there is money to pay for the goods and administration will make the payment.

The top management of an organisation will usually structure the organisation: divide the work into different functions or departments. The structure of the organisation must be done before the organisation can employ and train people for the work that has to be done.

Before top management determines what the hierarchy of the organisation will look like, they will first determine the strategy, vision and mission of the organisation. From the vision and mission statements, top management then identify the core business processes of the organisation, for example:

- ✓ To transport passengers or goods between identified points.
- ✓ To maintain vehicles in accordance with manufacturers specifications.
- ✓ To employ and train staff with specific skills and knowledge.
- ✓ To expand the business according to the opportunities provided by the market

Only then can a structure for the organisation be done.

If you are in the business of transporting passengers, it means that your business will have an operations department. The business will also need drivers and, if there are many buses and drivers, supervisors to manage the operations side of the business will be needed.

The vehicles have to be maintained, so the business will possibly have workshop facilities and staff to service the vehicles. If the workshop is large, supervisors will be required to manage the workshop.

And so the process carries on until all the functions in the business, as well as the number of employees, supervisors, middle and top managers are shown on the hierarchy or organisation structure.

## Smaller business

When you have a small business, it will not be profitable to employ many managers and workers to do all the work. In smaller businesses, functions are grouped together where it may happen that the purchasing function, the sales function and the marketing and financial functions are all done by the owner of the business. In this case someone is employed only to do the administration, and/or production. The business owner can also outsource consultants to assist with the HR function as well as certain functions of the financial department. How the small business owner sets up his business will vary according to the knowledge and skills that the business owner has.

He/she will normally outsource expertise of the knowledge and skills that he lacks, or employ one or more employees to assist him in those areas where he lacks the expertise.

## Organogram

The following pages show examples of the structure of a big, corporate organisation, a small one man business and how the hierarchy and structure of a business changes as it grows bigger.

The organogram shows top management, middle management, junior managers and workers, for the different sized businesses.

This organogram also shows some **functions or departments** typically found in business:

- ✓ Sales and marketing
- ✓ Production
- ✓ Stores and transport
- ✓ Finance
- ✓ Administration
- ✓ Human Resources
- ✓ Other departments that can be found are:
- ✓ Purchasing
- ✓ Marketing
- ✓ Sales
- ✓ Quality control



Formative assessment 2

# MY OWN BUSINESS

Mr/Me **ENTREPRENEUR**  
Performs all Management functions

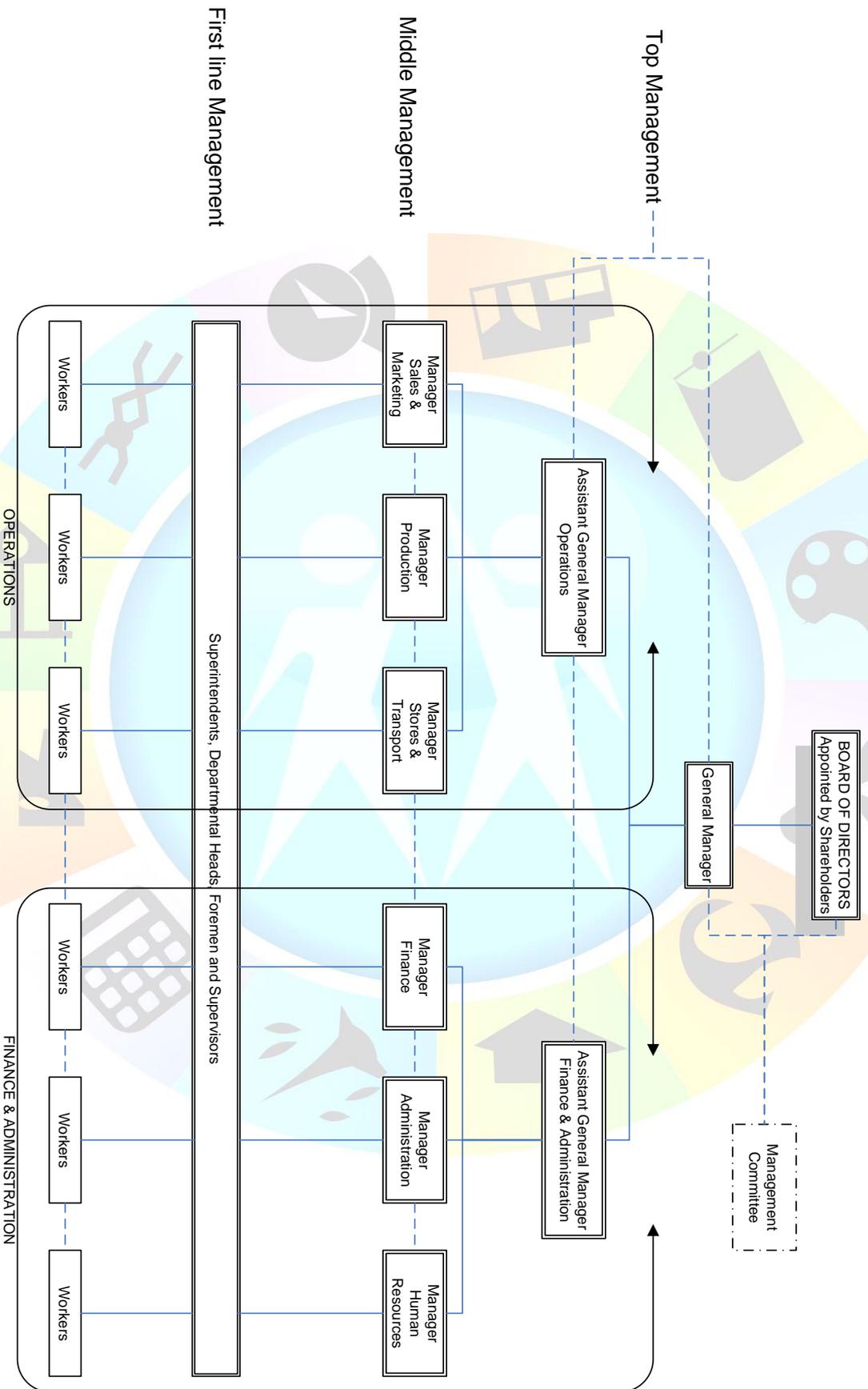
Worker 1  
Cashier

Worker 2  
Cleaner/  
Merchandiser

Worker 3  
Driver/  
Messenger

Worker 4  
Security

# MAKE PROFIT LIMITED



### Phase 1

#### The single entrepreneur

Building, negotiation, bookkeeping, design (owner-manager)

### Phase 2

#### The small business

Building, negotiation, bookkeeping, design (owner-manager)

Bookkeeper (part-time)

### Phase 3

#### The growing business

Owner-manager

Negotiation and contracts

Construction

Bookkeeper (full-time)

### Phase 4

#### The large organization

Managing Director

Manager: Contracts

Manager: Construction

Manager: Equipment

Manager: Property development

Negotiation

Legal

Materials

Construction Site A, B, etc.

Supply

Maintenance

Design

Development

The evolution of specialization

## **Resources**

We have mentioned that a business takes something from the environment, (inputs), process these inputs and converts it into outputs (finished product).

In order to complete a business process, resources are used.

Resources are classified into six main categories:

- ✓ Man
- ✓ Material
- ✓ Machinery
- ✓ Methods
- ✓ Money
- ✓ Markets

The management of an organisation has to ensure that resources are always used to the best advantage of the business.

Machinery and equipment are costly and should earn the business money every day. A big machine should not stand idle except when being serviced.

Human resources (man) should be managed in such a way that they are happy and productive every day

Material should be managed so that wastage is kept to a minimum. Raw materials should be ordered just in time for use. Not too early as stock that is kept in the store costs money. When stock is lying on a shelf, it means that the money spent to purchase the stock is dead money that is not earning anything. Material should also not be ordered to late as this will cause the production line to be idle while waiting for materials.

Methods (procedures) should be developed to ensure maximum productivity and efficiency while adhering to health and safety regulations.

Markets (customers) are very important resources. Management of markets includes making sure that customers are aware of your products or services, that the business knows who the target market is (which customers will buy the product or service) and that the customer gets the best possible service and price so that the business still makes a profit.

### ***Use Resources To Best Advantage***

#### ***Man***

***Refers to human resources – the people who do the work***

Every person who works in the organisation has to contribute to the business process in such a way that the business makes money.

As with any other resource, human resources are precious and should not be mistreated. In the same way, employees who work for the company should not waste other resources while doing their work.

Employees should also not waste time as this affects the profitability of the business. Employees who come late, leave early or stay off work for no reason should realise that they are wasting resources of the business: time and money.

Any wastage in a business costs money, so wastage of any kind should be kept to a minimum.

#### ***Material***

***Material includes anything that is used to make the product or produce the service***

Materials form part of the input and processing phases of the production process. When your company is manufacturing products it would include raw materials, spares used to make complete parts, etc.

When you are delivering a service, raw materials would include compost used in gardening services, shampoo and conditioner used by hairdressers, clothes sold in a clothing store or paper and ink used to print learning manuals by a training company.

Everyone in the organisation uses materials: administration use paper to print invoices, sales use paper and pens to take down orders, etc.

Water and electricity are also resources used in production.

All resources are scarce and should not be wasted. Employees should always be aware of using resources with care. Stock control and stock taking must take place regularly.

## **Machinery**

**All equipment used to produce products or services can be classified as machinery.**

The computer and printer to print the invoices, the machines used to manufacture products, for example clothes, etc. are all machinery.

Machinery should be taken care of through regular cleaning and servicing. When regular maintenance on a machine is not done as scheduled, it will break down. This break down will cost money in repairs, production time lost and deadlines that have not been met and employees who are not working as they are waiting for the machine to be repaired.

It is therefore of the utmost importance that machines are cleaned at the end of every day or shift and are scheduled for service regularly.

## **Methods**

**Methods refer to the procedures that have to be followed to do the work.**

Company procedures were implemented for a very good reason: To produce a product or service in the quickest time and at the least cost to the business, while taking into account health and safety procedures.

Company procedures should be followed at all times, as failure to do so will result in a loss to the business and disciplinary steps against the individual responsible.

When an employee has a suggestion to improve the procedures of a company, the suggested procedure should be presented to management who will consider all the advantages and disadvantages before implementing the new procedure.

## **Money**

Every business needs money to get started and then a regular inflow of money through sales in order to pay for all the costs of acquiring the resources need in the business process. As with any other resource, money is not in unlimited supply. This is why budgets are produced and why sections and departments should try to stay as close to the budget as possible.

- ✓ Employees should always look out for ways of saving money on costs such as telephone, **electricity, overtime and so on.**
- ✓ Down time due to machinery break downs should be avoided.
- ✓ Goods should be purchased at the best possible price without compromising on quality
- ✓ Absenteeism should be kept to a minimum
- ✓ Productivity should be increased to ensure profitability
- ✓ Products and services should be sold at the best price to remain competitive

## **Markets**

**Markets refer to customers who buy the products or services.**

One may think that markets are in infinite supply, but this is not the case. When a business delivers a product or service that is substandard, customers will go to the competitor.

The general economic climate also affects the market. When interest rates are high and people lose their jobs, it means that the amount of money a customer has to spend will decrease. In difficult economic times customers spend less money on luxury items.

If a business finds that customers cannot afford luxury items any more, it will be wise to diversify into products and services that customers are able to afford.

## Formative assessment 3

## SECTION 2: MANAGEMENT FUNCTIONS

### **Specific outcome 2**

Explain the basic activities involved in the management process

### **Assessment criteria**

- ✓ Name the basic activities involved in the management process
- ✓ Identify the planning function in an organisation and give an indication of who is responsible for planning
- ✓ Produce an example of the planning required in your own situation and indicate how this fits into the organisation's business plan
- ✓ Identify the organising function your organisation and indicate who is responsible for organising
- ✓ Identify the organising function your own position with examples
- ✓ Identify the leading function in an organisation and indicate who is responsible for the leading function
- ✓ Identify the leading function applicable to yourself and give an indication of your own leadership style
- ✓ Identify the control function in an organisation and indicate who in the organisation is responsible for the control function
- ✓ Identify the control function in your own situation and give an indication of what you control and how you exercise control
- ✓ Explain the difference between responsibility and accountability with reference to delegation.

### **Levels Of Management**

All managers in an organisation, from first line, (supervisory or team leader) to top management are expected to perform the four fundamental management functions:

- ✓ Planning: the activities and resources of the department/section
- ✓ Organising: the resources of department/section
- ✓ Leading: human resources
- ✓ Controlling: checking to make sure that the work gets done

### **Organisation Hierarchy**

An organisation is structured to show the various relationships between individuals and the different departments.

The structure of the organisation also shows the channels of reporting and communication as well as the channels of command in the organisation: who makes the decisions and who reports to whom.

Everyone needs to know what they have to do and who they have to report to. Each person is responsible for a particular function or job. Each individual is given a position with responsibilities, so that everyone knows who is doing what.

This structure is sometimes called an organisational chart or organogram. The reason for having structure in a business is to ensure that there is a framework within which the various functions or departments can work effectively.

The hierarchy of the organisation is also known as the **chain of command**: instructions are passed from top management to middle management to junior management to workers by following the hierarchy (chain of command) of the organisation.

### **Top management**

***This management level is responsible for the organisation as a whole.***

Top management consists of the board of directors, the managing director, and the chief executives. They will determine the organisation's mission, goals and strategies. They will be responsible for:

- ✓ the long term planning of the organisation,
- ✓ designing the broad structure of the organisation and
- ✓ leading and controlling the organisation in the sometimes difficult business environment.

Top management will look at **trends** in the business world and adjust the organisation's goals and objectives accordingly. Top management will not usually become involved in the day-to-day activities of production and sales, etc.

For example, if the organisation is a bus transport company and commuters are starting to make more use of bus services than travelling by train, it is top management's job to see this trend and to make arrangements for the organisation to be able to transport more passengers. They could introduce additional routes, more buses, and so on.

Top management therefore spend

- ✓ Most of their time on strategic planning,
- ✓ A reasonable amount of time on management planning and
- ✓ Little of their time on operations planning.

## **Middle management**

***Is responsible for specific departments in the organisation.***

Refer to next previous section, where different departments will be discussed. Each such a department will be headed by a manager. These managers have to implement the policies, plans and procedures that are formulated by top management.

Managers at middle management level are responsible for short to medium term planning. They have to organise their functional areas (departments), they usually lead through department heads and they control the activities of their own departments.

Middle managers also monitor the business environment to see how it will affect their department.

If we use the same example as above, middle management will get the new plans for more routes and buses from top management. Middle management then has to implement these plans by ensuring that the routes will be cost-effective. Middle management also has to plan and organise the resources: drivers, buses, ticket offices, people to service the buses, etc. These plans are then handed to the first line managers.

Middle management is mainly concerned with

- ✓ medium and short term planning: three months to a year, sometimes longer. This planning is called tactical planning.
- ✓ organising, activating and controlling so that the work in their department gets done the way it should
- ✓ and makes less important decisions following the guidelines set by top management.

Middle management therefore spends:

- ✓ Most of their time on management planning
- ✓ A reasonable amount of time on operations planning
- ✓ Some time on strategic planning

## **First line management**

Are also called supervisors, foremen or team leaders

***They will be responsible for sub-sections within departments.***

In the marketing department, for example, you could find product managers, promotions managers and sales managers. In the operations department you would find foremen.

The managerial functions of first line managers revolve around the daily activities of the various departments. They are responsible for short-term planning and for implementing the plans of middle management.

Their main concern is to apply rules and procedures so that maximum productivity takes place. They will provide technical assistance to employees, motivate subordinates and ensure that daily tasks are completed.

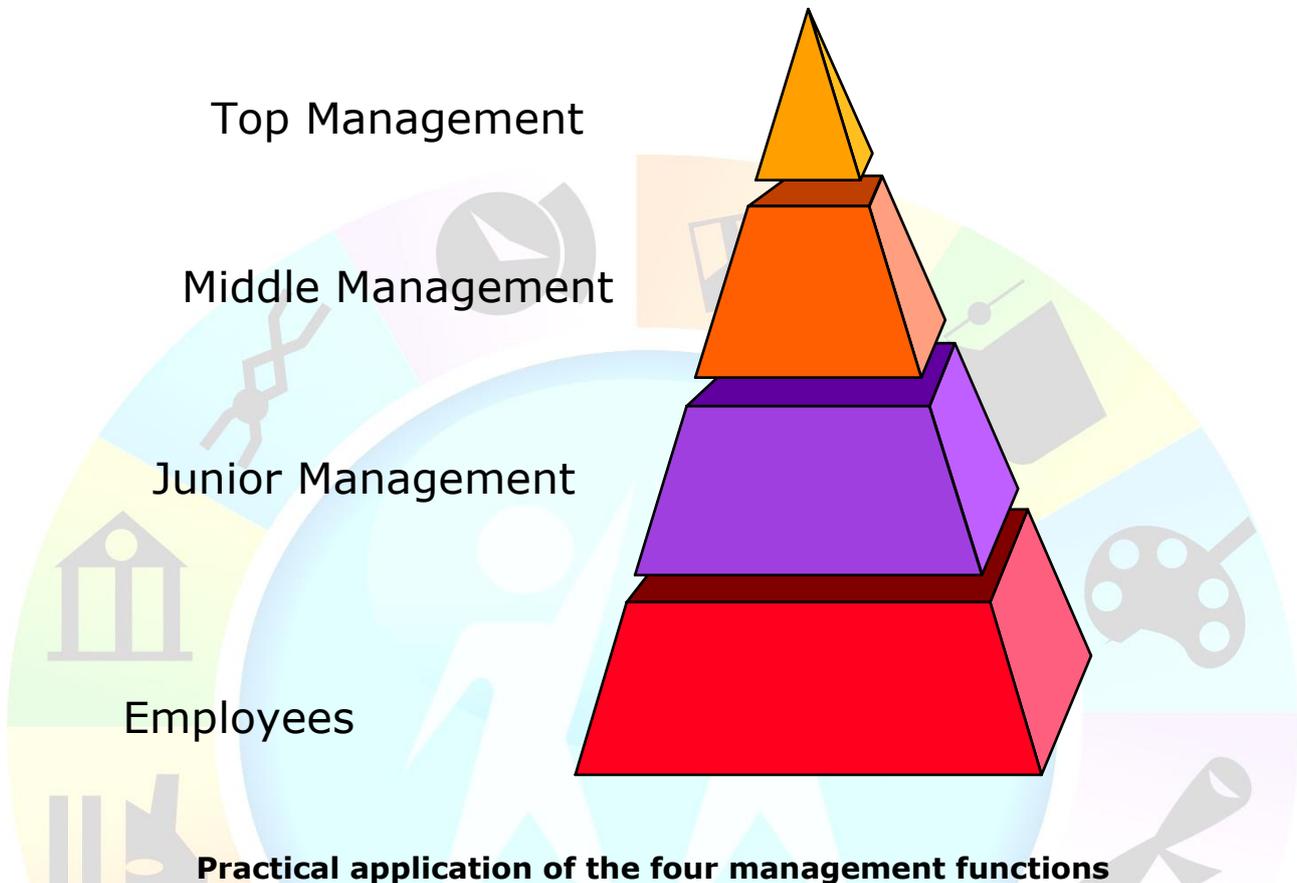
***First line managers are directly in control of productivity and play a vital role in the relationship between management and employees.***

A first line manager must implement the objectives of middle management and see to it that workers who are responsible to them perform satisfactorily.

First line management is also a link between workers and higher levels of management. A first line manager focuses on short term goals: the day-to-day operation of his/her section, weekly and monthly planning so that the job gets done the way it should. This is called operational planning.

Supervisors therefore spend:

- ✓ Most of their time on operations planning
- ✓ Some time on management planning
- ✓ Normally no time on strategic planning, except to pass strategic information on to higher levels of management



So, first line managers get their medium and short term plans from middle management. This would include production targets for the day, the week, the month and so on. The first line manager then has to plan the activities of his/her section for the day, week and month in such a way that the targets are met.

Once the manager has worked out a short term plan, he has to allocate resources so that the target is met: people to do the work, machinery, equipment and raw materials must be at the right place at the right time so that the job can be done. This is his organising function.

As soon as the work is in progress, due to the planning and organising of the first line manager, he must control that the work is being done on time. If there are problems he has to adjust his plan and reorganise the resources so that the work can continue with minimum disruption. While the work is being done, he must also lead the employees: motivate them to work smoothly together as a team, as this is the only way the work will be done on time.

If we look at the bus transport company:

- ✓ One supervisor will be in charge of the drivers on a specific route, so if there are ten routes, there might be ten supervisors reporting to one middle manager. Each supervisor has to ensure that he has enough drivers for the routes allocated to him; he must ensure that he has buses; he must ensure that the buses are in good working order, and so on. If there are problems, he has to sort them out with the minimum delay so that the passengers are not inconvenienced. His planning will be short term: daily, weekly, monthly.
- ✓ Another supervisor will be in charge of ticket sales and he also has to plan, organise, control and lead.
- ✓ There will be a supervisor in charge of the mechanics, and so on.

## Summary

**Top management** will focus on the strategic matters, such as the equity partners, which tenders to tender for and what strategy to be followed in the tender process.

**Middle management** will focus on the planning of the service, vehicles required, service specifications, budgets, and so on.

**Junior management** (supervisors) will focus on the detailed operational planning – the day-to-day operation of the bus or transport service in terms of the parameters provided by middle and top management.

## **The Management Process**

Management can be seen as the process whereby people in leading positions use human and other resources to produce products or services, thereby fulfilling specific needs and to achieve the goals set described in the company's business plan. In other words, management makes use of human resources and other resources to produce products or services. Management also ensures that the products or services are aligned to the goals set out in the business plan.

In order to be effective, any manager, irrespective of his level of management, performs the four basic functions of management namely

- ✓ Planning
- ✓ Organising
- ✓ Activating/ Leading
- ✓ Controlling

In addition to these functions they also make use of the six additional management functions namely

- ✓ Decision-making
- ✓ Communication
- ✓ Motivation
- ✓ Coordination
- ✓ Delegation
- ✓ Discipline

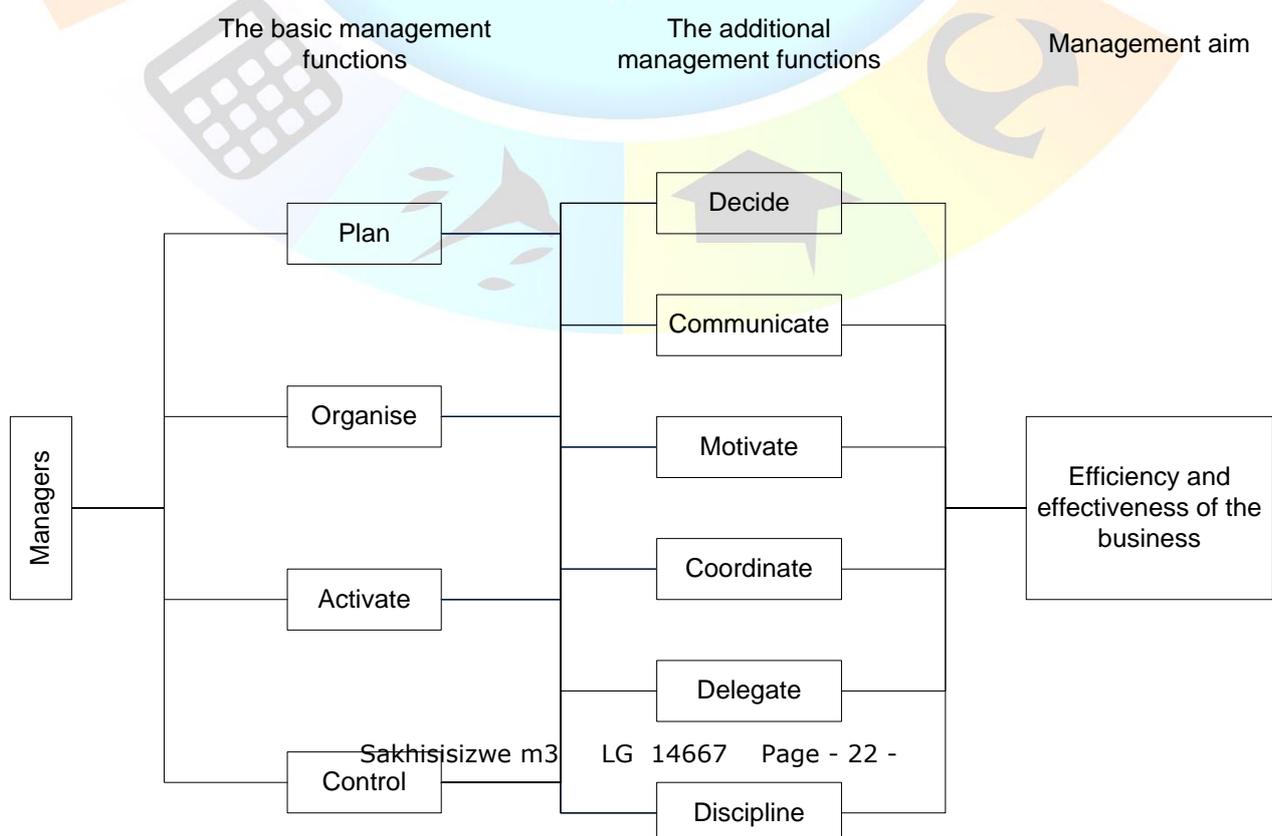
The resources that they use are referred to as the six M's,

- ✓ Man
- ✓ Material
- ✓ Machinery
- ✓ Methods
- ✓ Money
- ✓ Markets



Managers use all the functions and resources in combination to deliver products or services.

The diagram on the following page illustrates the basic management process.



# **The Four Basic Management Functions**

## **Planning**

***Determines the organisation's mission and goals.***

How is the organisation going to achieve its goals and objectives and what resources are required to achieve these objectives?

The second phase of planning involves the formulation of a realistic plan, outlining what resources and activities are going to be utilised to achieve success. Programmes, budget, standards of production and service delivery, due dates, and rules and regulations are also formulated during the planning process.

The nature of the planning function is such that making decisions works hand-in-hand with planning. Top management plans the overall objectives and goals and makes a decision to implement these goals and objectives.

Middle management gets the overall organisational plans and formulates goals and objectives that apply to their own departments or divisions. The goals and objectives for the department are formulated in a plan and it will include the proposed utilisation of resources, timelines, standards of production and service deliveries. The decision is then made to implement these plans so that the goals and objectives are met.

***Why is planning necessary?***

***If You Are Not Sure Where You Are Going, You Are Liable To End Up Somewhere Else!***

### **Strategic planning**

Is sometimes called overall corporate planning. It relates to the general objectives of the organisation, the corporate mission, the present and proposed markets of the organisation, growth plans, divestment, acquisition or diversification. Strategic plans are formulated by top management and focus on the entire organisation. These plans are long term and look at how the organisation should use its resources according to the opportunities and threats in the external environment as well as how it can gain a competitive advantage.

### **Functional planning**

Relates to a particular function such as marketing or production. Middle management formulates plans within the function and is concerned with the attainment of short or medium term objectives.

Functional plans are made in the light of short term corporate objectives. The attainment of long term strategic objectives will normally depend upon the attainment of a succession of short term functional objectives.

Functional plans can take many forms, two of which are:

#### **Tactical plans**

Focus on specific areas of management such as marketing, financial, human resources. Tactical plans are specific: resource allocation, timelines, human resource commitments. These plans are usually drawn up by middle management in consultation with other middle level managers, as the tactical plans for different departments have to complement each other. Middle management will usually also consult with first level managers.



#### **Operational plans**

Are formulated by first level managers in consultation with middle management. These plans focus on carrying out tactical plans. They have a narrow focus and a short time span. These plans govern the day-to-day activities of the department and section.

Junior managers get the plans, including goals and objectives that have bearing on their sections. They then draw up their short-term plans that will give them the indication of what has to be done on a day-to-day basis in order to achieve their goals and objectives. They then make the decision to implement these short-term plans. Junior managers are very involved in the management of resources, especially machinery and equipment, workers, materials, and methods – how to get the job done on time at the required standards and in the required quantity.

Once the decision has been made, it must be communicated to the relevant parties. If they don't know what they are supposed to do, how will they be able to do it? This applies to all levels of management, all levels of planning and all levels of decision-making.

Of course, making the decision and communicating it to the people who have to do it also involves delegating the tasks to the people who have to do the work.

So we see that the planning function, the decision-making function, communicating and delegating the work go together.

## Formulating goals and objectives

When you develop plans of any kind for a business, part of the planning process is to formulate goals and objectives

While you formulate goals and objectives, you also set the standards for key performance areas where performance can be monitored continually. Key performance areas are performance areas in businesses that are important and that can be checked on all the time. For example, sales figures can be monitored continually as can production figures.



### Setting goals and objectives

To explain the need for setting goals and objectives, let us start with an excerpt from the delightful Alice in Wonderland, by Lewis Carroll:

***The cat only grinned when it saw Alice. It looked good natured, she thought, still, it had very long claws and a great many teeth, so she felt it ought to be treated with respect.***

***"Cheshire Puss," she began, rather timidly, as she did not at all know whether it would like the name; however, it only grinned a little wider. It is pleased so far, thought Alice, and she went on, "Would you tell me, please, which way I ought to walk from here?"***

***"That depends a good deal where you want to get to," said the cat. "I don't much care where," said Alice.***

***"Then it doesn't matter which way you walk," said the cat.***

## Formative assessment 4

### What is the difference between a goal and an objective?

A **Goal** is a general outcome statement.

An **Objective** spells out clearly and in measurable terms, what the goal or aim will look like when met.

You first decide on a goal that can be achieved, to enable you to focus more accurately on the objective. It would be difficult to develop an objective without some idea [the goal] of what the goal is.

Therefore, **the goal is decided** upon first. Then we write our SMART objectives, in such a way that it will help everyone involved with it to attain it. This is why the goal always comes before the objective.

#### Example

- The Goal: Improve production in the assembly plant,
- The Objective: by 10% before January 15, by upgrading the machinery involved.

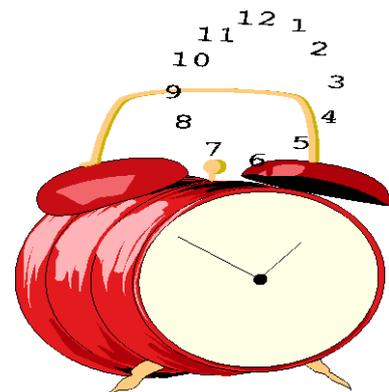
The goal is usually only the action or activity. That is, to diet, to stop smoking, to devote time to the children, to paint the house, or tidy the garage, etc. These goals are adequate for home and sport activities, but do not contain enough substance to enable anyone to really become seriously motivated to actually attain them.

### Setting objectives

Objectives must always be SMART:

- Specific
- Measurable
- Attainable
- Relevant
- Time bound

**Specific:**



Objectives must be specific. Don't say, "I want to bake more cakes per day," rather say: "I want to bake 50 cakes per day".

### **Measurable:**

You must be able to measure the objective if you want to use it as a control system. How can you check if you are achieving goals and objectives if you don't know against what you should check them?

Include as many of the following as possible:

- ✓ Quality: To SABS standard 1076; without any rejects; as per maintenance schedule rules, etc.
- ✓ Quantity: reduce rejects by 5%; tidy up all the scrap; a minimum of six bottles per case, etc.
- ✓ Cost/Value: reduce the overheads by 5%; cut the competitors price by at least R1, etc.

**Attainable:** You have to set objectives that can be reached. If you set objectives that cannot possibly be reached, you are wasting time and you and your staff will become discouraged. You cannot possibly start baking 1500 cakes per day, if you have been baking 50 cakes per day.

**Relevant:** The objective must be relevant to the specific goal as well as the goals of the business. Don't set an objective that has no relevance to the goal: "I want to make 45 meat platters per day" has no relevance to baking cakes. If your objectives are not relevant to the staff.

**Time:** You have to set a date by when you want to 70 cakes per day by the end of February." Examples January 15; before lunch break/stocktaking/home

An objective without a time parameter is like an untimed. He may win, but how good is that?



achieve the objective. "I want to bake could be: Within the next two weeks; by time, etc.

athlete running a race without being

### **General rules when writing goals and**

### **objectives:**

- ✓ Always commit goals and objectives to paper. We tend to try and achieve goals once we have written them down.
- ✓ It is obvious that objectives must be clearly understood by all those who will be involved with them, so always use clear and simple language.
- ✓ Test the objectives on someone else first. If they express the slightest hint of doubt, don't argue - fix it!
- ✓ Communicate both in writing and verbally, if you can.
- ✓ Clarify and confirm understanding: ensure that the people who have to do the work to achieve the goals understand what is expected of them. When you have to clarify understanding, ask the person to repeat in his/her own words what is expected of them. Then you can listen to what they are saying and check if they really understand.



## Formative assessment 5

### The action plan

#### Developing the action plan

##### Handout 2 and 3

Once you have written down your goals and objectives you have to develop plans for the realisation of the objectives. These plans are called action plans.

In the action plan you must specify and explain clearly **WHAT** has to be done, **WHY** it must be done, **WHEN** it should be done, **WHO** must do it and **HOW** it should be done.

Business concepts and ideas formulated in the business plan must also be stated in the action plan and timeframes must be linked to these to specify when these concepts and ideas must be implemented.

Legal issues, health and safety regulations and risk factors must also be taken into consideration when drawing up the action plan as well as resources that are going to be needed to run the operation effectively.

Action plans are the maps by which a competent manager navigates his course to the required destination. Please refer to the example of an action plan chart on the handout 3, to help you complete an action plan that is understandable. Handout 3 contains a blank action plan chart for you to use in future.

### Implement an action plan

The previous steps in the planning process concerned the thought process. These ideas and goals, as well as the manner in which they are to be achieved must now be brought into operation and must be evaluated continuously.

Plans do not mysteriously activate themselves. You must put the plans into effect. One of the problems about planning is that too often the planners are not the doers. As a result, detailed plans running to hundreds of pages may do no more than gather dust.

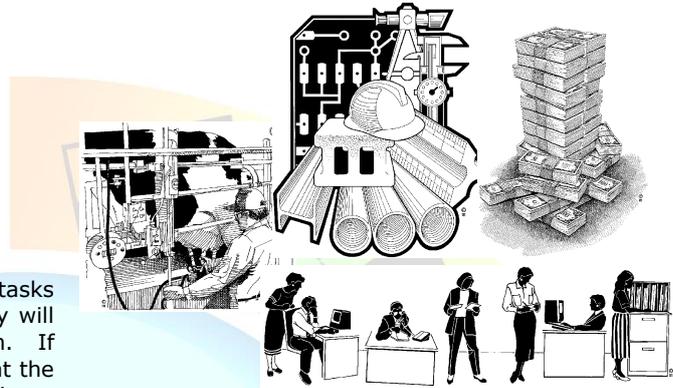
Planning, no matter how carefully and painstakingly done, is useless and a waste of time without **commitment and action**.

This means that you have to start doing the things that must be done according to the action plan, or see that the people who must do it, are doing it. This is the **activating** process. You have to **communicate** your goals and objectives to the people involved, you have to **delegate** roles and responsibilities and you have to **coordinate** the efforts of your staff and other sections or departments.

You also have to **organise** your resources:

- ✓ Man
- ✓ Material
- ✓ Machinery
- ✓ Methods
- ✓ Money
- ✓ Markets

Then you have to check on a regular basis whether the tasks in the action plan are still being done and whether they will be finished on time. This is the **controlling** function. If things are going wrong, you need to know in time so that the problem can be solved and, if necessary, take disciplinary steps.



## Organising

During this process the organisational structure emerges, establishing the

- ✓ Structures: the structure of the organisation
- ✓ Divisions: or departments
- ✓ Responsibility: who should do what
- ✓ Standards: how should it be done
- ✓ Channels of communication: to regulate the flow of information
- ✓ And the levels of management: according to tasks and departments

This function also handles staffing: the recruitment, placement, induction, etc. of human resources.

The organising function also works closely with decision-making. A manager has to organise his section or department. He has to decide who is going to do what, which equipment and machinery must be used, what materials are going to be used, how soon must the task be done and to what standard must the job be done.

Plans have to be put into action. This is the purpose of the organising function of management. It has been said that organising is the process of allocation of resources.

When senior and top management determine the structure of the organisation, they are also organising. The organisation structure is the basic framework of formal relationships among responsibilities, tasks and people in the organisation – the various departments, in the organisation in other words. The structure will give middle and junior management an idea of how resources must be allocated.

When the structure of the organisation is determined, the work that has to be done is usually divided into tasks that can be performed by individuals or groups. Departments are formed, based on the grouping of work activities that belong together: sales, production, administration.

Top management determines the basic overall structure of the organisation. They provide the guidelines along which middle management and junior management operate.

Middle management will fulfil the organisation function in their own departments and this will include the allocation of:

- ✓ human resources,
- ✓ furniture,
- ✓ equipment,
- ✓ machinery,
- ✓ raw products in such a way that the strategic and functional plans can be met.

Junior managers will organise their sections:

- ✓ ensure that the human resources that have been allocated to the section are used for tasks that suit them best,
- ✓ ensure that enough human resources are allocated to a specific task,

- ✓ ensure that the raw product reaches the destination in time,
- ✓ ensure that the equipment and machinery is in peak working condition and
- ✓ ensure that functional plans are met.

These are not all the organisational functions of middle and junior management; we have quoted examples of these functions for you in explanation of the term organisation.

## **Activating/leading**

***Activating is the process where people are led to contribute towards the activities of the operation in order to achieve the goals effectively and efficiently.***

As people are different, the task of the manager is to keep these differences in mind and motivate individuals to achieve their own goals and also the goals of the business. This is the function where people are motivated to work according to the standards required. The activating and motivating functions of management are closely aligned.

Once the manager has decided what has to be done, by whom it must be done and how it must be done, he has to communicate the decision to all the people involved. So, activating, motivation and communication are closely related.

Managers can make all the plans they want, if they are not implemented and communicated to the appropriate parties, nothing will happen.

If your mother at home wants you to wash the dishes, she has to tell or ask you to do it. If she doesn't, the dishes will not be washed. The workplace is the same: decisions have to be communicated!

**Leadership** is the process of directing people towards accomplishing certain goals. Leading people should bridge the gap between planning and actually achieving the objectives. It involves influencing, giving orders, motivating, conflict management and communicating.

When you lead, you direct the activities and performance (in other words the work) of other people so that the objectives and goals of the organisation can be attained.

## **Components of leadership**

### ***Authority***

Is the right to command or give orders to subordinates. Managers have the right to perform certain actions according to specific guidelines: for example, the manager has the right to say who does what in his department. In reality authority centres with top management, but this authority is delegated to middle and junior managers.

### ***Delegation***

Is the process of subdividing tasks and passing a smaller part of it to a subordinate along with the authority required to actually do the job. As an example, if you want your little sister to help you bake the cake, you have to decide what you are going to let her do. If she must help you pour the batter in the pans and put the pans in the oven, you must let her do this.

You must then also allow her to switch the oven on – giving her the job and then telling her she must not switch on the oven or open the oven door to put the pans into the oven, is to give her the job without also giving her the authority to do the job. In the end she will not be able to do the job properly, since you did not give her the appropriate authority.

### ***Power***

Is the ability to influence the behaviour of others without necessarily using his authority. Power is not earned through the position that a person is in but he has to earn it. Without power a manager wouldn't be able to get his subordinates to voluntarily perform their duties.

You have to use your powers of persuasion to convince your little sister to help you bake the cake. This is a form of power. Coaches of sport teams have authority to do certain things, but they need power in order to convince team members to play according to a specific strategy. While they may have the authority to get rid of certain players, they also need power to get the team to play as a team and not 11 or 15 individual players.

Good leaders have ***both power and leadership*** abilities.

## Why is leadership important?

You can buy someone's physical presence, but you cannot buy loyalty, enthusiasm or devotion. These you must earn. Successful organisations have leaders who focus on the future rather than cling to the past. Leaders bring out the best in people. They spend time developing people into leaders.

## Manager vs. Leader

Leadership is a part of the management function. Management has a much broader scope than leadership – in other words, a manager has to do more than just be a leader. A good leader should possess the courage to accept responsibility and can probably infuse the same into those around him.

Leaders have to motivate their subordinates to do the work to the best of their abilities day after day. There are many theories regarding motivation, however it is agreed that people work to fulfil needs.

- ✓ Needs are the mainsprings of motivation: The supervisor, who wishes to motivate his people, must be aware of each person's individual needs. There are two basic types of needs: innate needs and acquired needs.
- ✓ Innate needs: Innate needs are also called primary or inborn needs. These are the need to eat, sleep, drink water, be safe and so on. Generally speaking, they are not conditioned by experience. Therefore, there is not much a supervisor can do to satisfy these needs.
- ✓ Acquired needs: are also called secondary needs. These needs, unlike the innate needs, are dependent upon experience. That is, they are learned needs. This would include the need to drive to work in your own car rather than making use of public transport, the need to dress expensively, the need to own a house with a pool, etc. These needs vary from person to person.

Part of the leading function of a manager is to find out what motivates his subordinates. An employee can easily sense when his boss disapproves of him.

If a manager makes it clear by his attitude and actions, that he dislikes one of his people, this will cause anxiety, tension and frustration in that person. This is called *management by expectation*.

On the other hand, if the supervisor makes it clear by his attitude and actions that he is willing to help his people, that group will become motivated.

Effective managers are those who have made a commitment to improve their ability to ***influence and to motivate*** others. In being ***expressive and supportive***, they make room for their own humanity, continuing to ***learn and grow*** along with the people they work with. They do not always do things perfectly, but ***they do things!*** They do not always say profound things, but ***they say something!*** They can ***laugh and be serious***; they can be inconsistent and still know how ***to follow through on important priorities***. They can be ***firm*** and, at times, ***flexible***. They don't have to be anything; they are able to be ***effective and realistic***.

***Never let the freedom and challenge to grow become an obligation to be perfect. There is no such thing as a perfect manager!***

## Leadership styles

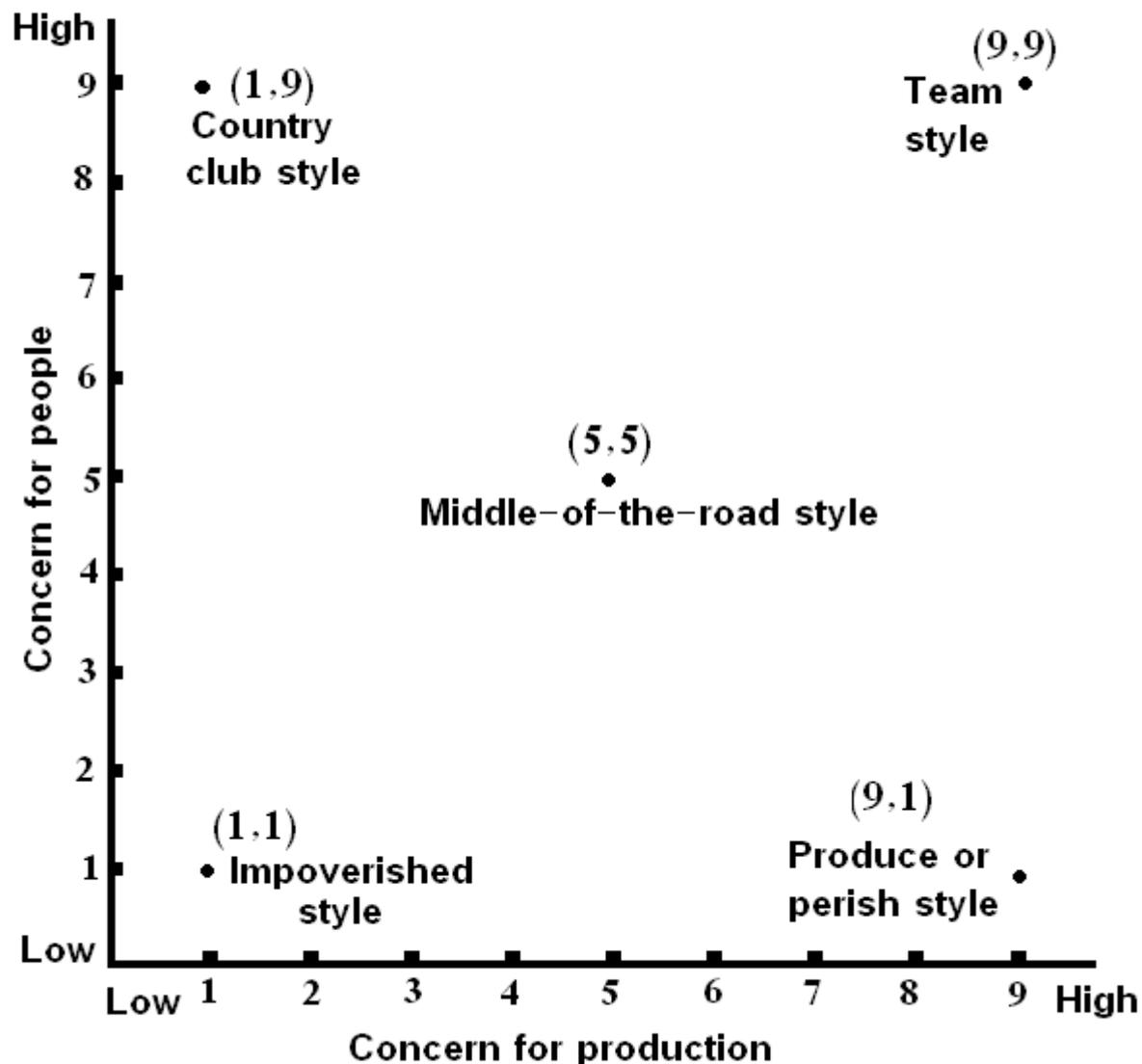
### ***The managerial grid***

Developed by Blake and Mouton (Robbins, 1980:323). This enables a business leader to classify himself in terms of caring about people and caring about production, expressed on a scale of one to nine.

The graph has nine possibilities on each axis, which gives a total of 81 different leadership styles, where a particular leader's leadership style may belong at a given moment. This means that leaders adapt their style of leadership according to the situation. Unfortunately, the roster does not give any indication of the results achieved by the various leadership styles; it only indicates the dominating factors that play a part in obtaining results.

The five most important styles are:

- ✓ Style 1.1, bottom left, shows little interest in either production or subordinates. This is also called the laissez-faire management style, because the leader is not devoted to his leadership.
- ✓ Style 1.9 represents a style where the interest in the production is low, but shows a high concern for employees. This can be described as Country Club management. This is the opposite of 9.1
- ✓ Style 9.9 is described as democratic management. Maximum interest is shown in both output and subordinates.
- ✓ Style 5.5 has an average interest in both output and employees.



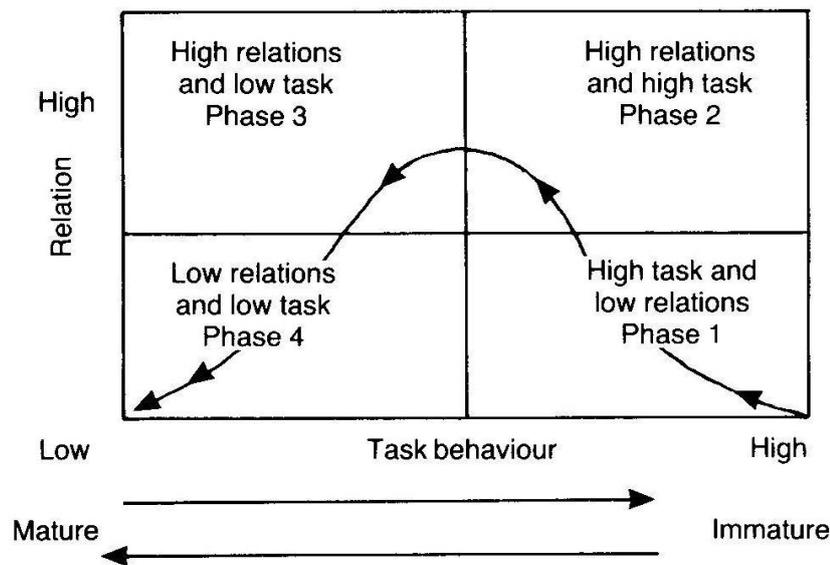
### ***Life cycle theory of leadership***

The most effective leadership style is one that adapts to the so-called maturity of the subordinate. Maturity in this sense refers to the subordinate's desire to achieve, his willingness to accept responsibility and of course how much experience the subordinate has and how competent he is in performing the required tasks.

- ✓ In the initial phase a high task orientation is present with a low emphasis on the relationship between leader and subordinate.
- ✓ During phase two workers begin to fit into the work pattern, but are not yet able to accept full responsibility. Confidence and support of workers increase and management gets to know the workers better. Management therefore becomes more employee-orientated.
- ✓ Phase three is characterised by the workers' desire for greater responsibility. Workers become more self-assured, self-motivated and have the experience to continue on their own.
- ✓ Phase four is the maturity level where employees are willing and able to accept responsibility. This style has low behaviour relations and low task orientation.

This theory recommends a kind of dynamic and flexible leadership. The ability and experience of subordinates must be evaluated regularly to determine the leadership style that must be applied. As subordinates become more mature, the degree of direct control and supervision should decrease.

## Effective style



Source:  
Adapted  
from  
Hersey

&  
Blanchard (1982:152)

## Controlling

This is the process by which the plans and instructions are carried out and controlled and measured by means of feedback. This feedback is compared with what was planned and any deviations from the original plan can be identified and the necessary corrective action can be taken to rectify the problem.

If the feedback indicates that deviations occur regularly, this may indicate that the original plan was not realistic or practical. With this information available, changes can be made to the original plan to prevent further deviations.

This is where the manager controls the way the employees are doing their work. When the work is not done according to the standards that were laid down and within the time, action has to be taken. At times, disciplinary steps also have to be taken. Controlling and discipline are therefore closely aligned.

Controlling and planning also go hand-in-hand. You have a plan from which you work, your control activities come from the planning process, where it was decided what to do, how it should be done and by when it should be done. The purpose of control is to monitor the progress of work against what was planned. If things are not going according to plan, you need to know as soon as possible.

Taking corrective action can include disciplinary action, but it can also include changing the methods or the materials or the workers or even the time lines, which mean that the original plan has to be adjusted.

So we can see that controlling, planning and disciplinary action go together.

***Control is the process whereby management ensures that the work activities fit in with the goals and objectives.***

Once the plans have been laid and the resources allocated, the actual work starts. Now managers have to control the work in order to ensure:

- ✓ that everything goes according to plan,
- ✓ that the goals and objectives of the organisation are met and
- ✓ that the resources are being used properly.

If you have to control the work activities, it stands to reason that you have to know what you have to control – the specific work process, how you will know if the work is being done correctly and how you will know if there are errors in the work process.

### ***Establish standards of performance***

The actual performance should be the same as the planned performance. So, the standards of performance are determined during the planning phase. The standards have to be realistic, attainable and measurable to ensure that the actual performance and the planned performance are the same.

I can compare this to baking a cake or planting mealies. If you have to bake a chocolate cake for a function, and you bake an orange flavoured cake instead, you have not performed according to the planned standards. The cake might be perfect, but a chocolate cake was required, not an orange flavoured cake.

If you planned on planting mealies and you plant sunflower or peanuts instead, you have not performed according to the standards. The standards required you to plant mealies.

***The purpose of control is to ensure that mistakes do not happen and, if they do happen, that you can recognise the error in time to do something about it.***

You need to realise that you are baking the wrong cake before the cake has been baked and is ready for icing. You have to realise during the mixing of ingredients or the pouring of the mixture into the pans that you are doing the wrong thing. The same principle applies with the planting of mealies – when you only realise at harvesting time that you have planted sunflowers and not mealies, it is a bit late. The sooner you realise you are doing something wrong, the better. This is the purpose of control.

### ***Measure actual performance***

The performance variables must be measurable against the standards of performance and they must be reliable. The methods of measuring performance must be specified and must take place at specific times during the work process.

In other words, when planting mealies you have to make sure that you have the right seeds before planting, you have to check what the plants look like at a certain height – do they look like mealies, etc. When baking a cake, who checks that the right ingredients are being used, who checks the colour of the batter, who tastes whether it taste like chocolate cake, and so on.

### ***Evaluate deviations***

When there is a difference between the actual performance and the planned performance, the difference is analysed. What are the deviations, what caused them and what should I do to put it right?

You have now determined that you are baking an orange flavoured cake and not a chocolate cake. How did this happen, what systems can you put in place to ensure that it does not happen again and what can you do right now to remedy the situation?

You have to explore everything that could be responsible for the deviation during the evaluation process, to ensure that an error does not slip in again without you noticing. You also need to know all the causes of the error in order to work out a plan to take corrective action.

### ***Take corrective action***

This is the action you take to correct the difference between the standards of performance and the actual performance – how you are going to fix the problem so that it does not happen again.

What are you going to do with the batter of the orange flavoured cake: are you going to bake the cake and try to sell it to someone else, are you going to make fairy cakes (little cakes each in their own paper cup) out of the batter, are you going to add cocoa and sugar to the orange flavoured batter and sell it as an orange flavoured chocolate cake? What are you going to do in future to ensure that this does not happen again?

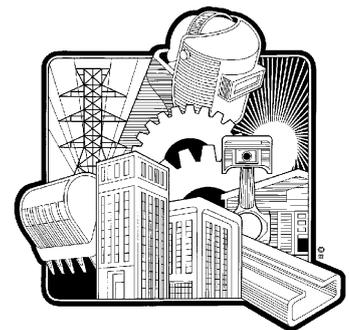
Once you have worked out the corrective action to be taken, you must implement the action and then start the control process all over again.

## **What do you control during the control process?**

### ***Physical resources***

Are the tangible assets such as:

- ✓ buildings: where the work takes place.
- ✓ office equipment: used by employees, includes electronic equipment such as faxes, computers, telephones, etc.
- ✓ furniture: used by the employees.
- ✓ vehicles: usually for delivery purposes.
- ✓ manufacturing machinery and equipment: used to produce finished products.
- ✓ trading stock: finished items kept in stock for immediate sale.
- ✓ raw materials: used to produce the finished product.
- ✓ work in progress: an item that is being produced but is not yet finished.
- ✓ and finished products.



All these resources have to be organised and controlled: the manager has to ensure that there is enough raw materials to produce the final products, the machinery and equipment must be in place, storage space for the finished products, etc.

If you want to bake a cake, you need:

- ✓ the raw ingredients such as flour, sugar, butter, milk, flavourants and colourants.
- ✓ a place where you can mix the ingredients.
- ✓ pans to pour the batter into.
- ✓ a working oven in which to bake the cake.
- ✓ a place where you can tip out the cake so that it can cool down.
- ✓ a place where you can put the icing on the cake.
- ✓ ingredients for the icing.

All the above are physical resources that you need in order to bake a cake. In the same way physical resources are required for the production of products or services.

The first line supervisor will be responsible for controlling all physical resources used on a day by day basis in his section. He will have to ensure that the machinery and equipment is maintained: serviced when due, parts replaced and so on, that enough stock of raw materials are available, and he will bring any requirements regarding physical resources to the attention of his manager.

Middle managers will ensure that all the physical resources in the sections in their departments are controlled, they will authorise repairs and replacements on machinery and equipment up to a certain amount and bring further requirements to the attention of top management.

Top management will be responsible for the overall control of physical resources: big and expensive machinery and equipment, latest trends in production, and so on.

### **Financial resources**

This is one of the most important controls that a manager has to apply. A money is allocated for the production of the final products and the produce final products within the budget. The budget is a formal plan, financial terms, which shows how resources are allocated to different departments and subordinates.



certain amount of manager has to expressed in activities,

Managers are not allowed to use more money than allocated in the budget products.

to produce final

If you only have R30 with which to bake a cake, you cannot bake a cake where is the extra R10 going to come from? It especially becomes important if you sell the cake for R50. If the cake costs R30 to bake, you make a profit of R20. If you go over your budget you only make a profit of R10. Would baking the cake still be worthwhile? Probably not. What can be even worse is if you don't plan, organise and control the process of baking the cake and the cake costs you R60 to bake and you sell for only R50 – this means you have paid in or worked at a loss.

that costs you R40 –

***Financial controls fulfil a vital role in any organisation and they must always be adhered to as failure to do this can result in the business failing (going bankrupt) and everyone losing their jobs.***

Top management will be responsible for the overall budget and financial control of the organisation, middle managers will be responsible for the budget and financial control of their departments, while supervisors are responsible for the financial control of their sections.

### **Information resources**

The flow and availability of information is usually centred in the administration departments. The managers of all the other departments or functions rely on accurate information given to them on time in order to control their own departments.

***Information should be relevant and on time. Managers can only implement effective plans and ensure that production is happening according to the plan if they get accurate and timely information.***

If you want to bake a cake, you need the instructions before you start mixing the ingredients, this is accurate information given on time.

The flow of operational information usually works from sections, where first line managers are in control, to departments, where middle managers are in control, to top management. Information that has to come from top management, will flow from top management to middle management to junior management.

### **Human resources**

Usually the Human Resources Department is responsible for the control of human resources. However, every department and section is also responsible for controlling human resources allocated to them.

It is the first line supervisor and departmental manager's job to ensure that people arrive for work, don't take longer lunch breaks than allowed, don't leave earlier than they are supposed to, overtime figures are given to HR Department, names of employees who are entitled to bonuses are given to HR Department, and so on.

The first line supervisor will be responsible for the employees on his team and the departmental manager will be responsible for controlling his first line supervisors.

### **Practical application of the four management functions**

So, first line managers get their medium and short term plans from middle management. This would include production targets for the day, the week, the month and so on. The first line manager then has to plan the activities of his/her section for the day, week and month in such a way that the targets are met.

Once the manager has worked out a short term plan, he has to allocate resources so that the target is met: people to do the work, machinery, equipment and raw materials must be at the right place at the right time so that the job can be done. This is his organising function.

As soon as the work is in progress, due to the planning and organising of the first line manager, he must control that the work is being done on time.

If there are problems he has to adjust his plan and reorganise the resources so that the work can continue with minimum disruption.

While the work is being done, he must also lead the employees: motivate them to work smoothly together as a team, as this is the only way the work will be done on time.

If we look at the bus transport company:

- ✓ One supervisor will be in charge of the drivers on a specific route, so if there are ten routes, there might be ten supervisors reporting to one middle manager. Each supervisor has to ensure that he has enough drivers for the routes allocated to him, he must ensure that he has buses, he must ensure that the buses are in good working order, and so on. If there are problems, he has to sort them out with the minimum delay so that the passengers are not inconvenienced. His planning will be short term: daily, weekly, monthly.
- ✓ Another supervisor will be in charge of ticket sales and he also has to plan, organise, control and lead.

There will be a supervisor in charge of the mechanics, and so on.

## **Formative assessment 6**

### **Answers to Alice in wonderland**

1. *Alice lacks a clearly defined goal. Therefore, she could not decide which road she ought to take.*
2. *Failure. Any individual or company who lacks a clearly defined goal will inevitably fail.*
3. *Disorganisation, demotivation of staff, failure! All managers should be aware of their company's goals and objectives. Are they clearly defined enough to let you make decisions based on them?*

### **Answers to Formative Assessment 5**

1. *Great intentions, but far too vague. How exactly will customer satisfaction be achieved? What does customer satisfaction mean? There is no standard to measure it. It may mean different things to different people. And, most importantly, there is no reference to time, so it can't be an objective.*
2. *Getting better! But what does acceptable really mean? Again there is no standard for acceptability. It means different things to different people. All that this objective has going for it is measurability, that is by July 1, assuming that this would be an achievable date by which to produce acceptable machine outputs in the factory.*
3. *Still better! It is clear. It contains a result that is measurable, that is, treble the company profits. It has a time limit, that is, within six years. If this is attainable, then it is an OK objective.*
4. *What does understand mean? This is a disguised word that should never appear in an objective. The Americans call it fuzzy - a good description. What does tick mean? It means different things to different people, so it's not much use in our objective, is it? And, most important, there is nothing relating to time, is there? So, if a person is not told when it should happen, you can hardly blame them for not doing it.*
5. *Good objective! It mentions time: June 30. It states quality, to increase the calls. It states quantity, from six to eight calls per day. It is clearly written. If, assuming it is possible, with a little stretch. To achieve those extra two calls a day, it is a very acceptable objective indeed.*

## SECTION 3: MANAGEMENT TASKS

### **Specific outcome 3**

Identify and explain some of the tasks required of managers.

#### **Assessment criteria**

- ✓ Explain with examples the decision making task of managers.
- ✓ Explain with examples the communication task of managers and make suggestions as to how cultural diversity can be accommodated in communications.
- ✓ Explain the importance of trust in an organisation and give an indication of how trust affects communication.
- ✓ Explain the coordinating task of managers and give an indication of how the learner is responsible for coordinating based on a position description.
- ✓ Explain and give examples of the motivating task of managers.
- ✓ Explain the delegating task of managers and give an indication of what tasks can and may not be delegated in a specific organisation
- ✓ Explain the disciplinary task of managers and give an indication of the role of the team leader / low level manager in the disciplinary process.
- ✓ Explain the evaluating tasks of managers and give an indication of the role of the junior manager in the assessing of worker performance.

### **Decision Making**

All managers must make decisions between various options. If a manager has to decide on critical issues, such as mergers or joint ventures, the manager would investigate and analyse the various options in more detail than if a less important decision has to be made such as whether the staff should work overtime in order to meet deadlines, since the serious decisions have more serious effects on the organisation.

Decisions are divided into two groups: programmed decisions and non-programmed decisions.

Programmed decisions are repetitive, meaning they happen on a regular basis and can become routine. There are definite ways to reach these decisions so that you don't have to investigate them over and over again. These decisions are used often in the daily running of the organisation and could include whether overtime should be worked or not, should personal phone calls be limited due to the high phone bill, should raw materials be ordered and so on. There would be company policies and procedures in place to regulate these decisions and the manager would follow company policy and procedure when making these decisions.

Non-programmed decisions are original decisions that have not happened before, such as introducing a new product, disciplinary action, or hiring a new employee. Managers at all levels are involved in making non-programmed decisions: introducing a new product would be a decision for top management while disciplinary procedures would involve middle and junior management. These decisions cause difficult situations and need creative problem solving.

### **Communication**

As human beings we communicate with each other every day and when we communicate it is with a specific purpose in mind.

- To interact
- To inform
- To find out
- To influence
- To regulate
- To entertain
- To record

You communicate by means of a language that is understood by the person or persons you are communicating with:

- ✓ You are communicating when you are speaking face-to-face, or speaking over the telephone or cell phone, or even the Internet.
- ✓ You communicate when you read an article written by an author in a newspaper, in a magazine, in a letter; in a report; and in a book.
- ✓ When you write you are communicating through written words rather than spoken words. You write the words instead of speaking the words.

**Note: Communicate** - .according to the Oxford English Dictionary, it means the “share or exchange of information”.

Since the beginning of time man has communicated with his fellow beings. This “sharing or exchange of information” may take on many forms and many instruments may be utilised to convey this information. The reaction to the transfer of information may also vary, depending on a number of factors, which will be discussed later.

**Note: Communication is a two way street – information is shared with another party and the other party normally reacts in some way, even if they do absolutely nothing.**

A bus driver communicates with other people all the time. It starts when he receives his instructions about his schedule and route. He receives information and reacts to this exchange of information by getting into his bus and driving according to schedule. Upon his return to the depot he communicates information about the route and schedule e.g. road conditions, number of passengers, etc., as well as the condition of his vehicle back to the appropriate authorities.

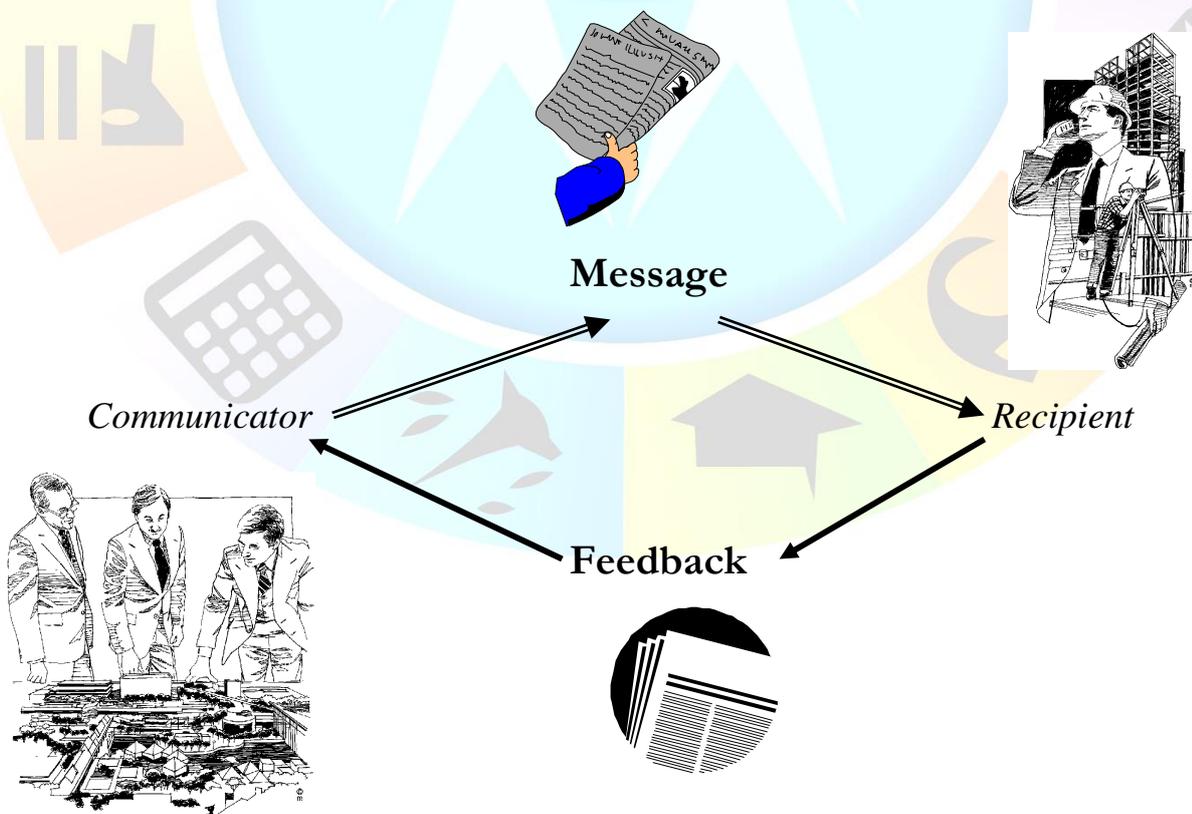
Along his route he communicates with passengers when they board the bus. He communicates with the controller and fellow drivers. In the event of a breakdown he will communicate with the workshop personnel to inform them about the problem.

The most important communication the driver engages in is with other road users. By using warning devices like brake lights, indicators, hazard lights, hand signals (not the one- or two finger kind), he communicates his intentions to his fellow road users.

In the event of the driver NOT communicating his intentions he might cause an accident and have to communicate with the police and ultimately a magistrate. Avoid communication with these two at all cost!!

**Definition of communication** “Human communication is the process whereby meaning is created between two or more people.” (Tubbs & Moss, 1994)

### The Communication Process



**Communication is the interaction between at least two people, the communicator and the recipient.**

There can, however, be more than one recipient, like an audience listening to a speech or watching a movie.

### **The communicator**

The communicator starts the communication process by conveying a message about what he feels, thinks or believes about a matter that he wishes to share with others.



### **The message**

The message is that which the communicator wishes to convey to others by way of communication and can be used by the communicator to attempt to persuade someone to his way of thinking or it can be an idea, thought or feeling that the communicator wishes to share with others. This message needs to be some form, for while the message remains a communicator's mind, it cannot be received or communicated in thought in the interpreted by a recipient.



### **The recipient**

The recipient receives the message, interprets it and reacts. This reaction is called feedback.

and reacts. This reaction



### **Feedback**

Feedback is not always verbal, but can also be conveyed by means of other reactions e.g. applause after a good performance



### **What you do when you communicate:**

- You **listen** to what someone is saying – you think about what has been said - you **respond**;
- You **think** about what you want to say- you speak your thoughts, opinions, etc. you **wait** for a response
- You **read** the words written by an author- you think about what you have read - you **respond**
- You **think** about what you want to say– you write the words you want to speak – you **wait** for a response.

**Response** refers to the feedback you give or get when communicating. It can either be oral or spoken, or it can be written. It can be in the form of a suggestion, advice, recommendation, statement, instruction, command, etc or it can be in the form of an assessment; a test, task, examination, demonstration, observation, etc.

- ✓ Remember: It is not always **what** you say that is important. It is **how** you say it. You are continuously being assessed either directly or indirectly in all you say, or do, or write. Your knowledge, competency or your capabilities are measured when you respond or give feedback
- ✓ Each type of feedback has different criteria or **outcomes** against which it is measured or assessed. These outcomes are in fact the skills you are required to demonstrate to prove that you are competent in what you are doing, saying, reading or writing.
- ✓ Meaningful **feedback** requires purposeful preparation and presentation.

**When participating in a conversation you are constantly interpreting the words you hear so that you can unpack or extract important information. This you do in order give an appropriate response. It is a process that you work through instinctively before you respond or give feedback or say something.**

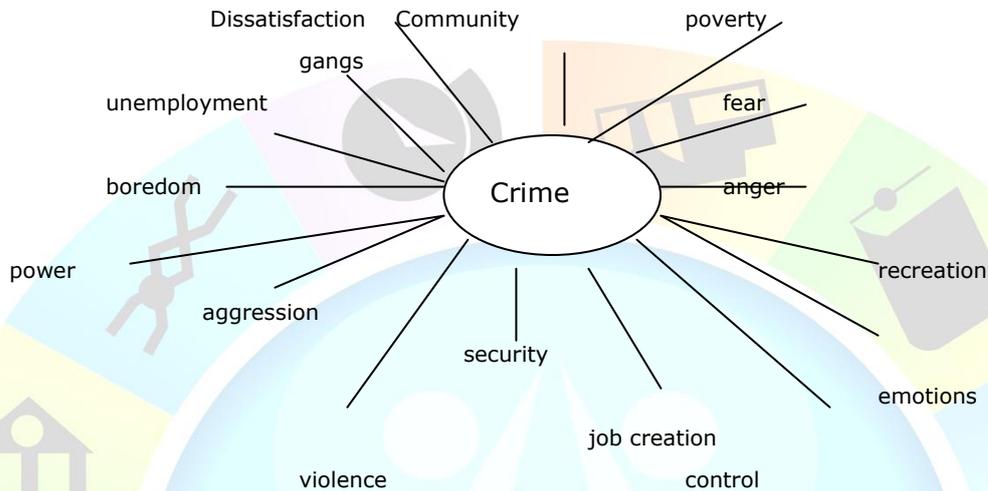
You first have to **interpret** what you have heard, or read before you can respond or give meaningful feedback. Your, response or reaction demonstrates your interpretation, and your understanding of what you have heard, seen, felt, tasted, smelled, experienced or read.

When you interpret a message, whether it is a picture you look at; words someone is speaking; or the written word you are reading; your mind instinctively works through the following steps:

- ✓ First you **extract** or unpack key words and key concepts so that you can speak about what is relevant. They can be extracted from your general knowledge bank or your experience, or from what you have heard and read about.

**Unpacking or extracting key ideas is like a brainstorm. Ideas are randomly thought of and not placed in a specific order. This is part of preparing a response starting with careful planning what you want to say.**

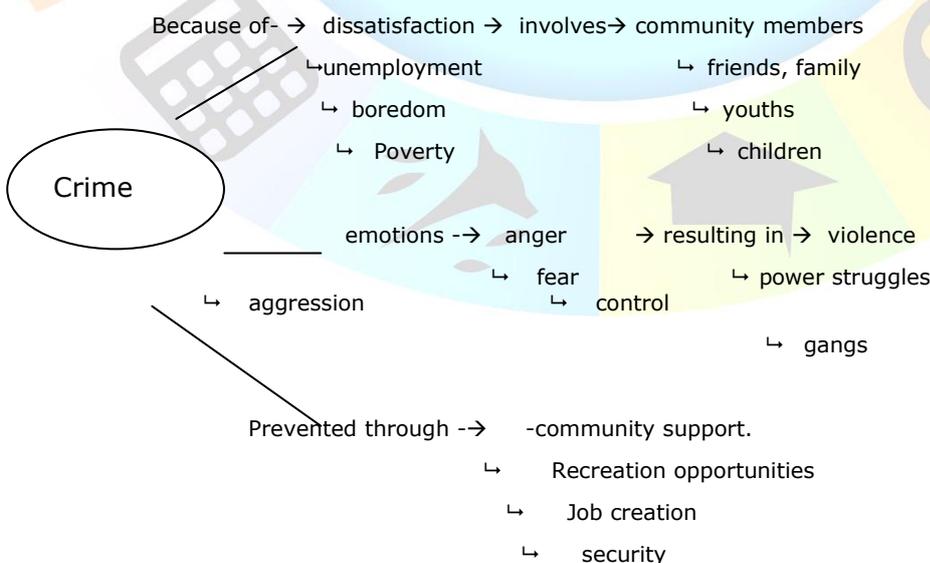
Example: You are required to give feedback on the effect crime has on a community and how it can be minimised  
A Brainstorm to unpack or collect information



- ✓ Secondly you **repack** or rearrange and restructure these key ideas (keywords and key concepts) into sentences. Sentences are developed into paragraphs and organised into a logical sequence so that the information you share is meaningful.

**In order to repack or make an interpretation of these key ideas you have to make use of questions (what, when where, why who and how) to rearrange or restructure the brainstorm into a mind map or a flow diagram. This you do by means of grouping key concepts or related key ideas to show how they link or flow into each other in a logical sequence, to make sense.**

Example: A mind map or flow diagram to restructure and organise the key ideas generated on crime in a logic way.



**You do not have to make two diagrams. You can start with a brainstorm and then with the help of questions (What; When; Where; Why; Who; and How) you can develop the brainstorm into a flow diagram to map out your thoughts or your interpretation.**

- ✓ Then only do you **respond** by giving either verbal or written feedback. This is the final part of your preparation where you focus on how you are going to present your response or feedback. It is important to be familiar with the correct format in which you choose to give feedback or to respond.

**Examples of oral feedback or verbal responses**

1. Face to face conversations regarding a specific topic of interest or concern
2. Telephonic and electronic discussions
3. Presenting speeches, explaining and demonstrating procedures and schedules, discussing concerns and interests with groups of people.
4. Interviews both formal and informal
5. Giving instructions, guidelines, advice
6. Receiving instructions and requests.
7. Negotiations, debates,
8. Conversations, discussions
9. Practical demonstration
10. A verbal proposal
11. A coaching session
12. A presentation

**Various methods of communication**

Written methods of communication make use of definite signs and symbols when presenting information in either a verbal context or in a written context.

Various methods of communication. Verbal Messages	
Signs and symbols	Method
Facial expressions	Telephone
Gestures	Face to face
Tone of voice	Conference
Eye contact	Meeting
Body language (way you dress, walk, stand, react, respond, move your body, etc),	Interview
Pace and pitch- tone of voice	Briefing
Command of language	Informal discussions
Choice of words	Consultations
Pronunciation	Bargaining
Dialect	Mediation
Accent	Arbitration
Sign language (for the deaf)	Social groups
	The grapevine
	Gossip
	Announcement
	Intercom system
	Presentation

	Television
	Debate
	Panel discussion
	Report
	Films, DVD, CD
	Training programmes
	Video
	Sign language

Effective verbal communication is very important to all of us. To communicate effectively the whole personality should be adapted to the effort of arousing certain thoughts and feelings in the mind of the listener.

***It is to the speaker's advantage to be face to face with his audience as his nonverbal cues such as mannerisms, gestures and facial expressions help to project his personality and assist him to remain in contact with his audience.***

### Noise

Noise is distraction that reduces the effectiveness of the communication process. Noise can be anything that causes the message to be misheard or misinterpreted:

- ✓ The receiver not listening to the communicator and the message.
- ✓ The communicator not formulating the message properly.
- ✓ Actual noise, such as a car horn or a bus passing so that the recipient cannot hear the message.
- ✓ Misuse of language so that the message is obscured.
- ✓ Talking while the communicator is conveying the message – you cannot listen while you are talking.
- ✓ Someone else interrupting the receiver while the receiver is receiving the message.



All the above can go wrong during the feedback process as well. Feedback is an essential part of communication and must never be underestimated. The communication process is not complete until feedback is given.

Below is an example of two small children talking and it shows how noise can distort the message and the feedback and lead to immense misunderstanding:

Ronnie: "I am going to sing for you on your birthday."

Alex: "Is it my birthday? Where are my sweets?"

Ronnie: "I don't know where your sweets are."

Alex: "But then they must also give me sweets at school and sing to me at school. Are you also going to sing to me at my school?"

Ronnie: "No, I am not going to school with you, I don't want to go to your school."

Alex: "But that's not what I'm asking you."

Ronnie: "But I don't want to go to your school."

Alex: "But that's not what I'm asking you."

Ronnie: "But I don't want to go to your school."



The children involved were three and four years old and the example might seem silly but adults can also miscommunicate in the same way: noise distorts the message, both the communicator and recipient get the wrong impression and before you know it, an argument between two people erupts.

As a manager, one of your functions will be communication and you will have to ensure that you improve your communication skills to such an extent that you can identify noise and the impact it can have on communication so that you can identify whenever a message or feedback is distorted.

This means that when you as the manager are the communicator, you have the responsibility to ensure that the recipient understands the message. When you are the recipient you have to ensure that you understand the message correctly.

In any organisation you would find internal and external communication.

## **External communication**

This is communication between the organisation and the environment outside the organisation. This would be communication to clients, competitors and government organisations. Advertisements, promotions, press releases, public gatherings, quotes, invoices, payment advices are examples of external communication.

## **Internal communication**

### ***Intrapersonal communication***

This is communication with yourself – your thoughts about your work, your colleagues, your family and so on. In the environment of an organisation this would be when managers receive, process and transmit information to themselves. This is not so silly as it sounds: when you note an appointment in your diary, reminders of the diary and preparation for the appointment would all be intrapersonal communication.

### ***Interpersonal communication***

Is communication between two or more people on a person to person basis. This would include meetings, interviews, telephone calls, e-mails and memos.

### ***Organisational communication***

This is communication between different departments or companies in the same organisation. This would also include meetings between departments or companies, memos, e-mails and telephone calls to other departments.

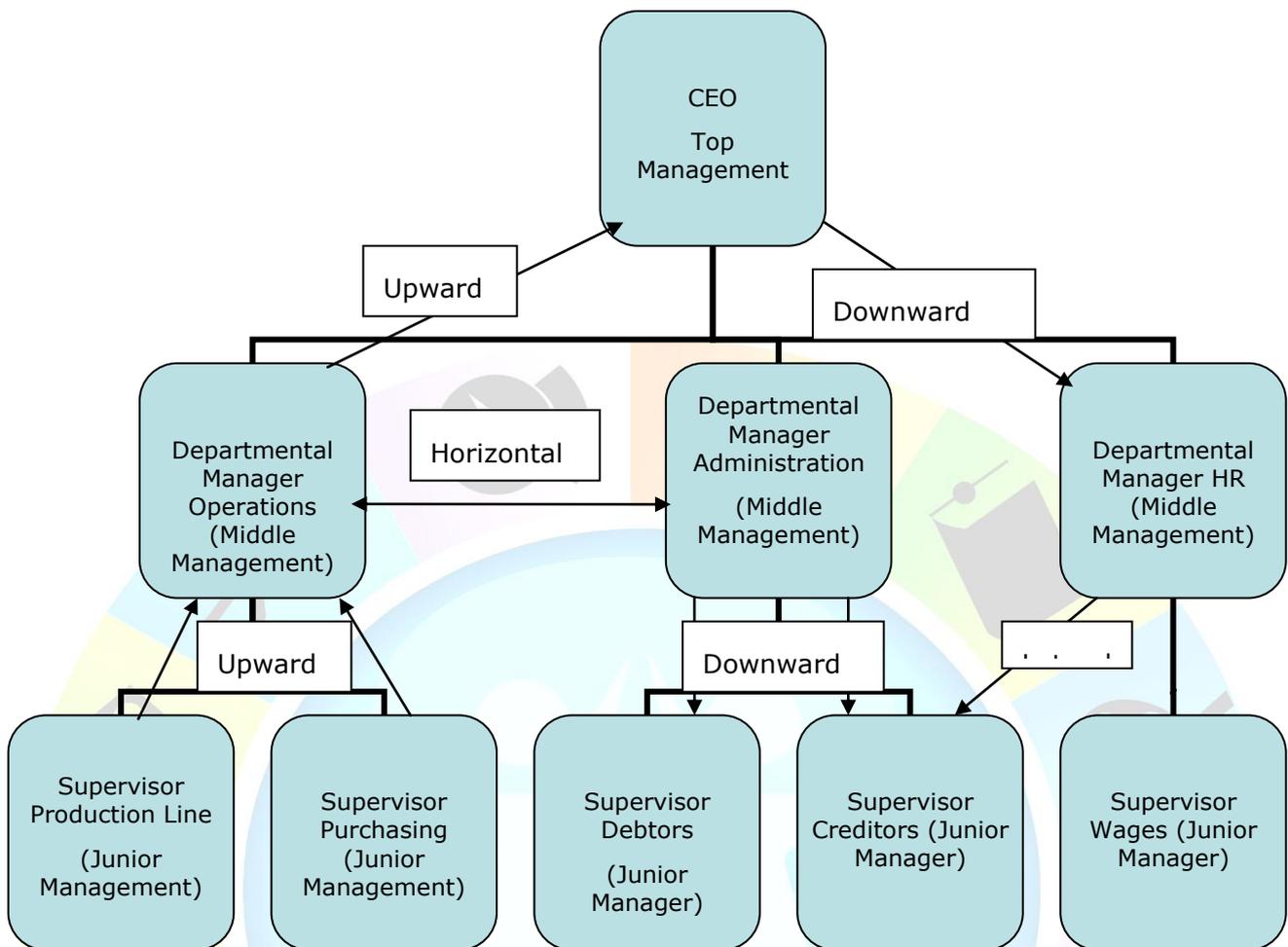
## **Communication structure**

### ***Formal network***

This follows the hierarchy of the organisation, the formal, official, established lines of contact.

Formal communication flows in four directions:

- ✓ **Upwards:** from the employees to junior management to middle management to top management. The purpose is to give information to the upper levels of the hierarchy.
- ✓ Examples could be customers who have problems or praise, possible new customers, ideas from employees and junior management regarding market trends and so on.
- ✓ **Downwards:** from top management to middle management to junior management to employees. The purpose of this communication is to provide employees in the organisation with information on goals, strategies, policies, news releases, new product launches and so on. This communication is stopped, analysed and filtered at each level in the hierarchy.
- ✓ **Horizontally:** between managers or employees on the same level in the hierarchy. The main purpose of horizontal communication is to ensure cooperation between departments, sharing of information etc. Meetings are a good example of this.
- ✓ **Laterally** or diagonally: takes place between people on different levels of the hierarchy. When a manager of one department communicates with a junior manager or employee in a different department. It has to be said that this would not normally be the case – if you want to communicate with employees of a different department, you would usually have to do this via the department or section manager. The purpose is to provide information, coordination or assistance. An example is when someone from the HR department has a meeting with a department to explain new labour policies or laws to workers on the production line. Proper communication channels are not followed since it is done with the approval of the departmental manager.



### Informal network

Does not follow the hierarchy of the organisation. The channels develop out of relationships between employees and management. It is usually called the grapevine and management has no control over it. Rumours that are spread in an organisation are done through the grapevine; rumours and the grapevine are actually the same thing.

Be careful of rumours that are communicated through the grapevine: they usually contain an element of the truth but can be distorted by people's perceptions. Whenever you hear a rumour through the grapevine, always check the facts first before reacting.

### Cultural diversity and communication

***Cultural diversity can cause noise in the communication process: it can cause misunderstandings between people who are trying to communicate.***

As a manager you must always be aware of the various cultures of the people working with you. Furthermore, you have to be aware of the tensions that cultural differences can cause in departments. You are the manager and you also have to manage cultural differences and the impact it can have on the communication and smooth running of your section or department.

Firstly, you have to find out about the various cultures of the people working in your team, section or department. You have to do this so that you do not accidentally say or do something that offends one of your employees. Some cultures are very reserved – people don't talk too loudly and don't laugh uproariously, while for others it is culturally acceptable to talk very loud and to laugh right out of your stomach. Some cultures find it insulting to look a person in the eye when doing business with them; other cultures require you to look someone in the eyes when talking to them.

The Japanese and Chinese cultures expect you to make small talk before you start talking business, while Americans find this a waste of time. Certain Eastern cultures expect you to bargain before purchasing an article while the Western cultures want to know the best price up front and don't really want to haggle about prices.

There are no rights or wrongs as far as different cultures are concerned, to each person his or her culture is the correct one and their feelings should always be respected. Of course, in return you would expect them to also respect

your own culture. We all know that this is not always the case so you, as the manager, have to ensure that people from different cultures get along together in your team.

The first step is for you to familiarise yourself with other cultures and then to motivate your staff to get to know each other's cultures.

### ***Pointers for intercultural communication***

It is in the workplace that people from different cultural backgrounds come into contact with each other and unconsciously use different behaviour patterns that can lead to confusion and conflict. The following skills could help avoid unnecessary misinterpretations:

- ✓ Show openness and respect towards the norms, values and behaviour patterns of people from a different culture.
- ✓ Do not focus on the differences between people (race, colour, background, body language, accent, manners, behaviour) rather focus on what you have in common (self respect, integrity, the need to be accepted and to be recognised, working to be successful)
- ✓ Learn to know more about the culture of people whom you work with, it will make communication more successful. Know that other cultures are interesting and that you do not come from a superior culture.
- ✓ Choose your words carefully as they not only express your thoughts, they also impress the receiver and the impression your words make motivates the reaction you receive.
- ✓ Use clear simple language. Select vocabulary, gestures and a body language that your audience will relate to and understand
- ✓ Have empathy – put yourself in the other persons' shoes and see the situation from their point of view.
- ✓ Learn to be not only an active listener but also someone who can read the actions, gestures and body language.
- ✓ Mind your manners, be polite acknowledge and respect the differences.

### **Barriers to effective communication**

Many barriers to effective communication exist and can be detrimental to effective communication. Following are a few that have bearing on what is dealt with in this unit standard.

#### ***Poor interpersonal skills***

Poor interpersonal skills include poor listening and/or sensitivity to nonverbal communication.

We have discussed listening skills and nonverbal communication at length. When you deal with customers or the general public, you have no excuse for not listening to what the other person is saying/signing or listening to non verbal communication. It is part of your job and you have to do it. When a client is discussing something with you, the client is entitled to your undivided attention.

Always remember: you cannot listen while you are talking. In order for you to listen, you have to keep quiet and pay attention.

#### ***Failure to identify the needs of the receiver***

This happens when you listen to only part of what the person is saying and then start jumping to conclusions instead of listening to the speaker until he has stopped talking. Only then can you come to conclusions, which you have to check with the client anyway, by repeating the issue as you understand it to the client.

"Am I correct in understanding that you want ..... done" or "As I understand, the problem is ....."

#### ***Different cultural backgrounds***

The audience will not always take differences in cultural backgrounds into account, but you have to. You are not allowed to judge anyone you are talking to because their cultural background is different to yours.

When you are giving a presentation, it is part of your job and your duty to take the audience's different cultural backgrounds into consideration. During the planning stage, you have to ensure that your presentation does not include material that can be offensive to cultures other than your own.

If you don't know much about other cultural beliefs, you have to make an effort to find out what they are. This will make future communication with the audience easier.

#### ***Lack of intercultural understanding***

This is a major problem in our country today. Unfortunately, when you are dealing with other people, you have to ensure that you do not suffer from a lack of intercultural understanding. Just as your culture is important to you, their

cultures are important to them. Put yourself in their shoes and try to understand that it is not acceptable to offend people only because their culture is different to yours.

### **Messages with too much/little information**

Many people find it difficult to express themselves clearly when they are under stress. They will usually either give you too much or too little information.

You have to be aware of this, so that you can:

- ✓ Focus on the important and relevant issues when a person gives too much information
- ✓ Ensure that you get all the relevant information when a person gives too little information

"I was mugged, they hit me over the head, there was blood all over the place, I had to go to the hospital to get stitches and my handbag was stolen." This is an example of too much information. You have to find out what the problem is that has to be addressed.

"My handbag was stolen." This is too little information and you have to find out what the issue is that the person wants resolved.

### **Irritating mannerisms that prevent people from listening**

When a person is tapping on the desk or tapping a pencil against his teeth the whole time that you or he is talking, or when someone shakes his knee or twitches his shoulder all the time.

Some people say "You know..." a lot, others say "ah..." all the time while talking.

There are many more examples of irritating mannerisms that you should not adopt while giving a presentation. On the other hand, when someone in the audience displays these mannerisms, you have to ensure that they do not distract you from listening to what the person is saying.

### **Use of insensitive or abusive language by the sender or receiver**

This is never acceptable, but can sometimes happen when a person is angry or irritated and perceives that his problem is not going to be addressed properly.

The best way to handle this is to calm the person down without saying anything about his insensitive or abusive language.

You will find in most instances that the person will apologise as soon as he can see that his problem is going to be addressed in a way that is satisfactory to him.

You must always be aware of how you talk to other people in order to ensure that you do not use insensitive or abusive language, as many people stop listening when you talk to them in a way that they don't like.

When giving a presentation, you must be able to identify these barriers and overcome these barriers by using the skills that you have developed. You must also ensure that you do not erect barriers to communication by one of the above actions.

## **Active listening**

Listening is an important part of communication. You have to apply active listening skills to hear and understand what other people are saying. You have to pay attention and focus on what the speaker says in order to respond appropriately to their comments and questions.

Listening should be active, not passive. There are several ways in which listeners can exert control in a discussion and prevent more powerful, educated or argumentative speakers from dominating the negotiation.

- ✓ Ask searching questions and stay with them until the replies satisfy you
- ✓ Restate the speaker's points as you understand them, forcing him/her to clarify cloudy areas
- ✓ Do not respond, or continue to make non-committal responses until the speaker develops his argument more specifically
- ✓ Paraphrase the speaker's words, exposing the hidden cultural assumption and/or feelings of superiority.
- ✓ Ask questions that will bring the discussion back to the basic conflict of interests if this is being blurred.

Active listening is a **skill** and is as important as giving orders in obtaining results.

- ✓ Give your full attention to what is being said.
- ✓ Make sure that you really understand.
- ✓ Listen between the lines.



- ✓ Look for non-verbal clues.
- ✓ Mentally summarise and evaluate objectively.
- ✓ Be empathetic.
- ✓ Determine whether he expects: guidance, support, motivation, action or silence.

### **What makes a good listener?**

This is actually a question of feedback. Good listeners use a variety of non-verbal and minimal cues to keep the other person talking. These include the use of phrases such as:

- ✓ "Yes"
- ✓ "I understand"
- ✓ "And then what"
- ✓ "Tell me more"
- ✓ "If I understand you correctly..."

Although the above illustrates how your natural reactions to different states of emotion can influence the manner in which you speak, it must be mentioned that you can intentionally alter some or all of these factors to enhance what you are saying.

Do not to overdo such variations as this might have exactly the opposite effect on what you are trying to communicate.

When communicating with someone else you must always strive to do it as **naturally and evenly** as possible. Be yourself!!

## **Improve your communication skills**

### **Pointers before you speak:**

- ✓ If you are uncertain ask questions. Do not make assumptions by hearing what you want to hear. Make sure what you hear is correct.
- ✓ Be well prepared. If you know what you are speaking about you command attention and respect.
- ✓ Choose your words carefully as they not only express your thoughts, they also impress the listener or receiver. The impression your words make motivates the reaction you receive.
- ✓ Think before you speak. Organise your thoughts and know what you want to say. Don't just ramble on.
- ✓ Use clear simple language. Select vocabulary that your audience will relate to and understand.
- ✓ Be specific in your choice of words so that your message or information can be correctly interpreted. Assumptions result in the incorrect interpretation of your message, your answer or the information you are sharing.
- ✓ Use correct pronunciation. Use your mouth, relax your jaw and move your lips to help you pronounce words correctly.
- ✓ Watch your pace, don't speak too fast and don't speak too slowly either.
- ✓ Watch your stance, or the way in which you stand and move about. Certain movements such as fidgeting and twitching can be irritating.
- ✓ Remember that your body language, and your voice control, together with your facial expressions, especially your eyes, is the mirror of your emotions. They will tell whether you are nervous, afraid, uncertain, happy, sad, angry, irritated, uncertain, confident, satisfied, positive, hesitant, insolent, sure of yourself, etc.
- ✓ Be polite and considerate. Respect the thoughts and opinions of others even if you do not agree.
- ✓ The pitch of your voice must be acceptable, not too high or too low.
- ✓ Listen to the rise and fall (inflection) of your voice. Do not speak on the same note it becomes monotonous or boring.
- ✓ The tone of your voice creates the atmosphere or setting for the conversation. It could be friendly or aggressive, sad or happy. The tone determines the response or the amount of interaction you will receive.
- ✓ Make use of the pause especially if you want to make a point or stress an important fact. But don't pause too often.
- ✓ Avoid making use of qualifiers such as repeatedly using "OK" or "Um or Er and Ah"
- ✓ Listen before you answer
- ✓ Never chip in or interrupt to say something.

## Improve your listening skills

1. **Stop talking:** You cannot listen if you are talking.
  2. **Put the talker at ease:** Help a person feel free to talk, create a permissive environment.
  3. **Show a talker that you want to listen:** Look and act interested. Do not read your mail while someone talks. Listen to understand rather than to oppose.
  4. **Remove distractions:** Don't doodle, tap, or shuffle papers. Will it be quieter if you shut the door?
  5. **Empathise with talkers:** Try to help yourself see the other person's point of view.
  6. **Be patient:** Allow plenty of time. Do not interrupt a talker. Don't start for the door or walk away.
  7. **Hold your temper:** An angry person takes the wrong meaning from words.
  8. **Go easy on argument and criticism:** These put people on the defensive, and they may "clam up" or become angry. Do not argue: Even if you win, you lose!
  9. **Ask questions:** This encourages a talker and shows that you are listening. It helps to develop points further.
  10. **Stop talking!:** This is the first and last, because all other guidelines depend on it. You cannot do an effective listening job while you are talking.
- ✓ Take notes and ask the speaker to repeat phrases that are not clear

**Surveys show individuals listen about 25% of the time.**

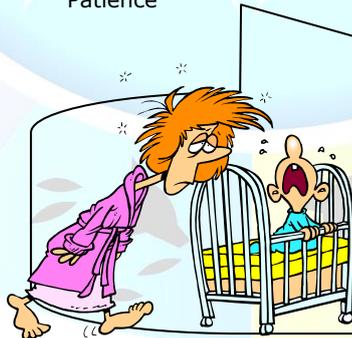
**You recall only 50% of what you hear when you actually listen.**

**70% of all misunderstandings happen because people do not listen to each other.**

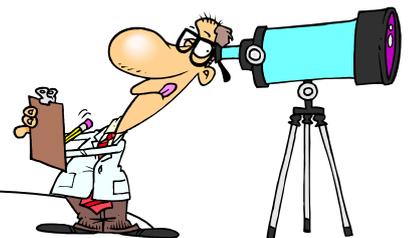


If we do not upgrade our listening skills we increase the potential for conflict to occur. What can we do? Focus on developing the following will go a long way to building good working relationships and minimising misunderstandings.

### 1. Patience



### 2. Focus



3. Open-minded



***Two men were walking along a crowded sidewalk in a downtown business area. Suddenly one exclaimed, "Listen to the lovely sound of that cricket!" But the other could not hear. He asked his companion how he could detect the sound of the cricket amidst the din of people and traffic. The first man, who was a zoologist, had trained himself to listen to the voices of nature, but he did not explain. He simply took a coin out of his pocket and dropped it on the sidewalk, whereupon a dozen people began to look about them. "We hear," he said "what we listen for."***

### ***When you are the communicator***

When you are the communicator of the message, it is your responsibility to ensure that the format of the message is suitable for the recipient. It is also your responsibility to ensure that the recipient understands the message.

- ✓ Think about the message that you want to convey
- ✓ Think about the format of the message – written or verbal
- ✓ Think about the language of the message, especially when technical terms are involved
- ✓ Consider cultural differences and the effect this will have on the message and the recipient
- ✓ Consider the needs of the recipient of the message
- ✓ Do not assume that the recipient has a certain level of knowledge about the subject
- ✓ Ensure that you give the recipient enough information
- ✓ Ensure that the recipient knows which part of the message is important
- ✓ Be aware of your own perceptions when you think about the content of the message
- ✓ Communicate directly with the recipient where possible

The best way to determine whether the recipient has received and understood the message is not by asking: "Do you understand?", as the recipient is likely to say Yes. Rather have the recipient repeat the message in his/her own words. Then you can check whether the message was understood.

### **What does a manager communicate?**

A manager communicates with employees all the time. S/he has to communicate:

- ✓ Policies and procedures of the organisation
- ✓ Goals and objectives of the organisation, department and section
- ✓ What employees have to do
- ✓ How they should do it
- ✓ What they should use to do it
- ✓ By when it should be done
- ✓ How they will know if they are working correctly
- ✓ Leave schedules

- ✓ Administration procedures such as sales prices, time sheets, overtime, etc.
- ✓ Production targets
- ✓ Feedback from other departments and customers, and so on

A manager will communicate according to the policies and procedures in the organisation:

- ✓ Via memo
- ✓ e-mail
- ✓ meetings
- ✓ verbally

## Formative assessment 7

### Trust

Trust is very important in life in general and in organisations where people work together day after day, it is of extreme importance.

Your employees have to know that they can trust you:

- ✓ Not to gossip about them behind their backs.
- ✓ To always treat them fairly and with dignity, exactly the way you would like to be treated.
- ✓ Not to spread ugly rumours about them.
- ✓ To be fair regarding salary increases, overtime payments, leave and sick leave.
- ✓ Nominations for promotion.
- ✓ Nominations for training opportunities.
- ✓ Not to talk to someone else about their personal problems and issues.

In the same way you would like to trust your managers to look after your best interests.

The easiest way to build up or break down trust in co-workers, employees and managers is through communication.

## Formative assessment 8

### Coordination

***Coordination is the efforts by management to harmonise the work performed by individual employees and different sections so that complete co-operation is obtained and thereby put the enterprise in a position to achieve its objectives.***

## Formative assessment 9

***Actually, coordination is not really a particular management function but is an element of all the other management function. No other function can ever be completed satisfactorily without some coordination.***

### Types Of Coordination

#### Informal coordination

This coordination is voluntary between employees in different sections and departments. It is usually not a part of the actual performance of tasks and its purpose is to keep the social processes in the organisation working.

This is like asking your friend in a different department to do something for you or to check something for you.

#### Programmed coordination

In this case, there are systems and procedures, methods, policies and rules that have been developed by the organisation to help coordination between sections and departments along.

An example would be if production needs a certain item, they complete a requisition and send it to stores. Stores check if they have the item in stock (they should) and then send the item to production. If stores have to order an item where the stock levels are low, they send a request to purchasing to buy the item.

## **Liaison coordination**

This is usually used to deal with disputes between sections or departments. A person would be appointed to act as a mediator between the sections or departments, so that the dispute can be resolved.

## **Group coordination**

Work groups are established to enhance the coordination process of the organisation. They would meet weekly or monthly. A committee that was established to investigate quality control or productivity levels would be an example of this type of coordination.

## ***Interdependence In An Organisation***

We have established that in any organisation the sections and departments are dependent on each other and have to communicate with each other and coordinate their efforts so that the organisation as a whole can achieve its goals and objectives.

In an organisation you can find many types of interdependence.

### **Pooled interdependence**

The outputs of each unit in the organisation are pooled at the organisation level. The units are not really dependent on each other for inputs and outputs. The Spar group is a good example. Each store is an independent unit that does not rely on other stores for their inputs and outputs. However, the performance of one store can influence the other stores: if you get bad service at one store it reflects negatively on all the stores.

### **Sequential interdependence**

The output of one section or department becomes the input of the next section or department.

When stores send products or parts to the production line, the output of the store is the product that was sent, while the same product or part becomes the input for production. The finished product from the production department in its turn becomes the output of production, they have finished producing the product and it becomes the input for sales department, who can now go and find a client to buy the product.

### **Reciprocal interdependence**

The outputs of section or department A become the inputs of section or department B, as soon as section or department B has done with the inputs what it should, it becomes their output and the product or service is sent back to department A.

In hospitals, the patients of the Intensive Care Unit are sent to the theatre for surgery and once the surgery has been completed, the patient is sent back the Intensive Care Unit.

## **Formative assessment 10**

### ***Factors That Hinder Coordination***

Usually, either poor working conditions and/or poor management are responsible for poor coordination. You, as a junior manager have to be very aware of this. If things go wrong in your section or department, it would usually be as a result of poor working conditions or poor management – which you are responsible for!

- ✓ Low workers' morale together with poor motivation or a total lack of motivation by managers can lead to workers not being interested in cooperating with others. "Why should I go to the trouble?", "It's not my job...", "Let them do it themselves, it's not my problem...", and so on.
- ✓ Some people are by their nature not willing to cooperate. You will always find people who prefer to work alone. Sometimes, you will have a troublemaker who will undermine the activities of other people on purpose. Be on the lookout for these people, they can make life very difficult for everyone in the section or department.
- ✓ Poor relations between different people working in the same department or between people working in different departments, as a result of something that happened. I have heard of tenders worth millions being delivered late, because two secretaries, working in the same office, were not talking to each other. One secretary, we will call her Cathy, was responsible for typing the tender by a certain date, which she did. Cathy then had to hand the tender to Sue, who was responsible for sending all important documents on time. because they were not talking to each other, Cathy put the completed tender document on Sue's desk, without telling her that it was supposed to be delivered the same day, so the tender was delivered late and cost the organisation a multi-million rand contract. Why were the two secretaries not talking to each other? They had a dispute over the brand of tea that should be purchased by the tea club! It happens in most organisations that silly little things cause disputes, which can in the end impact negatively on the entire organisation. Be aware of this and always make sure that your employees are communicating appropriately to everyone that they should be communicating with.

- ✓ Poor communication between individuals and departments that has the effect that nobody realises how important it is to cooperate and the advantages there are for the organisation and the individual when they cooperate with each other.
- ✓ When people are unable or unwilling to adopt new methods, procedures and equipment. This is called resistance to change and it is a fact of life. You will come across it many times during the course of your life, in your personal and professional life. You have to be aware of this and you have to be able to deal with this.
- ✓ Sometimes a person, a section or a department can feel that their job is more important than anyone else's. What can happen in a case like this is that too much effort is put into the completion of one task and other, equally important tasks are neglected, with negative results to the organisation.

## ***Methods Of Promoting Coordination***

Luckily, there are things you can do to improve coordination in your section or department and also between sections and departments.

- ✓ Communicate the goals and objectives to everyone concerned. Ensure that they know exactly what is expected of them and how important it is to get the work done on time, in the right quantity and of the right quality.
- ✓ Delegate tasks to your employees, following the proper delegation procedure as discussed in module 1. In this way they also acquire more skills and knowledge, which is to their benefit in the long run.
- ✓ Ensure that you know which other departments and sections you have to cooperate with in order to achieve the goals and objectives that are your responsibility. Make an effort to cultivate good working relations with the other sections and departments.
- ✓ Ensure that you manage your resources effectively so that one person does not carry too much of the working load.
- ✓ Ensure that you and everyone else know and understand the correct processes and procedures that have to be followed to achieve the goals and objectives.
- ✓ Ensure that your employees understand the importance of doing their jobs well: the importance to the section, the department and the organisation as a whole.
- ✓ Support them when they have problems meeting the standards and deadlines. Help them with advice, knowledge and skills, but don't take the work out of their hands. They must finish the task.
- ✓ Ensure that they know how much authority they have in order to complete the job.
- ✓ Discuss the targets and deadlines with them, make them part of the decision.
- ✓ Ensure that they understand the importance of communication progress and problems in time.
- ✓ Encourage them when they are doing well and support them when they are struggling to come to terms with the job.
- ✓ Always ensure that their time sheets and overtime sheets are handled promptly, so that their remuneration is paid on time.
- ✓ Check on their progress regularly, without letting them feel that you are policing them.
- ✓ Communicate problems to your supervisor and other sections and departments as soon as possible. The sooner a problem is known, the sooner a solution to the problem can be found.

## Formative assessment 11

### ***Motivating***

***Motivation concerns the “why” of human behaviour.***

Subordinates must be motivated to reach an acceptable level of performance – do their jobs to the best of their ability while making little or no mistakes, meeting deadlines, producing quality products, giving excellent customer service, within the allocated time.

Management, from junior to top management, should be motivated to effective performance: performing their functions as mentioned in this learner guide to the best of their ability so that employees can perform at their peak.

Prospective employees should be motivated to join the enterprise.

Motivation can be regarded as the influences that urge people to make an effort: what causes, focuses or channels and maintains human behaviour?

Why would a professional tennis player spend eight to ten hours a day on the tennis court rather than lying on a beach? Why would a South African athlete turn down a multi-million dollar contract made by another country in order to participate in the South African colours? Why would a doctor work 36 to 48 hour shifts at a time when he could have been a nurse who works 10 to 12 hour shifts at a time?

Why would teachers go to school to teach their pupils even when their pupils don't treat them with respect? Why would you go home to face your parents even when you know you are in deep trouble?

All of the above happen for reasons and these reasons motivate people to do what they do. The athlete who turned down the big contract takes pride in competing in his country's colours and money cannot buy that from him – his pride in his country's colours. The doctor would certainly like to be rich one day, especially as he is working such long hours, but it is usually more than money – he wants to help sick and injured people and feels he makes a worthwhile contribution to society by being a doctor. The teacher probably goes to school to assist those pupils who want to learn and improve themselves. You go home to face your parents because you love them and are sorry that you did what you did.

The above are only examples, there is usually more than one reason for people doing what they do: apart from the reason stated above why you will go home even if you are in trouble, there are other reasons such as: you are not ready to leave home yet, you cannot provide for yourself at the moment, you love your brothers and sisters and would miss them if you were to leave home, and so on.

Motivation starts off with a need. This need could be an imbalance caused by a physiological (to do with the body) need or it could be psychological (to do with human emotions) in nature.

The imbalance has to be rectified and, because there is a need, there is a motive that forces a person to take certain action so that they can satisfy that need. The need and the motive will lead to a specific behaviour and this behaviour leads to a specific result or consequence: they are satisfied or unsatisfied, happy or unhappy.

When you are very thirsty, you can hardly think of anything else than quenching that thirst – the thirst is a need that causes an imbalance which motivates you to take action. You will drink a glass of water, make a cup of tea or buy a soft drink. Once you have had your drink, the need has been satisfied and you have a result or consequence.

There are many theories of motivation of which you will learn more during module 8. For the purpose of this unit standard you have to know that people do certain things in order to satisfy a need. You will have to find out what motivates your employees and then work out strategies to motivate them in order to ensure that they perform to the best of their ability.

## ***Delegation***

A manager's function is so demanding that he cannot always cope with everything himself. To reduce this burden he allocates duties, authority and responsibilities to subordinates to distribute the work more evenly, thus working towards more effective performance.

Delegation is the process through which a manager assigns a portion of his workload to others. The main reason for delegation is to get more work done.

If the delegation process is followed closely, the assigning of a manager's work to a subordinate through delegation will take place successfully.

### ***Step one: assign functions***

The manager assigns tasks and activities relating to the work to a subordinate for implementation and completion. If a manager wants a letter to be typed, he will assign this task to his secretary.

***When a task is assigned, the manager must ensure that the employee knows exactly what is required. This is usually done by means of a job description and the identification of critical responsibility functions.***

It is not enough for the manager to say: "Type a letter to ABC Company. The secretary has to know the content of the letter, who at ABC Company the letter should be addressed to, when the manager requires the letter and so on. If you want someone to cut your hair, you should be specific regarding the style you require, otherwise the hairdresser might do something that you don't like and then it does not help to blame the hairdresser – you are to blame.

During step one you do not assign responsibility, step one is regarded as training. You are monitoring the employee's work in order to ensure that he can do the work on his own. Once he has shown you that he can do the work on his own, it is time for step two.

The marketing manager requests another employee to do market research for a new product. First the employee is fully briefed, then the employee approaches one or two customers while the manager monitors what the employee does: how does he approach the customers, how does he ask the questions, etc.

### ***Step two: assign authority***

The delegation process gives a subordinate the power to act on behalf of management. Once the employee is sure of the specifics of the job that has to be done, you have to give the employee the authority to do the job. If the marketing manager requests another employee to do market research for a new product, the manager must give the researcher full authority to do effective research, once the manager is satisfied that the employee knows what is required and is able to do the job.

It would be pointless to ask someone to do market research and then that person is not allowed to make phone calls, or allowed to phone customers and ask questions. All the authority that is required to do the job must be assigned to the employee.

***Once the authority has been assigned, the manager must abide by decisions the employee makes. This is why the delegation process has to be monitored by the manager all the time, especially during the first two phases.***

### **Step three: assign responsibility**

The employee has now been assigned the function, he can do the job and he has been assigned the authority to do the job. The manager monitors the progress of the employee, because the job has been assigned and with the authority certain rights have been assigned. Now it is time to assign responsibility as well. Responsibility places an obligation on the employee to complete the tasks as required within the specified time limits. Failure to do so will reflect badly on the employee.

***In other words, responsibility is the obligation the employee has to carry out the instructions – the work becomes the employee's responsibility.***

### **Step four: creating accountability**

Accountability is the obligation of the manager and the employee to ensure that the instruction is carried out with satisfactory achievement of goals – the work must be done in such a manner that the goals of the organisation are achieved.

***Accountability ultimately rests with the manager – if the job is not done correctly, he will be in trouble. However, the employee should also be held accountable for work not done correctly. This means that when things are done correctly or incorrectly, both the employee and the manager will be held accountable.***

If a subordinate makes a mistake and it costs the organisation five million rand, the employee, his manager, usually the first line supervisor, the middle manager as well as the senior manager in the top management structure will be held accountable for the error. Everybody will be in trouble.

The opposite is also true: if the subordinate saves the organisation a lot of money, everybody will get the credit: the employee, junior manager, middle manager and senior manager.

## **Authority, responsibility, and accountability**

**Authority** - formal and legitimate right of a manager to make decisions, issue orders, and allocate resources to achieve organisationally desired outcomes.

**Responsibility** - duty to perform the task or activity an employee has been assigned

**Accountability** - the fact that the people with authority and responsibility are subject to reporting and justifying task outcomes to those above them in the chain of command

## **Tasks that cannot be delegated**

Although most of the tasks of a manager can be delegated, certain tasks can never be delegated to junior employees:

- ✓ Top management cannot delegate the strategic planning function to middle and junior management. The lower management levels of an organisation can be made a part of the strategic planning process, but it still remains the function of top management.
- ✓ Middle managers remain responsible for the smooth running of their departments; they cannot blame someone else if their departments do not make deadlines and so on.
- ✓ Junior managers cannot really delegate their staff admin responsibilities to juniors, since this would include confidential information.

## **Discipline**

***Motivation, discipline and evaluation can all be grouped under the term performance management.: getting better results through people. It consists of a range of activities of which the primary aim is to help managers get improved performance from their staff.***

Discipline is necessary in any organisation just as it is necessary in a family, on the sports field, during the playing of games and just about every aspect of life.

In an organisation discipline is required in order for the organisation to achieve its goals and objectives.

If employees arrive late for work and leave early, productivity deadlines will not be met. When productivity deadlines are not met the organisation does not make a profit. If the organisation does not make a profit it will close its doors and everybody will lose their jobs.

What this means in effect is that, if some of your employees are guilty of slack timekeeping with regards to working hours, they could cause you to lose your job. If you are happy with this, you should not be in a management position. In fact, any employee who is satisfied with this state of affairs lives in a dream world. Businesses exist to make a profit and employees owe their employers the agreed upon hours of work in order to help the business make a profit.

The purpose of discipline and disciplinary procedures in an organisation is to correct unacceptable behaviour in employees. Sometimes the employees may not even be aware that their behaviour is unacceptable and a little nudge in the right direction will bring it to their attention. Sometimes the employee may be experiencing personal problems at home and the unacceptable behaviour is the symptom of a deeper problem.

### Behaviour that requires disciplinary action

- ✓ Regularly arriving late for work.
- ✓ Leaving early on a regular basis.
- ✓ Not adhering to the times set for lunch and tea breaks.
- ✓ Not achieving production targets.
- ✓ Making too many mistakes.
- ✓ Not doing the job according to company policies and procedures.
- ✓ Not doing the work according to health and safety rules and regulations.
- ✓ Refusing to do the work you are being paid for.
- ✓ Instigating other employees to not work productively.
- ✓ Spreading false rumours.
- ✓ Leaking of confidential information about other employees, the organisation and the organisation's customers.
- ✓ Stealing the organisation's property, and so on.



The list is long and is usually explained in detail in the company's disciplinary code. Most of the behaviours listed in disciplinary codes are behaviours that impact negatively on the organisation's profitability, putting all the employees' jobs at risk.

### The purpose of discipline is to

- ✓ Correct unacceptable behaviour.
- ✓ To determine the reason for the unacceptable behaviour. Sometimes employees will arrive late for work for a period of time due to the serious illness of a family member at home or some other valid reason. If this is the case, the manager can assist the employee to solve the problem and in that way help the employee to arrive for work on time.
- ✓ To ensure that the employee understands why the behaviour is unacceptable.
- ✓ To give the employee the opportunity to improve unacceptable behaviour.

There will be guidelines in the disciplinary code regarding the type of disciplinary action and how many occurrences will be allowed before the employee's services are terminated. It has to be noted that all forms of disciplinary action will be noted on the employee's personnel file.

Examples would include:

- ✓ **Verbal warnings:** how many verbal warning will be issued before a written warning is issued and for what period of time the warning will remain on the employee's file.
- ✓ **Written warnings:** how many written warnings will be issued before a disciplinary enquiry will follow and the period of time the warnings will remain on the employee's file?
- ✓ **Disciplinary hearing:** the procedures to be followed and what the outcome would be if the employee were found guilty.

This does not mean that employees do not have recourse if they feel they are being treated unfairly. The Grievance procedure goes hand in hand with the disciplinary code. The grievance procedure gives the employees recourse against unfair treatment by management. The procedure that an employee must follow will be stipulated in the grievance procedure.

As the manager of the section or department, you will be responsible for both the disciplinary action against an employee and also to assist an employee to institute a grievance procedure, even if the procedure is against you.

## Evaluating

Performance management also looks to the future, since it is also concerned with the development of the potential of the employee.

The purpose of evaluating an employee's performance is to analyse what he is doing well and which areas he can improve in.

Obviously, the areas in which the employee is performing well will usually not need much attention – he will get a reward in the form of a compliment, a salary increase, increased responsibility in those areas or even training focusing on his strong points in order to prepare him for more responsibility in those areas.

None of us are perfect and all of us have some shortfall in our knowledge, skills and/or attitudes that need improvement. This will be highlighted by the evaluation of our knowledge, skills and attitudes and give us the opportunities to improve in those areas. The organisation will also benefit by encouraging and assisting employees to improve their ability and capability to produce excellent work.

Once the shortfall has been identified, the manager and the employee can work out a plan of how the employee will be assisted and encouraged to improve in those areas. By the next evaluation the employee and manager can actually measure the progress that has been made and the employee can now focus on the next area that needs some improvement.

Evaluation should be approached by both the manager and the employee with an open mind. The employee should learn what he/she can from the exercise and it should not be regarded as a criticism or punishment. It is a self-improvement aid and should be utilised as such.

### Formative assessment 12

## SECTION 4: DECISION MAKING

### Specific outcome 4

Apply the decision making process to make a management decision.

### Assessment criteria

- ✓ Explain the steps to be followed in making a decision, with reference to an authentic workplace situation.
- ✓ Use the decision making process to make a management decision.

*'The cause of lightning,' Alice said very decidedly, for she felt quite sure about this, 'is the thunder - no, no,' she hastily corrected herself, 'I meant the other way.'*

*'It's too late to correct it,' said the Red Queen.' When you've once said a thing, that fixes it, and you must take the consequences.'*

Through the Looking Glass - Lewis Carroll.

A supervisor can only be as good as his ability to make decisions. When a supervisor gets into a situation where a decision is required and there is no one else to turn to, it is up to him and him alone. After all, that's what he's being paid for!

"Take an educated guess." and "Toss a coin." sounds simple enough, but not the best way of making a decision.

The steps involved in decision making actually seem very obvious. But in the job situation, you will have to follow them in a real, complex, company setting. Decisions will become compounded by so many other factors, such as emotions, misunderstandings, defensiveness, prejudices and many more.

***To some degree, your success as a supervisor will depend on how well you make your decisions. This will be a very powerful skill to have as you climb the management ladder. So, get to grips with it and keep practising it as much as you can now.***

# The Process Of Making A Decision

## Define the problem

The first step in decision making is called '*define the apparent problem*'.

Why do we call it the *apparent problem*? It is always difficult to see a problem as it really is – and not as we perceive it to be, based on our emotions, state of mind, subjectivity, prejudice, guesswork, or as we would 'like' to see it.

To try to bypass most of the human failings that come to the fore when making decisions, you must follow the above steps.

**Peter Drucker**, one of the most eminent and respected authors in management science, says,

***Effective decisions result from a systematic process, with clearly defined elements, that are handled in a distinct sequence of steps.***



When making decisions you must take rational, logical action. You must not rush. You must pause, stand back and look at the problem from all angles.

However, this does not mean that you should use more time than necessary.

The size and urgency of the problem will probably dictate the length of time you would need to reach a decision.

## Collect facts to meet the requirements of the problem

***The person who is best at defining the nature of a problem, will be the one who will be the most successful at solving it.***

You need to collect facts that meet the requirements of the problem.

***A fact can be defined as a piece of verified information.***

## Facts are obtained from the following sources:

- ✓ Judicious **questioning** of eye witnesses.
- ✓ **Reading** reports, memoranda and letters, and interpreting them intelligently, seeking clarification if necessary.
- ✓ Investigating the problem where it is found, for instance, overcrowding could result in an unequal allocation of office space.
- ✓ **Opinions** are important. This is because the investigating person is not always able to obtain all the facts required. Opinions from trusted people who have credibility are a distinct advantage in problem solving.
- ✓ **Feelings** fall into much the same category as opinions. We often get a feeling that we should defer judgement on a particular problem for a short time, although the facts clearly show that we could take legitimate action immediately. Later we realise that the feeling was right as the problem solved itself in a completely different and more satisfactory way.
- ✓ Find out **what is happening now** and or **what is likely to happen in the future**. If different people are involved, get both sides of the story and, where possible, check with a third party. Obtain written evidence wherever relevant. Do not rely on hearsay.
- ✓ Define **what is supposed to be happening** in terms of policies, procedures or results and contrast this with what is actually happening.
- ✓ Try to understand the attitudes and motivation of those concerned. Remember that people will see what has happened or happening, in terms of their own position. Obtain information about internal or external constraints that affect the situation

## **What questions should you ask?**

To define a problem, you need to stop and ask yourself and any witnesses at least as many of the following questions as you can.

- ✓ What happened?
- ✓ Where did it occur?
- ✓ What should have happened?
- ✓ Is that a problem?
- ✓ How bad is the problem?
- ✓ What else is involved? Who or what is affected by it now?
- ✓ Who or what was responsible?
- ✓ Is it an isolated incident or is it likely to happen again?
- ✓ What are the consequences of ignoring the problem?
- ✓ How else can the problem be stated?
- ✓ Have similar problems existed - how were they solved?
- ✓ Why does it have to be solved?
- ✓ When does it have to be solved?
- ✓ What will it cost to solve the problem?
- ✓ Who should solve it?
- ✓ What is likely to happen when the problem is solved?
- ✓ Who will be affected?
- ✓ Are you being influenced by your own feelings about the situation?
- ✓ Is it a problem, or just a symptom?
- ✓ Is this problem linked to other situations?
- ✓ What other external factors should you take into account?

**One of the dilemmas of making decisions is knowing when you have enough facts.**

People go one of only two ways:

- ✓ Either they rush in and make a decision before they have collected all the facts,
- ✓ Or they waste too much time gathering information when a good decision could have been made without wasting too much time.

## **Verify the information**

After you have gathered information, you have to verify the information.

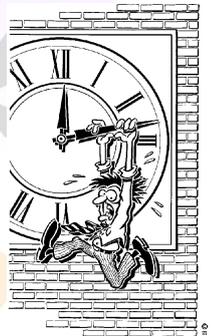
**The key is which facts are relevant and which are incidental.**

To examine the facts adequately, be sure to separate what you **know** to be true from what you **think** is true. Always try to gather facts from more than one source. Check your information for accuracy and truthfulness.

We all have a tendency to want to solve a problem immediately because the pressure is on.

- ✓ A machine is down.
- ✓ A key person is absent or leaves suddenly.
- ✓ Materials don't arrive as promised from the supplier.
- ✓ Your neck is on the line!

**Take some time and thought to examine the facts first**



## Analyse the problem

When you have the answers to most or all the above questions, think it through.

- ✓ Analyse the facts. Determine what is relevant and what is irrelevant.
- ✓ Establish the cause or causes of the problem.
- ✓ Do not be tempted to concentrate on symptoms rather than the causes. Dig into what lies behind the problem.
- ✓ Identify the extent of the problem – not all problems are of equal importance and the minor, single-incident problem has to be distinguished from the major, recurrent problem.
- ✓ Develop theories about the possible causes.
- ✓ You must be objective at this stage. Don't solve a problem that does not exist! Nothing can be more embarrassing than jumping to a conclusion based on misconceptions.

### Formative Assessment 13: Case Study 1

***None of the above statements are necessarily true.***

You may have assumed the following:

- ✓ The supervisor of the supermarket was a man,
- ✓ A robbery took place.
- ✓ The robber sped off in a car.
- ✓ The robber took money from the cash register with him.

Let's take a look at some alternative scenarios:

- ✓ The man was one of the store's suppliers who came to collect his money.
- ✓ The supervisor could have taken most of the cash out of the cash register and only left the float for the following day. Most of the cash could have been in an envelope on the desk in the office.

***Beware of jumping to conclusions! You should never assume that things are true - get the facts first!***

In a group, think of more scenarios to the above case study.

#### ***Refer to Case study 1***

For the sake of this Formative Assessment, we will say that a robbery took place. Answer the following questions:

- ✓ What happened?
- ✓ Where did it occur?
- ✓ What did we want to happen?
- ✓ What should have happened?
- ✓ Is that a problem?
- ✓ How bad is the problem?
- ✓ What else is involved? Who or what is affected by it now?
- ✓ Who or what was responsible?
- ✓ Is it an isolated incident or is it likely to happen again?
- ✓ What are the consequences of ignoring the problem?
- ✓ How else can the problem be stated?
- ✓ Have similar problems existed - how were they solved?
- ✓ Why does it have to be solved?
- ✓ When does it have to be solved?
- ✓ What will it cost to solve the problem?
- ✓ Who should solve it?
- ✓ What is likely to happen when the problem is solved?
- ✓ Who will be affected?
- ✓ Are you being influenced by your own feelings about the situation?
- ✓ Is it a problem, or just a symptom?

- ✓ Is this problem linked to other situations?
- ✓ What other external factors should you take into account?

## Symptoms vs. Causes

The most difficult task when defining a problem is being able to separate the **symptom** from the **cause**.

Headaches and fever are symptoms of flu, not the cause of the flu. In fact, it is the other way around – the flu causes headaches and fever! Doctoring the symptoms, in this case headache and fever, might make you feel better for a little while, but it will not make the flu go away.

Solving problems also works this way – if you try to solve the symptom, it might work for a little while, but the problem will still be there. The problem will not go away unless you solve the problem itself.

For example, if your telephone lines are always engaged, you may try to solve the problem by adding more phone lines. You could be treating the symptom. The real problem may be too many personal calls. Treating symptoms will never solve problems.

When you are responsible for solving problems, it will be your job to sort through the symptoms in order to find the **real, underlying cause of the problem**.

One way is to **list all the potential causes of the problem**. You may need to be somewhat creative, as the cause could be buried deep.

- ✓ When you feel that you have a comprehensive list of causes to a problem, sort through them. Use your intuition and experience, and select the most likely causes to the problem.
- ✓ You have to be open-minded, because often among the causes there may be some that are embarrassing or difficult for you to handle. A natural human tendency would be to put them aside and look for another cause with an easier solution.

## Examples

**Situation 1:** There is an increasing number of errors in handling of claims by the claims department. You have listed the following probable causes:

- ✓ There has been an increase in the number of claims that have to be processed daily.
- ✓ There are many new staff members in the department.
- ✓ Care is not being taken when claims are checked for errors.
- ✓ Or perhaps it is that the same number of errors have always been made, but are only now being noticed!

**Situation 2:** Absenteeism rate abnormally high for last month.

- ✓ Flu.
- ✓ Low morale and motivation.
- ✓ Increased workload.

Be careful when trying to solve absenteeism problems. Absenteeism is a frequently occurring symptom of a problem and not the problem itself. The problem usually lies somewhere else. Interestingly, many supervisors think of it as a problem in itself

Most people feel an obligation to go to work. They do not stay away for no reason, so there must be an underlying cause.

## Restate the problem

Once you have gathered all the facts and analysed them and you are sure you are addressing a problem and not a symptom, restate the problem.

**Why?**

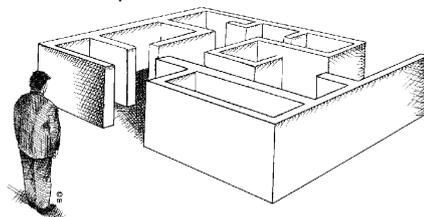
Once you have analysed the facts, the nature of the problem may have changed. By restating the problem, you will ensure that you are addressing the problem and not a symptom.

## Determine possible courses of action

Once you have identified the components of the problem, you can consider possible courses of action. List the possible courses of action in the light of the factual analysis.

What are the possible options? List as many as you can.

- ✓ What are the likely end results of each of these?
- ✓ Which of them seems to be the best from all angles?



Where appropriate, use brainstorming and creative-thinking techniques to identify courses of action that may not be immediately evident.

## Formative assessment 14

### Establish criteria and evaluate solutions

Once you have generated possible solutions by any of the previously mentioned methods, you have to establish the criteria for the solution.

Consider the possibilities, listing **advantages** and **disadvantages**

#### **Duration**

- ✓ How quickly do you have to find and implement a solution?
- ✓ How long will it take to implement the solution?

#### **Causes**

- ✓ Will the solution cause other problems to appear?
- ✓ How will these problems be addressed?

#### **Effects**

- ✓ Consider cross-cultural implications, for example dress code, religious holidays, type of food and drink.
- ✓ Evaluate the immediate and future consequences both inside and outside the organisation.
- ✓ Compare the cost of the solution with the benefits of implementing the solution.
- ✓ Assess how far the needs of those involved will be met and the extent to which your decisions will be acceptable.
- ✓ Be careful of creating precedents: will this solution create a situation where other departments will also want to implement the process, even when it does not really apply to that department?
- ✓ Consider also the implications of any internal and external constraints that might exist: is there anything in the company policy or legislation that might limit or restrict the implementation of the proposed solution.
- ✓ Ensure that all concerned participate in the evaluating and decision-making process. Note, however, that the degree of participation will depend on the nature of the problem and the participation procedures and management style of the organisation.
- ✓ Resources: when a solution is evaluated you have to consider its impact on scarce resources. A maximum payoff solution will not be an optimum solution if it requires the consumption of excessive staff time and attention, money, space, raw materials, and IT resources.
- ✓ The degree of disruption: an excellent theoretical solution may cause too much disruption within the organisation. Hence the organisation must appraise the consequences of implementing various solutions. Only when the benefits exceed the disruption costs should the solution be pursued.

#### **Things that can influence your decision**

- ✓ Tradition.
- ✓ Cultural differences.
- ✓ Self-interest.
- ✓ Organisational factors, policy and precedents, legal aspects, practices and expectations.
- ✓ Political views vs. logic.
- ✓ Ease of execution.
- ✓ Personality factors, attitudes, emotions, prejudices.
- ✓ Time/urgency, organisational need, political need, personal need.
- ✓ Pressure from peer group, need to please others.
- ✓ Authority, expert opinion.
- ✓ Generalisations, opinions, insufficient evidence or knowledge.
- ✓ Facts.
- ✓ Creativity and/or an urge to do something differently.
- ✓ Experience: successful or unsuccessful.

## Select the solution

When you select a solution, you should ensure that:

- ✓ You have generated all the possible solutions.
- ✓ You have removed the solutions that are obviously not workable.
- ✓ You have considered all the consequences.
- ✓ The solution meets the established criteria in terms of budget, resources available to you to implement the solution and also any legislative requirements.

Often, there will be only one solution that meets all the criteria. When this is not the case, you should decide:

- ✓ Whether to choose the solution that meets the most important criteria, or
- ✓ Whether you have to generate more solutions.

Do not expect the process to always produce black and white solutions. Remember that Drucker says:

***A decision is a judgement.***  
***It is a choice between alternatives.***  
***It is rarely a choice between right and wrong.***  
***It is at best a choice between almost right and probably wrong- but much more often a choice between two courses of action neither of which is more nearly right than the other.***

## Decision making pitfalls to avoid

- ✓ ***Deciding alone.*** There are many benefits to consulting with others on a decision: gaining different perspectives, more resources to draw upon and more commitment to the decision by those consulted.
- ✓ ***Every decision a major decision?*** Not every decision requires a lengthy decision-making process. Don't get bogged down with minor problems. If they are minor, make a reasonable decision and move on.
- ✓ ***"The last time I was wrong* was when I thought I made a mistake". No one is always right. If you have made a bad decision, admit it and get started on fixing it. Remember – it is impossible to force a bad decision into being a good one.**
- ✓ ***"Boy! I sure wish I hadn't".*** Just the opposite of pitfall number 3. Because no one can be right all the time, don't waste your energy regretting bad decisions. Get on to current issues.
- ✓ ***Failing to use past precedent.*** Maybe the same problem has come up before and been effectively solved. Perhaps, if it has come up enough, there is a company policy that covers it.

Formative assessment 15

## Implement the solution

### Stakeholders are consulted

***A problem has not been solved until the decision has been implemented.***

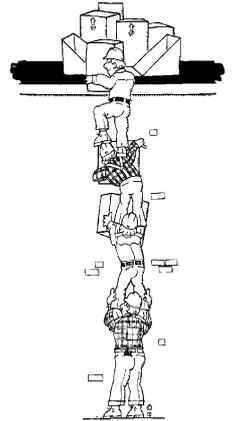
Before you implement a solution, you have to discuss the matter with all the people involved, called the stakeholders. This could include

The people doing the work.	Your manager.
Their supervisor(s).	The finance department.
Their manager.	The HR Department.
The people who helped you to determine the solution.	And anyone else who may be involved.

No solution will be implemented successfully without the approval and commitment of all the stakeholders. You need their cooperation if you want to ensure that the implementation of the solution will work.

You also have to assign duties and responsibilities. Think carefully not only about how a thing is to be done (by whom, with what resources and then by when) but also about its impact on the people concerned and the extent to which they will cooperate.

You will get less cooperation if you impose a solution. The best method is to arrange things so that everyone arrives jointly at a solution freely agreed to be the one best suited to the situation (the law of the situation again).



***Make sure that everyone who needs to know about the decision is informed.***

### **Monitor implementation.**

The implementation of the solution must always be monitored. You have to:

- ✓ Check on how effectively the decision is being implemented.
- ✓ Obtain the reactions of those affected.
- ✓ Take corrective action where necessary.

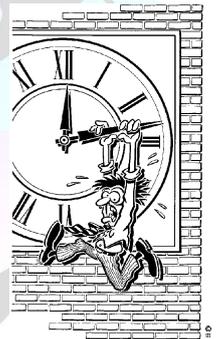
This implies that you will have to develop a control system whereby you can monitor the implementation of the solution.

#### ***Duration***

Before you implement the solution, you have to decide

- ✓ How long you are going to monitor the implementation: one week, one month, three months, etc.?
- ✓ How often will you monitor the implementation: hourly, daily, weekly?
- ✓ When will you review the monitoring process: after one week, two weeks, one month?

Just as every problem will have its own unique solutions, the way you monitor the solutions will also vary. Some solutions will indeed have to be monitored hourly or daily, while others will require monthly monitoring.



#### ***Implication and effects***

The purpose of monitoring the implementation of the solution is to determine whether the solution you selected is working.

- ✓ How will you monitor the implementation?
- ✓ Has the problem been solved?
- ✓ How can you prove this?
- ✓ Have other problems appeared as a result of the solution?
- ✓ Are the stakeholders committed to implementing the solution?
- ✓ Is the process working for them or has it led to unhappiness?

### **Review the solution**

If the solution is not solving the problem, you have to repeat the problem-solving process in order to find a solution that works.

If the solution that you implemented is solving the problem, you have to determine:

- ✓ Whether the solution will work in similar instances in the rest of the organisation.
- ✓ Whether new systems have to be developed in order to implement the solution across the entire organisation.
- ✓ What practices and procedures have to be committed to paper for the implementation of the process across the organisation?
- ✓ What records are required in order to report on the successful implementation of the solution?
- ✓ What records will be required to standardize the new process?

Most of the documentation, procedures and records required for the implementation of the new process will already be in place in the organisation. You will have to find out what they are and then use them in your process.

If the organisation does not have a system for implementing new processes, you will have to develop such a system.

## Formative assessment 16

### SECTION 5: APPLY GENERAL MANAGEMENT FUNCTIONS

#### **Specific outcome 5**

Apply the general management functions to a selected organisation

#### **Assessment criteria**

- ✓ The management functions in an organisation are listed and an indication is given of who in the organisation is responsible for each function
- ✓ The way in which each management function is addressed in a specific organisation is explained with reference to the organogram of a selected organisation
- ✓ The role of a team leader or low level manager in the management of an organisation is outlined with reference to the basic management functions and tasks

### ***Role And Function Of The Supervisor / Team Leader***

#### **Teams**

***Teams consist of small groups of people who work together to achieve the goals and objectives of the team***

The most distinguishing characteristic of a team is that its members have, as their highest priority, the accomplishment of team goals.

To them, the most important business at hand is the success of the team in reaching the goal that its members, collectively and with one voice, have set. The members support one another, collaborate freely, and communicate openly and clearly with one another.

Team interactions become everything. They are the reasons people stick it out, give their all and overcome enormous obstacles.

While it is possible to work alone, progress is based on the human ability to work together. The team will achieve more than individuals working on their own.

***Importantly the success of the team would depend not only on the individual skills of the team members but also on the way those individuals support and work with each other.***

**Teams** are therefore

- ✓ United around a common purpose and goal
- ✓ Depend on each other to achieve this purpose and/or goal
- ✓ Structured to work together in synergy
- ✓ Empowered to implement decisions
- ✓ Jointly responsible for the outcome of the task

[Pokras, S. \(1995\) \*Building High Performing Teams\*. London: Kogan Page.](#)

***Teamwork consists of individuals working together to accomplish more than they could alone, but more than that, it can be exciting, satisfying and enjoyable.***

**Team Working** is the ability of a group of individuals to form into a cohesive unit to achieve a common goal.

Teams have significant advantages over disorganized individuals in many work situations:

- Distribute workload evenly and co-ordinate effort (as long as everyone on the team contributes fully)
- Shared responsibility for problem-solving, testing ideas and decision-making
- Better motivation and support (through building rapport between colleagues)

Building a successful team takes effort. To be successful, a team needs to be united in the pursuit of a **goal**, with an agreed **process** to achieve the goal. In addition to focusing on the goal and meeting deadlines, the **needs of team members** must be addressed.

When working on a team, it is important to remember to treat colleagues as you would your customers. You can use customer service skills (attitude, active listening, assertiveness, negotiation, creative thinking, questioning, and so on) to manage your relationships within the team.

## **The supervisor and the team**

Let us get back to the basics: First of all it is important to take into account that a supervisor is a manager. One of the most important difficulties newly appointed supervisors encounter is to adjust to the people management side of the new job. What are the most important functions of a supervisor?

- ✓ Taking the responsibility for the results of other people
- ✓ Managing information
- ✓ Reporting to superiors
- ✓ Managing the overall results of the department, section or division

In reality therefore, despite the new environment, a supervisor still remains finally responsible and accountable for the entire operation under his or her control.

Let us now look at the basic supervisory functions in terms of the challenges that we are facing and in which we need to change our mindset:

### ***How to plan effectively***

Planning is one of the most important functions of a supervisor. We need a plan of action on how we are going to achieve our objectives in the new environment. The planning responsibility will be more difficult and complex. Our resources will be limited. The future is uncertain. In short, the planning task will be more difficult and will call for an in-depth understanding of the new environment and new skills to deal with the complexities.

### ***How to delegate and control***

It is impossible to do everything yourself. Delegating is a key function in the new business environment. Remember, we will have less people to delegate to, and with the new business rules we will need more skills at the lower levels. It is one of your primary responsibilities to show your subordinates and not merely to tell them. It is difficult to delegate in a downsized organisation, but remember, you still remain responsible, irrespective of the limited resources and increased complexity.

### ***How to lead subordinates***

Don't tell me show me. Supervisors lead by setting a fine example. Setting an example calls for new skills. Leading effectively in the new environment calls for new skills than those we got used to in the good old days and managing new complexities will be part of our responsibilities. You need to know the rules of the game and lead with confidence.

### ***How to effectively organise the working environment***

Making sense and structuring the work environment with new rules will call for exceptional organisation skills. Organising a downsized organisation is difficult and with less resources and increased pressure to maintain a healthy bottom line will be of critical importance. Although the organisation structure is determined at a higher level, supervisors can play a leading role in organised housekeeping to optimise workflow and productivity.

### ***How to schedule activities effectively***

How to manage bottlenecks and other operational constraints will be high on the agenda in the competitive environment. Work scheduling calls for creative solutions and the optimum use of resources in the new environment.

## ***How to solve problems***

Due to the fact that the operating environment has become more competitive, problem solving has become more important. With the new rules new problems will arise, and existing problems will have to be solved with fewer resources. A new approach is therefore required.

## ***How to take effective decisions***

How to effectively apply and manage resources has a direct impact on decision-making. The effects of wrong decision-making can have a much greater impact on the organisation than in the previous environment.

## ***How to evaluate***

A supervisor has to evaluate how his/her section or department are doing. Is the section

- ✓ Meeting targets set for the team?
- ✓ Staying within the budget allocated to the section?
- ✓ Using resources efficiently?
- ✓ Cooperating with other departments?
- ✓ Reporting as required by the organisation?
- ✓ Carrying out action plans as laid out?
- ✓ Anticipating and solving problems?

Are the employees in the section:

- ✓ Meeting individual targets
- ✓ Absent often?
- ✓ Working together well or is there a lot of conflict?
- ✓ Following correct working procedures?
- ✓ Helping each other when needed?
- ✓ Working too much overtime?
- ✓ Participating actively during meetings?

The actual work being done has to be compared against the objectives set to the team and deviations have to be investigated. If necessary, procedures to rectify should be implemented.

The progress of the team has to be reported to the team and to management, following the procedures laid down in the organisation.

Good work has to be rewarded and problems have to be investigated so that corrective actions can be suggested.

**The above is also known as good management practice.**

***Remember that supervisors are pivotal links in the entire service delivery process and that your contribution is critical in ensuring the success of the entire company.***

## **Tips for becoming a great supervisor**

1. Great managers understand that their first priority is ***maintaining productive relationships*** with their employees. It is only through these relationships that the second priority "getting the work out" can get accomplished.
2. Communicate clearly by giving ***clear instructions***. Do not assume that employees automatically know what you need.
3. Catch the employee ***doing something good***. This helps build up their self-confidence and self-esteem. It also goes a long way in helping to build the relationship between the two of you (see above).
4. Take the time to ***listen***.
5. Great Managers are ***Calm, Non-reactionary and Mature*** remember you are supposed to be the adult, which removes your luxury of being able to react emotionally to everything!
6. Great Managers are ***Confident*** and are able to express it and to infuse their employees with the same hope and confidence about their abilities to get the job done.
7. Great managers can ***coach, teach, and evaluate*** A difficult and time-consuming task, but always worth the time put in up front. Not only will employees learn how to do their job better, but it also communicates your interest in them.

8. Great managers are not afraid to **delegate**. The biggest mistake that new supervisors make is to think that they have to do it all themselves. This usually drives those employees you supervise crazy. Please, give them something to do!
9. Gain an understanding of problems through **active listening**. There is no way to solve a problem unless you understand it. Make sure to get input from as many people as possible within the department, because there will be as many different views as there are people.
10. Earn respect through **honesty** by not being afraid to say:  
*"I don't know" or "I made a mistake." Your employees know when you have anyway, so why not be human and admit it?*
11. Great managers are **fair**. Be careful about preferential treatment. It tends to be a blind spot for many of us.
12. Demand **good work from everyone** and don't tolerate lazy performance. It is a shame how many good and productive employees we lose on campus every year because they were infuriated over seeing some employees do nothing -- and be allowed to get away with it! There is no one to blame in that situation other than the supervisor.
13. **Support and back up employees** to upper management. There is nothing worse than a supervisor who takes credit for the work performed by his/her employees. It is a guaranteed way to lose whatever trust you had. Look for opportunities to shine the light on them. Without always having the ability to reward financially, this is sometimes your only means of recognition.
14. Great managers are sought out by employees and easy to talk to. Again, because of #1. They know that you are concerned about them.

## Summary

### **Business processes**

We have seen that all business processes consist of inputs, processing, output and feedback. In this way all the functions (departments) of a business are interrelated.

### **Organisation structure**

The structure of an organisation was also discussed. The structure determines how the different business functions are divided. The organisation structure also determines the flow of communication in an organisation.

The organisation structure also determines the hierarchy of the organisation.

### **Resources**

Every business takes resources from the environment and produces outputs after processing. Different resources used by different businesses were discussed.

- ✓ Man
- ✓ Material
- ✓ Machinery
- ✓ Methods
- ✓ Money
- ✓ Markets

### **Management activities**

The four main management activities are:

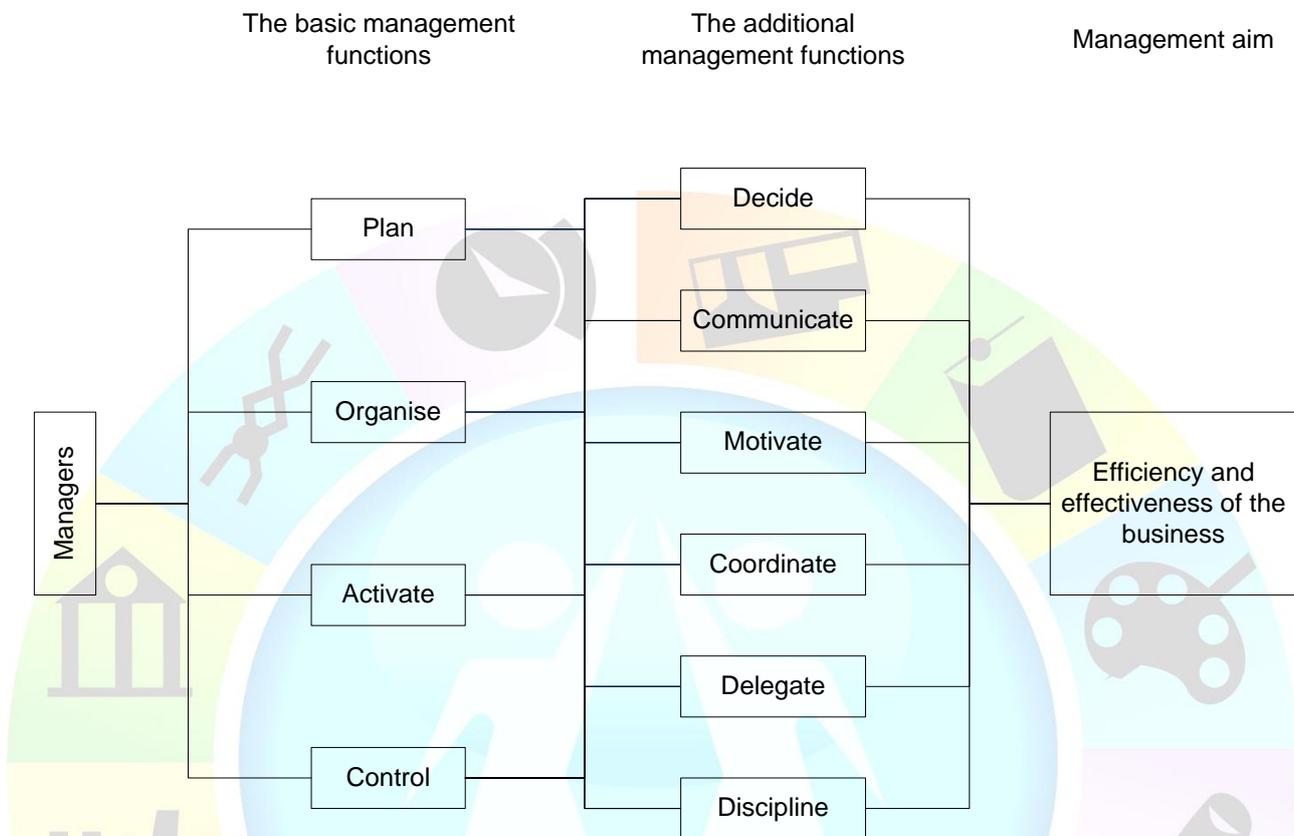
- ✓ Planning: the activities and resources of the department/section
- ✓ Organising: the resources of department/section
- ✓ Leading: human resources
- ✓ Controlling: checking to make sure that the work gets done

In addition to these functions management also carries out six additional management functions namely

- ✓ Decision-making
- ✓ Communication
- ✓ Motivation
- ✓ Coordination
- ✓ Delegation
- ✓ Discipline

The scope of these activities differs from top management to middle management and again from middle management to first level management (supervisor).

Managers use all the functions and resources in combination to deliver products or services.



We discussed the process of **planning**, including how to set goals and objectives. The difference between goals and objectives were explained and it was also stated that objectives should always be SMART. You were also introduced to different types of plans:

- ✓ Strategic plans: overall corporate planning. It relates to the general objectives of the organisation, the corporate mission, the present and proposed markets of the organisation, growth plans, divestment, acquisition or diversification
- ✓ Functional plans: Relate to a particular function such as marketing or production. Functional plans include operational and tactical plans. Tactical plans focus on specific areas of management such as marketing, financial, human resources, while operational plans are formulated by first level managers in consultation with middle management. These plans focus on carrying out tactical plans

The **organising** function of managers was discussed. A manager has to organise his section or department. He has to decide who is going to do what, which equipment and machinery must be used, what materials are going to be used, how soon must the task be done and to what standard must the job be done.

Plans have to be put into action. This is the purpose of the organising function of management. It has been said that organising is the process of allocation of resources

The importance of leadership was explained. **Leadership** is the process of directing people towards accomplishing certain goals. Leading people should bridge the gap between planning and actually achieving the objectives. It involves influencing, giving orders, motivating, conflict management and communicating. When you lead, you direct the activities and performance (in other words the work) of other people so that the objectives and goals of the organisation can be attained. You were also introduced to the components of leadership:

- ✓ authority
- ✓ delegation
- ✓ power

Two different leadership styles were explained: the managerial grid and the life cycle theory of leadership.

It was made clear that the process of **controlling** is very important. This is the process by which the plans and instructions are carried out and controlled and measured by means of feedback. This feedback is compared with what

was planned and any deviations from the original plan can be identified and the necessary corrective action can be taken to rectify the problem. You were introduced to a process of control that could be applied in the workplace.

You were introduced to the six additional management functions:

- ✓ We looked at the types of decisions that are made as well as a process of making decisions
- ✓ Communication was discussed in detail: the process and importance of communication; techniques to improve your communication skills; barriers to communication and intercultural communication were discussed.
- ✓ The importance of trust in the working environment was explained.
- ✓ We looked at how coordination takes place within departments and between departments so that the work efforts of individual employees and sections are harmonised. This enables the organisation to achieve its objectives.
- ✓ Motivation is concerned with encouraging employees to reach an acceptable level of performance – do their jobs to the best of their ability
- ✓ Delegation is the process of assigning tasks and activities to other people so that they know exactly what is expected of them and which resources they should use to do the work. The difference between authority, responsibility and accountability was explained.
- ✓ The purpose and importance of evaluation

We end this section with an end-of-training assessment to enable you to put together all the functions as they apply to an organisation.

## Formative assessment 17

### FORMATIVE ASSESSMENT

#### Formative assessment 1

In groups, discuss the business processes of your organisation. If you are not employed, use any organisation as an example.

#### Formative assessment 2

In your own words, describe the purpose of the following departments/functions in an organisation:

- ✓ Production
- ✓ Operations
- ✓ Purchasing
- ✓ Marketing
- ✓ Sales
- ✓ Finance
- ✓ Administration
- ✓ Human Resources
- ✓ Public Relations
- ✓ Quality Control

#### Formative assessment 3

In groups, discuss the resources used by your organisation. If you are not employed, use any other organisation such as KFC for your assessment.

- ✓ Name the resources that are used
- ✓ Explain how management can use these resources to the best advantage of the organisation
- ✓ Explain how employees can ensure that resources are not wasted but used for optimum benefit of the organisation

#### Formative assessment 4

In a group, answer the following self check questions

1. It appears that Alice lacks:
2. What are the implications of this for a company?

### 3. What are the implications of this for a manager?

In our excerpt from Alice in Wonderland, Lewis Carroll seems to capture the essence of goal setting. Alice lacks a clearly defined goal; therefore she could not decide which road she ought to take. Any organisation or individual who lacks goals will face the same dilemma. Given the choice of alternatives they won't be able to decide which road to take.

It is interesting that just about everything a person does in life, both at home and at work, is based on some goal or objective. Without them, life's activities would have little value or purpose.

## Formative assessment 5

Analyse the following objectives. Are they SMART?

1. To achieve customer satisfaction.
2. To produce acceptable machine outputs by 1 July.
3. Treble company profit in six years.
4. To understand what makes customers tick.
5. To increase the number of calls made per representative from the current six, to eight per day by June 30.

## Formative assessment 6

- ✓ Describe the planning function of a manager in your own words.
- ✓ Describe the organising function of a manager in your own words
- ✓ Describe the activating function of a manager in your own words
- ✓ Describe the controlling function of a manager in your own words

## Formative assessment 7

In your groups: discuss what has to be communicated in your section and how this communication usually takes place.

Find out about at least two cultures that are different from your own.

- ✓ Give two examples of how noise could affect communication between you and the other people.
- ✓ Give two examples of how you could use knowledge of the other person's culture to improve communication between yourselves.
- ✓ Give three examples of noise that can cause the message to be distorted or misinterpreted.
- ✓ What is the difference between interpersonal and intrapersonal communication?

## Formative assessment 8

Somewhere in your own personal experience someone you trusted broke your trust. Answer the following questions honestly:

- ✓ How did that make you feel?
- ✓ Was it easy to trust that person again?
- ✓ Was it easy to trust someone else after this experience?
- ✓ What could this person have done differently for you to trust this person?
- ✓ What have you learnt from this experience?
- ✓ Would you agree that this person broke your trust through communicating something about yourself to a third party?
- ✓ Would your bad experience help you not to do this to other people, especially someone who works in your department?

## Formative assessment 9

In a group, discuss what you think the above definition means.

In the workplace it means that the activities of employees, sections and departments affect each other and therefore also influence the obtaining of the goals and objectives of the organisation.

- ✓ If the finance section does not pay salaries on time, workers become unhappy and do not work to maximum capacity.
- ✓ If the different departments do not let finance know what the overtime hours were, employees will not be paid for overtime.

- ✓ If employees do not check their overtime records and hand to the supervisor on time, the department does not have the information required to give to the finance department.
- ✓ If the purchasing department does not order the correct raw materials on time, the production department cannot continue working and cannot meet their deadlines.
- ✓ If the production department or stores does not let purchasing know what is required until it is too late, purchasing cannot order the required materials for delivery on time.
- ✓ If the employee responsible for advising his supervisor that the stock of raw materials is running low, the supervisor cannot advise purchasing to order new stock.
- ✓ If the production department does not get the products out on time, sales cannot get orders out to the clients and clients can cancel their orders.
- ✓ If clients do not place orders anymore, there is no money coming into the business and then the business is in trouble.
- ✓ If the stationery department does not order photo copy paper or fax paper, nobody can make photo copies or send and receive faxes.
- ✓ If the person who used the last photo copy paper or inserted the last fax paper into the fax machine does not advise stationery department that the paper is finished, the stationery department will not know that they have to order more paper.

And so the list goes on and on and on of all the things that can go wrong because ONE PERSON did not do what he/she was supposed to do.

One of the main tasks of a first line manager is to ensure that he applies the coordinating function in his section in such a manner that his section runs smoothly at all times and that information is communicated to other departments in time so that those departments can run smoothly. The supervisor must also ensure that he gets the information he requires for the smooth running of his department from his employees and also from the other departments.

At any given time, a supervisor will work together with supervisors and managers of more than one other section and department. He will also coordinate the efforts of all the employees that fall under his control at the same time.

### Formative assessment 10

- ✓ In a group, discuss the following types of coordination and note your understanding of the type of coordination: Informal coordination, Programmed coordination
- ✓ In your own words, explain sequential interdependence.
- ✓ In your own words, explain reciprocal interdependence.

### Formative assessment 11

- ✓ In a group, discuss the factors that hinder coordination. Determine what you think you will be able to do to overcome these factors. Note your answers.
- ✓ Discuss the methods of improving coordination. Add suggestions of your own that might improve coordination. Note your answers.

### Formative assessment 12

- ✓ Describe the decision-making function of a manager in your own words
- ✓ Describe the communication function of a manager in your own words
- ✓ Describe the motivation function of a manager in your own words
- ✓ Describe the coordination function of a manager in your own words
- ✓ Describe the delegation function of a manager in your own words
- ✓ Describe the discipline function of a manager in your own words
- ✓ Explain how the planning function and decision-making go together when goals and objectives are set.
- ✓ Explain how the organising function and decision-making work together to ensure that the standards set by the organisation are met.
- ✓ Explain how leadership and communication work together to motivate staff to do the work according to the standards and within the time limits as dictated by goals and objectives.
- ✓ Explain how planning and communication work hand-in-hand to inform the relevant parties about decisions that were made and now have to be implemented. Also explain how delegation is also part of this process.
- ✓ How do the controlling function and discipline relate to each other?
- ✓ A lot has been said about management, their functions and responsibilities. In a group, discuss how management contributes to the success of an organisation.
- ✓ What do you think will happen if there was no management structure in an organisation and everyone was left to do their own thing without any control or measurement of their activities?

## Formative Assessment 13: Case Study 1

**A supervisor of a supermarket had just turned off the lights in the store, when a man appeared and demanded money. The supervisor opened the cash register. The contents of the cash register was scooped up and taken, and the man sped away.**

In a group, define the problem.

The story seems simple enough. But look at it very carefully.

Are the following statements true or false?

1. A man appeared after the owner had turned off his store lights.
2. The robber was a man.
3. While the cash register contained money, the story does not say how much.
4. The police were called in to investigate.
5. The man sped away with money taken from the cash register.

## Formative assessment 14

Refer back to Case Study 1 and your notes on that case study.

In a group, answer the following questions:

- ✓ List as many options (solutions) to the problem as you can.
- ✓ What are the likely end results of each of the above options?
- ✓ Which option seems to be the best from all angles? Motivate your answer.

## Formative assessment 15

Refer back to Case Study 1 and restate the problem.

To get the creative processes flowing, do the following exercises:

- ✓ Using the brainstorming technique, list as many uses for a paper clip as you can in two minutes. The facilitator will lead the discussion.
- ✓ Use mapping to link at least four uses.

Now, evaluate the possible courses of action.

- ✓ Advantages.
- ✓ Disadvantages.
- ✓ Duration.
- ✓ Effects.
- ✓ Which factors do you think influenced your decision?
- ✓

## Formative assessment 16

**Refer to Case Study 1**

- ✓ Determine who the stakeholders are that have to be consulted.
- ✓ Decide how long you will monitor the implementation of the solution.
- ✓ Decide how you will monitor the implementation.

## Formative assessment 17

In groups, do the following:

- ✓ Select an organisation to discuss. This may be the organisation you work for or any other organisation
- ✓ List the management functions and indicate who in the organisation is responsible for each function
- ✓ Develop an organogram of the organisation to explain how each management function is addressed in the organisation

Each group has to present their assessment to the rest of the class for discussion