

SOE Board Talk

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As stated in recent Board Talks, the topic of management is business critical, but is now so wide a topic that it is difficult to extract concise explanations that suitably illustrate its functionality. There are literally thousands of books and published works on the subject and board members and senior managers are encouraged to read widely to enhance knowledge and insights into the role of management.

This paper is taken from “**CliffsNotes – a study guide**” and is considered a very effective overview of the role of management.

It is true, also, there are some functions and processes performed by managers who will argue they are fundamental or in other cases optional to their role; similarly, other managers will argue with equal force such functions and processes are the domain of technical operators and not a management role. This subjectivity that creeps into managements’ role is largely a reflection of individual character (and skills and preferences) and also the culture of the organization.

All SOE Boards and managers are encouraged to debate the parameters of the role, so as to clarify expectations between Board and CEO, between CEO and senior managers reporting directly to the CEO and between other line managers and staff.

Please contact SOEMU if there are any concerns or clarifications needed.

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Functions of Managers

Managers just don't go out and haphazardly perform their responsibilities. Good managers discover how to master five basic functions: planning, organizing, staffing, leading, and controlling.

- **Planning:** This step involves mapping out exactly how to achieve a particular goal. Say, for example, that the organization's goal is to improve company sales. The manager first needs to decide which steps are necessary to accomplish that goal. These steps may include increasing advertising, inventory, and sales staff. These necessary steps are developed into a plan. When the plan is in place, the manager can follow it to accomplish the goal of

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- **Organizing:** After a plan is in place, a manager needs to organize her team and materials according to her plan. Assigning work and granting authority are two important elements of organizing.
- **Staffing:** After a manager discerns his area's needs, he may decide to beef up his staffing by recruiting, selecting, training, and developing employees. A manager in a large organization often works with the company's human resources department to accomplish this goal.
- **Leading:** A manager needs to do more than just plan, organize, and staff her team to achieve a goal. She must also lead. Leading involves motivating, communicating, guiding, and encouraging. It requires the manager to coach, assist, and problem solve with employees.
- **Controlling:** After the other elements are in place, a manager's job is not finished. He needs to continuously check results against goals and take any corrective actions necessary to make sure that his area's plans remain on track.

All managers at all levels of every organization perform these functions, but the amount of time a manager spends on each one depends on both the level of management and the specific organization.

Roles performed by managers

A manager wears many hats. Not only is a manager a team leader, but he or she is also a planner, organizer, cheerleader, coach, problem solver, and decision maker — all rolled into one. And these are just a few of a manager's roles.

In addition, managers' schedules are usually jam-packed. Whether they're busy with employee meetings, unexpected problems, or strategy sessions, managers often find little spare time on their calendars. (And that doesn't even include responding to e-mail!)

In his classic book, *The Nature of Managerial Work*, Henry Mintzberg describes a set of ten roles that a manager fills. These roles fall into three categories:

- **Interpersonal:** This role involves human interaction.
- **Informational:** This role involves the sharing and analyzing of information.
- **Decisional:** This role involves decision making.

The following Table contains a more in-depth look at each category of roles that help managers carry out all five functions described in the preceding "Functions of Managers" section.

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Mintzberg's Set of Ten Roles

Category	Role	Activity
Informational	Monitor	Seek and receive information; scan periodicals and reports; maintain personal contact with stakeholders
	Disseminator	Forward information to organization members via messages, reports, and phone calls
	Spokesperson	Transmit information to outsiders via reports, messages, and speeches
Interpersonal	Figurehead	Perform ceremonial and symbolic duties, such as greeting visitors and signing legal documents
	Leader	Direct and motivate subordinates; counsel and communicate with subordinates
	Liaison	Maintain information links both inside and outside organization via mail, phone calls, and meetings
Decisional	Entrepreneur	Indicate improvement projects; identify new ideas and delegate idea responsibility to others
	Disturbance Handler	Take corrective action during disputes or crises; resolve conflicts among subordinates; adapt to environments
	Resource Allocator	Decide who gets resources; prepare budgets; set schedules and determine priorities
	Negotiator	Represent department during negotiations of union contracts, sales, purchases, and budgets

Not everyone can be a manager. Certain **skills**, or abilities to translate knowledge into action that results in desired performance, are required to help other employees become more productive. These skills fall under the following categories:

- **Technical:** This skill requires the ability to use a special proficiency or expertise to perform particular tasks. Accountants, engineers, market researchers, and computer scientists, as examples, possess technical skills. Managers acquire these skills initially through formal education and then further develop them through training and job experience. Technical skills are most important at lower levels of management.

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- **Human:** This skill demonstrates the ability to work well in cooperation with others. Human skills emerge in the workplace as a spirit of trust, enthusiasm, and genuine involvement in interpersonal relationships. A manager with good human skills has a high degree of self-awareness and a capacity to understand or empathize with the feelings of others. Some managers are naturally born with great human skills, while others improve their skills through classes or experience. No matter how human skills are acquired, they're critical for all managers because of the highly interpersonal nature of managerial work.
- **Conceptual:** This skill calls for the ability to think analytically. Analytical skills enable managers to break down problems into smaller parts, to see the relations among the parts, and to recognize the implications of any one problem for others. As managers assume ever-higher responsibilities in organizations, they must deal with more ambiguous problems that have long-term consequences. Again, managers may acquire these skills initially through formal education and then further develop them by training and job experience. The higher the management level, the more important conceptual skills become.

Business and management educators are increasingly interested in helping people acquire technical, human, and conceptual skills, and develop specific competencies, or specialized skills, that contribute to high performance in a management job. Following are some of the skills and personal characteristics that the American Assembly of Collegiate Schools of Business (AACSB) is urging business schools to help their students develop.

- **Leadership** — ability to influence others to perform tasks
- **Self-objectivity** — ability to evaluate yourself realistically
- **Analytic thinking** — ability to interpret and explain patterns in information
- **Behavioral flexibility** — ability to modify personal behavior to react objectively rather than subjectively to accomplish organizational goals
- **Oral communication** — ability to express ideas clearly in words
- **Written communication** — ability to express ideas clearly in writing
- **Personal impact** — ability to create a good impression and instill confidence
- **Resistance to stress** — ability to perform under stressful conditions
- **Tolerance for uncertainty** — ability to perform in ambiguous situations

Best of luck this week in the boardroom

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